PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
December 6, 2024

The Council of Park City, Utah, will hold a special meeting in person at the Marsac Municipal Building, City Council Chambers, at 445 Marsac Avenue, Park City, Utah 84060. Meetings will also be available online and may have options to listen, watch, or participate virtually. Click here for more information.

Zoom Link: https://us02web.zoom.us/j/86132533172

CLOSED SESSION - 10:00 a.m.

The Council may consider a motion to enter into a closed session for specific purposes allowed under the Open and Public Meetings Act (Utah Code § 52-4-205), including to discuss the purchase, exchange, lease, or sale of real property; litigation; the character, competence, or fitness of an individual; for attorney-client communications (Utah Code section 78B-1-137); or any other lawful purpose.

SPECIAL MEETING - 11:00 a.m.

I. ROLL CALL

II. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments

Staff Communications Report

1. September Sales Tax and October Budget Monitoring Report

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

IV. WORK SESSION

11:00 a.m. - Re-Create 248: Transit Study Purpose and Needs Screening

11:45 a.m. - Break

12:15 p.m. - Bus Rapid Transit (BRT) Discussion - Continued from the November 18, 2024 Joint City and County Council Meeting

V. NEW BUSINESS

1. Discuss Treasure Hill Conservation Easement
(A) Public Input

VI. ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting.

***Parking is available at no charge for Council meeting attendees who park in the China Bridge parking structure.**

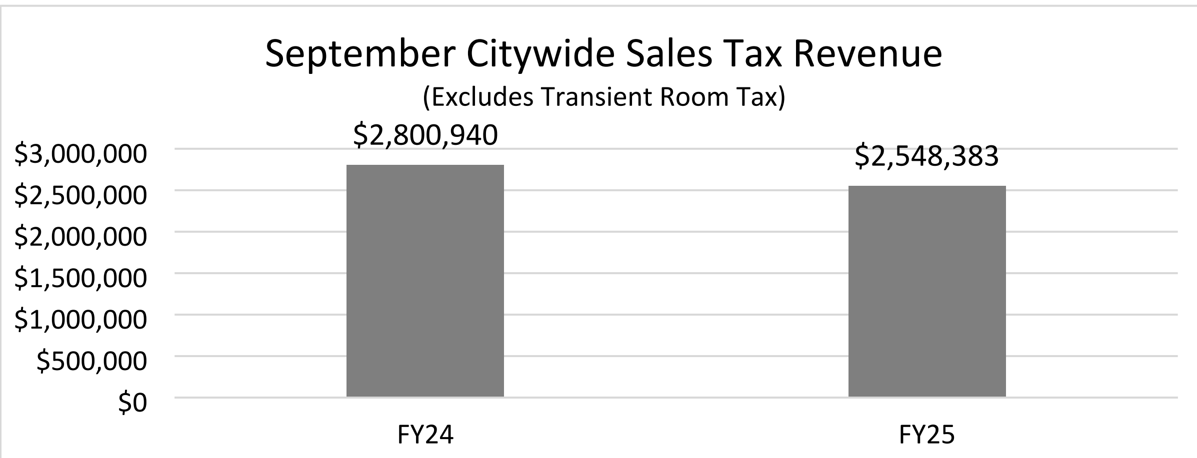
Staff Communication

Subject: September Sales Tax & October Budget Report
Author: Budget Team
Department: Budget
Date: December 12, 2024

September Sales Tax Update

The City's sales taxes, excluding Transient Room taxes, decreased by 9% (-$252,557) compared to September 2023. The September results essentially wiped out the gains made from the first two months of the 2025 fiscal year.

Through the first quarter of fiscal year 2025, citywide sales tax revenues are up 1.1% ($87,137) from last year.



These effects translated into a decrease of 5.5% (-$80,390) from the planned General Fund budget. In terms of year-over-year sales tax revenue, the General Fund has outperformed last year by 1.25% ($23,070). Trends in the City's Capital and Transportation Funds, which also receive sales tax revenues, broadly mirrored the trends seen in the General Fund.

On the lodging front, influenced by decreased September occupancy rates, the Transient Room tax revenue decreased slightly more than other sales taxes, down 10.85% (-$22,110) compared to last year. However, fiscal year 2025 first-quarter revenues outperformed last year, up 1.74% ($10,690).

September had general consumer spending malaise. Consumer confidence was down, Visa credit card transactions were down, visitor cell phone impressions were down, and nightly rentals were down. Additionally, there were 14 Fridays, Saturdays, and Sundays combined in September 2023, while there were 13 in 2024.

Looking ahead, we continue collaborating with the PC Chamber of Commerce to regularly assess a range of global, national, and local economic indicators, including consumer spending patterns and tourism activity. This ongoing analysis will help ensure that our fiscal year 2025 budget and revenue forecasts align with current economic trends and that any proactive adjustments can be made accordingly.

October State Compliance Monthly Budget Reporting

The attachments to this report show monthly revenue and expenditure reports detailed by fund and major object type. In some cases, there may be discrepancies in Year-To-Date actuals vs. estimated budges due to program seasonality, the timing of payments, capital projects, and bond transactions.

Observations:

Revenues

- Property taxes are tracking above the monthly estimated budget due to a small payment in October. We budget the bulk of this revenue in December and January.
- Planning, Building, and Engineering fees in all funds are tracking above budget due to a large multi-unit, multi-level project. We intentionally budget conservatively for Planning, Building, and Engineering fees each year because this is an unpredictable and inconsistent revenue stream.
- Mainly due to program seasonality, the Ice Arena is tracking below the estimated monthly budget but above previous years. We will continue to monitor as the year progresses.
- Golf fees are tracking 21% over the FY25 estimated monthly budget and above previous years.
- Miscellaneous Revenue is tracking below the estimated monthly budget in various funds due to the timing of booking interest earnings, rental revenue and miscellaneous income. We expect this to true up as the year progresses.
- Parking revenues are below budget and FY24 due to free parking during the water improvement projects.

Expenditures

- Utility and Interfund Transfer budgets will true up as the year progresses.
- Seasonality impacts funds such as Stormwater and Golf, where spending is minimal at this time of year but will ramp up in the Spring.
- Variances in capital expenditures in various funds due to project timelines, invoicing, completion dates, and carry-forward amounts.
- Excluding bond transactions, debt service, and capital, we are within 5% of the monthly estimated budget.

Moody's Ratings Affirms Park City Credit Rating

On a positive note, on November 12, 2024, Moody's Ratings affirmed its 'Aaa' credit rating for Park City's General Obligation Bonds unlimited tax and 'Aa2' for the Water Revenue Bond. The 3kings Water Treatment Plant began treating drinking water in June 2024 to comply with state and federal water quality standards. The City is quite pleased with the quality and reliability of the current water supply, which reflects the significant efforts and dedication demonstrated by our water enterprise over the past ten years. Consequently, we do not plan to borrow for additional water capital projects in the next few years. Similarly, the general fund does not anticipate borrowing in the next year.

Overall, the reaffirmation of the Aaa rating reflects Park City's impressive economic metrics, with a per capita of over $3 million and liquidity at 121% of operating revenues. The Aa2 revenue rating for the water enterprise reflects solid liquidity and the 47-year lifespan of the new water plant. Annual debt service coverage has fluctuated over the past several years, declining in fiscal 2023 to a low of 1.26x. However, with adjusted rates and other revenue-raising initiatives, coverage reportedly increased to 1.75x in fiscal 2024 (unaudited). See Exhibit D for Moody's Credit Opinion analysis release. Moody's indicated no concerns regarding our economically sensitive taxes, such as sales, resort, and transient room taxes, since none of these declined during the pandemic, highlighting Park City's desirability as a tourist destination and secondary home market.

Exhibit A: FY25 September Sales Tax

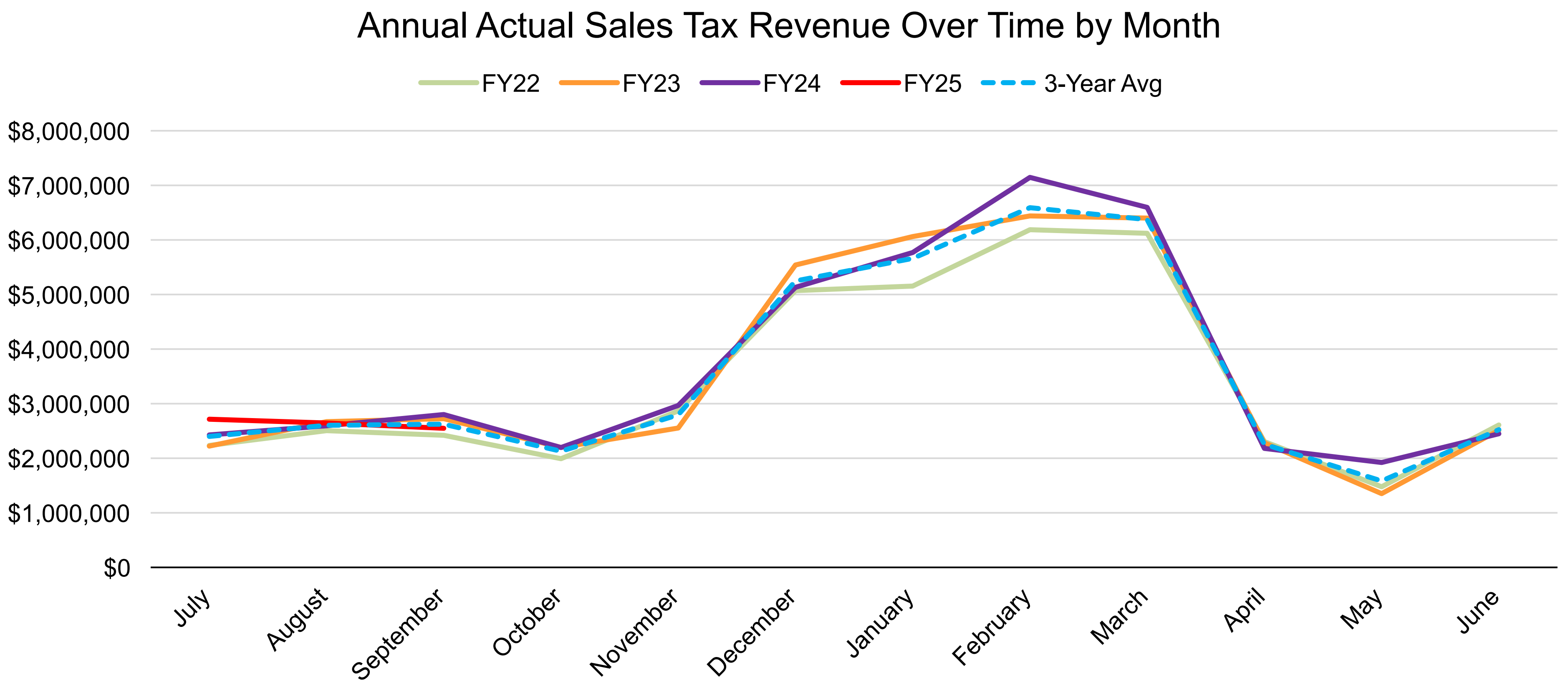
Exhibit B: Revenue Summary by Object and Type

Exhibit C: Expense Summary by Object and Type

Exhibit D: Moody's Ratings Credit Opinion

September Sales Tax Appendix

Sales Tax Revenues



Source: Park City Municipal Corporation. As of November 2024. Note: Excludes Transient Room Tax..

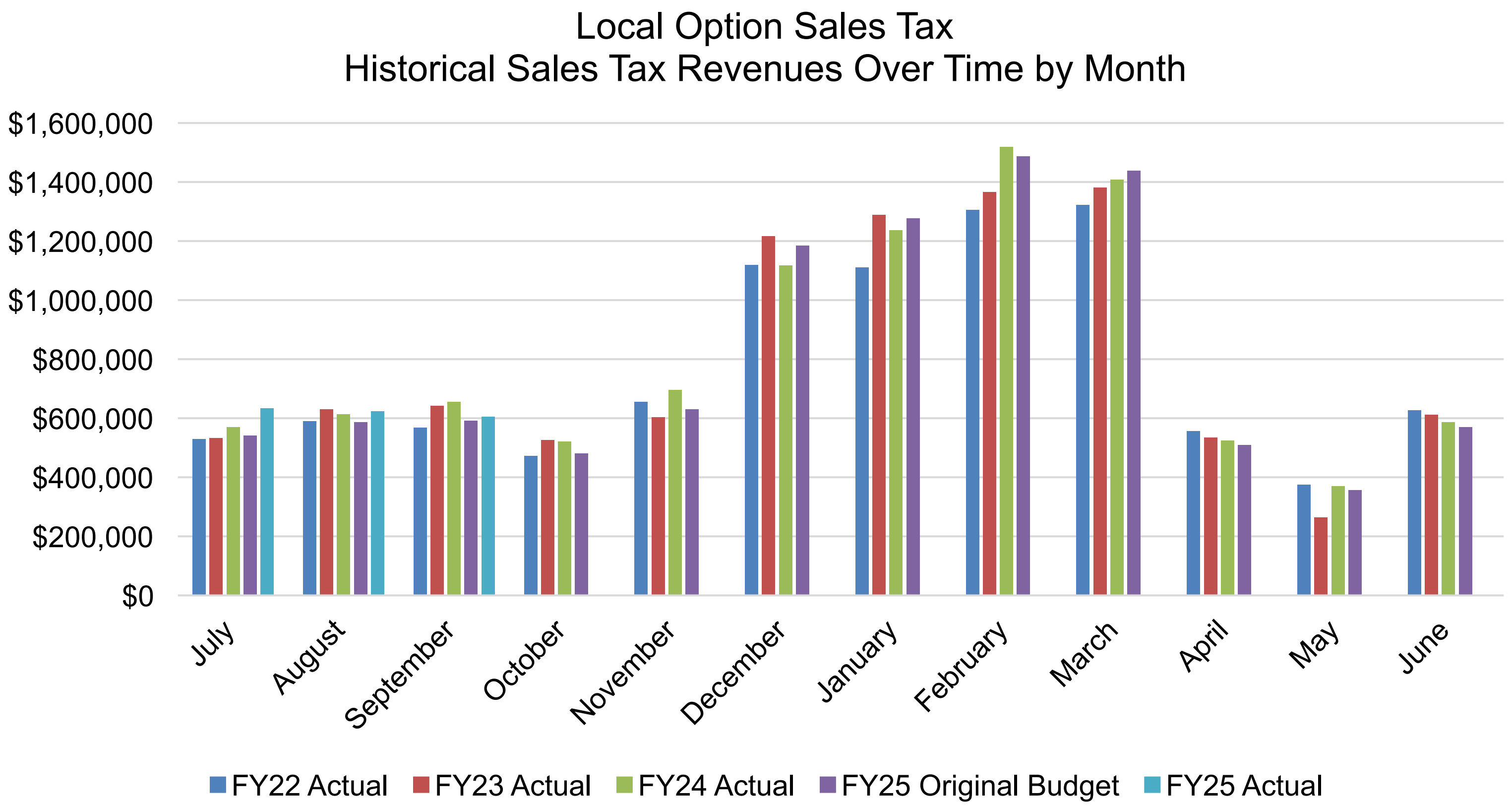
Local Option Sales Tax

Local Option Sales Tax - Monthly							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$529,671	$532,806	$570,791	$541,402	$634,037	11.08%	17.11%
August	$589,690	$631,245	$612,827	$587,492	$623,012	1.66%	6.05%
September	$569,012	$641,829	$655,342	$591,924	$604,981	-7.68%	2.21%
October	$473,070	$526,872	$521,364	$480,246	$0	-100.00%	-100.00%
November	$655,496	$603,371	$695,129	$630,815	$0	-100.00%	-100.00%
December	$1,119,655	$1,216,593	$1,116,760	$1,184,010	$0	-100.00%	-100.00%
January	$1,110,233	$1,288,403	$1,236,790	$1,277,425	$0	-100.00%	-100.00%
February	$1,305,827	$1,366,459	$1,518,413	$1,487,059	$0	-100.00%	-100.00%
March	$1,323,165	$1,380,769	$1,408,614	$1,437,813	$0	-100.00%	-100.00%
April	$556,420	$534,284	$525,152	$508,886	$0	-100.00%	-100.00%
May	$375,382	$264,260	$370,168	$357,240	$0	-100.00%	-100.00%
June	$626,591	$611,246	$586,773	$569,332	$0	-100.00%	-100.00%
Total	**$9,234,210**	**$9,598,138**	**$9,818,123**	**$9,653,643**	**$1,862,030**	**-81.03%**	**-80.71%**

Local Option Sales Tax - Culmulative							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$529,671	$532,806	$570,791	$541,402	$634,037	11.08%	17.11%
August	$1,119,361	$1,164,051	$1,183,618	$1,128,894	$1,257,049	6.20%	11.35%
September	$1,688,373	$1,805,880	$1,838,960	$1,720,818	$1,862,030	1.25%	8.21%
October	$2,161,443	$2,332,752	$2,360,324	$2,201,064	$0	-100.00%	-100.00%
November	$2,816,939	$2,936,124	$3,055,453	$2,831,878	$0	-100.00%	-100.00%
December	$3,936,593	$4,152,716	$4,172,213	$4,015,888	$0	-100.00%	-100.00%
January	$5,046,826	$5,441,119	$5,409,003	$5,293,314	$0	-100.00%	-100.00%
February	$6,352,653	$6,807,579	$6,927,416	$6,780,373	$0	-100.00%	-100.00%
March	$7,675,818	$8,188,348	$8,336,030	$8,218,185	$0	-100.00%	-100.00%
April	$8,232,238	$8,722,631	$8,861,182	$8,727,071	$0	-100.00%	-100.00%
May	$8,607,619	$8,986,891	$9,231,350	$9,084,311	$0	-100.00%	-100.00%
June	$9,234,210	$9,598,138	$9,818,123	$9,653,643	$0	-100.00%	-100.00%

Source: Park City Municipal Corporation. As of November 2024.

Local Option Sales Tax



Source: Park City Municipal Corporation. As of November 2024.

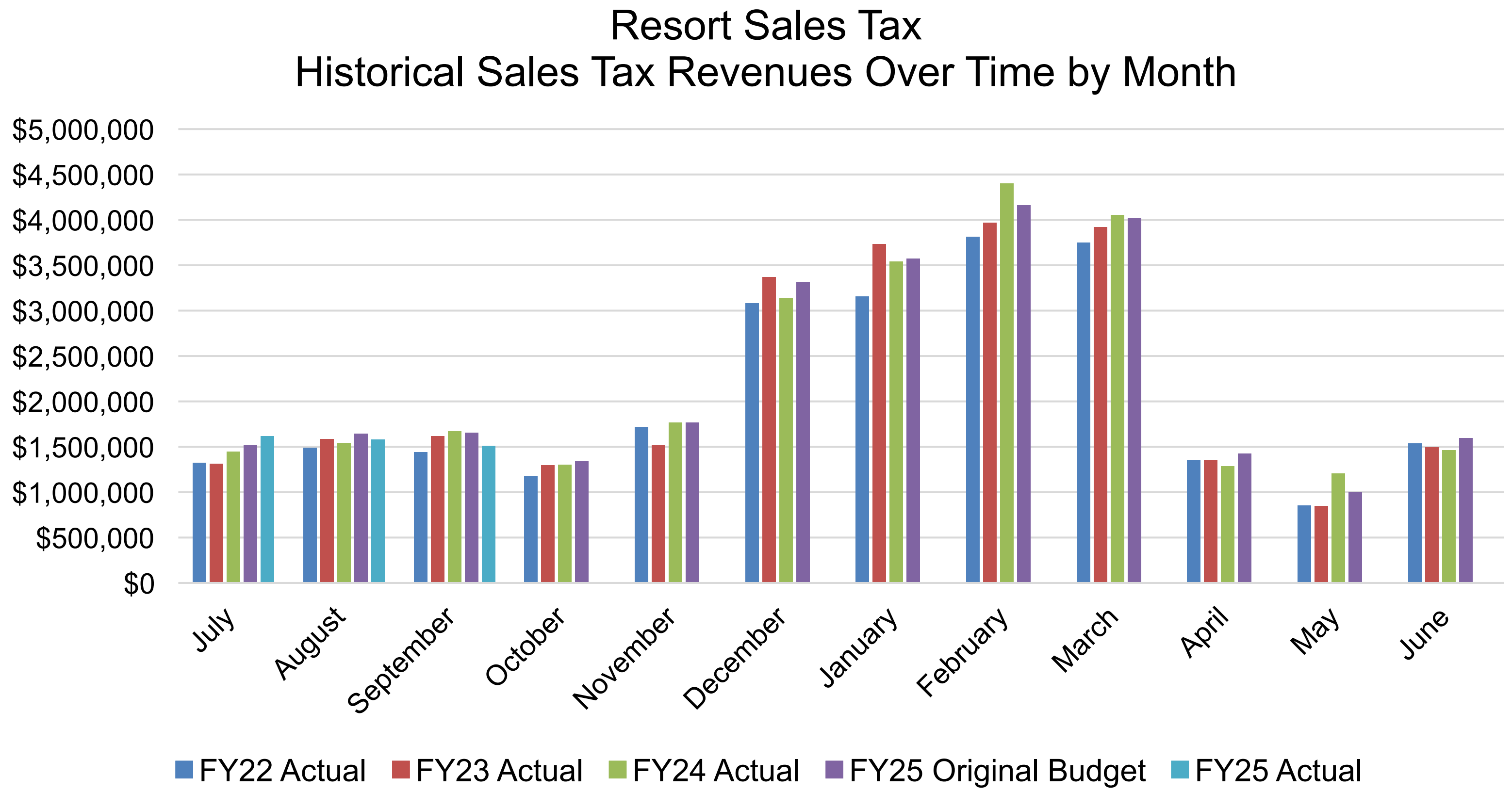
Resort Sales Tax

Resort Sales Tax - Monthly							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$1,324,191	$1,312,332	$1,442,948	$1,514,924	$1,618,474	12.2%	6.84%
August	$1,486,151	$1,586,065	$1,541,605	$1,643,893	$1,580,122	2.50%	-3.88%
September	$1,439,786	$1,615,491	$1,668,124	$1,656,293	$1,508,595	-9.56%	-8.92%
October	$1,177,422	$1,296,056	$1,299,701	$1,343,802	$0	-100.00%	-100.00%
November	$1,717,615	$1,512,524	$1,764,089	$1,765,116	$0	-100.00%	-100.00%
December	$3,082,526	$3,368,390	$3,140,247	$3,313,041	$0	-100.00%	-100.00%
January	$3,157,600	$3,729,527	$3,538,256	$3,574,431	$0	-100.00%	-100.00%
February	$3,812,931	$3,965,502	$4,397,749	$4,161,018	$0	-100.00%	-100.00%
March	$3,746,856	$3,920,247	$4,053,790	$4,023,219	$0	-100.00%	-100.00%
April	$1,354,702	$1,356,848	$1,283,854	$1,423,939	$0	-100.00%	-100.00%
May	$849,574	$844,454	$1,202,996	$999,611	$0	-100.00%	-100.00%
June	$1,538,289	$1,491,338	$1,462,232	$1,593,079	$0	-100.00%	-100.00%
Total	**$24,687,643**	**$25,998,774**	**$26,795,590**	**$27,012,364**	**$4,707,191**	**-82.43%**	**-82.57%**

Resort Sales Tax - Culmulative							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$1,324,191	$1,312,332	$1,442,948	$1,514,924	$1,618,474	12.16%	6.84%
August	$2,810,341	$2,898,396	$2,984,553	$3,158,817	$3,198,596	7.17%	1.26%
September	$4,250,127	$4,513,887	$4,652,677	$4,815,110	$4,707,191	1.17%	-2.24%
October	$5,427,549	$5,809,943	$5,952,378	$6,158,912	$0	-100.00%	-100.00%
November	$7,145,164	$7,322,467	$7,716,467	$7,924,027	$0	-100.00%	-100.00%
December	$10,227,690	$10,690,858	$10,856,714	$11,237,068	$0	-100.00%	-100.00%
January	$13,385,290	$14,420,385	$14,394,970	$14,811,499	$0	-100.00%	-100.00%
February	$17,198,221	$18,385,887	$18,792,719	$18,972,516	$0	-100.00%	-100.00%
March	$20,945,078	$22,306,135	$22,846,508	$22,995,735	$0	-100.00%	-100.00%
April	$22,299,780	$23,662,982	$24,130,362	$24,419,674	$0	-100.00%	-100.00%
May	$23,149,354	$24,507,436	$25,333,358	$25,419,285	$0	-100.00%	-100.00%
June	$24,687,643	$25,998,774	$26,795,590	$27,012,364	$0	-100.00%	-100.00%

Source: Park City Municipal Corporation. As of November 2024.

Resort Sales Tax



Source: Park City Municipal Corporation. As of November 2024.

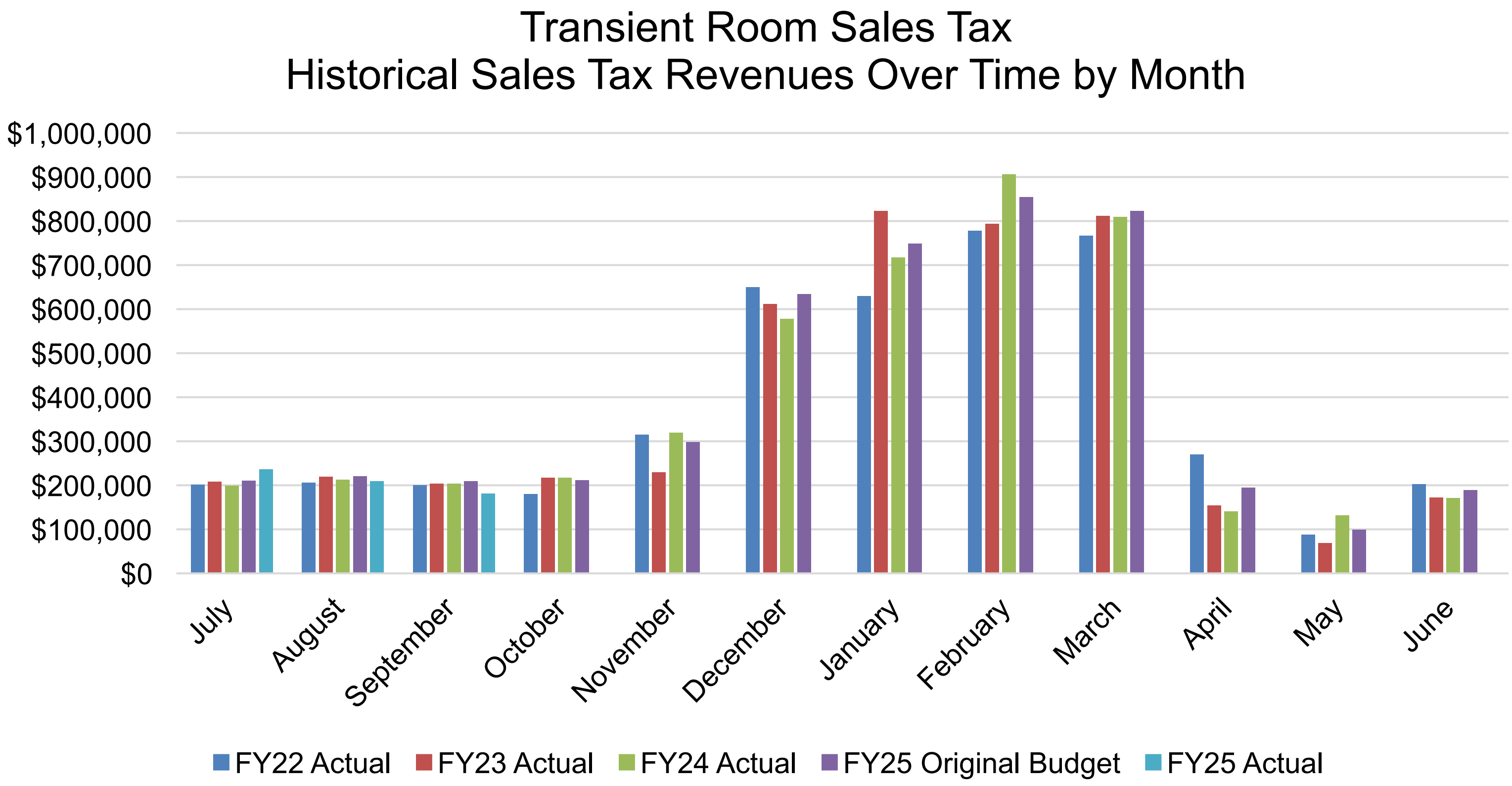
Transient Room Tax

Transient Room Sales Tax - Monthly							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$201,780	$207,936	$199,624	$210,132	$236,013	18.23%	12.32%
August	$206,192	$219,874	$212,683	$220,274	$209,093	-1.69%	-5.08%
September	$200,321	$203,178	$203,721	$209,401	$181,611	-10.85%	-13.27%
October	$179,897	$217,406	$217,701	$212,085	$0	-100.00%	-100.00%
November	$315,172	$229,493	$319,441	$297,988	$0	-100.00%	-100.00%
December	$650,240	$611,583	$577,710	$634,366	$0	-100.00%	-100.00%
January	$630,062	$823,076	$717,139	$748,424	$0	-100.00%	-100.00%
February	$778,153	$793,379	$906,424	$854,527	$0	-100.00%	-100.00%
March	$767,199	$811,367	$809,258	$823,445	$0	-100.00%	-100.00%
April	$270,230	$154,497	$141,257	$195,180	$0	-100.00%	-100.00%
May	$87,896	$69,124	$132,111	$99,707	$0	-100.00%	-100.00%
June	$203,021	$172,713	$171,123	$188,585	$0	-100.00%	-100.00%
Total	**$4,490,163**	**$4,513,625**	**$4,608,192**	**$4,694,114**	**$626,717**	**-86.40%**	**-86.65%**

Transient Room Sales Tax - Culmulative							
Month	**FY22 Actual**	**FY23 Actual**	**FY24 Actual**	**FY25 Original Budget**	**FY25 Actual**	**FY25 v FY24, % Variance**	**Actuals vs Budget**
July	$201,780	$207,936	$199,624	$210,132	$236,013	18.23%	12.32%
August	$407,972	$427,810	$412,307	$430,405	$445,106	7.96%	3.42%
September	$608,293	$630,988	$616,027	$639,806	$626,717	1.74%	-2.05%
October	$788,190	$848,393	$833,728	$851,891	$0	-100.00%	-100.00%
November	$1,103,363	$1,077,886	$1,153,169	$1,149,880	$0	-100.00%	-100.00%
December	$1,753,602	$1,689,469	$1,730,880	$1,784,246	$0	-100.00%	-100.00%
January	$2,383,664	$2,512,545	$2,448,018	$2,532,669	$0	-100.00%	-100.00%
February	$3,161,817	$3,305,925	$3,354,443	$3,387,196	$0	-100.00%	-100.00%
March	$3,929,016	$4,117,292	$4,163,701	$4,210,642	$0	-100.00%	-100.00%
April	$4,199,246	$4,271,788	$4,304,958	$4,405,822	$0	-100.00%	-100.00%
May	$4,287,142	$4,340,912	$4,437,069	$4,505,529	$0	-100.00%	-100.00%
June	$4,490,163	$4,513,625	$4,608,192	$4,694,114	$0	-100.00%	-100.00%

Source: Park City Municipal Corporation. As of November 2024.

Transient Room Tax



Source: Park City Municipal Corporation. As of November 2024.

