PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 20, 2008

Present: **Mayor Dana Williams; Council members Candace Erickson; Roger Harlan; Jim Hier; and Liza Simpson**

Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Kent Cashel, Deputy Public Works Director; Bret Howser, Budget Manager

Matt Ripken, Transportation Consultant

Absent: **Council member Joe Kernan**

1. Council questions/comments. Liza Simpson relayed that she attended part of the Park City Policy Summit regarding alternative ways to fund infrastructure. Candace Erickson reported that Envision Utah is disbanding and will be merging with the Quality Growth Commission and other similar organizations. Friends of the Farm met on Wednesday morning and on Saturday, February 7, the full moon trek will be held at the Farm. She pointed out the number of yard sale signs attached to light poles throughout Park Meadows which should be removed. She mentioned the flock of Canadian geese living on the 18th hole of the Park City Golf Course and pointed out that it could become a problem if they flourish. Jim Hier discussed a public hearing conducted by the Uniform Building Code group on proposed amendments. The Peoples Health Clinic held an open house which was very well attended and he also participated in an HMBA meeting held during the week. Roger Harlan reported on Mountainlands Housing Trust and School District business. He proudly reported that he is the grandfather of twins born earlier this week. Mayor Williams noted that he, Tom Bakaly and Candace Erickson met with the UTCT this week on sustainability. He also attended and presented at the Uinta Headwaters Resource Conservation District meeting on renewable energy. This organization evolved from the former National Soil Conservation Service and assumes a more active role in the area which is very beneficial; they installed eleven anemometers in Summit County.

2. Transportation Strategic Plan Update. Kent Cashel explained that when the Strategic Plan was adopted in 2006, staff was directed to update Council on an annual basis to make sure it is consistent with current transit, pedestrian, bicycle, and vehicular policies. He acknowledged the scope of current traffic challenges and addressed the 12 elements outlined in the Strategic Plan:

1. <u>To pursue formal agreements to cooperate with regional entities on transportation issues</u>. He explained that this recognizes that issues are regional and partnering is critical to address problems. The cooperative agreement with UDOT to work on a corridor plan is significant. It is hoped that Wasatch County will elect to participate at some point because of its impacts on the SR248 corridor.

Candace Erickson referred to the staff report, specifically relating to the state, which she felt would not be supportive about mitigating resort area congestion because of the debate about year-round use of Guardsmans Pass. Mr. Cashel indicated that Ski Utah expressed that an integrated message from resort cities may be effective. Ms. Erickson emphasized her concern that Guardsman's Pass not be considered for winter use. Kent Cashel stated that this may require a broader discussion in terms of developing a strategy. Tom Bakaly interjected that he felt we could protect our interests; the intent was to work with the Governor on SR224 and the ski resorts and not alternative routes into town. Mr. Cashel assured Council that the language can be better clarified.

2. Develop and implement an ongoing traffic monitoring program. Mr. Cashel noted that the program has been stepped up greatly this year with contract staff and as a result, better traffic data gathering is being generated. There is a base line now which will help in making better decisions. UDOT has an enormous amount of information on its state highways which is available to the City. He spoke about integrating the state's information on the City's website.

3. Utilize travel demand management (TDM) strategies to mitigate peak hour travel volumes. Kent Cashel explained that TDM is finding ways to develop alternatives to single occupied vehicles like ride-sharing, moving travel out of the peak hour, improved public transit, alternative modes, etc. He detailed a current City managed van pool program for Salt Lake and Basin employees available through UTA, which has been very successful. Staff will continue to work with the ski areas with regard to transit needs.

4. Expand public transit where appropriate. He explained that an expanded transit facility at Ironhorse is being designed which will house additional buses and provide for an improved parking area. In response to a comment from the Mayor, Mr. Cashel expressed that there will probably be a future need for two facilities but felt it still necessary to maintain a facility in town. There could be a satellite facility in the County where there may not be maintenance services, for instance. Jim Hier recalled the decision to upgrade Ironhorse contemplating that it would continue to be the maintenance facility regardless of any expansion efforts. Staff will return to Council with an update on this project.

5. Facilitate development and promotion of park and ride, van pool, rideshare and alternative mode programs. Kent Cashel discussed completing the park and ride and reported that the County is close to accepting the road. The Mayor felt it important that the resorts urge their employees to use the park and ride.

6. Facilitate improved special event traffic planning, coordination and communication. Mr. Cashel spoke about forming a group with ski area representation, the peak resort day traffic management group, to mitigate peak hour congestion. There is a plan to implement a test program during Christmas Week involving the police to direct traffic at the intersection at Park Avenue and Empire and also manning the crosswalk. The improvements to the round-about will assist moving Deer Valley traffic and there will be directional signs to different routes to assist visitors. He felt there is a commitment from the resorts to work together and he was hopeful that the trial would work. The operation of the park and ride will have a significant positive impact on event traffic management as well SR248.

7. Work with local business community to facilitate the development and implementation of a regional TMA – This is an effort to educate employers to work with their employees to establish programs and he hoped to acquire some state funding to develop a more formal program. Jim Hier suggested identifying someone at the Chamber to