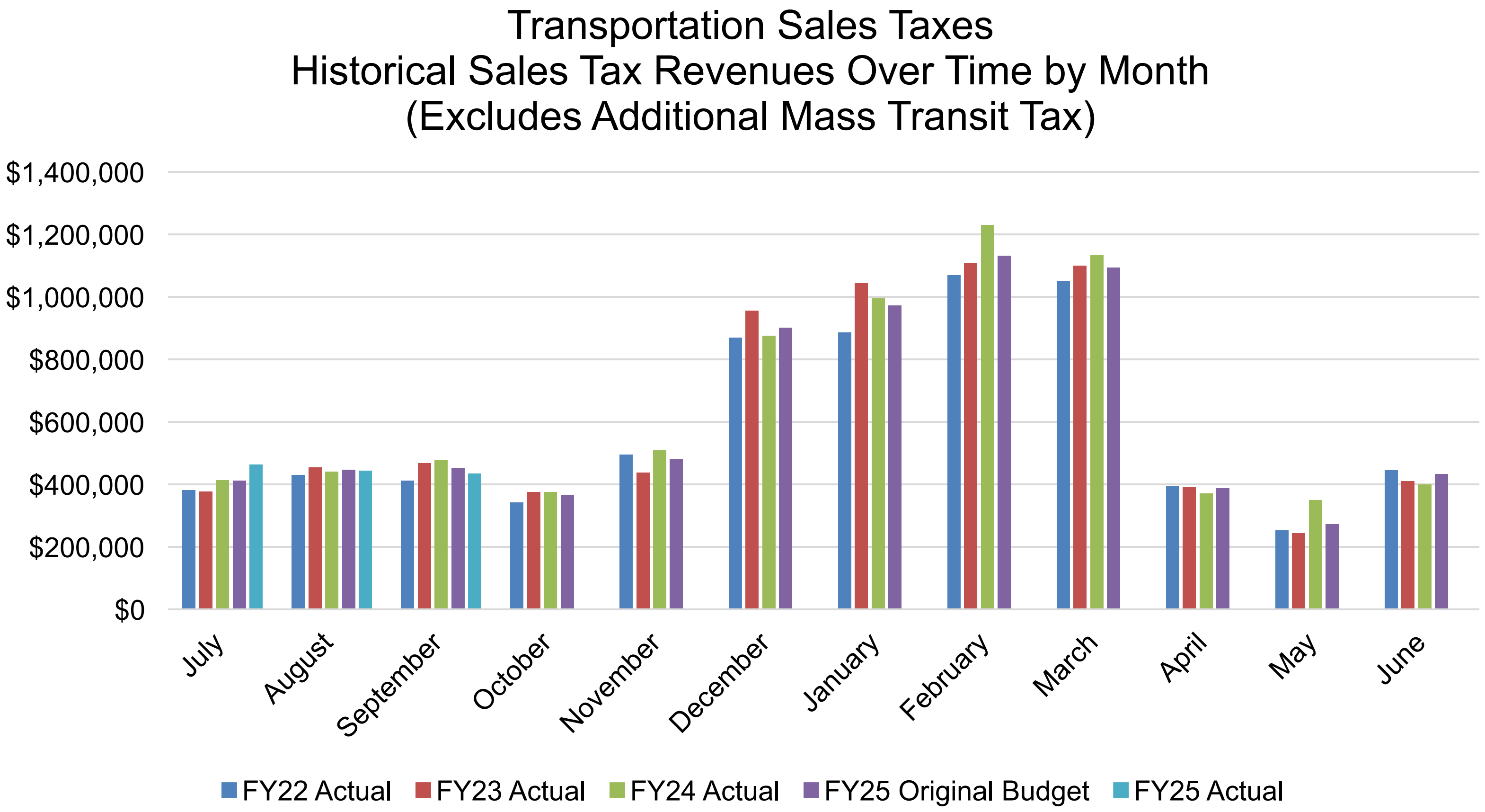
Transportation Sales Taxes

Transportation Sales Taxes - Monthly							
Month	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Original Budget	FY25 Actual	FY25 v FY24, % Variance	Actuals vs Budget
July	$380,466	$377,116	$413,216	$411,711	$462,510	11.93%	12.34%
August	$429,532	$453,180	$439,674	$446,760	$442,599	0.67%	-0.93%
September	$411,403	$467,427	$477,474	$450,130	$434,807	-8.94%	-3.40%
October	$341,061	$375,061	$375,137	$365,205	$0	-100.00%	-100.00%
November	$494,289	$437,648	$507,667	$479,705	$0	-100.00%	-100.00%
December	$868,834	$955,716	$874,845	$900,384	$0	-100.00%	-100.00%
January	$886,424	$1,043,825	$994,634	$971,422	$0	-100.00%	-100.00%
February	$1,068,449	$1,107,890	$1,229,933	$1,130,839	$0	-100.00%	-100.00%
March	$1,051,270	$1,099,522	$1,134,098	$1,093,389	$0	-100.00%	-100.00%
April	$393,681	$390,607	$371,011	$386,984	$0	-100.00%	-100.00%
May	$252,065	$242,686	$348,567	$271,664	$0	-100.00%	-100.00%
June	$444,710	$409,441	$399,687	$432,951	$0	-100.00%	-100.00%
Total	**$7,022,185**	**$7,360,119**	**$7,565,943**	**$7,341,144**	**$1,339,916**	**-82.29%**	**-81.75%**

Transportation Sales Taxes - Culmulative							
Month	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Original Budget	FY25 Actual	FY25 v FY24, % Variance	Actuals vs Budget
July	$380,466	$377,116	$413,216	$411,711	$462,510	11.93%	12.34%
August	$809,998	$830,296	$852,890	$858,471	$905,110	6.12%	5.43%
September	$1,221,401	$1,297,723	$1,330,364	$1,308,601	$1,339,916	0.72%	2.39%
October	$1,562,462	$1,672,784	$1,705,501	$1,673,806	$0	-100.00%	-100.00%
November	$2,056,751	$2,110,432	$2,213,168	$2,153,511	$0	-100.00%	-100.00%
December	$2,925,585	$3,066,148	$3,088,013	$3,053,895	$0	-100.00%	-100.00%
January	$3,812,009	$4,109,973	$4,082,647	$4,025,318	$0	-100.00%	-100.00%
February	$4,880,458	$5,217,863	$5,312,580	$5,156,156	$0	-100.00%	-100.00%
March	$5,931,728	$6,317,384	$6,446,678	$6,249,546	$0	-100.00%	-100.00%
April	$6,325,409	$6,707,992	$6,817,689	$6,636,529	$0	-100.00%	-100.00%
May	$6,577,475	$6,950,678	$7,166,256	$6,908,193	$0	-100.00%	-100.00%
June	$7,022,185	$7,360,119	$7,565,943	$7,341,144	$0	-100.00%	-100.00%

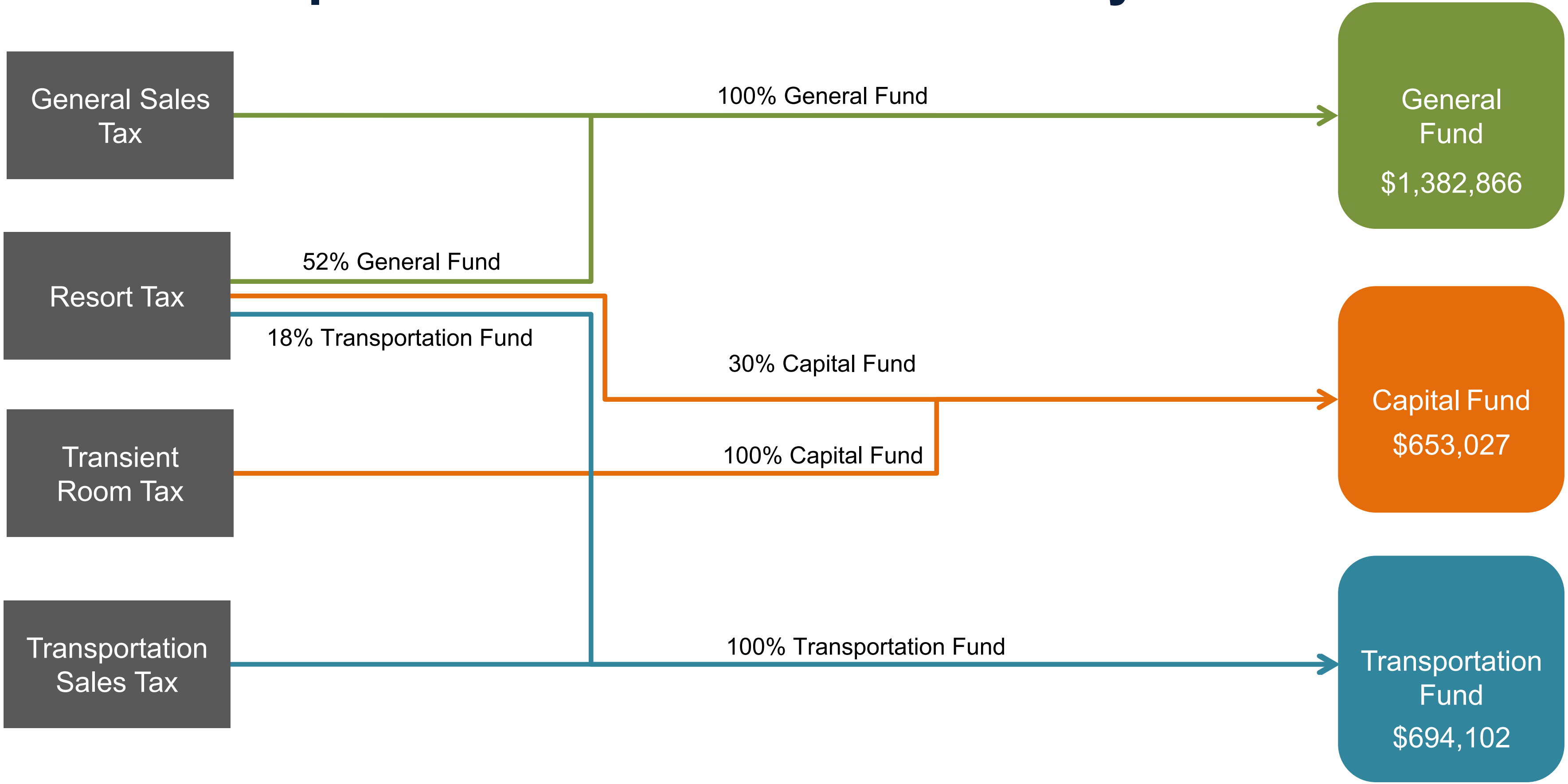
Source: Park City Municipal Corporation. As of November 2024. Note: Transportation Sales Tax does not include the Additional Mass Transit Tax.

Transportation Sales Taxes



Source: Park City Municipal Corporation. As of November 2024. Note: Transportation Sales Tax does not include the Additional Mass Transit Tax.

September Sales Tax Revenue by Fund



Source: Park City Municipal Corporation. As of November 2024.

FY25 Revenue - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
- 011 GENERAL FUND							
Property Taxes	73,484	119,124	583,799	136,045	447,755	329%	14,141,021
Sales Tax	2,658,479	2,722,598	2,906,339	2,892,117	14,223	0%	20,439,133
Franchise Tax	357,737	494,046	641,514	579,507	62,007	11%	4,782,816
Licenses	241,209	282,157	284,328	302,597	-18,269	-6%	464,017
Planning Building & Engineering Fees	2,604,133	2,792,020	4,556,432	3,477,371	1,079,061	31%	6,449,807
Special Event Fees	30,128	27,840	92,351	24,114	68,236	283%	151,623
Federal Revenue	11,750	9,500		17,258	-17,258	-100%	44,489
State Revenue							64,957
County/SP District Revenue	15,000			3,472	-3,472	-100%	10,415
Cemetery Charges for Services	9,134	13,553	10,144	23,463	-13,320	-57%	61,817
Recreation	816,552	802,654	966,862	845,615	121,247	14%	2,856,490
Other Service Revenue	17,321	22,312	20,957	27,082	-6,125	-23%	95,595
Library Fees	5,106	6,233	6,724	7,447	-722	-10%	22,552
Misc. Revenues	125,673	42,255	44,175	507,697	-463,521	-91%	1,638,768
Interfund Transactions (Admin)	886,668	986,536	986,536	1,399,264	-412,728	-29%	4,197,778
Special Revenues & Resources	505,529	150,500	770	499	271	54%	70,661
Total 011 GENERAL FUND	8,357,903	8,471,327	11,100,931	10,243,547	857,384	8%	55,491,939
- 012 QUINNS RECREATION COMPLEX							
County/SP District Revenue				1,282	-1,282	-100%	3,845
Recreation	6,049	938	7,726	2,295	5,431	237%	6,944
Ice	243,347	270,117	348,366	352,067	-3,701	-1%	1,276,867
Misc. Revenues	-5	7	9		9		1,386
Total 012 QUINNS RECREATION COMPLEX	249,391	271,062	356,101	355,643	458	0%	1,289,042
- 022 DRUG CONFISCATIONS							
State Revenue			7,636		7,636		11,035
Total 022 DRUG CONFISCATIONS			7,636		7,636		11,035
- 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND							
Property Taxes	1,995	22,527	6,531	21,306	-14,775	-69%	5,168,834
Misc. Revenues				44,667	-44,667	-100%	134,000
Total 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND	1,995	22,527	6,531	65,973	-59,441	-90%	5,302,834
- 024 MAIN STREET RDA SPECIAL REVENUE FUND							
Property Taxes	341	1,407	1,691	5,603	-3,912	-70%	11,319
Misc. Revenues				14,667	-14,667	-100%	44,000
Total 024 MAIN STREET RDA SPECIAL REVENUE FUND	341	1,407	1,691	20,269	-18,579	-92%	55,319
- 031 CAPITAL IMPROVEMENT FUND							
Sales Tax	1,333,635	1,344,886	1,444,649	2,459,887	-1,015,238	-41%	16,184,158
Planning Building & Engineering Fees	413,670	274,133	1,310,341	296,360	1,013,980	342%	405,471
Federal Revenue				925	-925	-100%	2,774
State Revenue	60,520	194,014	213,024	182,232	30,792	17%	542,060
County/SP District Revenue	35,000	274,500	3,914	9,831	-5,917	-60%	1,001,879
Misc. Revenues	48,428	107,230	167,907	192,176	-24,269	-13%	4,890,066
Special Revenues & Resources	77,079	3,864	101,295	4,576	96,719	2114%	414,185

FY25 Revenue - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
Total 031 CAPITAL IMPROVEMENT FUND	1,968,331	2,198,627	3,241,131	3,145,987	95,144	3%	23,440,593
- 033 REDEVELOPMENT AGENCY-LOWER PRK							
Misc. Revenues				45,667	-45,667	-100%	137,000
Interfund Transactions (CIP/Debt)	1,030,844	1,030,844	1,030,844	1,030,840	4	0%	3,092,532
Total 033 REDEVELOPMENT AGENCY-LOWER PRK	1,030,844	1,030,844	1,030,844	1,076,507	-45,663	-4%	3,229,532
- 034 REDEVELOPMENT AGENCY-MAIN ST							
Misc. Revenues				31,333	-31,333	-100%	94,000
Interfund Transactions (CIP/Debt)	233,332				0		
Total 034 REDEVELOPMENT AGENCY-MAIN ST	233,332			31,333	-31,333	-100%	94,000
- 035 BUILDING AUTHORITY							
Misc. Revenues				118,333	-118,333	-100%	355,000
Total 035 BUILDING AUTHORITY				118,333	-118,333	-100%	355,000
- 038 EQUIPMENT REPLACEMENT CIP							
Misc. Revenues	8,360	86,710	118,275	72,444	45,831	63%	150,000
Interfund Transactions (CIP/Debt)	528,532	628,532	628,532	628,531	1	0%	1,885,600
Total 038 EQUIPMENT REPLACEMENT CIP	536,892	715,242	746,807	700,975	45,832	7%	2,035,600
- 051 WATER FUND							
Planning Building & Engineering Fees	507,485	505,999	1,582,706	443,690	1,139,016	257%	885,049
Water Charges for Services	7,378,567	8,676,819	10,916,966	9,505,664	1,411,302	15%	25,486,658
Misc. Revenues	231,135	257,960	209,900	260,860	-50,960	-20%	763,435
Special Revenues & Resources				333,333	-333,333	-100%	1,000,000
Total 051 WATER FUND	8,117,188	9,440,778	12,709,572	10,543,547	2,166,025	21%	28,135,142
- 052 STORM WATER FUND							
Water Charges for Services	437,674	466,990	485,865	590,401	-104,536	-18%	2,176,658
Misc. Revenues				49,333	-49,333	-100%	148,000
Total 052 STORM WATER FUND	437,674	466,990	485,865	639,734	-153,869	-24%	2,324,658
- 055 GOLF COURSE FUND							
Recreation	1,346,013	1,458,625	1,611,531	1,327,371	284,160	21%	2,084,495
Misc. Revenues	5,019	10	1,478	37,000	-35,522	-96%	156,124
Interfund Transactions (CIP/Debt)	8,332	8,332	8,332	8,332	0	0%	25,000
Total 055 GOLF COURSE FUND	1,359,364	1,466,967	1,621,341	1,372,703	248,638	18%	2,265,619
- 057 TRANSPORTATION & PARKING FUND							
Sales Tax	1,586,249	1,586,052	1,708,483	1,579,620	128,863	8%	16,249,330
Licenses	854,181	953,502	1,009,054	933,444	75,611	8%	1,027,821
Federal Revenue	3,396,636		691,108		691,108		14,074,397
County/SP District Revenue	31,920	1,581,265	235,569	382,965	-147,397	-38%	730,000
Transit Charges for Services		789		25,818	-25,818	-100%	75,991
Fines & Forfeitures				100,000	-100,000	-100%	300,000
Misc. Revenues	997		24,827	486,333	-461,506	-95%	3,092,519
Special Revenues & Resources			99,075		99,075		259,531
Total 057 TRANSPORTATION & PARKING FUND	5,869,983	4,121,609	3,768,117	3,508,181	259,936	7%	35,809,589
- 058 PARKING FUND							
Special Event Fees	4,212	150	4,038	231	3,807	1651%	80,985

FY25 Revenue - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
Fines & Forfeitures	1,011,239	1,271,763	1,103,228	1,535,646	-432,418	-28%	3,440,162
Total 058 PARKING FUND	1,015,451	1,271,913	1,107,265	1,535,877	-428,611	-28%	3,521,147
- 062 FLEET SERVICES FUND							
Interfund Transactions (Admin)	915,140	1,118,004	1,060,268	1,118,004	-57,736	-5%	3,180,800
Total 062 FLEET SERVICES FUND	915,140	1,118,004	1,060,268	1,118,004	-57,736	-5%	3,180,800
- 064 SELF INSURANCE FUND							
Misc. Revenues	116,668	150,000	183,332	150,000	33,332	22%	550,000
Interfund Transactions (Admin)	564,660	615,816	603,740	631,584	-27,844	-4%	1,811,205
Total 064 SELF INSURANCE FUND	681,328	765,816	787,072	781,584	5,488	1%	2,361,205
- 070 SALES TAX REV BOND - DEBT SVS FUND							
Misc. Revenues	168,371	355,274	477,847	298,597	179,250	60%	1,284,410
Interfund Transactions (CIP/Debt)	2,322,932	2,321,772	2,319,756	2,319,746	10	0%	6,959,265
Total 070 SALES TAX REV BOND - DEBT SVS FUND	2,491,303	2,677,046	2,797,603	2,618,343	179,260	7%	8,243,675
- 071 DEBT SERVICE FUND							
Property Taxes					0		11,638,656
Misc. Revenues	975	2,113	3,568	2,470	1,097	44%	28,648
Total 071 DEBT SERVICE FUND	975	2,113	3,568	2,470	1,097	44%	11,667,304
- Grand Total							
TOTAL	33,267,435	34,042,272	40,832,343	37,879,010	2,953,333	8%	188,814,034

FY25 Expenses - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
- 011 GENERAL FUND							
PERSONNEL SERVICES	9,324,773	10,047,748	11,075,556	12,721,920	-1,646,364	-13%	36,971,577
MATERIALS, SUPPLIES AND SERVICES	385,029	492,618	495,567	482,236	13,331	3%	1,679,660
UTILITIES	182,193	218,226	208,551	175,757	32,794	19%	1,982,836
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	1,159,475	1,276,932	1,581,900	1,531,394	50,506	3%	6,043,430
PARTS/MAINTENANCE SUPPLIES	385,030	380,717	461,416	481,093	-19,678	-4%	1,960,550
SPECIAL SERV CONTRACT/MISC CHARGES	414,566	304,436	595,074	350,808	244,266	70%	1,854,500
CAPITAL OUTLAY	131,531	342,405	87,316	130,027	-42,711	-33%	468,117
INTERFUND TRANSFER	1,146,596	1,394,728	1,376,512	1,333,917	42,595	3%	4,129,524
Total 011 GENERAL FUND	13,129,193	14,457,810	15,881,892	17,207,152	-1,325,261	-8%	55,090,194
- 012 QUINNS RECREATION COMPLEX							
PERSONNEL SERVICES	326,781	357,822	336,815	457,437	-120,622	-26%	1,329,372
MATERIALS, SUPPLIES AND SERVICES	25,902	10,352	19,822	21,578	-1,755	-8%	70,665
UTILITIES	42,854	38,671	34,300	33,071	1,229	4%	151,538
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	29,630	44,825	45,270	43,177	2,093	5%	125,410
PARTS/MAINTENANCE SUPPLIES	15,308	18,944	15,498	21,291	-5,793	-27%	62,020
SPECIAL SERV CONTRACT/MISC CHARGES	7,310	8,886	10,253	6,984	3,270	47%	23,000
CAPITAL OUTLAY				333	-333	-100%	1,000
Total 012 QUINNS RECREATION COMPLEX	447,785	479,500	461,959	583,870	-121,912	-21%	1,763,005
- 023 LOWER PARK AVE RDA SPECIAL REVENUE FUND							
MATERIALS, SUPPLIES AND SERVICES					0		10,000
UTILITIES	308	633	751	-985	1,736	-176%	7,823
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	11,400			4,581	-4,581	-100%	70,000
SPECIAL SERV CONTRACT/MISC CHARGES					0		700,000
INTERFUND TRANSFER	1,030,844	1,030,844	1,030,844	933,982	96,862	10%	3,092,532
Total 023 LOWER PARK AVE RDA SPECIAL REVENUI	1,042,552	1,031,477	1,031,595	937,579	94,017	10%	3,880,355
- 024 MAIN STREET RDA SPECIAL REVENUE FUND							
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	6,830		7,300	1,669	5,631	337%	50,000
SPECIAL SERV CONTRACT/MISC CHARGES					0		405,000
INTERFUND TRANSFER	233,332				0		
Total 024 MAIN STREET RDA SPECIAL REVENUE FUI	240,162		7,300	1,669	5,631	337%	455,000
- 031 CAPITAL IMPROVEMENT FUND							
PERSONNEL SERVICES	7,010	1,873			0		
CAPITAL OUTLAY	3,154,801	4,625,777	7,935,118	17,294,929	-9,359,811	-54%	49,605,794
INTERFUND TRANSFER	1,392,360	1,391,492	1,391,556	1,528,403	-136,847	-9%	4,174,675
Total 031 CAPITAL IMPROVEMENT FUND	4,554,171	6,019,143	9,326,674	18,823,332	-9,496,658	-50%	53,780,469
- 033 REDEVELOPMENT AGENCY-LOWER PRK							
CAPITAL OUTLAY	6,824	587,729	11,260	59,131	-47,871	-81%	145,000
INTERFUND TRANSFER	930,572	930,280	928,200	790,730	137,470	17%	2,784,590
Total 033 REDEVELOPMENT AGENCY-LOWER PRK	937,396	1,518,009	939,460	849,861	89,599	11%	2,929,590
- 034 REDEVELOPMENT AGENCY-MAIN ST							
CAPITAL OUTLAY			6,750		6,750		

FY25 Expenses - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
Total 034 REDEVELOPMENT AGENCY-MAIN ST			6,750		6,750		
- 035 BUILDING AUTHORITY							
CAPITAL OUTLAY			442,415		442,415		
Total 035 BUILDING AUTHORITY			442,415		442,415		
- 038 EQUIPMENT REPLACEMENT CIP							
CAPITAL OUTLAY	972,250	727,004	430,937	456,952	-26,015	-6%	1,963,000
Total 038 EQUIPMENT REPLACEMENT CIP	972,250	727,004	430,937	456,952	-26,015	-6%	1,963,000
- 051 WATER FUND							
PERSONNEL SERVICES	1,336,304	1,741,234	1,651,205	1,851,720	-200,514	-11%	5,381,342
MATERIALS, SUPPLIES AND SERVICES	226,948	241,719	178,432	176,163	2,269	1%	630,434
UTILITIES	167,935	235,913	193,143	315,616	-122,473	-39%	1,393,533
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	533,050	662,689	625,446	645,877	-20,431	-3%	2,153,944
PARTS/MAINTENANCE SUPPLIES	383,370	467,570	520,935	349,729	171,205	49%	1,525,775
SPECIAL SERV CONTRACT/MISC CHARGES	71,915	106,289	173,807	58,151	115,656	199%	191,700
CAPITAL OUTLAY	3,451,239	-2,381,353	98,386	901,758	-803,372	-89%	5,326,295
DEBT SERVICE	-119,230	-79,740	-70,467	573,219	-643,686	-112%	9,400,688
INTERFUND TRANSFER	447,416	512,280	512,180	529,230	-17,050	-3%	2,637,521
Total 051 WATER FUND	6,498,947	1,506,600	3,883,067	5,401,463	-1,518,396	-28%	28,641,231
- 052 STORM WATER FUND							
PERSONNEL SERVICES	309,576	158,730	197,081	294,314	-97,233	-33%	855,316
MATERIALS, SUPPLIES AND SERVICES	4,105	4,911	12,915	14,257	-1,342	-9%	63,000
UTILITIES	3,734	4,817	3,268	7,519	-4,251	-57%	45,299
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	14,556	57,202	50,324	55,916	-5,592	-10%	150,125
PARTS/MAINTENANCE SUPPLIES	7,237	5,696	14,926	15,685	-759	-5%	41,406
CAPITAL OUTLAY	-98,573	3,626	8,671	234,248	-225,577	-96%	1,238,600
INTERFUND TRANSFER	52,460	57,968	57,884	58,017	-133	0%	180,648
Total 052 STORM WATER FUND	293,094	292,951	345,069	679,956	-334,887	-49%	2,574,394
- 055 GOLF COURSE FUND							
PERSONNEL SERVICES	379,770	436,651	472,611	459,675	12,936	3%	1,335,875
MATERIALS, SUPPLIES AND SERVICES	20,874	21,542	22,490	32,626	-10,136	-31%	86,200
UTILITIES	32,325	25,098	12,605	33,342	-20,737	-62%	58,400
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	35,178	41,125	40,770	44,962	-4,192	-9%	109,825
PARTS/MAINTENANCE SUPPLIES	145,359	142,442	112,686	151,401	-38,715	-26%	382,800
SPECIAL SERV CONTRACT/MISC CHARGES	30,711	29,348	38,697	31,753	6,944	22%	43,500
CAPITAL OUTLAY	3,155		104,176	89,830	14,346	16%	576,641
INTERFUND TRANSFER	56,032	59,984	62,528	68,765	-6,237	-9%	209,504
Total 055 GOLF COURSE FUND	703,403	756,190	866,563	912,354	-45,791	-5%	2,802,745
- 057 TRANSPORTATION & PARKING FUND							
PERSONNEL SERVICES	2,639,346	3,292,743	3,928,623	4,329,162	-400,538	-9%	12,581,115
MATERIALS, SUPPLIES AND SERVICES	44,894	69,388	164,878	82,944	81,934	99%	412,422
UTILITIES	73,699	81,724	56,411	67,929	-11,518	-17%	352,828
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	172,471	143,164	242,660	315,724	-73,064	-23%	2,857,360

FY25 Expenses - Oct 2024	YTD FY23	YTD FY24	FY25 YTD Actuals	YTD Monthly Budget Estm	YTD Variance $	YTD Variance %	FY25 Orig Budget
PARTS/MAINTENANCE SUPPLIES	7,031	13,152	2,243	10,407	-8,164	-78%	57,000
SPECIAL SERV CONTRACT/MISC CHARGES	25,165	13,870	19,461	9,923	9,538	96%	16,500
CAPITAL OUTLAY	137,288	4,708,473	1,638,658	5,969,707	-4,331,049	-73%	25,461,104
INTERFUND TRANSFER	1,197,580	1,290,940	1,234,320	1,281,044	-46,724	-4%	3,756,653
Total 057 TRANSPORTATION & PARKING FUND	4,297,475	9,613,454	7,287,254	12,066,840	-4,779,586	-40%	45,494,982
- 058 PARKING FUND							
PERSONNEL SERVICES	328,301	378,923	445,046	500,308	-55,262	-11%	1,453,962
MATERIALS, SUPPLIES AND SERVICES	27,245	132,097	34,129	107,584	-73,454	-68%	472,500
UTILITIES	2,632	3,499	2,109	1,945	164	8%	11,000
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	13,923	174	22,143	362	21,781	6017%	148,300
PARTS/MAINTENANCE SUPPLIES	4,468		950	18,928	-17,978	-95%	57,000
SPECIAL SERV CONTRACT/MISC CHARGES	32,085	49,853	36,451	23,707	12,744	54%	65,000
CAPITAL OUTLAY					0		80,000
INTERFUND TRANSFER	3,248	41,320	43,984	42,260	1,724	4%	186,533
Total 058 PARKING FUND	411,902	605,866	584,812	694,369	-109,557	-16%	2,474,295
- 062 FLEET SERVICES FUND							
PERSONNEL SERVICES	365,537	397,929	451,742	555,103	-103,361	-19%	1,613,204
MATERIALS, SUPPLIES AND SERVICES	34,558	4,945	14,642	18,495	-3,853	-21%	63,950
UTILITIES	315,274	227,254	216,086	276,352	-60,267	-22%	1,077,900
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	1,129	1,280	3,595	995	2,600	261%	8,000
PARTS/MAINTENANCE SUPPLIES	182,346	230,052	254,557	338,159	-83,603	-25%	1,249,600
CAPITAL OUTLAY					0		6,205
Total 062 FLEET SERVICES FUND	898,844	861,459	940,621	1,189,105	-248,484	-21%	4,018,859
- 064 SELF INSURANCE FUND							
MATERIALS, SUPPLIES AND SERVICES	11,893	28,306	34,260	24,793	9,467	38%	50,500
CONTRACT SVCS/CONSULTING/SOFTWARE LIC	112,509	106,795	431,214	178,878	252,336	141%	1,207,452
SPECIAL SERV CONTRACT/MISC CHARGES	71,832	69,900	402,456	127,040	275,415	217%	1,300,000
Total 064 SELF INSURANCE FUND	196,233	205,001	867,930	330,711	537,219	162%	2,557,952
- 070 SALES TAX REV BOND - DEBT SVS FUND							
DEBT SERVICE	2,100	2,100	2,100	4,421	-2,321	-52%	6,969,266
Total 070 SALES TAX REV BOND - DEBT SVS FUND	2,100	2,100	2,100	4,421	-2,321	-52%	6,969,266
- 071 DEBT SERVICE FUND							
DEBT SERVICE	1,249,125	1,134,375	1,014,500	999,000	15,500	2%	8,430,526
Total 071 DEBT SERVICE FUND	1,249,125	1,134,375	1,014,500	999,000	15,500	2%	8,430,526
- Grand Total							
TOTAL	35,874,633	39,210,937	44,314,147	61,138,636	-16,824,489	-28%	223,825,863
Total without Bond, Debt Service and Capital Transactions	26,984,123	29,540,542	32,604,326	34,425,079	-1,820,753	-5%	

CREDIT OPINION
13 November 2024

Send Your Feedback

Contacts

Heather Correia *AVP-Analyst* heather.correia@moodys.com	+1.214.979.6868
Helen Cregger *VP-Sr Credit Officer* helen.cregger@moodys.com	+1.415.274.1720
Eric Hoffmann *Associate Managing Director* eric.hoffmann@moodys.com	+1.415.274.1702

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

City of Park City, UT

Update to credit analysis

Summary

The credit profile of Park City, UT (Aaa stable) is solid, and reflects its impressive economic metrics, including a very high full value per capita over $3 million and positive GDP growth of 2.8%. Finances are strong with reserves and liquidity over 100% of operating revenues. Economically-sensitive taxes, such as sales and use, resort and transient room taxes, do comprise the bulk of governmental revenues; however, none of these taxes declined during the pandemic speaking to Park City's desirability as a tourist destination. Further, the city's sizeable reserves provide budgetary flexibility in event of a future economic slowdown. Total leverage is manageable at 227% (fiscal 2023), and the city reports that they do not plan to borrow in the foreseeable future.

The credit profile of the city's water enterprise (Aa2 stable) is good, and reflects solid liquidity and good age of plant. At fiscal 2023 year-end, days cash on hand totaled 339, which is in line with peers. While the system is quite leveraged, with debt to operating revenues representing 6x, the city has made investment in its facilities, reflected in a good asset life of 47 years. Further, management reports that its treatment plant is now in compliance with both state and federal water quality standards. As a consequence, they do not plan to borrow for capital in the next several years. Annual debt service coverage has fluctuated over the past several years, declining in fiscal 2023 to a low of 1.26x. However, management has adjusted rates, and coverage reportedly increased to 1.75x in fiscal 2024 (unaudited). The city projects stable, if not improved, coverage going forward due to annual rate adjustments the next three years (fiscal 2025-27) coupled with several other revenue-raising initiatives.

Credit strengths

» Ample reserves and liquidity (issuer/GO)

» Very strong economic metrics (issuer/GO)

» Stable days cash on hand (water)

» Good age of plant (water)

Credit challenges

» Small system size based on O&M (water)

» Thin debt service coverage over the past three years (water)

» Elevated debt to operating revenues (water)

Rating outlook

The stable outlook reflects the likelihood that the city will continue to budget conservatively, allowing for the continued maintenance of healthy reserves and liquidity in both its governmental and enterprise funds. Further, the city will take the steps necessary to ensure the net revenues of the water fund provide debt service coverage in line with Aa2 medians.

Factors that could lead to an upgrade

» Not applicable (issuer/GO)

» Improved debt service coverage to levels greater than 2x on a consistent basis (water)

» Moderation in leverage to 2x operating revenues or below (water)

Factors that could lead to a downgrade

» Material and sustained deterioration of reserves and liquidity to well below 35% of operating revenues (issuer/GO)

» Increases in total leverage that no longer align with Aaa medians and/or exceed 400% of operating revenues (issuer/GO)

» Narrowing of debt service coverage; violation of a rate covenant (water)

» Deterioration of days cash to levels that are no longer aligned with Aa medians (water)

» Significant increases in debt that leverage the system (water)

Key indicators

Exhibit 1
Park City (City of) UT

	2020	2021	2022	2023	Aaa Medians
Economy					
Resident income ratio (%)	198.5%	197.6%	195.2%	195.2%	170.6%
Full Value ($000)	$11,107,419	$11,636,502	$12,987,134	$17,454,040	$8,680,662
Population	8,467	8,352	8,379	8,615	36,119
Full value per capita ($)	$1,311,848	$1,393,259	$1,549,962	$3,022,066	N/A
Annual Growth in Real GDP	-2.1%	19.4%	3.1%	2.8%	4.9%
Financial Performance					
Revenue ($000)	$107,783	$119,209	$131,372	$143,418	$101,733
Available fund balance ($000)	$101,575	$117,129	$152,344	$176,202	$62,520
Net unrestricted cash ($000)	$91,144	$110,484	$149,676	$173,456	$88,880
Available fund balance ratio (%)	94.2%	98.3%	116.0%	122.9%	61.7%
Liquidity ratio (%)	84.6%	92.7%	113.9%	120.9%	91.1%
Leverage					
Debt ($000)	$266,546	$250,958	$300,062	$281,934	$68,781
Adjusted net pension liabilities ($000)	$82,350	$91,680	$73,688	$42,141	$105,726
Adjusted net OPEB liabilities ($000)	$0	$0	$0	$0	$11,674
Other long-term liabilities ($000)	$1,361	$1,228	$1,288	$1,611	$3,903
Long-term liabilities ratio (%)	325.0%	288.5%	285.5%	227.1%	258.2%
Fixed costs					
Implied debt service ($000)	$13,495	$19,088	$17,602	$20,956	$4,899
Pension tread water contribution ($000)	$3,030	$2,450	$1,914	$1,914	$3,333
OPEB contributions ($000)	$0	$0	$0	$0	$503
Implied cost of other long-term liabilities ($000)	$89	$97	$86	$90	$262
Fixed-costs ratio (%)	15.4%	18.1%	14.9%	14.7%	11.2%

For definitions of the metrics in the table above please refer to the US Cities and Counties Methodology or see the Glossary in the Appendix below. Metrics represented as N/A indicate the data were not available at the time of publication. The medians come from our most recently published US Cities and Counties Median Report.
The real GDP annual growth metric cited above is for the Summit County, Utah Metropolitan Statistical Area.
Sources: US Census Bureau, Park City (City of) UT's financial statements and Moody's Ratings, US Bureau of Economic Analysis

Profile

Located 30 miles east of Salt Lake City (Aaa stable), Park City is an internationally recognized ski resort community that hosts several international events each year, including the Sundance Film Festival. At just 22 square miles, the city's population is small at around 8,615. The city operates under a mayor-council form of government, with council members and the mayor serving four-year staggered terms.

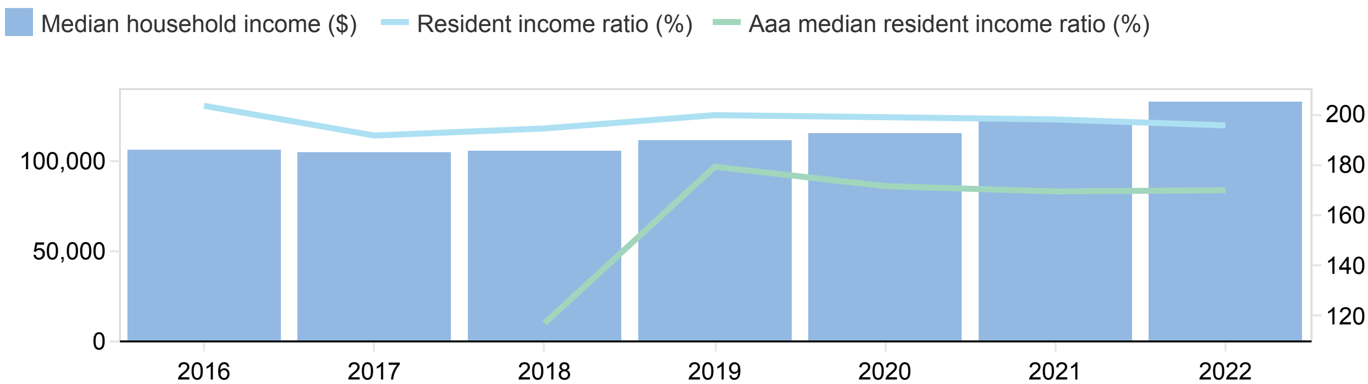
Detailed credit considerations

Economy: mountain resort east of Salt Lake City

Park City's local economic base is expected to remain strong as a desirable tourist destination in the mountains of Utah. While the city's population has remained fairly flat at around 8,800, Park City benefits from a steady stream of visitors who partake in snow sports and cultural events (such as the Sundance Film Festival). Due to the large presence of second/vacation homes, full value per capita is very high at $3 million. Resident income is also notable at 195% of the US. Management reports that development remains steady, mostly in the hospitality space. For example, Grand Hyatt is opening a 387-room hotel in Deer Valley Ski Resort by year end. Ascent Hotel, a Hilton property, is currently under construction, and will open in mid-2025. Luxury ski condos and townhomes are also under development in two master planned communities; while these homes are outside of Park City's boundaries, it is expected that the residents will shop and dine within the city, contributing to sales taxes.

The city's recently upgraded its water treatment plant; the city is now compliant with both state and federal water quality standards. Between the new plant, 3Kings, and the existing treatment plant, Quinns Junction, total treatment capacity is around 11.4 million gallons per day compared to a peak daily demand of 7.9 (fiscal 2023). Park City receives water from various sources, including both ground, spring, and two special districts. Supply is enough to meet current and projected future demand.

Exhibit 2
Resident Income is very high



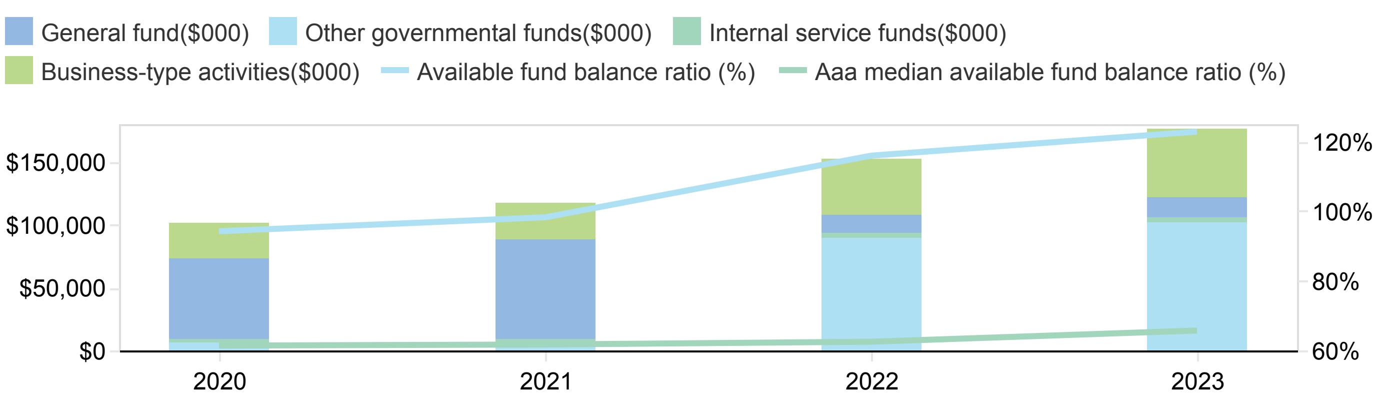
Source: Moody's Ratings

Financial operations: robust reserves and liquidity; annual debt service poised to improve in the out-years

Park City's financial position is expected to remain healthy due to ongoing construction, adding value to the tax rolls, and a steady flow of visitors. At fiscal 2023 year-end, the city had over 100% in operating reserves and liquidity, well in excess of Aaa medians. Around 70% of the governmental revenues are derived from sales and use, resort and transient room taxes; however, there were no declines in these taxes during the pandemic, and given Park City's draw as a tourist destination, taxes are unlikely to soften in the near-term. Fiscal 2024 unaudited results indicate a small general fund deficit of around $330,000. Management reports that they increased staff salaries after a third-party compensation study. The fiscal 2025 budget is roughly balanced.

The city is actively adjusting water rates and impact fees, which should mean more revenues, and by extension, better debt service coverage, going forward. The net revenues of the water fund historically provided over 2x annual debt service (ADS) coverage. However, in fiscal 2023, ADS increased to around $9 million from $6.5 million, resulting in thin coverage of 1.3x. Management adjusted rates in fiscal 2024, and coverage reportedly improved to around 1.8x. The city plans to roll out annual rate adjustments of around 4.5% over the next three years (fiscal 2025 through fiscal 2027). In addition, starting in fiscal 2026, the city will start to charge its municipal-owned properties for water (such as the golf course), which will generate an additional $1 million in annual revenues. Finally, Park City plans to monetize its excess water, selling it to wholesalers and other governmental entities, which will translate to around $6.6 million per year.

Exhibit 3
Fund Balance is strong



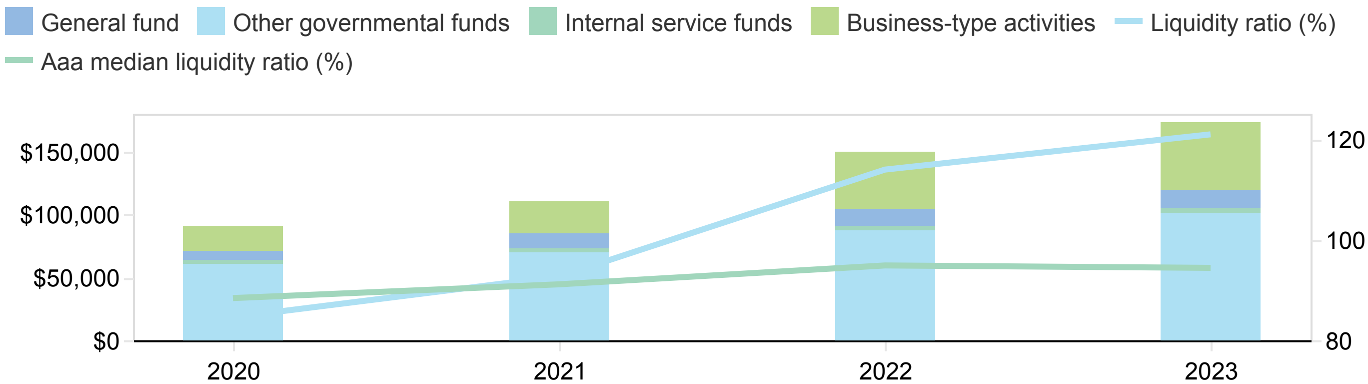
Source: Moody's Ratings

Liquidity

The city's liquidity is very good: including both government and enterprise funds, cash totaled $173.5 million in fiscal 2023, or 121% of operating revenues. In the water fund, days cash on hand was solid at 339.

Exhibit 4

Cash is strong



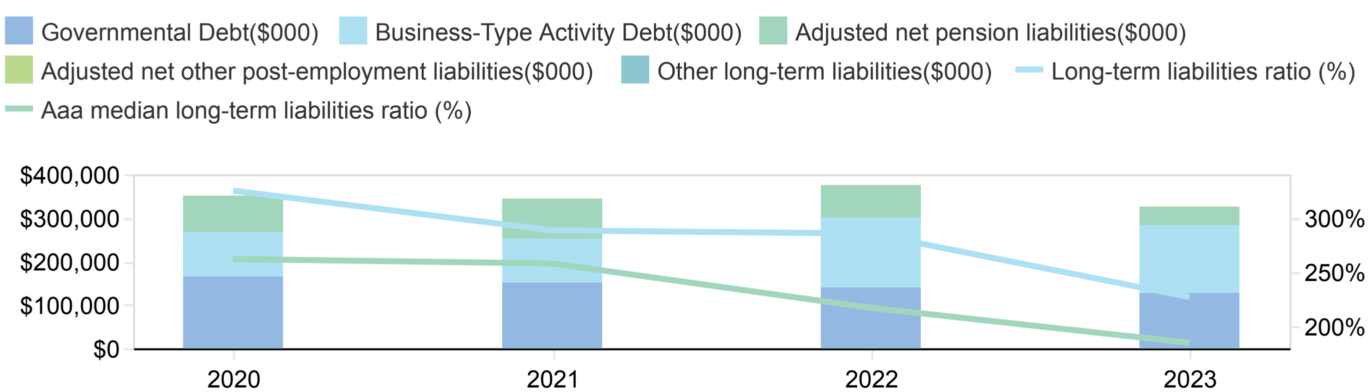
Source: Moody's Ratings

Leverage: water fund is leveraged, but no plans to issue

The city's leverage is affordable on the whole, although debt to water revenues is high. Favorably, Park City has no plans to issue debt, be it GO, sales tax or water revenue bonds. At fiscal 2023 year-end, total liabilities were 227% of operating revenues, and include all debt outstanding, as well as Moody's-calculated pension and OPEB liabilities. Specific to the water fund, however, debt relative to annual revenues is high at 6x. Management reports that they issued debt in 2020 and 2021 to address water quality issues, and in 2024, they completed their capital investment, limiting the need for future borrowings. Capital needs are reportedly minimal, and will be addressed with impact fees and/or pay-go.

Exhibit 5

Liabilities will continue to moderate given lack of borrowing plans



Source: Moody's Ratings

Legal security

The city's general obligation bonds are payable from an ad valorem tax to be levied, without limitation as to rate or amount, on all of the taxable property in the city. The city's revenue bonds are paid from net revenues of the water system.

Bondholder provisions on the city's water revenue bonds are adequate. The rate covenant and additional bonds test are both 1.2x including one-time revenue (e.g., impact fees) and 1.0x excluding one-time revenue. The 2020 & 2021 bonds do not have a debt service reserve fund, though some prior bonds do have debt service reserves.

Debt structure
All debt is fixed rate and amortizes over the long-term.

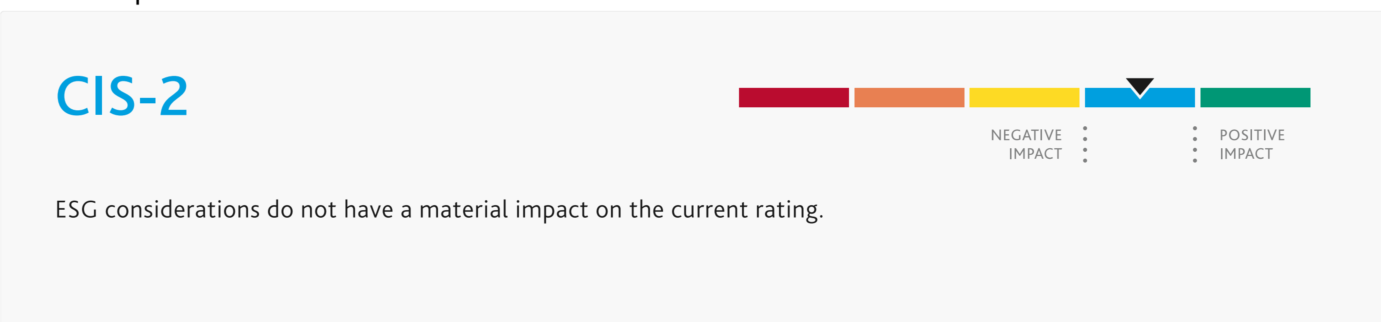
Debt-related derivatives
The city is not exposed to derivatives or swaps.

Pensions and OPEB
Utah cities participate in a variety of pension plans administered under the Utah Retirement System (URS), which has consistently been among the best funded retirement systems nationally, translating to comparatively low pension risks for local governments in Utah. As of the retirement system's fiscal 2023 reporting, government contributions amounted to about 26.2% of payroll in aggregate, well above our tread water indicator of 12.4% of payroll. Based on reporting by the URS's local segment of the Public Employees Non-Contributory Retirement System, we expect Utah cities' adjusted net pension liabilities (ANPLs) to grow by around 21% in fiscal year 2024, though this is coming off a 50% decline in fiscal 2023.

ESG considerations

Park City (City of) UT's ESG credit impact score is CIS-2

Exhibit 6
ESG credit impact score



Source: Moody's Ratings

Park City's ESG Credit Impact Score is **CIS-2**, indicating that exposures to environmental, social and governance risks are not material to their rating.

Exhibit 7
ESG issuer profile scores

Source: Moody's Ratings

Environmental

Park City's Environmental Issuer Profile Score is **E-3**, reflecting elevated exposure to water stress. Persistent drought conditions have required considerable investment historically and will continue to be a challenge. This creates risks for the local economy, which is reliant on winter sports tourism. Park City has relatively low exposure to risks associated with carbon transition, natural capital, and waste and pollution.

Social

Park City's Social Issuer Profile Score is **S-1**. The score is driven by a growing and highly educated population. The city has neutral-to-low exposure to social risks in other categories, including labor and income, housing, health and safety, and access to basic services.

Governance

Park City's strong governance is reflected in its **G-1**. The score incorporates positive institutional structure, policy credibility and effectiveness, and budget management. The city has good transparency and disclosure practices but lacks quarterly reporting.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Rating methodology and scorecard factors

The US Cities and Counties Methodology includes a scorecard, which summarizes the rating factors generally most important to city and county credit profiles. Because the scorecard is a summary, and may not include every consideration in the credit analysis for a specific issuer, a scorecard-indicated outcome may or may not map closely to the actual rating assigned.

Exhibit 8

Park City (City of) UT

	Measure	Weight	Score
Economy			
Resident income ratio	195.2%	10.0%	Aaa
Full value per capita	3,022,666	10.0%	Aaa
Economic growth metric	2.6%	10.0%	Aaa
Financial Performance			
Available fund balance ratio	122.9%	20.0%	Aaa
Liquidity ratio	120.9%	10.0%	Aaa
Institutional Framework			
Institutional Framework	Aaa	10.0%	Aaa
Leverage			
Long-term liabilities ratio	227.1%	20.0%	A
Fixed-costs ratio	14.7%	10.0%	Aa
Notching factors			
Additional Strength in Local Resources	1.0		
Scorecard-Indicated Outcome			Aaa
Assigned Rating			**Aaa**

The Economic Growth metric cited above compares the five-year CAGR of real GDP for Summit County, Utah Metropolitan Statistical Area to the five-year CAGR of real GDP for the US.
Sources: US Census Bureau, Park City (City of) UT's financial statements and Moody's Ratings

Appendix

Exhibit 9
Key Indicators Glossary

	Definition	Typical Source*
Economy		
Resident income ratio	Median Household Income (MHI) for the city or county, adjusted for Regional Price Parity (RPP), as a % of the US MHI	MHI: US Census Bureau - American Community Survey 5-Year Estimates RPP: US Bureau of Economic Analysis
Full value	Estimated market value of taxable property in the city or county	State repositories; audited financial statements; continuing disclosures
Population	Population of the city or county	US Census Bureau - American Community Survey 5-Year Estimates
Full value per capita	Full value / population	
Economic growth metric	Five year CAGR of real GDP for Metropolitan Statistical Area or county minus the five-year CAGR of real GDP for the US	Real GDP: US Bureau of Economic Analysis
Financial performance		
Revenue	Sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions	Audited financial statements
Available fund balance	Sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds, plus unrestricted current assets minus current liabilities from the city's or county's business-type activities and internal services funds	Audited financial statements
Net unrestricted cash	Sum of unrestricted cash in governmental activities, business type activities and internal services fund, net of short-term debt	Audited financial statements
Available fund balance ratio	Available fund balance (including net current assets from business-type activities and internal services funds) / Revenue	
Liquidity ratio	Net unrestricted cash / Revenue	
Leverage		
Debt	Outstanding long-term bonds and all other forms of long-term debt across the governmental and business-type activities, including debt of another entity for which it has provided a guarantee disclosed in its financial statements	Audited financial statements; official statements
Adjusted net pension liabilities (ANPL)	Total primary government's pension liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Adjusted net OPEB liabilities (ANOL)	Total primary government's net other post-employment benefit (OPEB) liabilities adjusted by Moody's to standardize the discount rate used to compute the present value of accrued benefits	Audited financial statements; Moody's Ratings
Other long-term liabilities (OLTL)	Miscellaneous long-term liabilities reported under the governmental and business-type activities entries	Audited financial statements
Long-term liabilities ratio	Debt + ANPL + ANOL + OLTL / Revenue	
Fixed costs		
Implied debt service	Annual cost to amortize city or county's long-term debt over 20 years with level payments	Audited financial statements; official statements; Moody's Ratings
Pension tread water contribution	Pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met	Audited financial statements; Moody's Ratings
OPEB contribution	City or county's actual contribution in a given period	Audited financial statements
Implied cost of OLTL	Annual cost to amortize city or county's other long-term liabilities over 20 years with level payments	Audited financial statements; Moody's Ratings
Fixed-costs ratio	Implied debt service + Pension tread water + OPEB contributions + Implied cost of OLTL / Revenue	

*Note: If typical data source is not available then alternative sources or proxy data may be considered. For more detailed definitions of the metrics listed above please refer to the US Cities and Counties Methodology .
Source: Moody's Ratings

REPORT NUMBER 1428321

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

City Council

Staff Report

Subject:	**Re-create 248: Transit Study Purpose and Needs Screening**
Author:	**Conor Campobasso, Senior Transportation Planner; Julia Collins, Transportation Planning Manager**
Department:	**Transportation Planning**
Date:	**December 6, 2024**

Summary

The SR-248 corridor is one of two vital corridors for residents, employees, and visitors traveling to and from Park City. On an average winter day in 2023, the SR-248 corridor carried almost 20,000 vehicular trips.

As Park City aims to avoid increasing vehicular congestion, adding more parking downtown, and creating alternatives to single use automobile travel, transit-focused solutions are being explored through a comprehensive transit study in partnership with UDOT and other stakeholders.

Our goal is to enhance reliable and express transit services along the SR-248 corridor, efficiently moving travelers to and from park-and-ride lots and areas outside the City to locations within town (economic centers, residential areas, and resort bases).

On June 28, 2024, the City Council authorized the Transit Study, including an Alternatives Analysis (AA) to meet federal funding requirements, marking a shift from previous assessments focused on personal vehicle travel. The Transit Study is the first step in the federal process, leading to an Environmental Analysis (EA) required by the Federal Transit Administration (FTA) and essential for federal funding eligibility.

This Study Session will cover the Purpose and Needs Statements, the Range of Alternatives, and the Purpose and Needs Screening process findings with the City Council. The goal is to discuss and continue the path forward for the Re-create 248 Transit Study.

Purpose & Needs

As required by federal guidelines, we developed the Purpose and Needs Statements (Exhibit A) for the Transit Study. These statements are important because they guide the Purpose and Needs Screening, the development of the Range of Alternatives, and the general direction of the study moving forward. The full Purpose and Needs Report can be found in Exhibit B.

Range of Alternatives

The Range of Alternatives is the starting point and the initial list of all transportation modes the City would like to evaluate. The Team collected alternatives from various studies and plans developed by the City, including the Emerging Disrupters Study, Park

City Forward, and the Short Range Transportation Plan, as well as ongoing public and City Council input.

The Range of Alternatives includes the following modes:

- **Gondola/Aerial Tram:** Example Portland Aerial Tram
- **One-way Loop:** as seen on page 26 of the Emerging Disruptors Study
- **Reversible Flex Lanes:** Examples from Wikipedia
- **EV-Only Tunnel:** Example Las Vegas Convention Center Loop
- **Automated track-bound traffic** (APM/AGT/PRT/MonoRail)
    - Automated people mover (APM): Example Miami Metromover
    - Automated guideway transit (AGT): Example Japan’s Port Island Line
    - Personal rapid transit (PRT): Heathrow pod concept
    - Monorail: Example São Paulo Metro’s Line 15
- **Traditional Capacity** (e.g. widen road to continuous 5 lanes)
- **Minor Transit Improvements:** Such as shelter improvements like the ones at A Fresh Market
- **Dedicated Bus Lane**
    - **Side-running:** Example Phoenix BRT
    - **Center-running:** Example Raleigh BRT
- **Light Rail Transit (LRT)**
    - Dedicated Lane: Example Bordeaux Tramway
    - Street Car (LRT Mixed Traffic): Example Oslo Tramway
- **Transit with Rail Trail Alignment** (e.g. Light Rail running alongside Rail Trail)
- **Commuter Rail:** Example FrontRunner

Purpose and Needs Screening Process

The Purpose and Needs Screening is a standard and required process for any study looking to qualify for federal funding. It is designed to shed light on Alternatives that may not be practical or do not directly address the needs identified. This is an important step in narrowing the focus and takes a high-level approach to see which modes accomplish the City's needs. Each alternative was evaluated against every Needs Statement to ensure alignment with project goals.

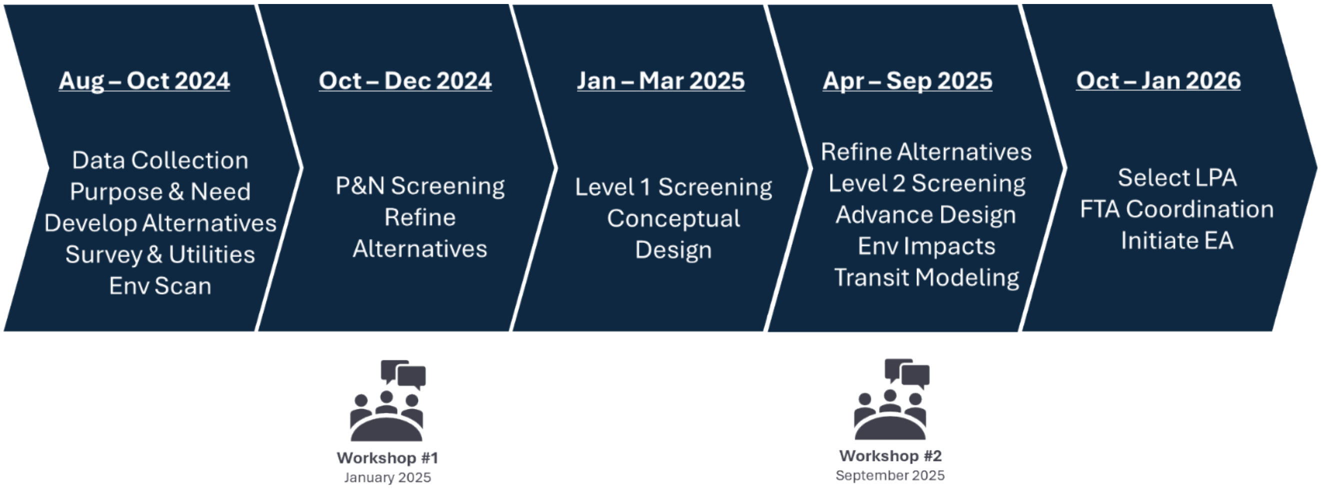
During this screening, each alternative received a rating of 'Yes' if it addressed the specific Need, 'No' if it did not, and 'Maybe' if additional data was required for assessment. The draft results of the Purpose and Needs Screening can be found in Exhibit C.

Since the extent to which an alternative 'addresses a Need' can vary, the team documented the rationale behind each assessment, which we request the City Council review. Alternatives were not required to receive a 'Yes' for every Need, as some may address certain Needs more effectively than others, and some Needs can be met through additional improvements.

Likewise, alternatives were not rejected solely because they did not address a specific Need. Those that advanced through the Purpose and Needs Screening were selected based on their potential for further development.

Next Steps

With a path forward identified, the team will proceed with the Level 1 Screening, where each alternative will undergo a feasibility analysis and preliminary design to ensure it meets or has the potential to address the SR-248 corridor's needs. This will include a more technical review of each Alternative utilizing the data collected thus far and using data from recent studies.



Discussion

We are seeking council feedback on the Purpose & Needs Screenings and support for moving forward with the alternatives identified in Exhibit C.

Exhibits

Exhibit A: Purpose and Needs Statements
Exhibit B: Purpose and Needs Report
Exhibit C: Draft Purpose and Needs Screening Results

Re·create 248

PURPOSE, NEEDS, AND MEASURES OF EFFECTIVENESS

November 2024

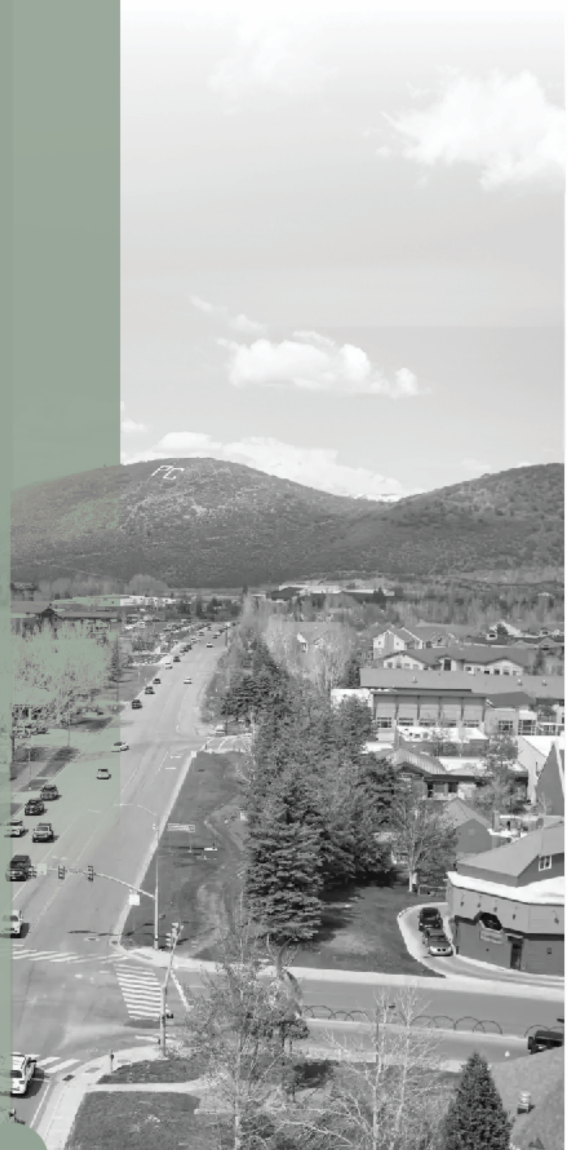


Table of Contents

1 PROJECT NEEDS

1.1 POPULATION AND EMPLOYMENT GROWTH

- Local and regional population and job growth is substantial and will continue to increase travel demand on SR-248.
- Populations need access to key destinations on-corridor between Quinn's Junction and the OTTC for employment, education, and services.

1.2 CORRIDOR CONGESTION AND TRANSIT OPTIONS

- Current (2024) transit travel times are often unreliable due to existing corridor congestion, which is exacerbated during peak times and will be a condition that continues into the future (2050).
- Shoulder-running buses transitioning into mixed-flow traffic limits the ability to provide contiguous transit service and decreases transit reliability.

1.3 SYSTEM RESILIENCY FOR EQUITABLE AND SUSTAINABLE TRANSPORTATION

- Low-income and minority populations living on and near the corridor and commuting into the area for work, need reliable transit service.

1.4 LOCAL AND REGIONAL PLANS

- Local and regional plans indicate a need for multimodal corridor solutions to support efforts that promote satellite parking strategies that are well-served by a high-frequency transit backbone network.
- Parking is limited in town and highly utilized; additional travel modes are needed to access Park City.

2 PROJECT PURPOSE

The following purpose statements describe the objectives to be achieved by this project. The Project Purpose is to:

✓ Support the transportation demands of population, employment growth, and economic resiliency in the region.

- ✓ Increase the reliability, accessibility, and overall resiliency of travel on the corridor by improving transit travel times between Quinn's Junction and the OTTC.
- ✓ Enhance the quality of life in the region by improving equitable access to opportunities between existing and planned employment, housing, and key destination centers on the corridor, especially during peak periods.
- ✓ Support local and regional plans and policies that address transportation demand management, sustainability, and equity and avoid excessive road widening.
- ✓ Enhance mobility along the corridor through transportation choices.

3 MEASURES OF EFFECTIVENESS

The Measures of Effectiveness (MOE) were developed by utilizing the existing and future conditions data and were developed to aid in screening the alternatives. Through the Purpose and Need screening, we used the MOEs to determine which alternatives meet the Purpose and Need Statements and are reasonable and feasible to advance into Level 1 screening. The MOEs are as follows:

- Does the alternative reduce congestion, OR does it reduce travel delay?
- Does the alternative provide access to key destinations on the corridor?
- Does the alternative reduce transit travel times?
- Does the alternative increase transit on-time performance?
- Does the alternative provide reliable transit on-corridor for low-income and minority populations?
- Does the alternative provide high-frequency transit service on-corridor with limited road widening?
- Does the alternative provide additional travel modes on-corridor in the study area?

Feasibility Requirement:

- Is the alternative feasible to implement by 2034; is the alternative service-proven technology?

Re·create 248

PURPOSE AND NEED REPORT

November 2024

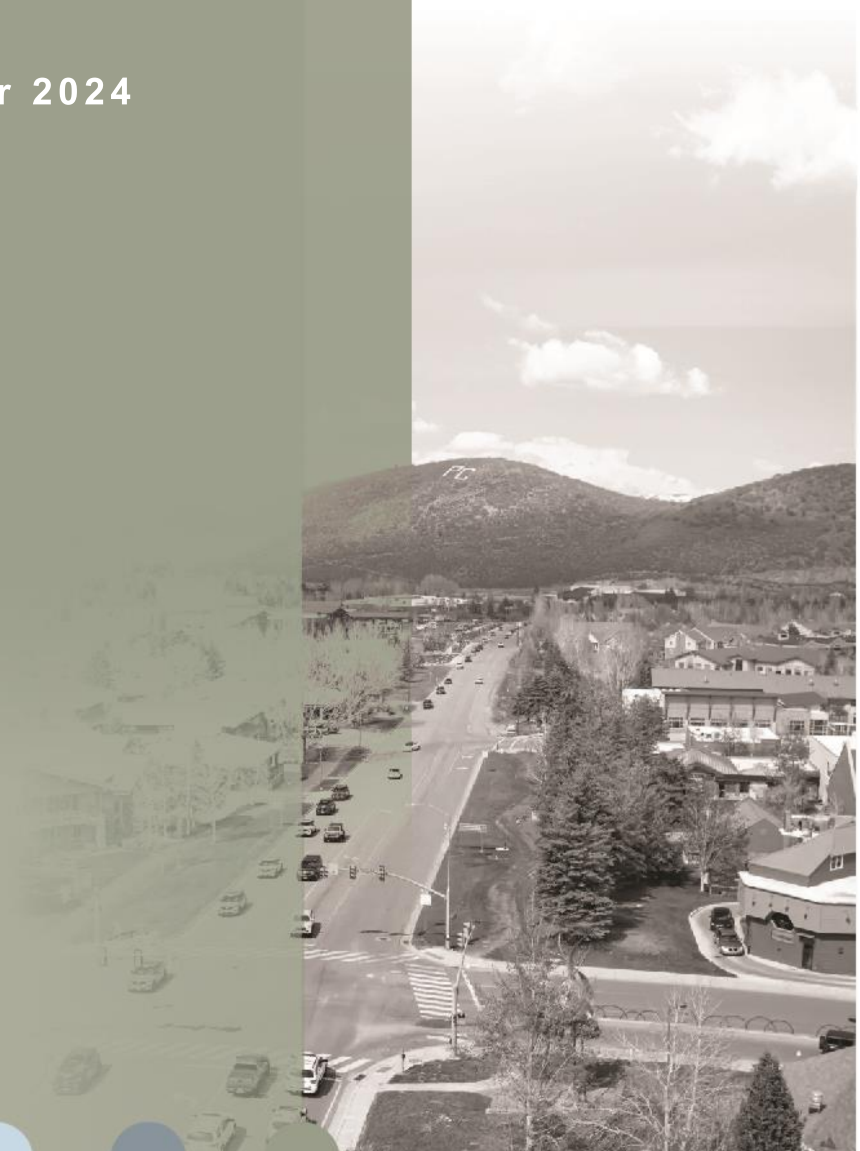


Table of Contents

Re-create 248

List of Tables

List of Figures

Acronyms and Abbreviations

ACS	American Community Survey
BRT	Bus Rapid Transit
FEMA	Federal Emergency Management Agency
HVT	High Valley Transit
LOS	Level of Service
LPA	Locally Preferred Alternative
NEPA	National Environmental Policy Act
OTTC	Old Town Transit Center
PCMC	Park City Municipal Corporation
PCT	Park City Transit
SOV	Single Occupancy Vehicle
TDI	Transit Dependency Index
UDOT	Utah Department of Transportation
WOTUS	Waters of the United States

1 PURPOSE AND NEED REPORT

1.1 OVERVIEW

Park City Municipal Corporation (PCMC), in collaboration with the Utah Department of Transportation (UDOT), also called the Project Partners, has initiated the Re-create 248 Transit Study (Re-create 248) in Summit County, Utah. The study is aimed at enhancing reliable high-capacity transit service along the SR-248 corridor, Bonanza Drive, and Deer Valley Drive that can be advanced to the next phase of project development: a National Environmental Policy Act (NEPA)-level environmental study and preliminary engineering. This study will identify a locally preferred alternative (LPA) that will include a definition of areas to be served, transit mode/type of transit technology, and logical termini (project limits).

The community members in the study area are expressing concern about negative impacts of congestion on quality of life and are interested in exploring opportunities to provide viable alternatives to driving and investing in a transit-forward solution that enhances mobility along the corridor.

Obtaining consensus from the Project Partners is critical for the success of any major transportation investment. This process seeks to be proactive in listening to the community, developing a strong understanding of future mobility needs and goals, and planning for the best solution for the problems presented on the corridor.

1.2 CONTEXT

The Wasatch Back (consisting of Summit and Wasatch Counties) has experienced rapid growth in the last few decades, which is projected to continue through 2050. Investments in recreation, tourism, housing, and other developments have brought employment and population growth to the area as well as continued growth in tourism and visitation. The resort base areas are increasing amenities and lodging and expanding year-round recreational opportunities, drawing visitors from around the world.

Topographic and other natural constraints, combined with PCMC's desire to develop transit and active transportation-forward solutions to manage mobility challenges, have driven multimodal solutions for transportation investments. Park City has only two main "gateway" corridors: SR-224 and SR-248. These roads are responsible for transporting tens of thousands of people each day, a situation that often worsens during peak events and the busy winter ski season. Currently, travel times into town in the winter peak season can be upwards of 33 minutes on SR-248, compared to the summer average travel time of just under 9 minutes for the same trip.

Goods and services, along with world-class destinations in Park City, attract travelers to the area via SR-248. As true for other areas along the Wasatch Back, expansion of transportation facilities to meet projected growth will face challenges including topography, environmental resources, and protected open space.

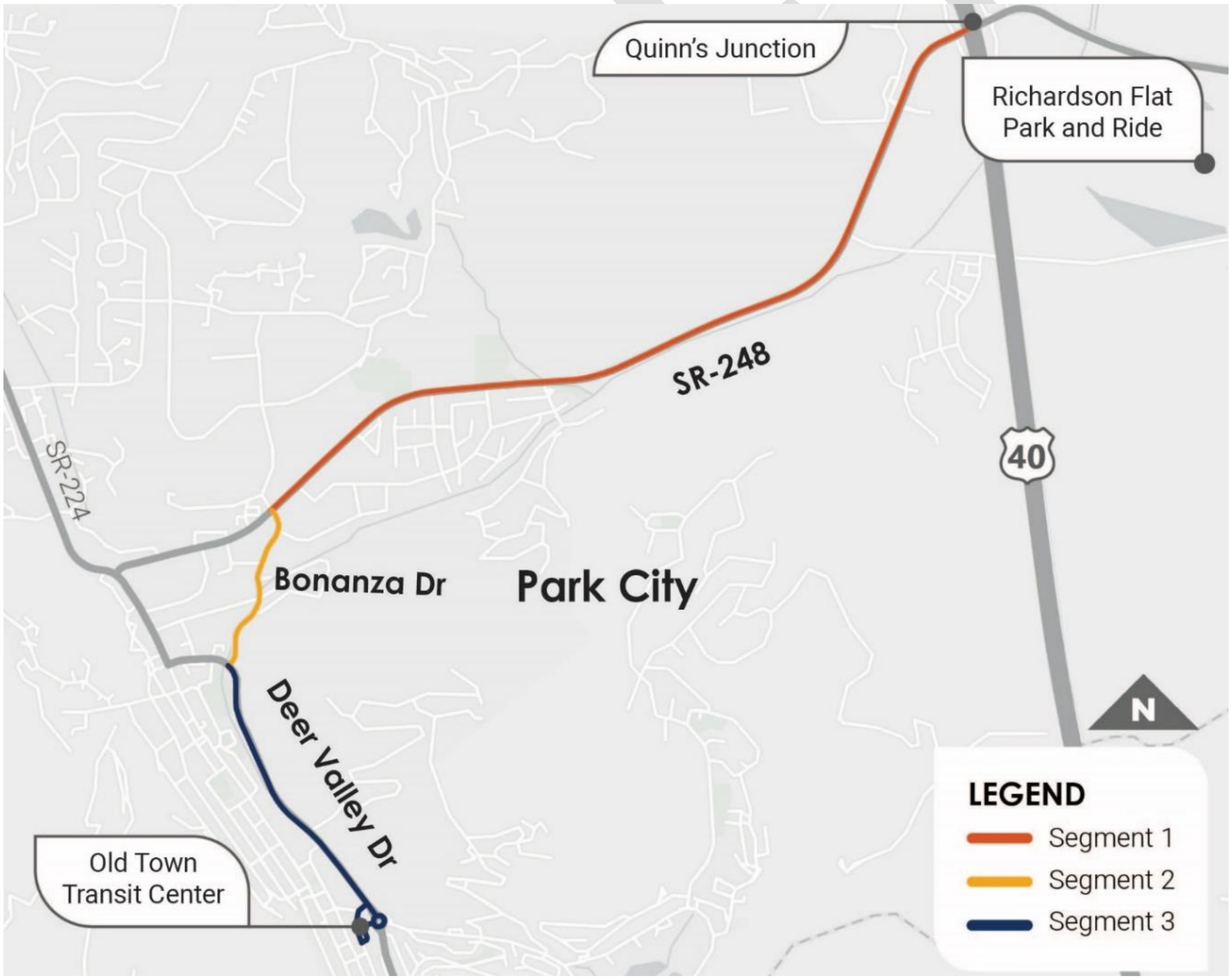
1.3 STUDY AREA

The study area for Re-create 248 is between Quinn's Junction (the interchange to access US-40) and the Richardson Flat Park and Ride on the east, along SR-248, then south along Bonanza Drive and Deer Valley Drive to the Old Town Transit Center (OTTC) (Figure 1).

- Segment 1 – SR-248 from Quinn's Junction to Bonanza Drive is state-owned.
- Segment 2 – Bonanza Drive from SR-248 to Deer Valley Drive is PCMC-owned.
- Segment 3 – Deer Valley Drive (also called SR-224) from Bonanza Drive to the OTTC is state-owned.

From Quinn's Junction to the OTTC is 4 miles long, and from Richardson Flat Park and Ride to the OTTC is 4.8 miles long. The study will also capture other transportation and land use investments in the area, including the SR-224 Bus Rapid Transit (BRT) project led by Summit County, which is currently in the design phase.

Figure 1. Re-create 248 Study Area



1.4 REPORT PURPOSE

The purpose of this report is to document the findings that support the definition of the project's Purpose and Need. The report builds upon and highlights the review of the existing and future conditions analysis and incorporates insight from Project Partners.

2 PURPOSE AND NEED DEVELOPMENT

A project's **purpose** defines the objectives to be achieved. A project's **need** describes the underlying problems or conditions the project should address.

If a major transit project seeks federal or state funding, a Purpose and Need statement is required under federal or state environmental regulations to be eligible to receive those funds. This report and the Purpose and Need statement will help guide decisions about alternatives that should be considered and will be used to measure the performance of the alternatives against these statements.

The Re-create 248 Purpose and Need statement was developed through a collaborative process and informed by an understanding of the study area context (documented in the Existing and Future Conditions Report) and ongoing Partner and agency coordination. The process for developing the project's Purpose and Need statement is shown below (Figure 2) and will be revisited during the future NEPA process.

Figure 2. Purpose and Need Development Process

1
- **Study Kickoff** (September 2024)
- **Partner & Agency One-on-one Meetings** (September-November 2024)
  - *Discuss Project Partners' transit goals and corridor needs*

2
- **Draft Initial Purpose and Need** (October 2024)
  - *Utilize existing and future conditions analysis to inform needs*

3
- **Technical Advisory Committee Meeting** (November 2024)
- **Stakeholder Working Group Meeting** (December 2024)
  - *Workshop draft Purpose and Need statement and project goals, update accordingly*

4
- **Host Public Open House** (December 2024)
  - *Obtain feedback on draft Purpose and Need statement*

5
- **Refine and Finalize Purpose and Need** (December 2024)
  - *Make additional edits based on feedback from December's Public Open House*

3 PROJECT PURPOSE AND NEED

3.1 PROJECT NEEDS

3.1.1 Population and Employment Growth

3.1.1.1 Project Need: Local and regional population and job growth is substantial and will continue to increase travel demand on SR-248.

Summit and Wasatch Counties are projected to see high population and employment growth between now (2024) and 2050. **Summit County is expected to increase in population by 28% (from 44,003 to 56,361 people), while Wasatch County, which borders the study area to the east and generates many trips to the study area, is expected to see an increase of 80% in population (from 38,291 to 68,789 people) by 2050**. For reference, Utah will grow by 46% between 2024 and 2050 (from 3,148,000 people to 5,00,000 people). Employment is also projected to rapidly increase by nearly 22% in Summit County and 33% in Wasatch County (Table 1).

Table 1. Current and Forecasted Numbers for Population, Household, and Employment

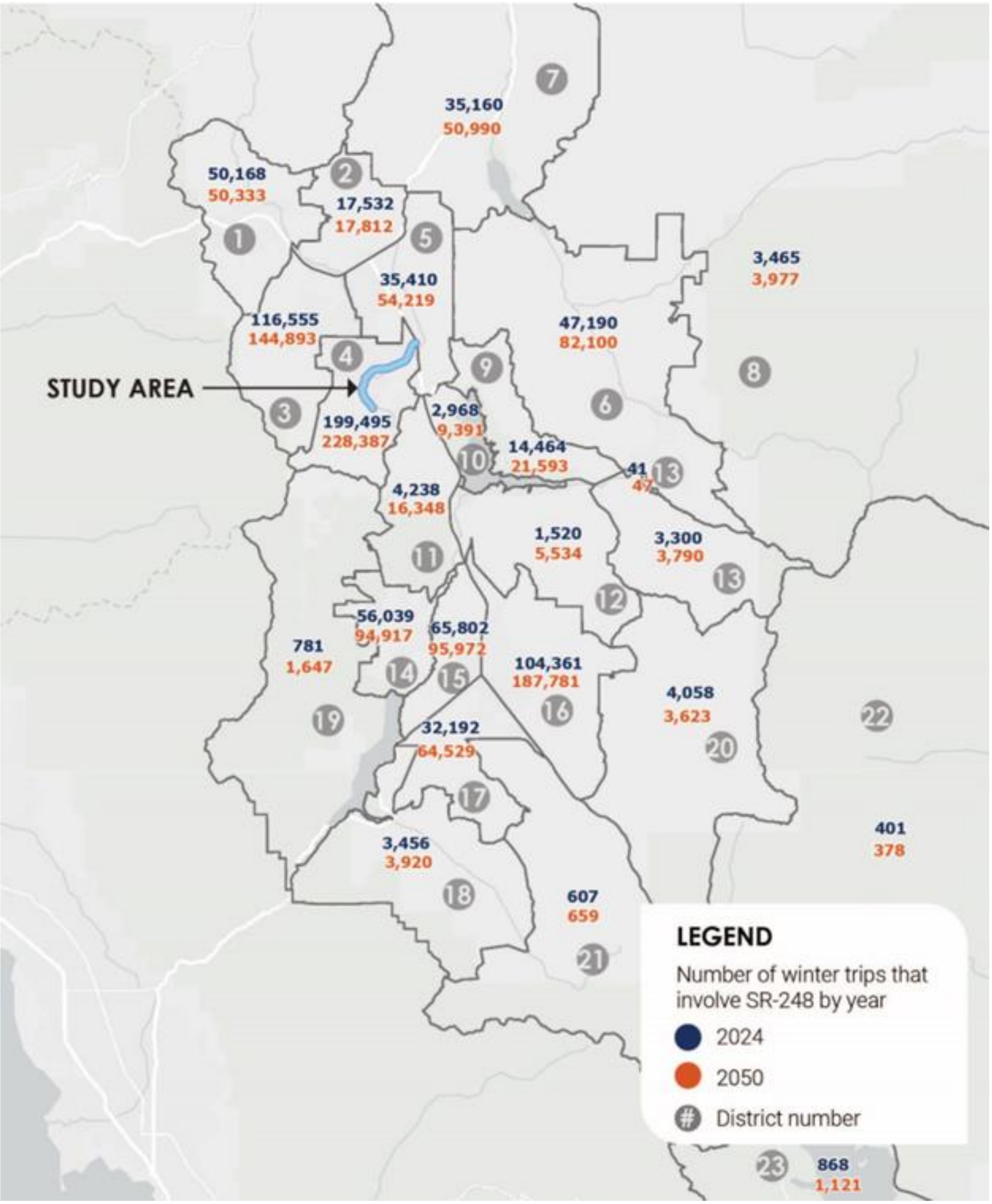
CATEGORY	2024	2050	PERCENT CHANGE
Study Area			
Population	6,981	7,973	14.21%
Household	35,92	4,696	30.73%
Employment	17,574	21,736	23.68%
Summit County			
Population	44,003	56,361	28.08%
Household	17,133	25,379	48.13%
Employment	41,466	50,567	21.95%
Wasatch County			
Population	38,291	68,789	80%
Household	12,777	26,861	110%
Employment	16,632	22,047	33%

Source: Summit-Wasatch Travel Demand Model v2.1 May 2024, Kem C. Gardner Policy Institute

Largely driven by this population and employment growth, trips utilizing the Re-create 248 study area corridor, originating in eastern Summit and Wasatch Counties, are projected to increase by **43% in 2050, from 800,000 trips annually in 2024 to 1,145,000 trips annually in 2050**

(Figure 3). Many of those new trips will originate from the Heber Valley in Wasatch County (districts 14-20 in Figure 3 below). This will be in addition to the majority of trips to Park City that come from regional and out-of-state visitors as well as short-term visitors from the Salt Lake Valley.

Figure 3. Number of Winter (Peak) Trips that Utilize SR-248 in 2024 and 2050

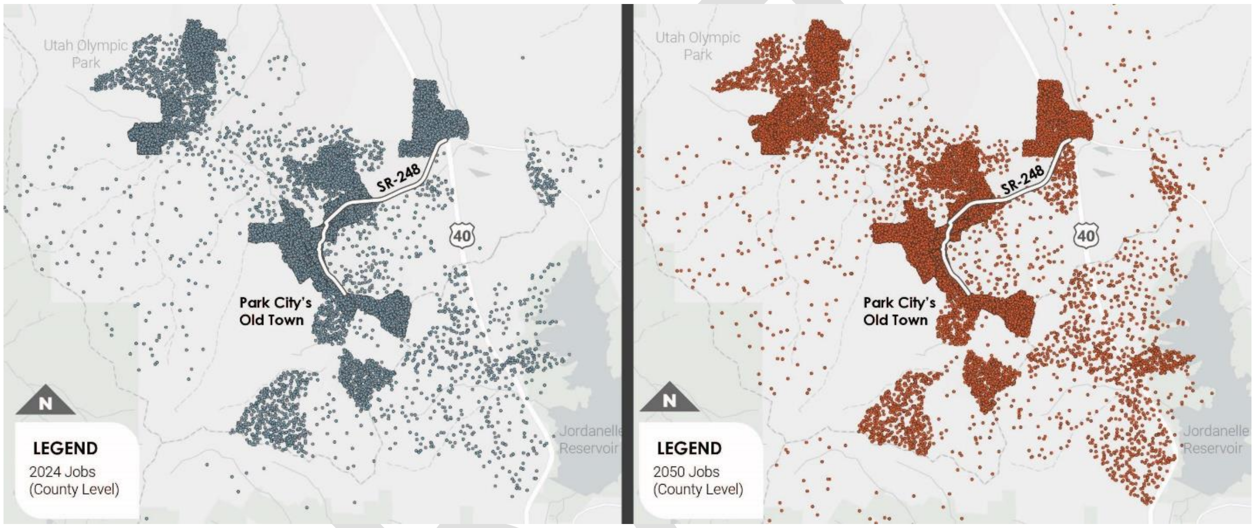


Source: Summit-Wasatch Travel Demand Model v2.1 May 2024

3.1.1.2 Project Need: Populations need access to key destinations on-corridor between Quinn's Junction and the OTTC for employment, education, and services.

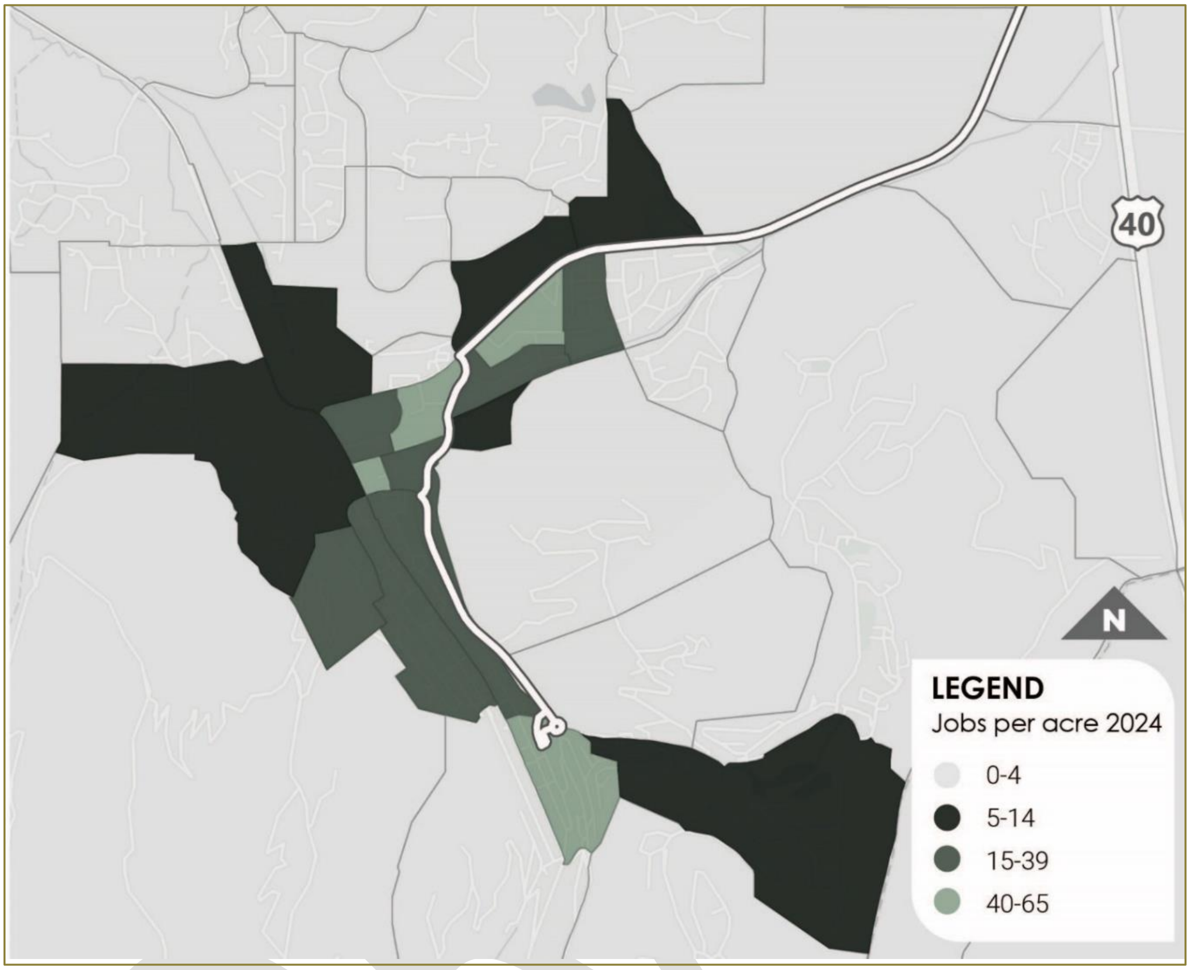
Many of Park City's large employment centers are located on SR-248, particularly on the western and eastern segments, and are most directly accessible via the SR-248 gateway corridor for those traveling to the area from eastern Summit County and Wasatch County (Figure 4). The census tracts immediately adjacent to the study area also have the highest concentration of jobs in Park City with upwards of 65 jobs per acre, falling to 0-4 jobs per acre outside the study area (Figure 5).

Figure 4. Job Density as a One-to-one Dot-per-job Comparison for 2024 and 2050



Source: Summit-Wasatch Travel Demand Model v2.1 May 2024

Figure 5. Job Density in the Study Area

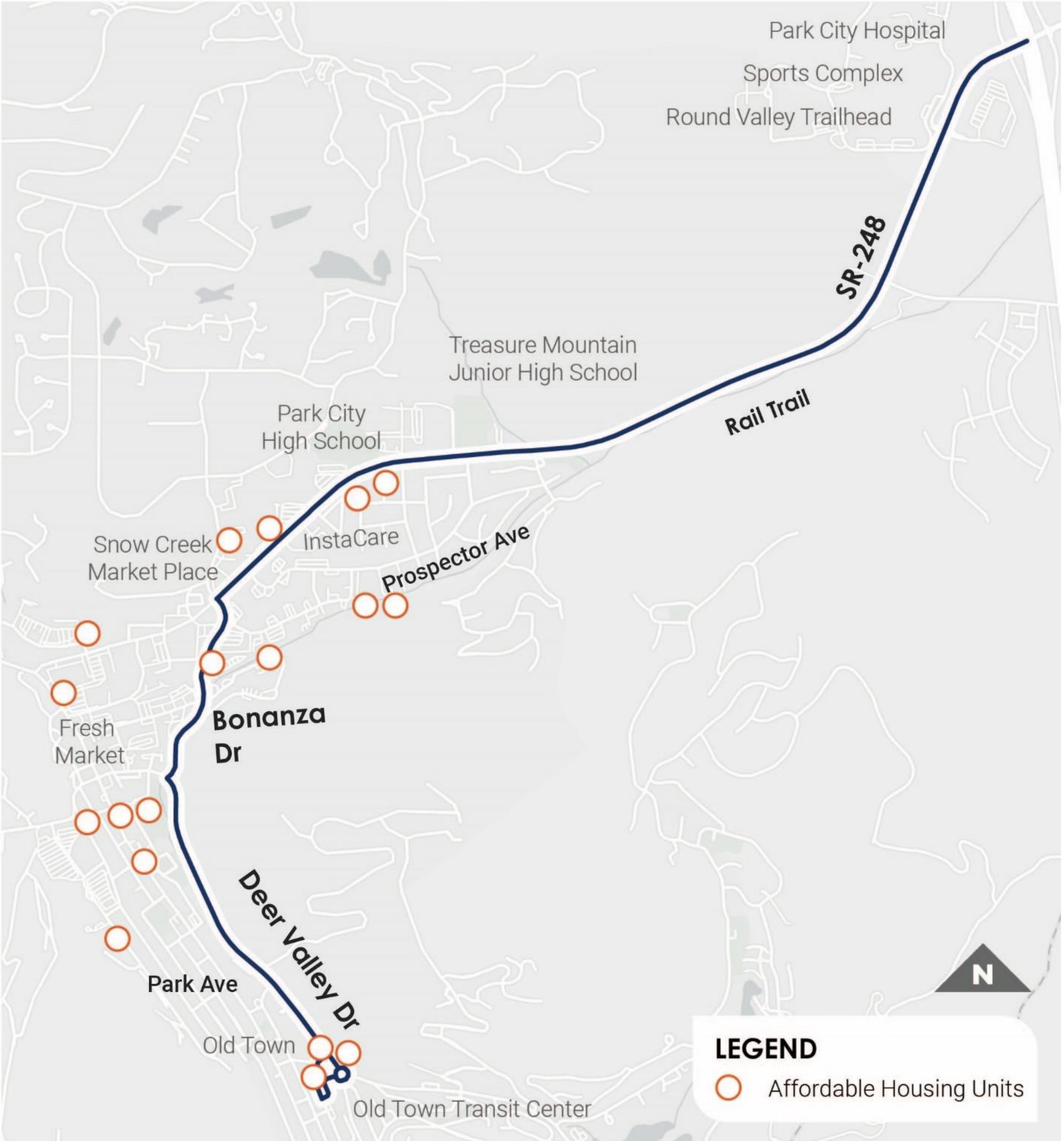


Source: Summit-Wasatch Travel Demand Model v2.1 May 2024

Additionally, many of Park City's affordable housing units (Figure 6) are on or near the study area. Populations living in those units need reliable access along the corridor.

Re·create 248

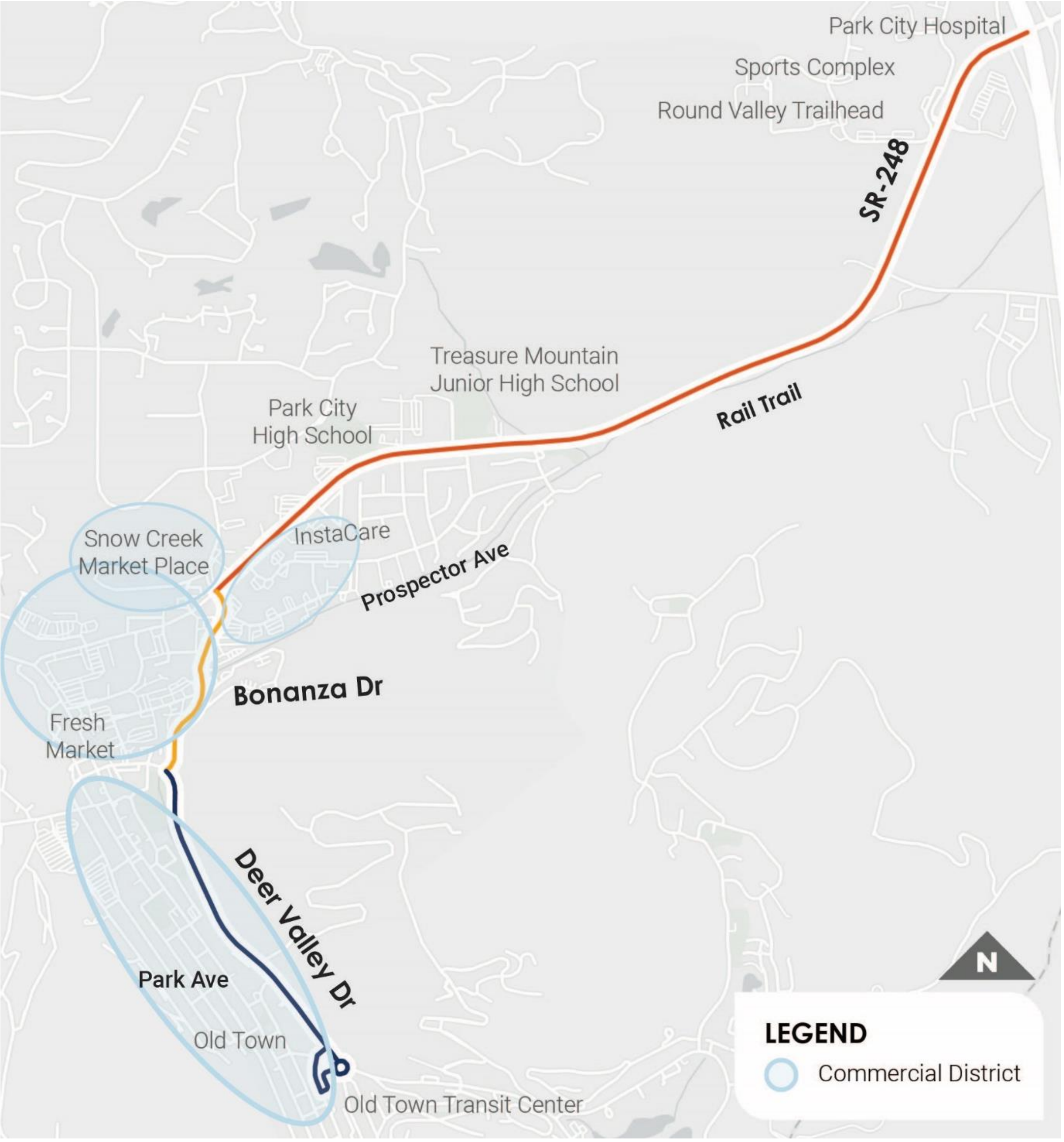
Figure 6. Affordable Housing Units on or Near the Study Corridor



Source: Park City Short Range Transit Plan

Major commercial areas and top destinations are also located along the corridor (Figure 7). The Park City Hospital is located on the far eastern edge of the study area, opposite the clusters of affordable housing units and other commercial centers. Reliable access along the corridor is important for populations to access employment opportunities and key destinations on either edge of the study area.

Figure 7. Commercial Districts and Top Destinations in the Study Area



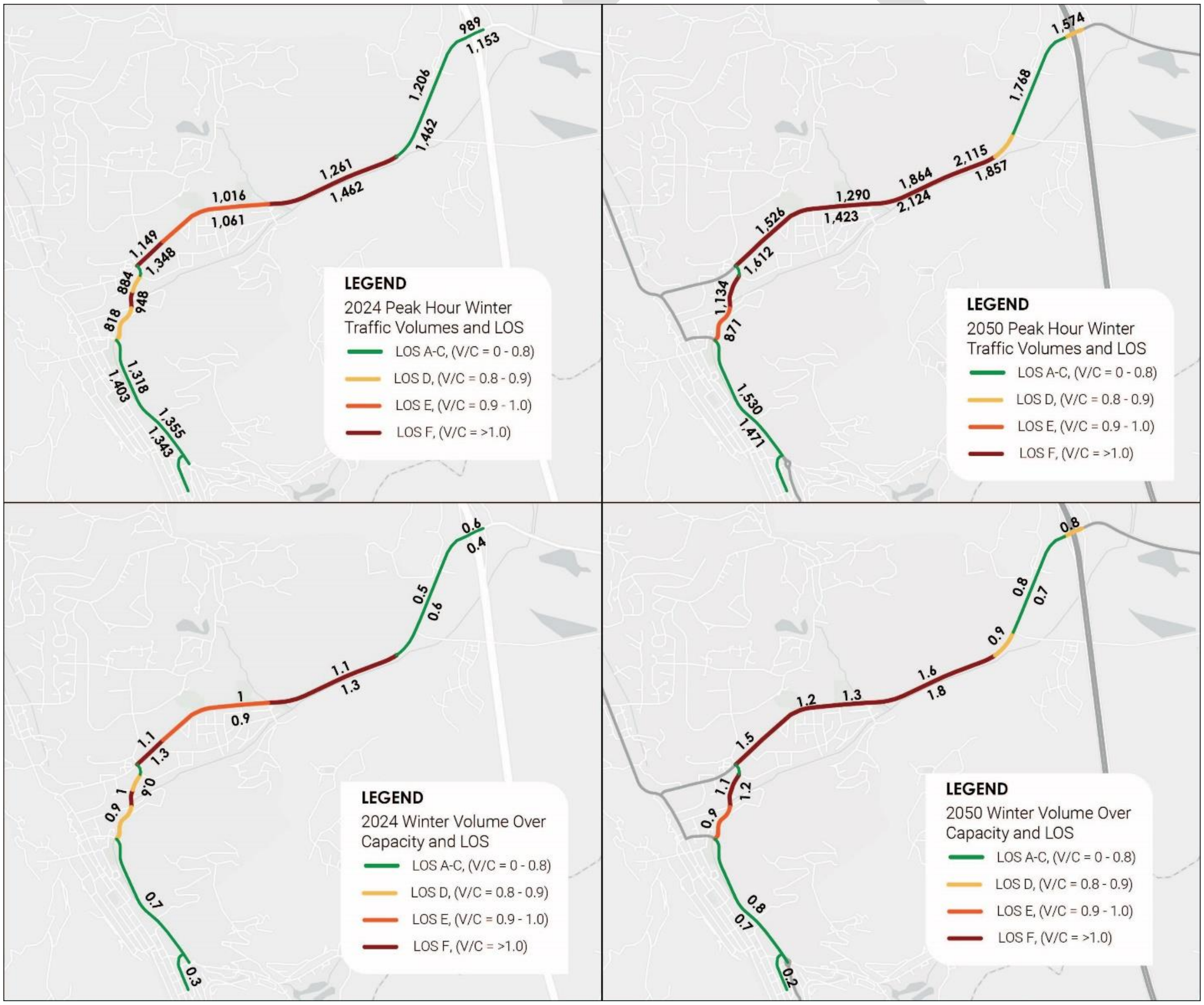
Source: Park City Aerial Imagery, Land Use and Key Destinations Assessment

3.1.2 Corridor Congestion and Transit Options

3.1.2.1 Project Need: Current (2024) transit travel times are often unreliable due to existing corridor congestion, which is exacerbated during peak times and will be a condition that continues into the future (2050).

Traffic delay and congestion is measured by volumes and Level of Service (LOS). LOS is a rating system that assigns letters A through F to different road conditions, with F being the worst, and is one tool for measuring performance and predicting future operational capacities. Today (2024), portions of SR-248 and Bonanza Drive are operating at LOS D, E, and F in the winter. Most of SR-248 from Bonanza Drive to Richardson Flat Drive **is projected to operate at LOS F in both directions** during peak winter times in 2050 (Figure 8).

Figure 8. Winter Season (Peak) Traffic Volumes and LOS, Respectively, for 2024 and 2050



Source: Summit-Wasatch Travel Demand Model v2.1 May 2024

With PCMC continuing to be a world-class destination today and into the future, unpredictable seasonal traffic patterns and seasonal variations in travel times on SR-248 are common issues. PCMC has identified 71 peak days between November 2024 and March 2025 when these conditions will be exacerbated based on major winter events like the Sundance Film Festival and FIS World Cup and peak ski travel days.

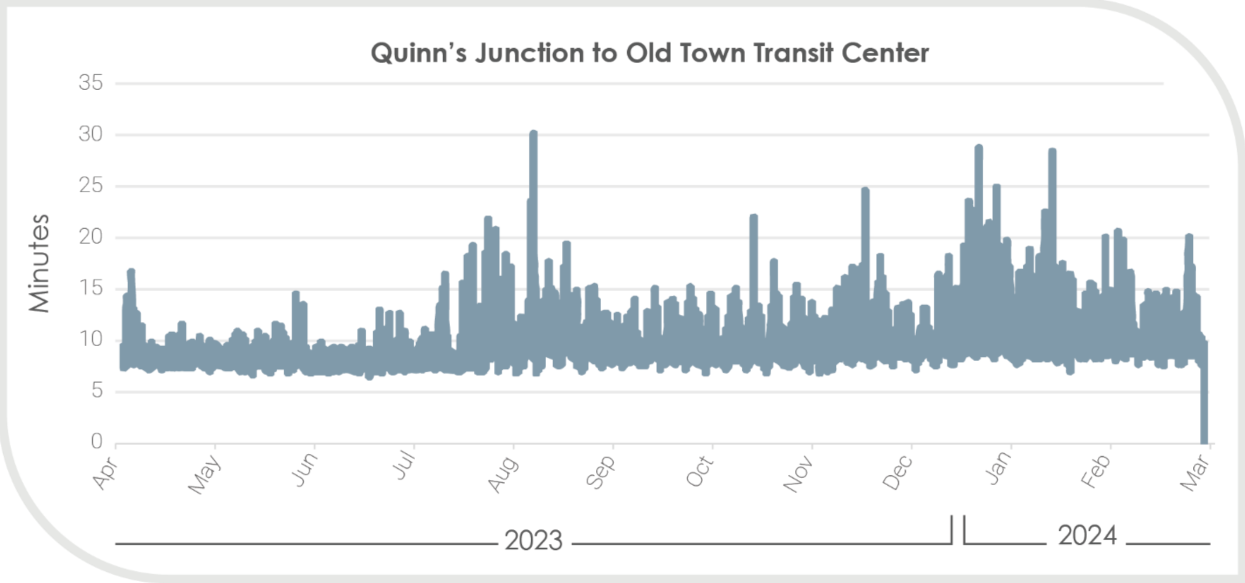
On non-peak days, average travel times from the OTTC to Quinn's Junction range from approximately 8 minutes in the summer to approximately 10 minutes in the winter (Table 2)Table 2. Average Travel Time in Minutes During PM Peak.

Table 2. Average Travel Time in Minutes During PM Peak

TIMEFRAME	OTTC TO QUINN'S JUNCTION AVERAGE TRAVEL TIME (MINUTES)		
	Year	Winter	Summer
7 a.m. to 7 p.m.	8.8	10.3	8.2

However, travelers, including visitors, residents, and the commuting workforce, experience substantial travel delays on peak days along SR-248, **sometimes exceeding 32 minutes** one way, from Quinn's Junction inbound to the OTTC (Figure 9). Travel times from OTTC to Quinn's Junction follow a similar pattern with additional travel delays in the winter months also exceeding 32 minutes.

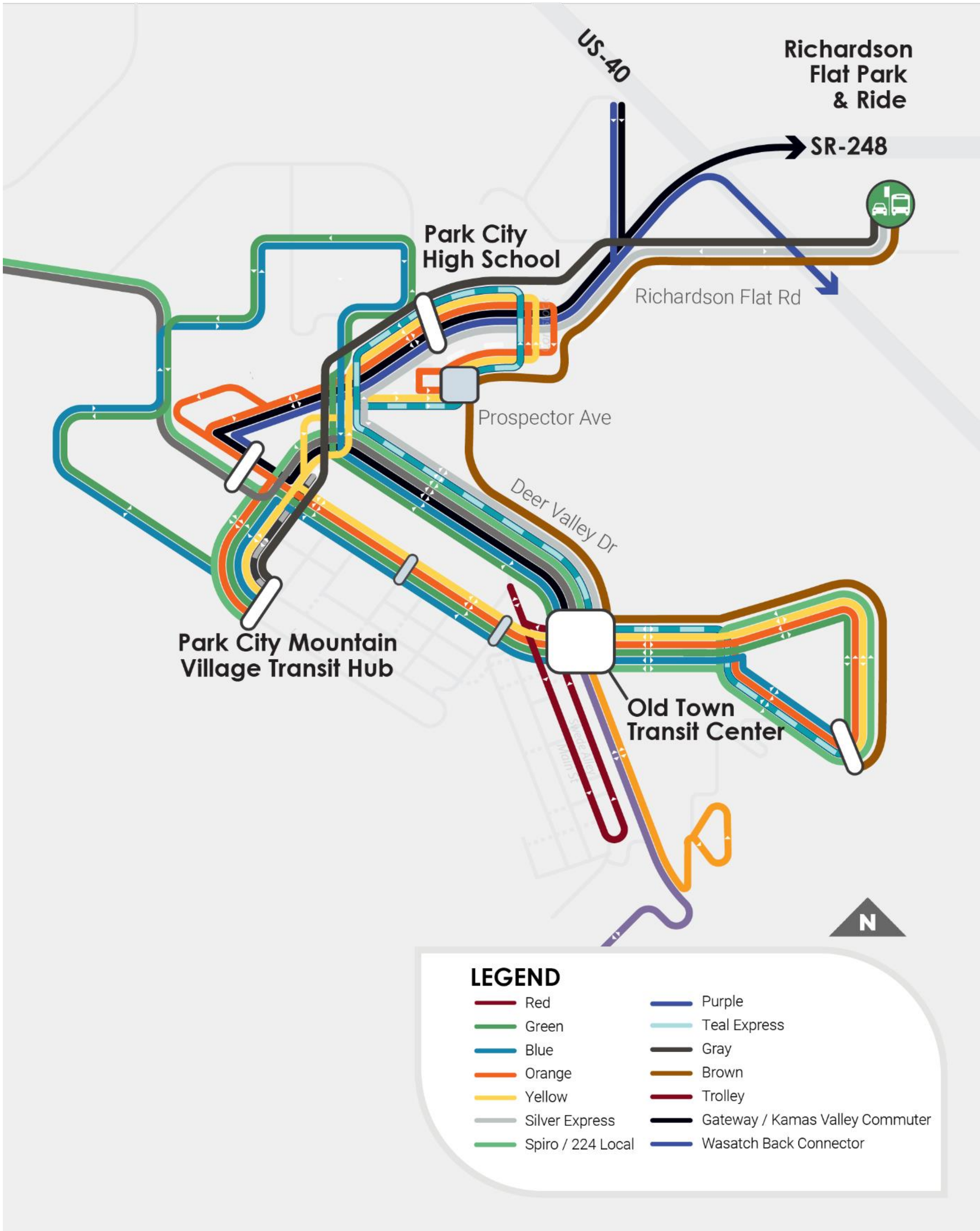
Figure 9. Average Travel Times from Old Town Transit Center to Quinn's Junction



Source: Iteris/ClearGuide

Up to eight bus routes utilize SR-248, Bonanza Drive, and Deer Valley Drive each day from both the High Valley Transit (HVT) system and the Park City Transit (PCT) system (Figure 10).

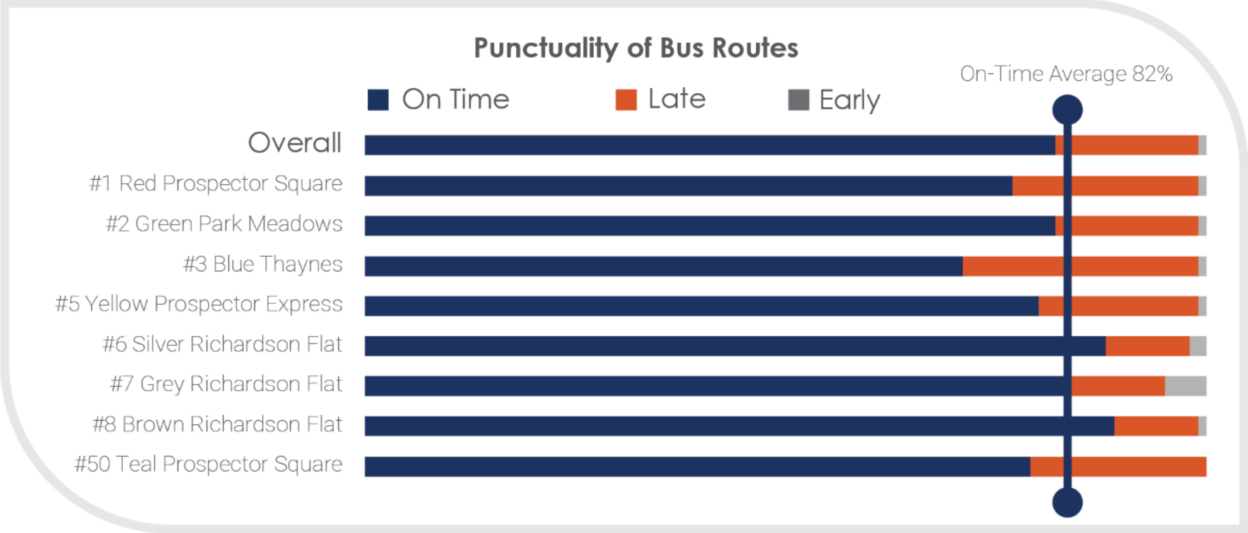
Figure 10. Park City Transit and High Valley Transit 2024 Routes



Source: PCMC/Park City Transit

Systemwide transit performance varies depending on the season, and corridor congestion exacerbates the reliability of service. A new bus service on SR-248 was activated in the winter season in 2022 and 2023 with Silver (Route 6), Grey (Route 7), and Brown (Route 8) bus routes. Data is still new, but the service did experience unreliability in travel times and on-time performance (Figure 11).

Figure 11. Park City Transit 2023 On-Time Performance Analysis



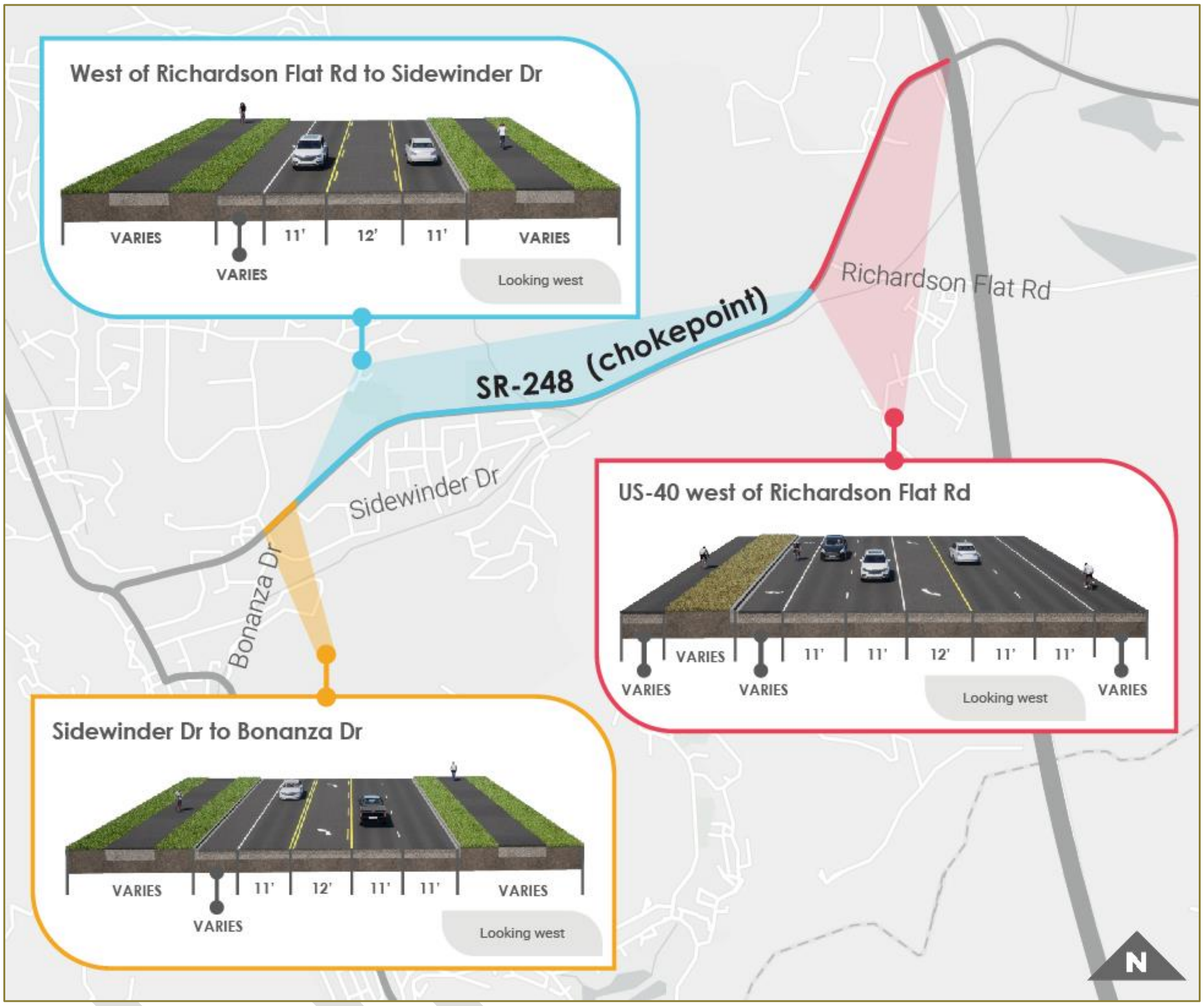
Source: PCMC 2023 Annual Transit Performance Statistics

3.1.2.2 Project Need: Shoulder-running buses transitioning into mixed-flow traffic limits the ability to provide contiguous transit service and decreases transit reliability.

Roadway Cross-section Constraints

HVT transit serving the region with commuter routes and PCT buses serving the Richardson Flat Park and Ride near Quinn's Junction, can operate in the existing 12-foot roadway shoulders during peak times on the eastern segment of the corridor, bypassing stopped traffic; however, as those shoulders end, the requirement to merge into mixed-flow traffic west of Richardson Flat Road **requires the transit vehicles to continue operating in congested conditions, which can lead to unreliability and schedule delays.** (Figure 12).

Figure 12. Varied Transit Cross-section Exacerbates Transit Service Reliability



Geographic Constraints

Additionally, the expansion of transportation facilities within the study area through added capacity will be constrained by steep topography, wetlands, and protected open space.

According to the Federal Emergency Management Agency (FEMA) maps, the study area overlies the 100-year floodplain that is associated with Silver Creek. As a tributary to the Weber River, Silver Creek is considered a jurisdictional Water of the United States (WOTUS), protected under the Clean Water Act. Wetlands are most likely found along SR-248 but may also exist near Bonanza Drive and Deer Valley Drive.

3.1.3 System Resiliency for Equitable and Sustainable Transportation

3.1.3.1 Project Need: Low-income and minority populations living on and near the corridor and commuting into the area for work, need reliable transit service.

Data obtained from census block groups in the study area were compared to the overall average in Summit County to determine if there are higher concentrations of minority or low-income populations in the study area.

According to the US Census (2020), of the five blocks analyzed below, three blocks included minority populations greater than the Summit County overall minority percentage of 15.2 and ethnic minority percentage of 11.2. Hispanic residents are the largest minority population group in the study area (Table 3). The Park City School District indicated that approximately 18.7% of students 5 years old or older speak English as a second language, with Spanish being the primary language spoken at home. Of those, 4.4% of students speak English less than well.

Table 3. Minority Populations by Race in the Study Area

LOCATION	TOTAL POPULATION	MINORITY POPULATION (RACE)	PERCENT MINORITY (RACE)
County			
Summit County	42,357	6,430	15.2%
Census Tract 9643.08			
Block Group 2	**837**	**179**	**21.4%**
Census Tract 9644.02			
Block Group 1	667	99	14.8%
Block Group 2	**1,222**	**566**	**46.3%**
Block Group 3	528	78	14.8%
Block Group 4	**1,713**	**717**	**41.9%**

Table 4. Minority Populations by Ethnicity in the Study Area

LOCATION	TOTAL POPULATION	MINORITY POPULATION (ETHNICITY)	PERCENT MINORITY (ETHNICITY)
County			
Summit County	42,357	4,737	11.2%
Census Tract 9643.08			
Block Group 2	**837**	**159**	**19.0%**
Census Tract 9644.02			
Block Group 1	667	59	8.8%
Block Group 2	**1,222**	**561**	**45.9%**
Block Group 3	528	39	7.4%

LOCATION	TOTAL POPULATION	MINORITY POPULATION (ETHNICITY)	PERCENT MINORITY (ETHNICITY)
Block Group 4	1,713	639	37.3%

The 2022 American Community Survey (ACS) data indicates that approximately 5.2% of residents living in Summit County are considered to be living under the national poverty threshold. This is below the state average of 8.5% and the national average of 12.5%, according to the US Census (2020) (Table 5). Census Tract 9643.08 in the study area has a higher percentage of residents living below the poverty threshold than the Summit County average. It should be noted that while minority populations were evaluated on the block level, income information was only available for the study area at the census tract level.

Table 5. Residents Living Under the National Poverty Threshold in the Study Area

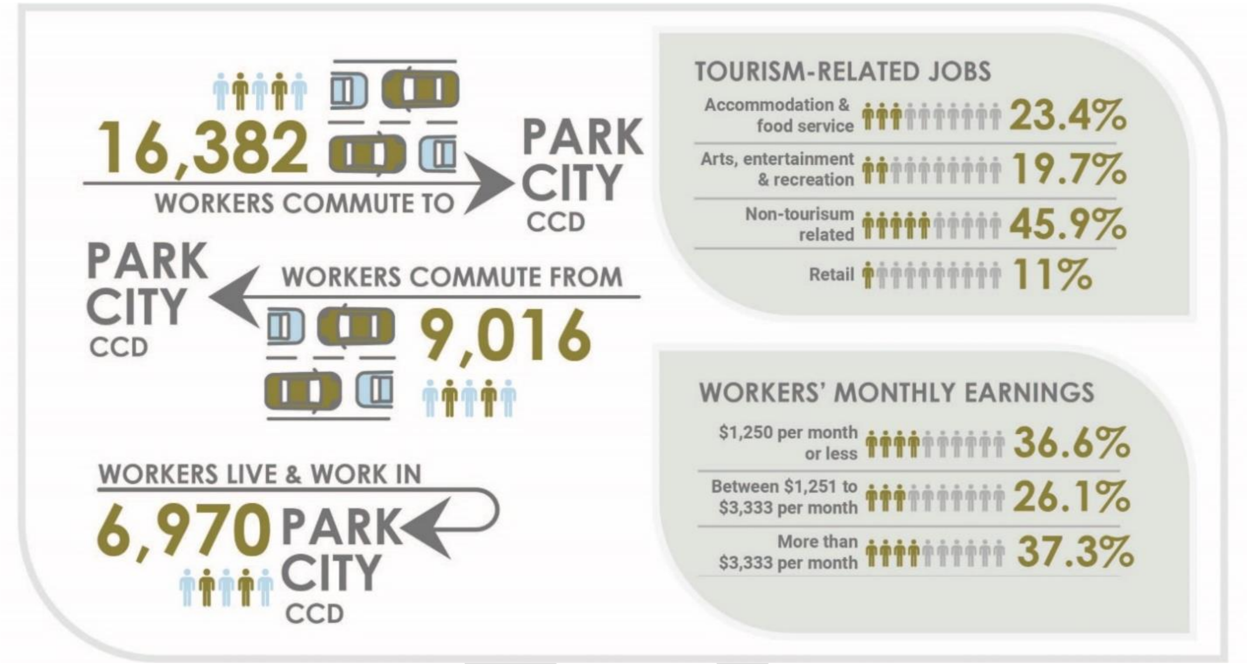
LOCATION	TOTAL POPULATION[1]	PERCENT BELOW POVERTY
County		
Summit County	42,362	5.2%
Census Tracts		
9643.08	3,294	9.4%
9644.02	1,695	3.4%

[1]*Population over 16 years old*

Park City Worker and Commuter Data

Over 16,000 people commute to Park City for work each day (Figure 13) and 54% of the jobs in the area fall under categories associated with tourism and hospitality, often a category associated with low pay and/or part-time work. According to the US Census (2020), over one-third of workers who commute, 36.6%, make $1,250 or less each month, **which is the current federal poverty rate.**

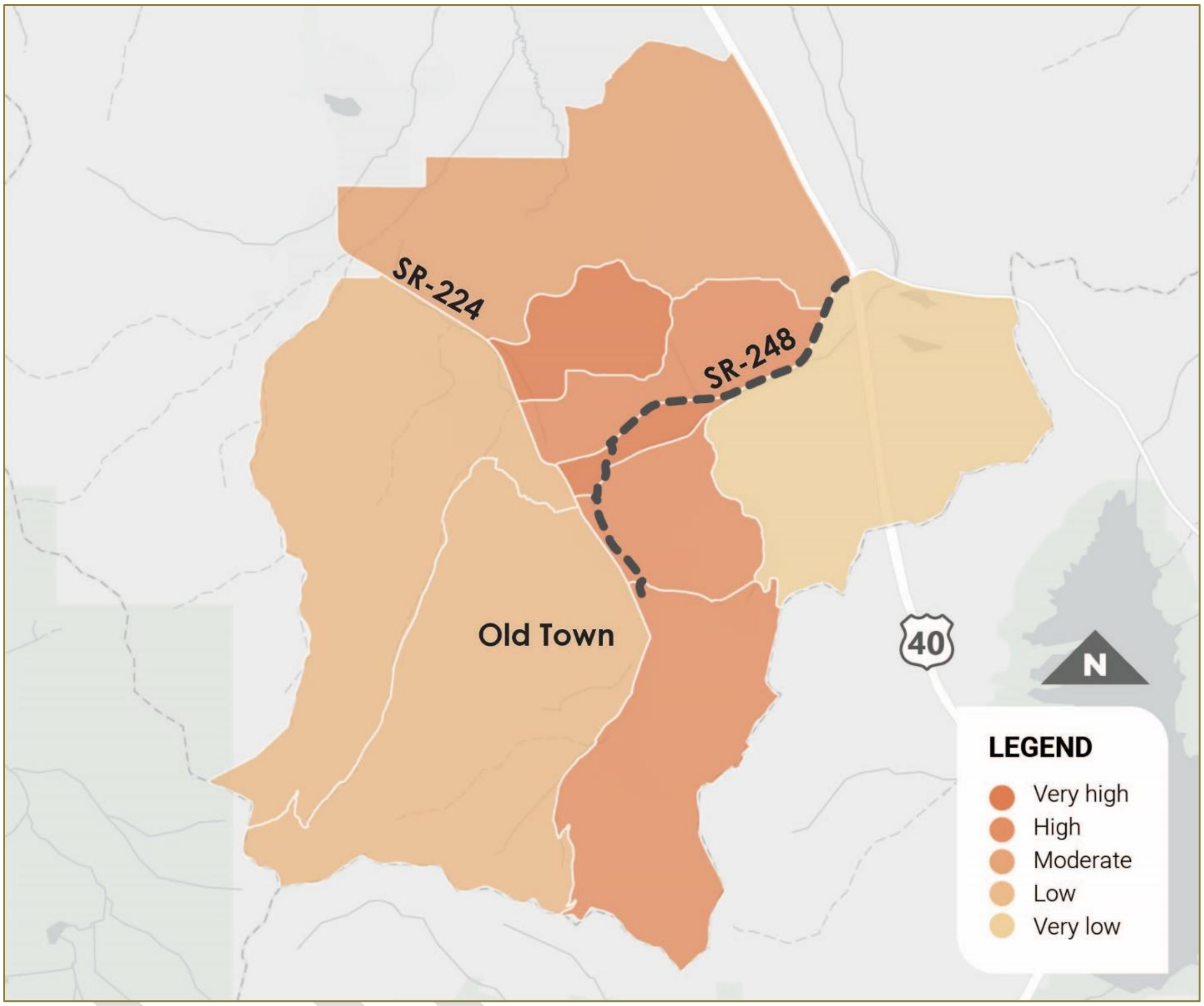
Figure 13. Travel Patterns to and From Park City, Monthly Earning in Park City from 2022



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics

The Park City Short Range Transit Plan (SRTP) developed a transit dependency index (TDI) to determine various populations with a higher need for transit service. The index utilizes population density, no-car households, poverty level, older adults, and youth populations paired with population density to determine the TDI value for each census block group (Figure 14). The census block group along SR-248 in the Very High category is a key consideration for transit equity strategies and is likely to generate higher ridership than other census block groups based on the demographic indicators above.

Figure 14. Transit Dependency Index



Source: US Census Bureau, Park City Short Range Transit Plan, Fehr & Peers

3.1.4 Local and Regional Plans

3.1.4.1 Project need: Local and regional plans indicate a need for multimodal corridor solutions to support efforts that promote satellite parking strategies that are well-served by a high-frequency transit backbone network.

Existing annual ridership and park and ride utilization data for the Richardson Flat Park and Ride (Table 6) **indicate a high demand for transit service along the corridor**.

The Richardson Flat Park and Ride has the third highest number of boardings and alightings (people exiting the bus) of the 16 existing bus stops serving the corridor (Table 6).

Table 6. Transit Ridership from Old Town Transit Center to Richardson Flat Park and Ride between January 1, 2023, and October 9, 2024

NAME	BOARDINGS	ALIGHTINGS	TOTAL RIDERS
Old Town Transit Center	447,743	525,454	973,197
Ironhorse Inbound	23,664	7,406	31,070
Ironhorse Outbound	7,039	23,627	30,666
Munchkin Rd	9,151	4,915	14,066
Park City Plaza	386	934	1,320
Homestake*	4,529	5,794	10,323
Park City Cemetery*	980	841	1,821
Kimball Arts Center*	1,225	2,641	3,866
Kearns and Bonanza*	751	7,800	8,551
Parkside Apartments	25,907	7,975	33,882
Park City High School Inbound	96,611	34,475	131,086
Park City High School Outbound	5,189	58,419	63,608
Learning Center	14,755	3,625	18,380
Treasure Mountain	352	9,608	9,960
Park City Heights	6,140	6,585	12,725
Richardson Flat Park and Ride	52,687	51,745	104,432

*On SR-248 between Bonanza Dr and SR-224, not within the study area portion of the corridor, but approximate to it and considered within walking distance.

PCMC has also adopted and advanced several plans and strategies focused on travel demand management to reduce parking demand in the city and increase satellite parking lots served by high-frequency transit, including:

- **Regional Park and Ride Feasibility Study 2024:** Once complete, additional satellite parking lots will be recommended in the eastern portion of SR-248 to incentivize transit use for accessing Park City.
- **Emerging Disruptors: Future of Transportation 2024 Study:** Supports satellite parking lots and high-capacity/high-frequency transit on SR-248.

- **Park City Forward 2022:** PCMC's transportation master plan, recommends high-capacity/high-frequency transit on SR-248 as a phase 1 priority project.

3.1.4.2 Project Need: Parking is limited in town and highly utilized; additional travel modes are needed to access Park City.

Existing public parking in Park City is constrained and utilized at a high rate by visitors. PCMC has been proactively managing parking demand and capacity in town through several strategies and is working with major developments that are high trip generators through partnerships and policies to incentivize the number of Single Occupancy Vehicles (SOV) accessing the core of town.

In-Town Parking Lot Utilization

There are nine separate locations available for public parking (Figure 15).

Figure 15. Available Parking in OTTC

Source: PCMC

The total inventory of available public parking spaces in town is 1,181 (Table 7). On December 30, 2023, Park City recorded AM and PM occupancy rates of these parking spaces for the Regional Park and Ride Feasibility Study 2024. In the afternoon, 86% of available parking was being utilized. This day was during the peak winter season and the demand for parking was close to maximum capacity in these lots. These lots are primarily proximate to Park City's Old Town and cannot capture the demand for the area.

Table 7. Peak Ski Season Parking Utilization (12/30/2023)

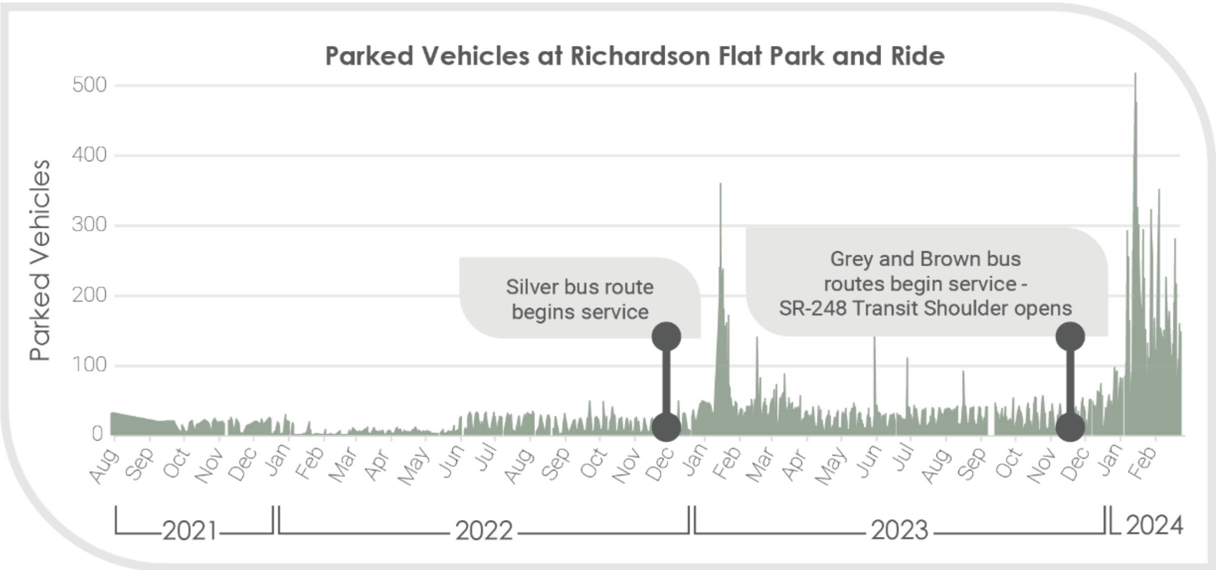
LOT/GARAGE	INVENTORY	10 A.M.		4 P.M.	
		Occupancy	Utilization	Occupancy	Utilization
China Bridge Garage	600	224	37%	586	98%
Iron Horse Garage Roof Deck (just outside of Old Town)	84	40	48%	43	51%
Main Street (on-street)	175	151	86%	172	98%
Bob Wells Lot	32	26	81%	32	100%
Sandridge Lots	96	75	78%	25	26%
Brewpub Lot	49	23	47%	49	100%
North Marsac Lot	57	5	9%	21	37%
Flagpole Lot	59	44	75%	58	98%
Galleria Lot	8	8	100%	8	100%
Swede Alley Lot	21	20	95%	21	100%
TOTALS	1,181	616	52%	1,015	86%

Source: Summit County Regional Park & Ride Needs Assessment + Policy Analysis 2024

Advancing Satellite Parking Strategies

PCMC, in partnership with Summit County, has also continued to advance parking strategies encouraging those traveling from the region to park once and take transit into town. Most recently, PCT has activated the 742-stall Richardson Flat Park and Ride lot, a facility that sat unused in previous years and that is now served by frequent transit during events and the peak winter ski season. Additional transit service with the Silver, Grey, and Brown bus routes increased lot utilization to about 70% utilization in 2024, demonstrating the demand for transit on this corridor (Figure 16.

Figure 16. Richardson Flat Park and Ride Utilization



Source: Park City Transit 2021-2024

3.2 PROJECT PURPOSE

Based on the identification of needs in the study area and the iterative process described in Figure 2, the following purpose statements describe the objectives to be achieved by this project. The Project Purpose is to:

- ✓ Support the transportation demands of population, employment growth, and economic resiliency in the region.
- ✓ Increase the reliability, accessibility, and overall resiliency of travel on the corridor by improving transit travel times between Quinn's Junction and the OTTC.
- ✓ Enhance the quality of life in the region by improving equitable access to opportunities between existing and planned employment, housing, and key destination centers on the corridor, especially during peak periods.
- ✓ Support local and regional plans and policies that address transportation demand management, sustainability, and equity and avoid excessive road widening.
- ✓ Enhance mobility along the corridor through transportation choices.

Conclusion

The next steps will be to utilize the existing and future conditions data and the Purpose and Need statement, to develop measures of effectiveness (MOE). The MOEs will be utilized for the next phase of the study, to develop a range of alternatives and conduct a fatal flaws screening to determine what alternatives meet the Purpose and Need and are reasonable and feasible to advance into Level 1 screening.

	MEASURES OF EFFECTIVENESS							FEAS.
Alternative	Does the alternative reduce congestion or reduce travel delay?	Does the alternative provide access to key destinations on-corridor?	Does the alternative reduce transit travel times?	Does the alternative increase on-time performance of transit?	Does the alternative provide reliable transit service on-corridor for low-income and minorities?	Does the alternative provide high-frequency transit on-corridor with limited road widening?	Does the alternative provide additional travel modes on-corridor in the study area?	Is the alternative feasible to deliver before 2034; is it service-proven technology?
No Action Alternative	Not Screened							
Gondola	Maybe	No	Maybe	Yes	No	No	No	Maybe
One Way Traffic Loop	Maybe	No	No	No	No	No	No	Yes
Reversible Flex Lanes	Maybe	Maybe	Maybe	Maybe	Maybe	Maybe	Maybe	Yes
Dedicated Bus Lanes	Maybe	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Light Rail	Maybe	Yes	Yes	Yes	Yes	No	Yes	Maybe
Automated Guideway Transit	Maybe	Yes	Maybe	Maybe	Maybe	Maybe	Yes	Maybe
Rail Trail Transit Alignment	Maybe	No	Maybe	Maybe	No	No	No	Maybe
Electric Vehicle Tunnel	No	No	No	No	No	No	No	No
Traditional Widening	Maybe	Maybe	No	No	No	No	No	Yes
Commuter Rail	Maybe	No	Maybe	Yes	No	No	No	Maybe
Minor Transit Improvements	No	Maybe	No	No	No	No	Maybe	Yes

Yes Maybe No

City Council Staff Report

Subject: Treasure Hill Conservation Easement
Author: Ryan Blair
Department: Open Space
Date: December 6th, 2024

Recommendation

Review, discuss, and provide feedback on the proposed Treasure Hill Conservation Easement. Pending the City Council's direction on the conservation easement, we plan to the City Council for final consideration and adoption on December 19, 2024.

Executive Summary

The City's purchase of the Treasure Hill Open Space property was finalized in March 2019, with specific conditions outlined in the acquisition documents and property deeds, including a provision to delay the adoption of the conservation easement for 720 days (two years). The previous landowners proactively requested this delay, which the City accommodated to ensure adequate time and consideration to ensure responsible stewardship and preservation measures were contemplated.

Since the acquisition, several programs and projects have been implemented in collaboration with community stakeholders and residents, many of which are included in the timeline below:

On **May 2, 2019**, the City Council discussed the initial Capital Improvement Plan for the Treasure Hill Open Space, which set forth the following project list:

- **2021**: Construction of the Sixth Street Stairs was completed.
- **2021-2022**: The new Mother Urban Trail was built, supported by a $50,000 donation from a neighborhood coalition.
- **2022**: The Treasure Hill Trailhead and Rich Martinez statue were completed, including a donation from the Martinez family.

On **August 19, 2021**, the City Council approved a contract with Alpine Forestry to develop and implement a Treasure Hill Forest Health Plan, which included the following phases:

- **Phase I**: Defensible Space and Mitigation Plan (2021)
- **Phase II**: Wildfire Mitigation (Spring/Fall 2022), which finalized defensible space work where applicable.
- **Phase III**: Wildfire Mitigation (Spring/Fall 2023)

On **November 18, 2021**, the City Council awarded a contract to Summit Land Conservancy to initiate a baseline inventory of the property and draft a conservation easement. The baseline inventory outlines existing property features and conditions when a conservation easement is adopted.

This work was done in conjunction with an ALTA (American Land Title Association) survey, which was produced as a licensed and recorded survey establishing the boundary, encumbrances, and existing conditions of the property. Typically, an ALTA survey is used to support the baseline inventory.

On **December 5, 2023**, the City Council was provided an update in anticipation of a final conservation easement.

In general, conservation easements provide perpetual land protections and restrictions. Modifying these protections is rare, particularly for public lands. Therefore, precision and transparency in documentation, supported by specific survey data, established land property rights, and thorough title research, are essential for the long-term success of an easement, as well as for effective future monitoring and stewardship.

Notably, the Bonanza Flat Conservation Easement, a process coordinated with Utah Open Lands, took nearly three years to finalize. This effort underscored the importance of meticulous planning, title examinations, survey work, and coordination of reserved rights and stewardship obligations before the final document was adopted and recorded. The resulting document is frequently referenced today and provides the stewardship guidelines and regulations for how the property is used.

Analysis

The proposed Treasure Hill Conservation Easement is attached as Exhibit A. The Property and Open Space teams plan to review key areas of the easement with the City Council in anticipation of a request for adoption at the December 19, 2024, City Council meeting.

A breakdown of each easement component is outlined below:

Recitals

This section summarizes and describes the conservation easement area, including physical descriptions of the property. It also identifies “Conservation Values.” These values include preservation of public outdoor recreation, protection of natural habitat for wildlife and vegetation, preservation of open space for scenic enjoyment, and preservation of historic structures and character.

Conservation Easement Terms

This section outlines various terms and conditions within the Conservation Easement.

Sections 1 and 2 grant the easement to Summit Land Conservancy (the “Conservancy”) and identify the easement’s purpose: to preserve and protect the Conservation Values, which are defined in perpetuity.

Section 3 defines the Baseline Report, which documents existing conditions and encroachments on the property. The Conservancy will use the Baseline Report to monitor changes on the property and enforce the easement.

Section 4 outlines the Conservancy’s rights, including the right to preserve and protect the property in perpetuity.

Section 5 defines the uses of the property.

The remaining sections outline various processes and legal requirements.

Exhibits A and B of the Conservation easement are the legal description and map of the property.

Exhibit C is the Reserved Use Rights: Permitted and Restricted Uses and Practices. This section outlines various permitted uses of the property in accordance with previously recorded easements and agreements and the Conservation Values. Notable highlights include the City maintaining and managing trails consistent with the Conservation Values and allowing for the construction and use of public amenities such as trails, stairways, and other amenities. The full Conservation Easement is attached as Exhibit A and includes a comprehensive outline of permitted and restricted uses.

Exhibit D identifies Existing Rights, recorded by the previous property owner with various private property owners.

Encroachments

Several private property encroachments exist in the Conservation Easement area. While some are consistent with the Conservation Values, many are not.

Consistent with the restrictions included with the property deed, we recommend requiring certain improvements be removed from the conservation area. The table below summarizes each private property with encroachments and whether they are proposed to be removed.

Encroachments were generally broken down into two different buckets: health and safety or low-impact landscaping improvements and post-2019 major landscaping and flagstone patios. Encroachments that include both emergency access stairs and retaining walls were deemed necessary by the City and the Conservancy and are proposed to be kept.

Major encroachments like flagstone patios, garden boxes, and grass were deemed unnecessary, and most were installed after the City purchased the property in 2019.

The table below outlines each property's encroachment and whether they are proposed to be removed or kept.

Property Address	**Proposed to Remove Encroachments**	**Proposed to Keep Encroachments**
263 Norfolk Ave	N/A	(1) Emergency Access- Stone Stairs
808 Empire Ave	Post 2019 placement: Decorative Stairs, non-emergency use	(1) N/A
409 Woodside Ave	N/A	(1) Emergency Access- Wooden Stairs
421 Woodside Ave	N/A	(1) Emergency Access- Wooden Stairs
451 Woodside Ave	N/A	(1) Emergency Access- Wooden Stairs
459 Woodside Ave	N/A	(1) Emergency Access- Wooden Stairs
463 Woodside Ave	Planter garden box	N/A
481 Woodside Ave	N/A	(1) Emergency Access- Suspended Walkway, Wooden Stairs. (2) Rock water feature- cannot be expanded or improved
543 Woodside	Post 2019 placement: Flagstone patio	(1) Trail and ski access, must remove non-native grass (2) Retaining wall
555 Woodside	Post 2019 placement: Flagstone patio	(1) Trail and ski access, must remove non-native grass (3) Retaining wall
559 Woodside	Post 2019 placement: Flagstone patio	(1) Trail and ski access, must remove non-native grass (2) Retaining wall

Park City acquired the Treasure Hill Open Space property in 2019 after an overwhelming vote of public support for land conservation and public use. Since then, improvements like trails and wildfire mitigation have been planned for and implemented.

The City is now finalizing a conservation easement to protect the property's natural and recreational values permanently.

This proposed easement outlines permitted and restricted uses, addresses existing encroachments, and ensures the long-term preservation of Treasure Hill Open Space.

The Property and Open Space teams recommend that the Council review the Conservation Easement and discuss any questions or concerns prior to returning on December 19, 2024, for final adoption.

Exhibits

Exhibit A: Proposed Conservation Easement

WHEN RECORDED, RETURN TO:
Summit Land Conservancy
P.O. Box 1775
1887 Gold Dust Lane, Suite 101
Park City, Utah 84060

TREASURE HILL CONSERVATION EASEMENT

THIS TREASURE HILL CONSERVATION EASEMENT (this "Easement") is made effective as of the date of recording with the office of the Summit County Recorder (the "Effective Date") by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation ("City"), and SUMMIT LAND CONSERVANCY, a Utah nonprofit corporation ("Conservancy"). The City and the Conservancy are referred to individually as a "Party" and collectively as the "Parties".

The following Exhibits are attached to and are incorporated into this Easement by this reference:

Exhibit A: Legal Description of the Property
Exhibit B: Property Map
Exhibit B1: Encroachment Exhibits
Exhibit C: Permitted and Restricted Uses and Practices
Exhibit D: Existing Rights (Title Exceptions)

RECITALS

A. The City owns approximately 104.8 acres of certain real property and appurtenances, commonly referred to as the Treasure Hill Open Space, located in Park City, Summit County, State of Utah (collectively, the "Property"). The Property is described in Exhibit A and shown on the Property Map attached as Exhibit B.

B. As fee owner of the Property, the City owns the affirmative right to identify, preserve, enhance, and protect forever the Conservation Values (defined below) of the Property. The City desires to grant a Conservation Easement in perpetuity to Conservancy pursuant to Utah Code Title 57, Chapter 18, sections 1 through 7, Land Conservation Easement Act ("Utah Conservation Easement Act") which authorizes the acquisition of a conservation easement by a qualified organization for the purpose of preserving and maintaining land predominantly in a natural, scenic, or open condition, or for recreational, agricultural, cultural, wildlife habitat or other use or condition consistent with the protection of open land.

C. The Property is open hillside and forested land immediately adjacent to Park City's Historic Old Town with seasonal public access to trails maintained by the City and ski runs that are part of "Park City Mountain" ski resort. Prior to the City's purchase of the Property, the Property was the subject of planning and development activities to exercise vested Development Rights (defined below) for the construction of multi-story commercial resort accommodations and associated amenities. Park City's voters approved a $48 million general obligation bond to finance the acquisition and preservation of the Property to protect the conservation values, to eliminate any future commercial or residential development, and to make limited improvements for public access, trailhead parking and use.

D. The conservation purposes and values preserved and protected under this Easement include (i) the preservation of land for outdoor recreation and education of the general public, (ii) the protection of a relatively natural habitat for wildlife, plants, and natural vegetation; (iii) the preservation of open space, including forest land, for the scenic enjoyment of the general public; and (iv) the preservation of historic structures and historic character. Said conservation purposes and values are consistent with the requirements of I.R.C. § 170(h) (2006) and are described in more detail in subsections (i) through (v) immediately below and are collectively referred to as the "Conservation Values."

(i) Preservation of Public Outdoor Recreation. The Property has natural surface trails frequently used by the general public in the spring, summer and fall for hiking, trail running, dog walking, and mountain biking. Said trails are accessible from Park City's Historic Old Town and are supported by trailheads and access points from adjacent residential public streets. The Property's trails are part of and connected to the greater Park City world-class mountain trails network. Some trails on the Property have educational signage and artwork pertinent to Park City's mining town history including the giant sculpture of a miner at the Lowell Avenue trailhead. The "Town Lift" chairlift and ski runs are located on the Property and are operated and managed by the "Park City Mountain" ski resort operator during the winter months. The chairlift and ski area provide an important skier/snowboarder access point from Old Town to the larger ski resort area, with ski-in and ski-out opportunities for occupants of residences on Norfolk Avenue, Woodside Avenue and Lowell Avenue, Crescent Tram, 8th Street and King Road. Ski resort lift tickets are widely available for purchase by the public. During the winter months the public accesses the Property for additional snow related recreation including snowshoeing and uphill-travel skiing outside of ski resort operating hours.

(ii) Protection of Natural Habitat for Wildlife and Vegetation. The Property is relatively natural habitat for a variety of wildlife including large 'game' (deer, elk, moose), ground mammals (marmot, squirrel, ermine) and birds (grouse, medium-large raptors). Sightings of deer and moose are common on the Property year-round. The Property has been identified as part of a crucial habitat for moose, elk, mule deer, and dusky grouse. The Property has a special status designation as a habitat for the northern goshawk, a Sensitive Species. The milkweed plants and foraging opportunities on the Property provide an ideal annual migratory location for the monarch butterfly. The flowering plants on the Property create a suitable habitat for the western bumble bee, a species being reviewed for protection under the Endangered Species Act. The Property is dominated by mature Gamble Oak, Sagebrush, White Fir, Conifers, Rocky Mountain Quaking Aspen, and Rocky Mountain and Bigtooth Maples, creating a spectacular scenic view for the general public throughout Park City.

(iii) Preservation of Open Space for Scenic Enjoyment. The Property is clearly visible from many public roadways and trails throughout Park City and from the Town Lift chairlift that connects directly to Park City's Historic Main Street. The Property is visible from Old Town, Masonic Hill, Lower Deer Valley, Resort Center neighborhoods, and from higher elevation vantage points throughout the City. The Property offers a view of skiers descending snow covered ski runs in the winter and forested hillsides year-round, a view that is particularly striking in the fall with vibrant, colorful foliage. Preservation of the Property for conservation purposes is consistent with the community open space values reflected in the *Park City General Plan*, adopted by the City in 2014. A strategy of said plan is that regions should be bounded by and provide a continuous system of greenbelt/wildlife corridors with an emphasis on the goal of protecting viewsheds of surrounding neighborhoods and the Historic Main Street corridor.

(iv) Preservation of Historic Structures and Character. One of the core values of the Park City community is the preservation of the City's historic character. Park City is home to more than 400 historic sites and two National Register Historic Districts. The undeveloped Property complements the historic character of adjacent lands, and the Property has ruins and artifacts from Park City's mining era. The Property overlooks the Main Street Historic District and is adjacent to the Old Town Historic neighborhood with densely built residential homes of historical significance dating back to the mining boom period of 1872–1929. Some residences are original miner's cabins that reflect Queen Anne, Mission/Spanish Revival and Victorian architectural styles. Aerial tram towers and associated historic mining artifacts are located on the Property and are accessible from public trails.

E. The Conservation Values are further documented in the Baseline Document Report (the "Baseline Report"), a copy of which is on file at the offices of the City and the Conservancy. The City and Conservancy hereby acknowledge that said Baseline Report memorializes the condition of the Property as of the Effective Date of this Easement.

F. As of the Effective Date, the Conservancy is a nonprofit corporation incorporated under the laws of Utah as a tax-exempt public charity described in I.R.C. §§ 501(c)(3) and 509(a)(1). The Conservancy is organized to protect and conserve natural areas and ecologically significant land for scientific, charitable, and educational purposes. The Conservancy is a "qualified organization" within the provisions of I.R.C. § 170(h), it is qualified to acquire and hold conservation easements, and it is a qualified "Conservancy" for a conservation easement under the Utah Conservation Easement Act.

G. This Easement is granted following the acquisition of the Property by the City (together with the property known as Armstrong/Snow Ranch Pasture, also located in Park City) for $64 million dollars, largely using the proceeds of a $48 million-dollar open space bond supported by a public vote of 77.3% of the Park City community on November 6, 2018. The express purpose of the open space bond was to enable the City to acquire and forever preserve the Property (and Armstrong/Snow Ranch Pasture) to protect the conservation values, improve public access and eliminate any future commercial or residential development.

H. To accomplish the Conservation Purposes (defined below), the City desires to convey to the Conservancy and the Conservancy desires to accept from the City a conservation easement that restricts the uses of the Property as provided herein and grants certain rights to the Conservancy to preserve, protect, identify, restore, monitor, and enhance the Conservation Values in perpetuity.

I. The Conservancy agrees, by accepting this grant, to honor the existing agreements and the intentions of the City stated herein and to preserve and protect the Conservation Values of the Property in perpetuity for the public benefit. The Conservancy acknowledges that no goods or services or other consideration of any kind whatsoever were received by the Conservancy in consideration of or exchange for this Easement.

CONSERVATION EASEMENT TERMS

IN CONSIDERATION of the recitals set forth above, the mutual covenants, terms, conditions, and restrictions contained in this Easement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and pursuant to Utah state law including without limitation the Utah Conservation Easement Act, the City and the Conservancy agree as follows:

1. GRANT OF EASEMENT. The City voluntarily and without consideration of any kind hereby grants and conveys to the Conservancy, and the Conservancy hereby accepts from the City, a perpetual conservation easement in, on, over, and across the Property, subject to the terms and conditions set forth in this Easement, restricting forever the uses that may be made of the Property and granting the Conservancy certain rights in the Property.

2. CONSERVATION PURPOSES. The purposes of this Easement are to preserve and protect in perpetuity and, in the event of their degradation or destruction, to assure the preservation and restoration of the Conservation Values of the Property. In particular, the purpose of this Easement is to protect natural vegetation and wildlife habitat, maintain the Property's natural, aesthetic, and scenic open space qualities, provide public access to outdoor recreation, and complement the local historic districts. In achieving the above-named purposes (collectively, the "Conservation Purposes"), it is the intent of this Easement to permit the continuation of such uses of the Property as may be conducted consistent with the Conservation Values protected herein, and consistent with the terms, conditions, and restrictions stated in this Easement.

3. BASELINE REPORT. By its execution of this Easement, the Conservancy acknowledges that the City's present uses of the Property are compatible with the purposes of this Easement. To evidence the present condition of the Property (including both natural and manmade features) and to facilitate future monitoring and enforcement of this Easement, the Parties acknowledge that a Baseline Report has been prepared, which provides a collection of baseline data on the Property and its natural resources and an assessment of the consistent uses. The Parties agree that the Baseline Report, signed by the Parties at the time of this grant of Easement, contains an accurate representation of the biological and

physical condition of the Property as of the Effective Date and of the historical uses of the Property. In addition to the public benefits described as the Conservation Values, the Baseline Report identifies public policies and statements and/or other factual information supporting the significant public benefit of this Easement. The Conservancy may use the Baseline Report in enforcing provisions of this Conservation Easement but is not limited to use of the Baseline Report to show change of conditions. The Baseline Report is incorporated into this Conservation Easement by reference. The City and the Conservancy approve the Baseline Report, a copy of which is on file with the City and the original of which is on file with the Conservancy at their respective addresses for notices set forth below.

4. THE CONSERVANCY'S RIGHTS. To accomplish the Conservation Purposes, the rights and interests that are granted and conveyed to the Conservancy by this Easement include the following:

   A. Preserve and Protect. The right to preserve, protect, identify, monitor, and enhance the Conservation Values in perpetuity, and in the event of their degradation or destruction, the right to restore such areas or features of the Property that are damaged by any inconsistent activity or use.

   B. Entry and Access Rights. The Conservancy is, by this Easement, granted rights of access by public ways or otherwise including, but not limited to, any access easements appurtenant to the Property or held by the City, to enter upon the Property at any time in order to: monitor compliance with and otherwise enforce the terms of this Easement; to study and document ecosystems and other features of the Property; to take ground and aerial photographs of the Property; and to determine whether activities on the Property are in compliance with the terms of this Easement; all in a manner that does not unreasonably disturb the use of the Property by the Property users consistent with this Easement.

   C. Enforcement. The Conservancy has the right to prevent or enjoin any activity on or use of the Property that constitutes a breach of this Easement or is inconsistent, in any material respect, with the preservation of the Conservation Values.

5. USES OF THE PROPERTY.

   A. The City may use and manage the Property as open space for passive recreational use by the public consistent with the Conservation Values and the permitted and prohibited uses described in Exhibit C (the "Reserved Use Rights").

   B. The City reserves to the City and the City's successors and assigns as the owner of the Property all rights accruing from the ownership of the Property, including the right to engage in or permit or invite others to engage in uses of the Property that are not expressly prohibited herein and that are consistent with the purpose of the Easement, including without limitation the right to engage in or permit others to engage in Reserve Use Rights.

C. Adjacent property owners and others have certain rights to use the Property ("Existing Rights") as described in:

i. The Exceptions and documents referenced in Schedule B, Part II, of the Alta Commitment for Title Insurance for the parcels with tax serial numbers PC-321-X, PC-351-X and PC-364-A-X, and part of the parcel with tax serial number PC-364-A-X, prepared by Stewart Title Guaranty Company, with a commitment date of February 27, 2024 which is attached as Exhibit D.
ii. The Exceptions and documents referenced in Schedule B, Part II, of the Alta Commitment for Title Insurance for the parcel with tax serial number THILL-S-X, prepared by Stewart Title Guaranty Company, with a commitment date of March 28, 2022, which is attached as Exhibit D.

6. APPROVAL REQUEST.

A. The Conservancy's Approval. The City will not undertake or authorize any activity requiring prior approval by the Conservancy, as set forth in Exhibit C, without first having notified and received approval from the Conservancy as provided herein. Prior to the commencement of any activity for which this Easement requires prior written approval by the Conservancy, the City will send the Conservancy written notice of the City's intention to undertake or authorize such activity. The notice will inform the Conservancy of all aspects of the proposed activity, including location, design, materials, or equipment to be used, dates and duration, and all other relevant information. If in the Conservancy's judgment additional information is required to adequately review the proposal, the Conservancy will send written notice requesting such additional information within 30 days of receipt of the City's notice.

B. The Conservancy's Decision. No later than 30 days from the Conservancy's receipt of information adequate to review the proposed activity, the Conservancy will notify the City of its disapproval or approval of the City's proposal, or the Conservancy may approve the City's proposal with specified modifications. The Conservancy's decision must be based upon the Conservancy's assessment of the proposed activity in relation to its consistency or inconsistency with the terms of this Easement. Conservancy's failure to respond within the 30 days shall be deemed an approval. Approval to proceed with, or failure to object to, any proposed use or activity will not constitute consent to any subsequent use or activity of the same or any different nature.

7. ENFORCEMENT AND REMEDIES.

A. Notice of Violation; Corrective Action. If the Conservancy becomes aware that a violation of the terms of this Easement caused by the City, as specified in section 7(A)(i), has occurred or is threatened to occur, the Conservancy will give written notice to the City of such violation and the City will, in the case of an existing violation, promptly cure the violation by (a) ceasing the same and (b) restoring the Property to the condition before such violation, or in the case of a threatened violation, refrain from the activity that would result in the violation. If the City fails to cure such violation within 60 days after receipt of notice from the Conservancy, or under circumstances where the violation cannot reasonably be cured within a 60-day period, or if the City fails to begin curing such violation within the 60-day period or if the City fails to continue diligently to cure such violation until finally cured, the Conservancy will have all remedies available at law or equity to enforce the terms of this Easement, including, without limitation, the right to seek a temporary or permanent injunction with respect to such activity, to cause the restoration of that portion of the Property affected by such activity to the condition that existed prior to the undertaking of such prohibited activity (regardless of whether the costs of restoration exceed the value of the Property), and to otherwise pursue all other available legal and equitable remedies, including, but not limited to, monetary damages arising from the violation. The Conservancy's rights under this section apply equally to actual or threatened violations of the terms of this Easement. The City agrees that the Conservancy's remedies at law for any violation of the terms of this Easement may be inadequate and that the Conservancy is entitled to the injunctive relief described in this section, both prohibitive and mandatory, in addition to such other relief to which the Conservancy may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Furthermore, the provisions of the Utah Conservation Easement Act are incorporated into this Easement by this reference, and this Easement includes all of the rights and remedies set forth therein.

i. The City is responsible for the acts of persons acting on its behalf, at its direction, or with its authorization, including but not limited to the City's agents and employees (the "City Parties"). The Conservancy has the right to enforce this Easement against the City for any use of or activities upon the Property that violate the terms of this Easement and are a direct result of an act of the City Parties. Except for the City Parties, the City is not liable for any acts, actions, or omission of any other person and the Conservancy does not have a right to enforce this Easement or make any claim arising under this Easement with respect to the City for the acts or omissions of any other person.

ii. The Conservancy has the right, but not the obligation, to pursue all legal and equitable remedies provided under this section against any third party responsible for any activity or use of the Property that is a violation of this Easement.

B. Costs of Enforcement. If either Party is the prevailing Party in any action against the other, the non-prevailing Party shall reimburse the prevailing Party for any reasonable costs of enforcement or defense, including court costs, mediation and, if applicable, arbitration costs, reasonable attorneys' fees, and any other payment ordered by such Court or arbitrator.

C. Emergency Enforcement. If the Conservancy, in its reasonable good faith judgment, determines that circumstances require immediate action to prevent or mitigate significant, immediate and material damage to the Conservation Values or to prevent significant and material breach of this Easement, the Conservancy may pursue its remedies under this Easement without prior notice to the City and without waiting for the cure period to expire. Conservancy shall concurrently or as soon as possible thereafter notify the City orally and in writing of all actions taken pursuant to this section.

D. Forbearance Not a Waiver. Any forbearance by Conservancy to exercise its rights under this Easement in the event of any violation of this Easement shall not be deemed or construed to be a waiver by Conservancy of such violation or another violation of this Easement or of any of Conservancy's rights under this Easement. No delay or omission by Conservancy in the exercise of any right or remedy upon any breach shall impair such rights or remedy or be construed as a waiver.

E. Remedies Cumulative. No single or partial exercise of any right, power or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder and all remedies under this Easement may be exercised concurrently, independently or successively from time to time. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies which may be available at law or equity.

F. Acts Beyond the City's Control. Notwithstanding anything here to the contrary, nothing contained in this Easement will be construed to entitle the Conservancy to bring any action against the City for, or to require the Conservancy or the City to, restore destruction of or damage to the Conservation Values resulting from, any damage, injury to or change in the Property resulting from or arising as a result of causes beyond the City's control, including without limitation fire, flood, storm, earth movement, landslides, acts of God and/or any other natural disasters or from any action that the City reasonably determines is prudent under emergency conditions to prevent, abate, or mitigate significant injury to the Property.

8. REPRESENTATIONS AND WARRANTIES.

A. Hazardous Material. The City warrants that it has no actual knowledge of release or threatened release of hazardous substances or wastes on the Property, as such substances and wastes are defined by applicable law.

B. State of Title. The City represents and warrants that the City has good and marketable fee title to the Property, subject only to any liens, encumbrances and defects described in the title commitment obtained by the Conservancy prior to execution of this Easement. To the best of the City's knowledge, there are no existing easements, leases or other agreements that might cause extinguishment of this Easement, or that would materially impair the Conservation Purposes.

C. Compliance with Laws. The City has not received notice of and has no knowledge of any material violation of any federal, state, county, or other governmental or quasi-governmental statute, ordinance, rule, regulation, law, or administrative or judicial order with respect to the Property.

D. No Litigation. The City represents and warrants that to its knowledge there is no action, suit, or proceeding that is pending or threatened against the Property or any portion thereof relating to or arising out of the ownership or use of the Property, or any portion thereof, in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, agency, or other governmental instrumentality.

E. Disclosure of Easement Information. The Conservancy has informed the City of the types and legal effects of conservation easements and has advised the City to obtain independent legal advice as required by section 57-18-4 of the Utah Conservation Easement Act.

F. Authority to Execute Easement. The person or persons executing this Easement on behalf of the Conservancy represent and warrant that the execution of this Easement has been duly authorized by the Conservancy. The person or persons executing this Easement on behalf of the City represent and warrant that the execution of this Easement has been duly authorized by the City.

9. COSTS, LEGAL REQUIREMENTS, AND LIABILITIES. The City will be responsible for the ownership, operation, upkeep, and maintenance of the Property and agrees that the Conservancy will have no duty or responsibility for the operation or maintenance of the Property, the monitoring of hazardous conditions on the Property, or the protection of the City, the public, or any third parties from risks relating to conditions on the Property. The City agrees to pay before delinquency any and all real property taxes and assessments levied on the Property and agrees that the City will keep the Conservancy's interest in the Property free of any liens, including those arising out of any work performed for, materials furnished to, or obligations incurred by the City. The City will be solely responsible for any costs related to the maintenance of general liability insurance covering the City's acts on the Property. The City remains solely responsible for obtaining any applicable governmental permits and approvals for any activity or use by the City on the Property and permitted by this Easement, and any activity or use will be undertaken in accordance with all applicable federal, state, and local laws, rules, regulations, and requirements. If more than one person or entity constitutes the City, the obligations of each and all of them under this Easement will be joint and several.

10. RUNNING WITH THE LAND. This Easement burdens and runs with the Property in perpetuity. Every provision of this Easement that applies to the City or the Conservancy also applies forever to and burdens or benefits, as applicable, their respective agents, heirs, devisees, administrators, employees, personal representatives, lessees, and assigns, and all other successors as their interest may appear.

11. SUBSEQUENT TRANSFERS AND SUBORDINATION. The City agrees that the terms, conditions, restrictions, and purposes of this Easement or reference thereto will be inserted by the City in any subsequent deed or other legal instrument by which the City divests

either the fee simple title or a possessory interest (including, but not limited to, any leases) of the Property; and the City further agrees to notify the Conservancy of any pending transfer (including, without limitation, leases) at least 45 days in advance of the transfer. The failure of the City to comply with this section will not impair the validity of this Easement or limit its enforceability in any way. Any successor in interest of the City, by acceptance of a deed, lease, or other document purporting to convey an interest in all or any portion of the Property, will be deemed to have consented to, reaffirmed, and agreed to be bound by all of the terms, covenants, restrictions, and conditions of this Easement. Upon conveyance of the Property to any third party, the City will have no further obligations or responsibilities of any kind under this Easement except for matters and occurrences, if any, that arise or arose out of acts or conditions prior to the date of conveyance.

12. INDEMNIFICATION.

   A. Cross Indemnification. Notwithstanding any other provision of this Agreement to the contrary, each Party hereby indemnifies, defends, and holds harmless the other, including, without limitation, the other Party's directors, officers, employees, agents, contractors, and their successors and assigns (collectively, the "Indemnified Parties") from and against any costs, liabilities, penalties, damages, claims, or expenses (including reasonable attorneys' fees) and litigation costs that an Indemnified Party may suffer or incur as a result of, or arising out of use of or activities on the Property, except to the extent caused by the negligence of, or willful misconduct by, the other indemnifying Party.

   B. City Indemnification. The City hereby indemnifies, defends, and holds harmless the Conservancy and its Indemnified Parties for any real property taxes, insurance, utilities, or assessments that are levied against the Property, including those for which exemption cannot be obtained, or any other costs of maintaining the Property, any claims pertaining to the City's title to the Property or representations and warranties made in this Easement.

   C. No provision of this Easement shall waive any defense or limitation of the Government Immunity Act of Utah (Utah Code §§ 63G-7-101 to -904, as amended).

13. CHANGE OF CONDITIONS. In granting this Easement, the City has considered the possibility that uses prohibited by the terms of this Easement may become more economically valuable than permitted uses and that neighboring properties may be used entirely for such prohibited uses in the future. It is the intent of the City and the Conservancy that any such changes will not be deemed circumstances justifying the extinguishment of this Easement. In addition, the inability of the City, or the City's successors or assigns, to conduct or implement any or all of the uses permitted under this Easement, or the unprofitability of doing so, will not impair the validity of this Easement or be considered grounds for its termination or extinguishment.

14. EXTINGUISHMENT. If subsequent, unexpected circumstances arise in the future that render the purposes of this Easement impossible to accomplish, this Easement can be released, terminated, or otherwise extinguished, whether in whole or in part, only (a) in a judicial proceeding in a court of competent jurisdiction and (b) upon a finding by the court that a subsequent unexpected change in conditions has made impossible or impractical the continued use of the Property for conservation purposes. Each Party will promptly notify the other when it first learns of such circumstances. Proceeds received after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to such termination or extinguishment, will be determined and distributed, unless otherwise provided by law at the time, in accordance with section 16 ("Use of Proceeds").

15. CONDEMNATION. If all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Easement, the City and the Conservancy will join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, it being expressly agreed that this Easement constitutes a compensable property right, in addition to the City's fee interest, which the Parties agree shall be the priority claim in any condemnation in which the City is not directly involved in its government role. Proceeds received pursuant to condemnation proceedings will be determined and distributed, unless otherwise provided by law at the time, in accordance with section 16 ("Use of Proceeds").

16. USE OF PROCEEDS. Condemnation, termination, or extinguishment proceeds will be utilized by the City to advance conservation purposes and acquire a fee-simple, conservation easement or a similar property interest in open space lands. As appropriate and upon mutual agreement of the Parties, Conservancy may hold a property interest in the acquired property as a joint property owner, conservation easement holder, conservation easement co-holder or otherwise.

17. AMENDMENT. If circumstances arise under which an amendment to or modification of this Easement might be appropriate, the Parties may by mutual written agreement jointly amend this Easement. Any such amendment will: (1) be consistent with the preservation of the Conservation Values of the Property and the Conservation Purposes of this Easement; (2) not affect its perpetual duration or its qualification under any laws; (3) not permit any private inurement or impermissible private benefit to any person or entity, in accordance with rules and regulations governing charitable organizations qualified under I.R.C. § 501(c)(3); and (4) have a positive or not less than neutral conservation outcome. Any such amendment will be recorded in the land records of Summit County, Utah. Nothing in this section will require either Party to agree to any amendment or to consult or negotiate regarding any amendment.

18. INTERACTION WITH STATE LAW. The provisions of the above sections addressing EXTINGUISHMENT, CONDEMNATION, and AMENDMENT shall apply notwithstanding, and in addition to, any provisions addressing such actions under Utah law.

19. NOTICE. Any written notice called for in this Easement shall be delivered: (i) in person; (ii) by certified mail, return receipt requested, postage prepaid; (iii) by e-mail with the original deposited with the United States Post office, postage prepaid; or (iv) by next-business-day delivery through a reputable overnight courier that guarantees next-business-day delivery and provides a receipt. Notices must be addressed as follows:

To the Conservancy:	Summit Land Conservancy P.O. Box 1775 1887 Gold Dust Lane, Suite 101 Park City, Utah 84060 Attention: Chief Executive Officer
To the City:	Park City Municipal Corporation P.O. Box 1480 445 Marsac Ave. Park City, UT 84060 Attention: City Attorney

Either Party may, from time to time, by written notice to the other, designate a different address that will be substituted for the relevant address or addresses set forth above. Notice is deemed to be given upon receipt.

20. INTERPRETATION.

A. Intent. It is the intent of this Easement to protect the Conservation Values in perpetuity by prohibiting and restricting specific uses of the Property, notwithstanding economic or other hardship or changes in circumstances or conditions. If any provision in this Easement is found to be ambiguous, an interpretation consistent with protection of the Conservation Values and Conservation Purposes is favored, regardless of any general rule of construction that may be to the contrary. In the event of any conflict between the provisions of this Easement and the provisions of any use and zoning restrictions of the State of Utah, the county in which the Property is located, or any other governmental entity with jurisdiction, the more restrictive conservation provisions will apply.

B. Governing Law. This Easement will be interpreted in accordance with the laws of the State of Utah.

C. Captions. The section captions in this Easement have been inserted solely for convenience of reference and are not part of this Easement and will have no effect upon construction or interpretation.

D. No Hazardous Materials Liability. Notwithstanding any other provision of this Easement to the contrary, nothing in this Easement will be construed such that it creates in or gives to the Conservancy: (a) the obligations or liabilities of a "city" or "operator" as those words are defined and used in Environmental Laws (defined below), (b) the obligations or liabilities of a person described in 42 U.S.C. § 9607(a)(3); (c) the obligations of a responsible person under any applicable Environmental Law; (d) any obligation to investigate or remediate any Hazardous Materials associated with the Property; or (e) any control over the City's ability to investigate, remove, remediate or otherwise clean up any Hazardous Materials associated with the Property.

E. Merger. This Easement shall not be extinguished under the doctrine of merger. Notwithstanding the foregoing, prior to any occasion in which the Conservancy takes legal title to the City's interest in the Property, the Conservancy must commit the monitoring and enforcement of this Easement to another qualified organization within the meaning of I.R.C. § 170(h)(3), which organization has among its purposes the conservation and preservation of land and water areas.

F. Construction. The Parties acknowledge and agree that (a) each Party is of equal bargaining strength; (b) each Party has actively participated in the drafting, preparation and negotiation of this Easement; (c) each Party has consulted with its own independent counsel, and such other professional advisors as it has deemed appropriate, relating to any and all matters contemplated under this Easement; (d) each Party and its counsel and advisors have reviewed this Easement; (e) each Party has agreed to enter into this Easement following such review and the rendering of such advice; and (f) any rule of construction to the effect that ambiguities are to be resolved against the drafting Party do not apply in the interpretation of this Easement, or any portions hereof, or any amendments hereto.

G. Definitions. Unless defined elsewhere in this Easement, capitalized terms used in this Easement have the following meanings.

   i. The term "Development Rights" means and includes any and all legal rights under federal, state, and/or local laws, ordinances, rules or regulations now in effect or enacted after this date to develop and build structures, expressed as the maximum number of dwelling units per acre for residential parcels or square feet of gross floor area for nonresidential parcels, that could be permitted under applicable zoning and subdivision rules and regulations.

   ii. All references to the "I.R.C." or "IRS Code" means the Internal Revenue Code in Title 26 of the United States Code.

   iii. The terms the "City" and the "Conservancy", and any pronouns used in place thereof, mean and include, respectively, the City and the City's personal representatives, heirs, devisees, personal representatives, and assigns, and all other successors as their interest may appear and the Conservancy and its successors and assigns.

iv. The term "<u>Hazardous Materials</u>" includes, without limitation, any of the following wastes, materials, chemicals, or other substances (whether in the form of liquids, solids, or gases, and whether or not airborne) which are ignitable, reactive, corrosive, toxic, or radioactive, or which are deemed to be pollutants, contaminants, or hazardous or toxic substances under or pursuant to, or which are to any extent regulated by or under or form the basis of liability under any statute, regulation, rule, ordinance, order, or requirement concerning such wastes, materials, chemicals, or other substances (in each case, an "<u>Environmental Law</u>"), including, but not limited to, petroleum-based products and any material containing or producing any polychlorinated biphenyl, dioxin, or asbestos, as well as any biocide, herbicide, insecticide, or other agrichemical, at any level that may (a) constitute a present or potential threat to human health, safety, welfare, or the environment, (b) exceed any applicable or relevant and appropriate cleanup standard, or (c) cause any person to incur any investigation, removal, remediation, maintenance, abatement, or other cleanup expense; it being understood that such Environmental Laws include, but are not limited to Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. §§ 6901 et seq.); similar Utah state environmental laws; and any rule, regulation, or other promulgation adopted under any of the foregoing laws.

21. <u>RESTRICTIONS ON TRANSFER</u>. Other than in the context of an extinguishment or condemnation that complies with this Easement, this Easement may be transferred by Conservancy, only if (i) as a condition of the transfer, Conservancy requires that the purpose of this Easement continues to be carried out; (ii) the transferee, at the time of transfer, qualifies under I.R.C. § 501(c)(3) and/or I.R.C. § 170(h) and Utah Conservation Easement Act § 57-18-3 as an eligible donee to receive this Easement directly (the "<u>Eligible Donee</u>"); and (iii) the Eligible Donee has the commitment and resources to enforce, and agrees to enforce, this Easement. Conservancy agrees to provide written notice to the City at least 60 days prior to any intended transfer of this Easement and if the City requests that the Easement be transferred to a specific Eligible Donee, the Parties shall make reasonable efforts to transfer the Easement to said Eligible Donee. Any subsequent transfer of this Easement by any successor in interest to the Conservancy in whole or in part shall also be subject to the provisions of this section. Any attempted transfer by Conservancy of all or a portion of this Easement contrary to the terms hereof shall be invalid but shall not operate to extinguish this Easement.

22. <u>SEVERABILITY AND ENFORCEABILITY</u>. The terms and purposes of this Easement are intended to be perpetual. If any provision in this Easement is held invalid or unenforceable by any court or as a result of future legislative action, and if the rights or obligations of any Party under this Easement will not be materially and adversely affected thereby, the Parties want a court to interpret this Easement as follows:

i. with respect to any provision that it holds to be unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;
ii. if an invalid or unenforceable provision is modified or disregarded in accordance with this section, by holding that the rest of the agreement will remain in effect as written;
iii. by holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable; and
iv. if modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire agreement unenforceable.

23. COUNTERPARTS. This Easement may be executed in one or more counterparts, all of which taken together will be considered one and the same agreement and each of which will be deemed an original.

24. RECORDING EFFECTIVE DATE. This Easement shall be effective (the "Effective Date") on the day it is delivered for recording with the office of the Summit County Recorder, with a date-stamped copy retained as proof of timely delivery. The Conservancy is authorized to record or file any notices or instruments appropriate to assuring the perpetual enforceability of this Easement, and the City agrees to execute any such instruments upon reasonable request.

25. ENTIRE AGREEMENT. This Easement, including the Exhibits attached hereto and the Baseline Report, sets forth the entire agreement and understanding of the Parties with respect to the transactions contemplated by this Easement and supersedes all prior arrangements, promises, communications, representations, warranties, and understandings, whether oral or written, by any Party or any officer, employee, representative or agent of any Party with respect to transactions contemplated by this Easement.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURE PAGE
CONSERVATION EASEMENT

THE CITY, AS GRANTOR, AND THE CONSERVANCY, AS GRANTEE, have executed this Conservation Easement as of the Effective Date.

<table>
<tr><td>GRANTOR:</td><td>GRANTEE:</td></tr>
<tr><td>Park City Municipal Corporation</td><td>Summit Land Conservancy, a Utah nonprofit corporation</td></tr>
<tr><td>By:___________________________________</td><td>By:___________________________________
Cheryl Fox, Chief Executive Officer</td></tr>
<tr><td>Printed Name: __________________________</td><td></td></tr>
<tr><td>Title: _________________________________</td><td></td></tr>
</table>

GRANTEE ACKNOWLEDGMENT PAGE
CONSERVATION EASEMENT

STATE OF UTAH)

: ss.

COUNTY OF SUMMIT)

The foregoing instrument was executed before me this ______ day of ___________, 20___, by Cheryl Fox, the Chief Executive Officer of Summit Land Conservancy, a Utah nonprofit corporation.

____

NOTARY PUBLIC

Residing at: ______________________________

My Commission Expires:

____

GRANTOR ACKNOWLEDGMENT PAGE
CONSERVATION EASEMENT

STATE OF UTAH)

: ss.

COUNTY OF SUMMIT)

The foregoing instrument was executed before me this ______ day of ________, 20___, by ______________________________, the ______________________ of Park City Municipal Corporation.

____

NOTARY PUBLIC

Residing at: _________________________________

My Commission Expires:

____

EXHIBIT A
TO
CONSERVATION EASEMENT

LEGAL DESCRIPTION OF THE PROPERTY

A boundary consisting of two (2) parcels of land located in Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said boundary being more particularly described as follows:

Parcel 1:

Beginning at the center of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being South 16"50'13" East, 74.98 feet, more or less from a Park City Monument at the intersection of Lowell Avenue and Shepard Street as shown on the Silver H|IIALTA Property Survey recorded December 29,1994, as Survey No. S-1870 on file and of record in the office of the County Recorder, Summit County, Utah, thence South 35"16'39' East, 42.58 feet to the point of curvature of a curve to the left, of which the radius point bears North 54"04'32" East, a radial distance of 125.00 feet; thence easterly along the arc of said curve a distance of 275.37 feet, through a central angle of 126'13'13"to a point on the quarter section line of said Section 16; thence along said quarter section line North Bg'56'24" East, j41.17 feet; thence South 27"00'12" East, 15.89 feet; thence South 42"57'14" East,3.40 feet; thence South 55"53'00" West, 93.90 feet; thence South 57'40'08" East, 109.20 feet; thence North 60"08'27" East, 11.21 feet, thence South 38"06'27" East,39.16 feet; thence South 57"40'08" East,94.35 feet; thence North 33"32'19" East,86.59 feet; thence North 23. 38'00'West,40.92 feet; thence South 66"22'00" West, 10.00 feet; thence North 20'02'58" East, 14.4Bfeet; thence South 69"44'50" East,41.63 feet; thence South 70"15'52" East,48.98 feet; thence South 66'22'00" West, 18.75 feet; thence South 32'43'26" West, 24.33 feet; thence South 14"07'38" West, 27.12feet; thence South 23'38'00" East, 17.00 feet; thence South 45"11'3B" East, 54.42feet; thence South 23"38'00" East, 404.45 feet; thence North 66'52'00" East,75.00 feet to the Northwest corner of Lot 14, Block 28 of the Park City Survey Amended Plat; thence South 23'38'00" East, 103.87 feet; to a point on the North boundary of the Treasure Hill Subdivision Phase 2 according to the official plat thereof recorded on August 20,2003, as Entry No.669916 in the office of the recorder, Summit County, Utah, thence along said boundary the following two (2) courses: 1) South 66'22'00" West,224.99 feet; thence 2) South 23'38'00'East, a-gS.SZ feet to the North boundary of the Treasure Hill Subdivision Phase 1 according to the official plat thereof recorded on April 15, 1996 as Entry No. 452295 in the office of the recorder, Summit County, Utah; thence along said boundary line following four (4) courses: 1)South 52'00'00'West,223.20 feet; thence 2) South 84"00'OO'West, i2.53 feet; thence 3) South 79'00'00" West, 825.00 feet; thence 4) South 33'32'19'West, 600.01 feet; thence North 47'25'46" West, 856.74 feet; thence North 08'56'27" East,845.30 feet; thence North 02"31'24" West, 503.18 feet more or less to a point on the quarter section line of Section 16; thence along said section line North 89'56'30' East, 1,081.16 feet more or less to the point of beginning.

(Tax Serial Nos. PC-321-X, PC-351-X and PC-364-A-X)

Parcel 2:

Beginning at a point that is North 89"56'24" East,61.20 feet from the center of Section 16, Township 2 South, Range 4 East, Salt Lake Base and Meridian, said point also being South 49'08'54'East, 109.62 feet, more or less from a Park City Monument at the intersection of Lowell Avenue and Shepard Street as shown on the Silver Hill ALTA Property Survey recorded December 29, 1994, as Survey No. S-1870 on file and of record in the office of the County Recorder, Summit County, Utah; thence North 89'56'24" East, 129.05 feet to a point on a non tangent curve to the right, of which the radius point lies North 59"13'03" West, a radial distance of 75.00 feet; thence westerly along the arc of said curve a distance of 148.30 feet, through a central angle of 113'17'34"; thence North 35"16'39" West, 6.Z2leet to the POINT OF BEGINNING.

(Part of Tax Serial No. PC-364-A-X)

The basis of bearing for the above described parcels is South 23'38'OO' East between the park City Monuments located at the intersection of Park Avenue and Fourth Street and the intersection of Park Avenue and Sixth S[reet as shown on the Park city Monument control Map prepared by Bush & Gudgell lnc. dated June, ,19g1.

Parcel 3:

ALL OF LOT 5 (OPEN SPACE PARCEL) PHASE t, TREASURE HILL SUBDTVTSTON, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE AND OF RECORD, IN THE OFFICE OF THE SUMMIT COUNTY RECORDER.

(Tax Serial No. THILL-S-X)

EXHIBIT B
TO
CONSERVATION EASEMENT

<u>PROPERTY MAP</u>

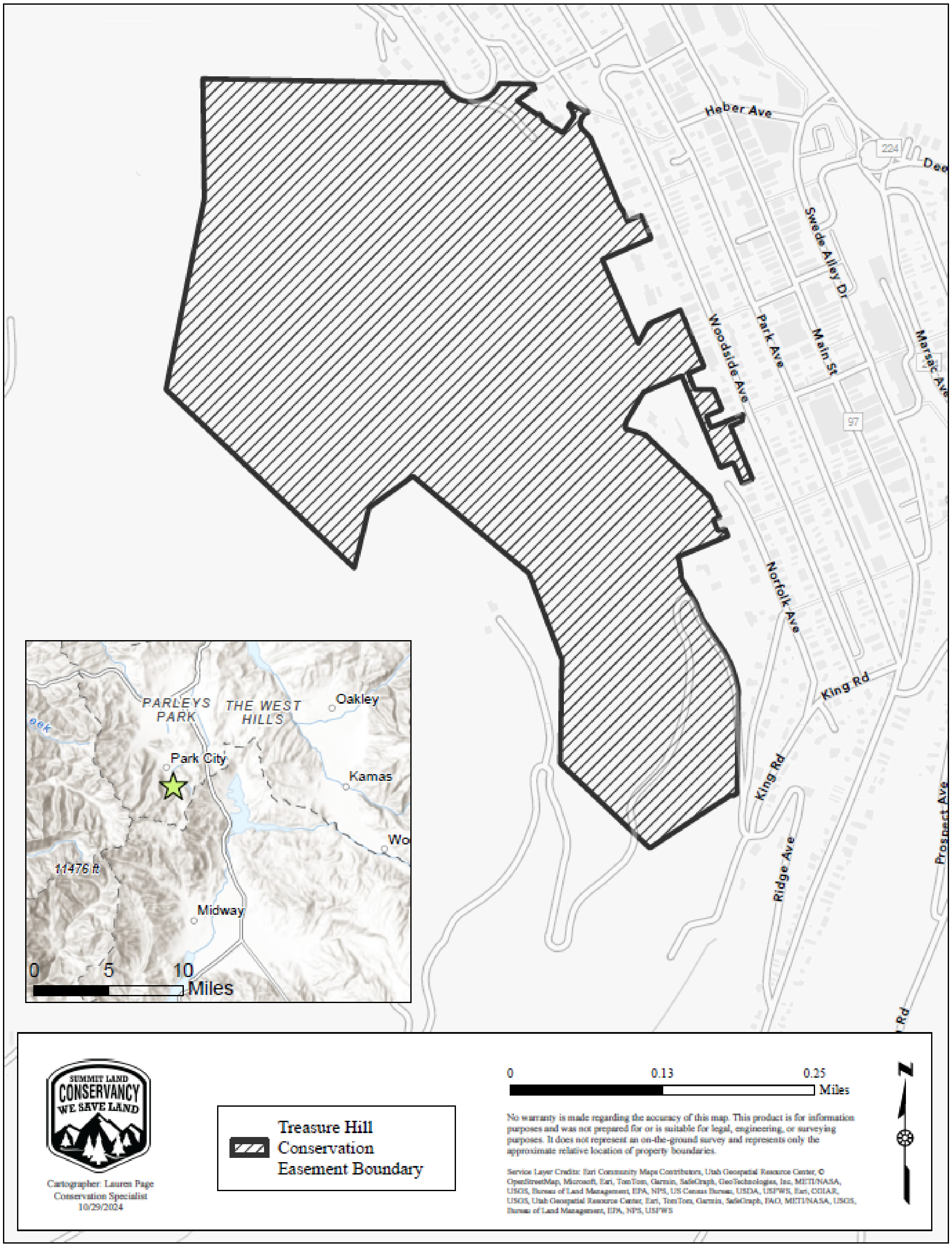
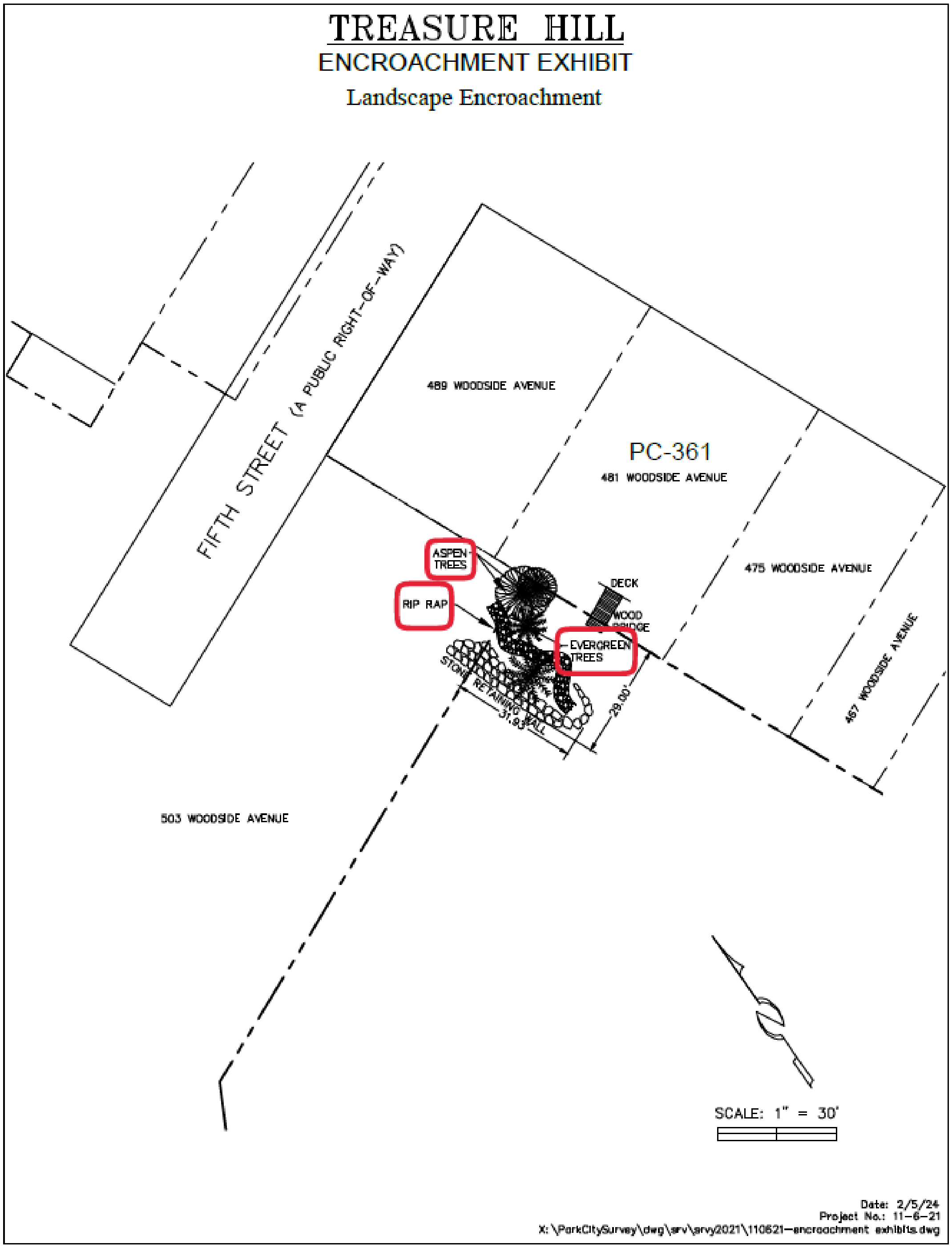
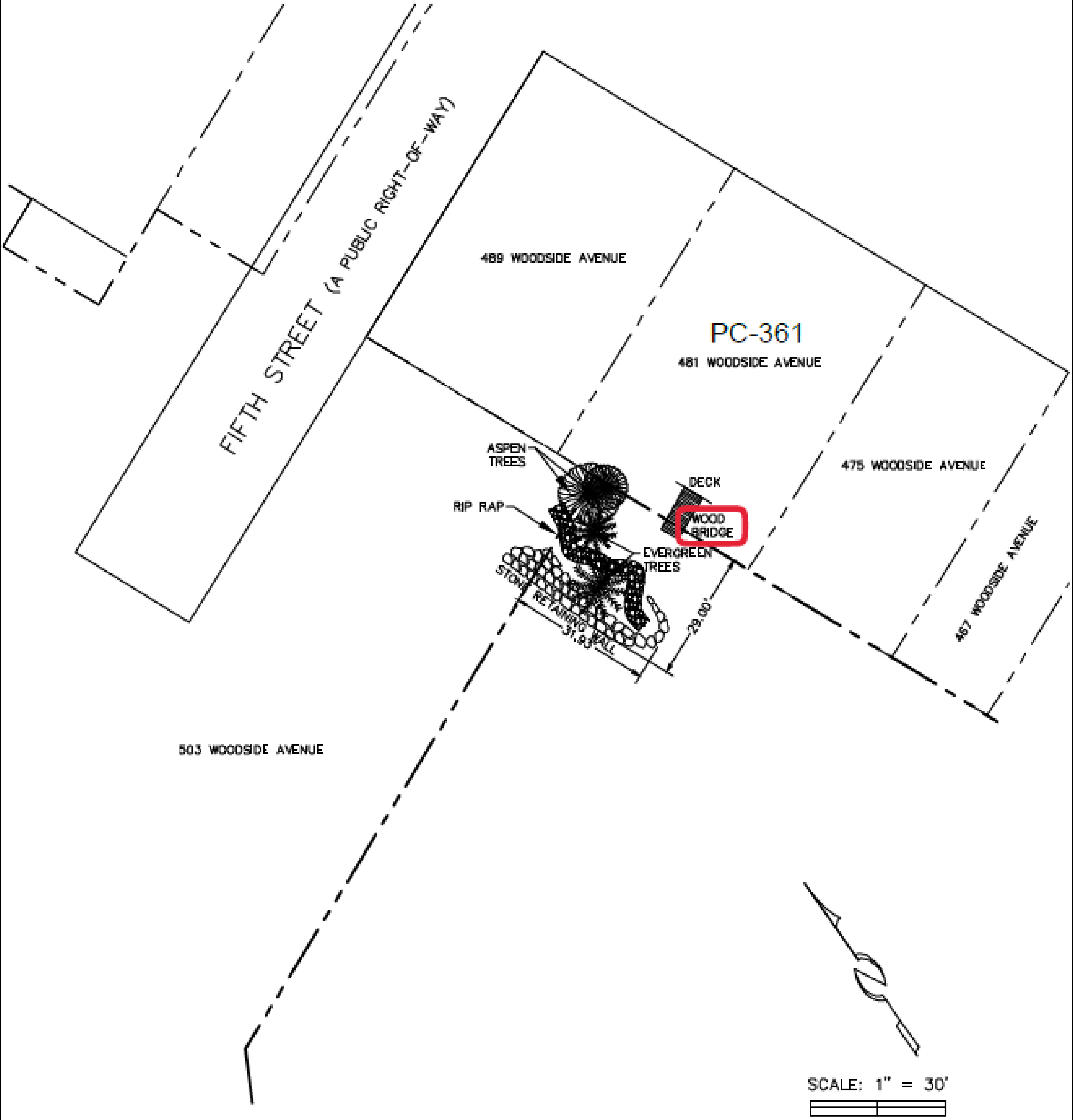


EXHIBIT B1
TO
CONSERVATION EASEMENT

ENCROACHMENT EXHIBITS

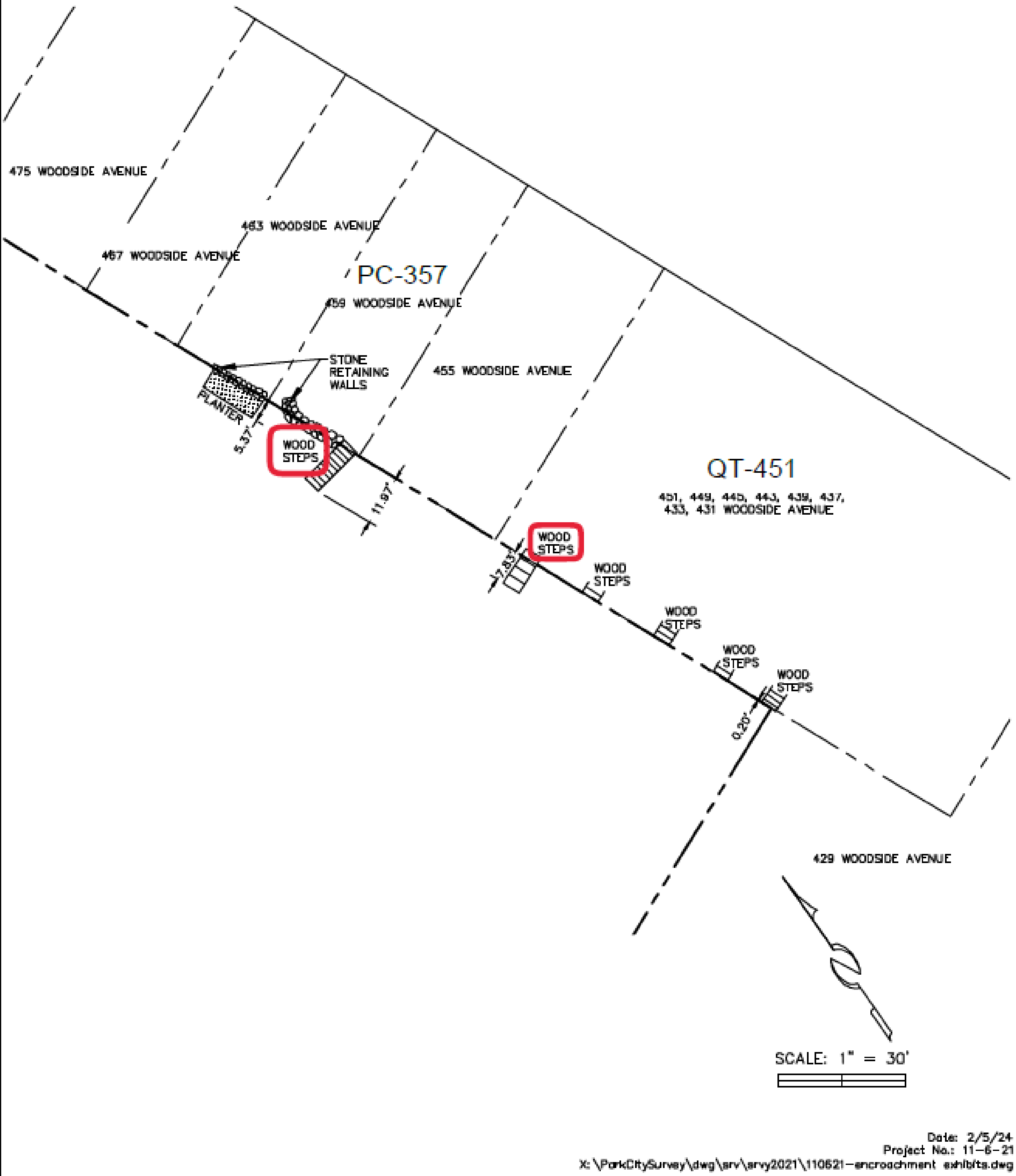


TREASURE HILL
ENCROACHMENT EXHIBIT
Stairway Encroachment



Date: 2/5/24
Project No.: 11-6-21
X:\ParkCitySurvey\dwg\srv\srvy2021\110621-encroachment exhibits.dwg

TREASURE HILL
ENCROACHMENT EXHIBIT
Stairway Encroachment



TREASURE HILL

ENCROACHMENT EXHIBIT

Stairway Encroachment

EXHIBIT C
TO
CONSERVATION EASEMENT

RESERVED USE RIGHTS:
PERMITTED AND RESTRICTED USES AND PRACTICES

With the exception of valid Existing Rights and Reserved Use Rights, the Property shall not be used for residential purposes or for commercial purposes except as permitted in this Exhibit C. Industrial uses are not permitted. The uses set forth in this Exhibit detail specific activities that are permitted or prohibited under this Easement. The uses set forth in this Exhibit are also intended to provide guidance in determining the consistency of other activities with the Conservation Purposes.

1. MANAGEMENT. Unless a conflicting use is specifically allowed in the Easement and this Exhibit C, the City will manage the Property in adherence to best practices for preserving natural and undeveloped open space. Special focus will be given to maintaining recreational areas, wildlife habitats, and scenic qualities. The Property is strictly reserved for open space purposes, and any use inconsistent with this designation is prohibited unless the use is identified in section 5 of the Easement, including Reserved Use Rights and Existing Rights.

2. DEVELOPMENT RIGHTS. Except for the Existing Rights identified in section 5 of the Easement, all Development Rights that are now or hereafter allocated to, vested, implied, reserved, or inherent in the Property are hereby terminated and extinguished and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described or to any other property adjacent, or otherwise, used for the purpose of calculating any commercial yield of the Property or any other property.

3. SUBDIVISION. The legal or de facto division, subdivision, or partitioning of the Property is prohibited. Notwithstanding the fact that, as of the Effective Date, the Property is comprised of separate legal parcels, the terms and conditions of this Easement will apply to the Property as a whole, and the Property will not be sold, transferred, or otherwise conveyed except as a whole, intact, single piece of real estate; it being expressly agreed that neither the City nor the City's personal representative, heirs, successors, or assigns will sell, transfer, or otherwise convey any portion of the Property that constitutes less than the entire Property. The existence of separate legal parcels as of the Effective Date will not be interpreted to permit any use or activity that would not have been permitted under the terms and conditions of this Easement as applied to the Property as a whole.

4. IMPROVEMENTS. No dwelling, building, structure or above-surface equipment or facilities of any kind shall be erected or placed on the Property except for the following: (a) improvements necessary to protect the safety and physical integrity of the surrounding properties; (b) improvements necessary to protect the safety of patrons of the ski resort or

recreational trail users; (c) improvements related to the enhancement of the Conservation Values; (d) improvements for trails, as hereafter described; and (e) improvements pursuant to Existing Rights, including for ski resort operations as further described in section 9 of this Exhibit.

5. UTILITIES. The installation of new utilities not subject to existing utility easements is subject to the Conservancy's prior written approval, not to be unreasonably withheld. The City may, if consistent with Conservancy review, approve the installation of new utilities if: (a) such utility is to be located underground and disturbed areas are to be re-vegetated pursuant to a re-vegetation plan approved by the Conservancy, or (b) the utility is located within an existing easement and impacts to the Conservation Values will be minimal.

6. ROADS. The construction of new roads and the improvement or expansion of old roads for the purpose of public vehicular access or access to lands adjacent to the Property is prohibited. The construction of temporary unpaved roads necessary for the construction of ski resort operation improvements pursuant to the modification of Existing Rights described in section 9 of this Exhibit C is permitted upon prior written notice and approval of the Conservancy. Roads built pursuant to this section shall be designed and constructed to minimize impacts to the Conservation Values, and disturbed areas shall be remediated and re-vegetated upon completion of the construction of the ski resort operation improvements.

7. FENCES. Fences may be built on the Property with the written agreement of the Parties, provided such fences (a) are reasonably necessary for the protection of property, wildlife resources or public safety, (b) will not unduly restrict or impair wildlife movement, and (c) will not unduly interfere with the public access and scenic value of the Property.

8. SIGNS AND BILLBOARDS. Billboards and signs are prohibited on the Property, other than signs for the following purposes:

   A. To indicate that the Property is protected by a conservation easement held by the Conservancy and owned by the City.
   B. To identify public recreational trails and directions to trailheads;
   C. To identify ski runs;
   D. To identify interpretive sites;
   E. To provide educational and historical information;
   F. To provide the rules and regulations and information related to safety or hazardous conditions; and
   G. To close trails or areas to public use.

9. SKI RESORT OPERATIONS. The Property is subject to Existing Rights related to ski resort operations. Upon prior written notice and approval of the Conservancy, the City may modify the Existing Rights related to ski resort operations or grant changes to ski resort operations, including by allowing changes to the design or size of the ski lift, changes to permit a different form of aerial ski lift, changes to the location or alignment the ski lift, additional ski runs or the re-alignment of existing runs, and/or changes to snow-making infrastructure. Any modifications must meet the following requirements: (i) the Property

must continue to be made widely available for use as a ski resort, with lift tickets offered for sale to the general public; (ii) any modifications to the location or alignment of the ski lift and runs must allow for reasonable access to a greater ski resort area from Old Town; (iii) recreational trails for public recreational uses such as hiking and mountain biking must be maintained or re-aligned to allow for similar or improved summer-time recreational opportunities; (iv) impacts to natural wildlife habitat must be mitigated through the re-vegetation and restoration of areas disturbed by the development of a new ski runs, infrastructure, or changes to the ski lift; and (v) historic artifacts and tram towers must be maintained in their current location, or a new location accessible to the public.

10. TRAILS. The City shall maintain and manage trails in a manner consistent with the Conservation Values and with jurisdictional planning and permitting requirements and Existing Rights. Trails shall remain available for use by the public at no charge as conditions permit and during the months when the Property is not used for winter-time lift-accessed ski resort operations. Trails may be closed due to public safety concerns or to enhance the Conservation Values of the Property. Substantial re-alignments to existing trails or the construction of new trails must be consistent with Existing Rights and shall be subject to prior written approval of the Conservancy, not to be unreasonably withheld.

11. PUBLIC AMENITIES.

    A. Stairways. The City may construct and maintain stairs upon the Property for public pedestrian access to the Property.

    B. Trailheads. The City may construct and maintain trailheads on the Property with maps, areas for waste, and other amenities, not including parking. The City may maintain the bronze statue of Rich Martinez, located adjacent to the trailhead and public parking spaces on Lowell Avenue, pursuant to the terms and conditions of the Existing Rights described in section 5 of the Easement.

    C. Other Amenities. Other improvements to facilitate public access to and from the Property and to enhance public recreational uses may be built by the City upon prior notice and approval from the Conservancy.

12. CONSTRUCTION STAGING AND DELIVERY ACCESS. The City reserves the right to license or permit the temporary and limited use of the Property as a staging area for construction, repair, or improvements to adjacent property in conjunction with a building permit approval, where required. The City reserves the right to license or permit the temporary and limited use of the Property for occasional deliveries of materials or equipment to adjacent property in circumstances where delivery from the regular driveways and roads is not practicable due to the close proximity of adjacent buildings. Vehicular access pursuant to this section shall be across existing and established access routes. The City shall not permit or license activities that are likely to have a significant or long-term impact to the Conservation Values of the Property.

13. RECREATIONAL USES. Subject to reasonable, limited, restrictions, the Property may be used for non-motorized, passive recreational activities including, but not limited to, hiking,

biking, trail running, dog walking, alpine, telemark and Alpine Touring (AT) skiing, snowboarding, snowshoeing, and horseback riding on designated recreational trails. Further, trails used for ski access to residential properties or pedestrian summer and winter recreational access to the Property are located on the Property. The City may allow for continued use of said trails, but the planting of non-native grasses, grading or changes in topography for trail improvements or expansion beyond the existing trail width and condition is prohibited.

14. HUNTING OR TRAPPING. Hunting or trapping on the Property is prohibited, except for the purpose of predatory, diseased, or problem animal control, which may be permitted with the City's written permission.

15. RESIDENTIAL AND INDUSTRIAL USES. Except for valid Existing Rights and for City-permitted construction staging or deliveries as described in section 12 of this Exhibit C, the Property shall not be used for residential or industrial purposes.

16. GATHERINGS OF PEOPLE AND EVENTS. Public recreational events on established trails and making use of undeveloped areas may be permitted, consistent with the City's special event application and review process, so long as the events are consistent with the Conservation Values.

17. PARKING AND MOTORIZED VEHICLE USE. The use of assisted bicycles (e-bikes) on the Property shall be restricted pursuant to state and local laws, rules, and regulations. Other motorized vehicles, including but not limited to snowmobiles, ATVs, jeeps, and motor bikes, are not permitted on the property other than for the exercise of Existing Rights, for City-permitted construction staging and deliveries, for emergency services, as necessary for ski resort operations, for trail and Property maintenance, the maintenance of utilities, and for the construction of new trails or trail amenities as otherwise permitted by this Easement. Parking is not permitted anywhere on the Property other than temporarily, for the purposes expressly described in the Easement and this Exhibit.

18. RIGHTS OF CERTAIN ADJACENT PARCEL OWNERS. Adjacent property owners and others have certain rights to use the property as described in section 5(C) of the Easement (the "Existing Rights"). Such rights do not extend to any other parcels or parcel owners. The City may terminate or the modify the Existing Rights, pursuant to the terms of the recorded agreements, provided: (i) any modification will terminate or further limit and restrict the use of the Property for secondary access, construction staging, depositing fill or trail access to the property owners with Existing Rights; and (ii) any modification will enhance or improve the Conservation Values of the Property or use of the Property in a way that benefits the general public.

19. LANDSCAPING MAINTENANCE AND IMPROVEMENTS. The City may grant permission to property owners adjacent to the Property ("Adjacent Landowners") to perform landscaping maintenance and make minor landscaping improvements for purposes of: (i) improving emergency access, (ii) creating defensible space from wildfires, (iii) protecting the health and safety or persons and property, and (iv) creating a buffer between homes and other improvements and the Property. Prior to the authorization of landscaping

work by an Adjacent Landowner, the Adjacent Landowner shall submit a landscaping plan to the City defining the scope of the proposed work and the City shall approve the landscaping plan in writing, subject to any modifications requested by the City. The City shall give Conservancy notice of any landscaping plan approval made pursuant to this section 19, to allow for the Conservancy's monitoring and stewardship of the Property.

20. ENCROACHMENTS. The parties acknowledge that, as documented in the Baseline Document Report that includes an ALTA Survey that is also recorded with the office of the Summit County Recorder as Entry# S0011459, there are encroachments on the Property for the benefit of private adjacent residential lands at the time of recording of this Easement. As described in the Baseline Document Report, the City will cause certain encroachments to be removed, and disturbed areas will be remediated.

    The parties agree that the following landscaping improvements exist on the Property as described in the attached Exhibit B1, and the City may allow them to remain but not be expanded:

    A. PC-361: City may allow the owner of the residence with a street address of 481 Woodside Avenue to maintain and enjoy landscaping improvements in their current condition. Said improvements include a small rock/rip-rap feature and an irrigation system for the irrigation of plants and trees native to the Property. The size or height of the rock water feature shall not be expanded.

    The parties agree that the following stairway and walkway improvements exist on the Property as described in the attached Exhibit B1, and the City may allow them to remain but not be expanded:

    A. PC-361: City may allow the owner of the residence with a street address of 481 Woodside Avenue to use and maintain the access walkway/bridge extending from the second-floor balcony of the residence onto and upon the Property for the purpose of ingress and egress to the Property and as an emergency access route from the residence. Approximately 5 boards of the walkway encroach onto and upon the Property by approximately 3 feet beyond the Property line.

    B. PC-357: The City may allow the owner of the residence with a street address of 459 Woodside Avenue to use and maintain the wood steps onto and upon the Property for the purpose of ingress and egress to the Property and as an emergency access route from the residence. Said staircase includes 9 steps that encroach approximately 12 feet beyond the Property line.

    C. QT-451: The City may allow the owner of the residence with a street address of 451 Woodside Avenue to use and maintain the wood steps onto and upon the Property for the purpose of ingress and egress to the Property and as an emergency access route from the residence. Said staircase includes 3 steps that encroach approximately 8 feet beyond the Property line.

    D. ELP-A and 409-WSR-1: City may allow the owners of the two residences with street addresses of 421 and 409 Woodside Avenue to use and maintain the wooden steps extending from the shared property line of the two parcels onto and upon the Property for the purpose of ingress and egress to the Property and as an emergency access route from the residences. Said staircase includes 7 steps that encroach approximately 11.5 feet beyond the Property line.

21. RETAINING WALLS. Established retaining walls to prevent erosion to adjacent residential lands may be maintained in their current condition.

22. ADA ACCESS. Nothing contained in the Easement will prevent the City from allowing the use of electric wheelchairs or other power-driven mobility devices on the Property pursuant to the City's obligations under the Americans with Disabilities Act of 1990, or other laws and regulations pertaining to the rights of persons with disabilities.

23. HABITAT RESTORATION ACTIVITIES. Activities to restore or enhance native plant communities or wildlife habitat will be permitted upon the mutual agreement and approval of the City and the Conservancy.

24. DESTRUCTION OF NATIVE VEGETATION. The removal, cutting or destruction of native vegetation is prohibited except (a) as allowed by, or as reasonably incident to activities allowed by, the Easement or this Exhibit, (b) for disease or insect control, (c) for wildfire mitigation, and (d) to prevent property damage or personal injury.

25. NON-NATIVE SPECIES. Introduction of any non-native plant or animal species is prohibited other than those generally accepted for habitat improvement or as mutually agreed upon by the City and the Conservancy.

26. FIRE SUPPRESSION AND FOREST MANAGEMENT. The City may remove trees, brush, and vegetation as necessary to minimize the risk of wildfire on the Property and surrounding environment. Fire management and forest health considerations identified in the Treasure Hill Forest Management Plan included in the Baseline Report (the "Forest Management Plan") reflect compliance with the terms of this Easement. The practices and guidelines described in the Forest Management Plan may from time to time be modified to reflect changing conditions and best practices for forest management. Potential means to reduce or remove high-risk fuel loads should include requiring the City or the City's agent to remove deadfall and slash created during the maintenance of trails. Removal methods (a) shall limit the effect on the native biological diversity; (b) may include, but would not be limited to, hand removal, mechanized methods, and biological methods such as short-duration grazing; and (c) shall be consistent with the techniques employed by and the wildfire management determinations of the governing fire authority for the Property.

27. BURNING. Burning of any materials on the Property is prohibited, except as necessary for vegetation management, fire protection purposes or other best-practice property management purposes.

28. WATER RESOURCES. The City may enhance, if applicable, water quality on the Property recognized as necessary or beneficial to wildlife, ecological or habitat values on the Property, provided such enhancements are consistent with the terms of this Easement and its Conservation Values, and comply with all applicable laws and regulations.

29. DUMPING AND WASTE. No dumping, burying, storing, applying, or releasing of waste, sewage, garbage, vehicles, or appliances is allowed on the Property, except for appropriate routine storage of garbage and wastes from permitted uses of the Property pending transport for proper disposal.

30. MINING AND NATURAL RESOURCE DEVELOPMENT. Subject to pre-existing mineral rights of record, the exploration for or extraction of minerals, gas, hydrocarbons, soils, sands, gravel, or rock, or any other material on or below the surface of the Property is prohibited. The City will not grant any rights to any minerals, oil, gas, or hydrocarbons, including the sale or lease of surface or subsurface minerals or any exploration or extraction rights in or to the Property, and the City will not grant any right of access to the Property to conduct exploration or extraction activities for minerals, oil, gas, or hydrocarbons, or other substances on any other property.

31. CHEMICAL AND BIOLOGICAL CONTROLS. In accordance with all applicable federal, state and local laws and regulations, the City has the right to use agrichemicals and biological controls on the Property as necessary to control noxious weeds, pests and for mosquito abatement. Chemical and biological controls may only be used in accordance with all applicable laws, and in those amounts and with that frequency of application constituting the minimum necessary to accomplish reasonable noxious weed, pest and mosquito abatement objectives while minimizing adverse effects on the natural values of the Property and avoiding any impairment of the natural ecosystems and processes.

32. NO HAZARDOUS MATERIALS. Use, dumping, storage, or other disposal of non-compostable refuse, trash, sewer sludge, unsightly or toxic materials or Hazardous Materials is prohibited. This Easement does not permit Conservancy to control any use of the Property by the City which may result in the storage, dumping or disposal of hazardous or toxic materials; provided, however, Conservancy may bring an action to protect the Conservation Values of the Property. This prohibition does not impose liability on Conservancy, nor shall Conservancy be construed as having liability as a "responsible party" or "potentially responsible party" under CERCLA or other similar state or federal statutes.

EXHIBIT D
TO
CONSERVATION EASEMENT

EXISTING RIGHTS:
TITLE EXCEPTIONS

THE FOLLOWTNG 25 EXCEPTIONS AFFECT PARCELS PC-321-X, PC-351-X and PC-364-A-X

1. The effects of that certain NOTICE OF TRANSFER FEE COVENANT [Pursuant to Utah Code §§ 57-1-46:47], Recorded MAY 30, 2024 as Entry No. 1220654 in Book 2820, at Page 1365, SUMMIT County Recorder's Office.
2. Encroachment Permit by and between PARK CITY MUNICIPAL CORPORATION (City) and OLD TOWN LANDS (Owner(s)), recorded DECEMEBR 18, 2020., as Entry No. 1150725, in Book 2627, on Page 196, a driveway within the City right of way.
3. Encroachment Permit by and between PARK CITY MUNICIPAL CORPORATION (City) and PARK CITY MUNICIPAL (Owner(s)), recorded AUGUST 31, 2021, as Entry No. 1172047, in Book 2689, on Page 73, to build, maintain, and use certain improvements within the City property and right-of-way at 909 LOWELL AVE (street address).
4. All matters contained in that certain TREASURE HILL BOUNDARY Survey, dated OCTOBER 8, 2021, by ALLIANCE ENGINEERING INC., filed as Job No., 11-6-21.
5. All matters contained in that certain ALTA/NSPS Land Title Survey Treasure Hill Overall Boundary, dated 12/15/23, by Alliance Engineering Inc., filed 12/18/2023, as File No. S-11459, in the Summit County Recorder's Office.
6. THE TERMS AND CONDITIONS as contained in that certain FINDINGS OF FACT, CONCLUSIONS OF LAW, ORDER AND FINAL JUDGEMENT in CASE NO. 130500442 filed in the Third Judicial District Court of SUMMIT COUNTY, UTAH dated APRIL 4, 2016.
7. The right, title and interest of Park City Municipal Corporation as to that portion of Norfolk Avenue.
8. The recitals of easements as found in the Quit Claim Deed from Sweeney Land Company to Frederick C. Moore recorded October 26, 1990, as Entry No. 332028, in Book 584 at Page 460, SUMMIT County Recorder's Office.

   Grant of Easement for a Drive Way from Sweeney Land Company to Frederick C. Moore recorded October 29, 1990, as Entry No. 332029, in Book 584 at Page 466, SUMMIT County Recorder's Office.

   Notice of Interest executed in behalf of Sweeney Land Company regarding said Quit Claim Deed and Easement recorded October 3, 2016, as Entry No. 1055007, in Book 2375 at Page 1930, SUMMIT County Recorder's Office.

9. Grant of Easement for Public Utilities from Sweeney Land Company to Frederick C. Moore recorded October 26, 1990, as Entry No. 332030, in Book 584 at Page 468, SUMMIT County Recorder's Office.

10. Easement by and between SILVER KING COALITION MINES COMPANY as Grantor, in favor of THE UTAH POWER AND LIGHT COMPANY, the right to erect, operate and maintain electric power transmission and telephone circuits and appurtenances, attached to a line of towers or other supports and necessary fixtures, on and over Section 16, 17 and 20, Township 2 South, Range 4 East, Salt Lake Base and Meridian. Said Easement recorded June 15, 1915, as Entry No. 25176, in Book O of Miscellaneous Records, at Page 500, Summit County Recorder's Office.

11. Pole Line Easement by and between SILVER KING COALITION MINES COMPANY, in favor of UTAH POWER AND LIGHT COMPANY, a perpetual easement and right of way for the erection and continued maintenance, repair, alteration and replacement of the electric transmission, distribution and telephone circuits of the Grantee, and 16 guys and 30 poles, with the necessary guys, stubs, crossarms and other attachments thereon, or affixed hereto, for the support of said circuits, to be erected and maintained upon and across a portion of the subject property. Said Pole Line Easement recorded February 18, 1928, as Entry No. 40201, in Book R, at page 580, Summit County Recorder's Office.

12. Grant of Easement by and between SWEENEY LAND COMPANY, Grantor, and PARK CITY MUNICIPAL CORPORATION, Grantee, a perpetual right of way and easement to lay, maintain, operate, repair, inspect, protect, clean, remove and replace a water pipeline, together with valves, valve boxes and other waterline facilities. Said Easement recorded December 18, 1987, as Entry No. 281768, in Book 458, at Page 5, Summit County Recorder's Office.

    Amendment of Water Pipeline Easement recorded December 18, 1987 at Book 458, Page 5, recorded August 20, 2003, as Entry No. 669911, in Book 1563, at Page 53, Summit County Recorder's Office.

13. Combined Amended Grant of Easements recorded February 9, 1999, as Entry No. 529817, in Book 1228, at Page 213, Summit County Recorder's Office.

14. Secondary Access Easement Agreement (Treasure Hill Lot 6), dated August 20, 2003, by and between Sweeney Land Company, Edmund J. Beaulieu, and Clyde Carlig, and John R. Anderson and Carol Lee Hatch, recorded August 20, 2003, as Entry No. 669921, in Book 1563, at Page 89, Summit County Recorder's Office.

15. Secondary Access Easement Agreement (Treasure Hill Lot 7), dated August 20, 2003, by and between Sweeney Land Company, Edmund J. Beaulieu, and Clyde Carlig and John R. Anderson and Carol Lee Hatch, recorded August 20, 2003, as Entry No. 669922, in Book 1563, at Page 98, Summit County Recorder's Office.

16. Right of Way Easement, dated November 7, 2005, by and between Sweeney Land Company, grantor, and PacifiCorp, an Oregon corporation, its successors and assigns, grantee, recorded NOVEMBER 7, 2005, as Entry No. 757569, in Book 1749, on Page 717, for the purpose of construction, reconstruction, operation, maintenance, repair, replacement, enlargement, and removal of electric power transmission, distribution and communication lines and all necessary or desirable accessories and appurtenances there, including without limitation:

wire, fibers, cables and other conductors and conduits therefore; and pads, transformers, switches, vaults and cabinets upon, over and across the subject property.

JOINDER IN RIGHT OF WAY EASEMENT in favor of PacifiCorp, an Oregon corporation, its successors and assigns, Recorded MARCH 20, 2018, as Entry No. 1088257, in Book 2454, on Page 1249, SUMMIT County Recorder's Office.

17. The Terms, Conditions and Easements as contained in that SPECIAL WARRANTY DEED from SWEENEY LAND COMPANY to PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, Recorded March 20, 2019, as Entry No. 1107792, in Book 2500, at Page 1608, Summit County Recorder's Office.

18. The Terms, Conditions and Easements as contained in that SPECIAL WARRANTY DEED from PARK CITY II, LLC to PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, Recorded March 20, 2019, as Entry No. 1107793, in Book 2500, at Page 1614, Summit County Recorder's Office.

19. A Secondary Access Easement Agreement (LOT 3), dated MARCH 19, 2019, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, grantor, and WILTON D. HILL, grantee, recorded MARCH 20, 2019, as Entry No. 1107794, in Book 2500, on Page 1620.

20. A Secondary Access Easement Agreement (LOT 4), dated MARCH 19, 2019, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, grantor, and WILTON D. HILL, grantee, recorded MARCH 20, 2019, as Entry No. 1107795, in Book 2500, on Page 1628.

21. A Secondary Access Easement Agreement (LOT 8), dated MARCH 19, 2019, by and between PARK CITY MUNICIPAL CORPORATION, a Utah municipal corporation, grantor, and PATRICK J. SWEENEY, grantee, recorded MARCH 20, 2019, as Entry No. 1107796, in Book 2500, on Page 1636.

22. Excepting therefrom all minerals and ores situated in, upon or under the above described tract of land, together with all rights in connection with or relative to the mining, removal or sale of the same (but not including the right to enter upon the surface of the premises).

23. Said property is located within the Park City Neighborhood Development Plan as set forth in Ordinance 82-3, recorded February 16, 1982, as Entry No. 188603, in Book 212, at Page 148, and Redevelopment Area as disclosed on plat recorded April 15, 1983, as Entry No. 204659, Summit County Recorder's Office.

    Amendment to Park City Neighborhood Development Plan, recorded November 2, 1990, as Entry No. 332260, in Book 585, at Page 147, Summit County Recorder's Office.

    Notice of Adoption of Amendment to Redevelopment Project Area Plan, recorded JANUARY 9, 2013, as Entry No. 961170, in Book 2165, at Page 1200, SUMMIT County Recorder's Office.

24. Said property is located within the boundaries of the Snyderville Basin Water Reclamation District and is subject to charges and assessments levied thereunder.

25. Said property is located within the boundaries of the SUMMIT COUNTY LEVY, WEBER BASIN WATER CONSERVANCY DISTRICT, PARK CITY SCHOOL DISTRICT, PARK

CITY FIRE SERVICE DISTRICT AND PARK CITY FIRE PROTECTION DISTRICT and is subject to charges and assessments levied thereunder.

THE FOLLOWTNG 18 EXCEPTTONS AFFECT PARCEL THILL-S-X

1. All matters contained in that certain TREASURE HILL BOUNDARY, dated OCTOBER 8, 2021, by ALLIANCE ENGINEERING, as Job No. 11-6-21.

2. All matters contained in that certain ALTA/NSPS Land Title Survey Treasure Hill Overall Boundary, dated 12/15/23, by Alliance Engineering Inc., filed 12/18/2023, as File No. S-11459, in the Summit County Recorder's Office.

3. Grant of Easement, by and between TRAMWAY PROPERTIES, a joint venture and general partnership, consisting of John J. Sweeney, Virginia Sweeney, Michael E. Sweeney, Patrick J. Sweeney, Edward S. Sweeney, Clyde Carlig and Edmond Beaulieu, Grantors, and PARK CITY MINES COMPANY, a Delaware corporation, Grantee, a non-exclusive easement and right of way to utilize real property situated in Summit County, Utah, parcels of land 30 feet in width, extending 15 feet on each side of center lines. Said Grant of Easement recorded October 31, 1980, as Entry No. 172350, in Book 170, at Page 667, SUMMIT County Recorder's Office.

4. Easement Deed and Restrictive Covenants, recorded December 30, 1996, as Entry No. 394987, in Book 777, on Page 532, in the office of the SUMMIT County Recorder.

   Notice of Performance under Easement Deed and Restrictive Covenant, recorded December 30, 1996, as Entry No. 470402, in Book 1018, on Page 47, in the office of the SUMMIT County Recorder.

5. Easement Deed and Restrictive Covenant recorded December 8, 1996, as Entry No. 420794, in Book 855, on Page771, in the office of the SUMMIT County Recorder.

   Notice of Performance under Easement Deed and Restrictive Covenant recorded January 9, 1997, as Entry No. 471178, in Book 1020, on Page 584, in the office of the SUMMIT County Recorder.

   Notice of Performance under Easement Deed and Restrictive Covenant, recorded January 9, 1997, as Entry No. 471179, in Book 1020, on Page 586, in the office of the SUMMIT County Recorder.

6. Second Amended Grant of Easements, dated DECEMBER 4, 1996, concerning the non-exclusive easements to construct, maintain and operate a ski chair lift with midstation, ski trails, associated grooming signs, skier control, safety fences, mazes and snow-making, recorded DECEMBER 9, 1996, as Entry No. 468952, in Book 1013, at Page 216, SUMMIT County Recorder's Office.

7. PLATEAU TRAIL AND OPEN SPACE EASEMENTAGREEMENT, dated APRIL 20, 2005, by and between SWEENEY LAND COMPANY, grantor, and PARK CITY MUNICIPAL CORPORATION, grantee, recorded APRIL 20, 2005, as Entry No. 733364, in Book 1693, on Page 1619, SUMMIT County Recorder's Office.

8. AGREEMENT FOR CONSTRUCTION OF WATER CONVEYANCE, DISTRIBUTION AND TRANSMISSION PIPELINE(S) AND APPURTENANCES, by and between SWEENEY LAND COMPANY, EDMUND BEAULIEU AND CLYDE CARLIG, and

PARK CITY MUNICIPAL CORPORATION, recorded MAY 9, 2014, as Entry No. 994870, in Book 2239, on Page 551, SUMMIT County Recorder's Office.

9. A THIRTY (30) foot NON-EXCLUSIVE PUBLIC UTILITIES, DRIVEWAY ACCESS AND UNDERGROUND UTILITIES EASEMENT, for the benefit of Lots 1 and 2, as shown on the recorded plat.

10. Easements, Restrictions, and Recitals as found on the recorded plat.

11. Open Space Agreement dated April 15, 1996, by and between Edmund J. Beaulieu, Clyde Carlig, Sweeney Land Company, a Utah general partnership and Park City Municipal Corporation, recorded April 15, 1996, as Entry No. 452291, in Book 958, at Page 112, SUMMIT County Recorder's Office.

12. The Term Condition and Reverter as found in that Special Warranty Deed from Sweeney Land Company to Park City Municipal Corp., Recorded April 15, 1996, as Entry No. 452292, in Book 958, at Page 192, SUMMIT County Recorder's Office.

13. Easement Deed and Restrictive Covenant by and between SWEENEY LAND COMPANY, EDMUND J. BEAULIEU AND CLYDE CARLIG AND PARK CITY MUNICIPAL CORPORATION, recorded April 15, 1996, as Entry No. 452293, in Book 958, at Page 223, SUMMIT County Recorder's Office.

14. An Ordinance Accepting the Public Improvements at TREASURE HILL SUBDIVISION, recorded JANUARY 20, 1998, as Entry No. 497367, in Book 1111, at Page 297, SUMMIT County Recorder's office.

15. Excepting therefrom all minerals and ores situated in, upon or under the above described tract of land, together with all rights in connection with or relative to the mining, removal or sale of the same (but not including the right to enter upon the surface of the premises).

16. Said property is located within the Park City Neighborhood Development Plan as set forth in Ordinance 82-3, recorded February 16, 1982, as Entry No. 188603, in Book2l2, at Page 148, and Redevelopment Area as disclosed on plat recorded April 15, 1983, as Entry No. 204659, SUMMIT County Recorder's Office.

    Amendment to Park City Neighborhood Development Plan, recorded November 2,1990, as Entry No. 332260, in Book 585, at Page 147, SUMMIT County Recorder's Office.

    Notice of Adoption of Amendment to Redevelopment Project Area Plan, recorded JANUARY 9, 2013, as Entry No. 961170, in Book 2165, at Page 1200, SUMMIT County Recorder's Office.

17. Said property is located within the boundaries of the Snyderville Basin Water Reclamation District and is subject to charges and assessments levied thereunder.

18. Said property is located within the boundaries of PARK CITY, SUMMIT COUNTY LEVY, WEBER BASIN WATER CONSERVANCY DISTRICT, SNYDERVILLE BASIN WATER RECLAMATION DISTRICT, PARK CITY FIRE PROTECTION DISTRICT, PARK CITY SCHOOL DISTRICT, PARK CITY WATER SERVICE DISTRICT and is subject to charges and assessments levied thereunder.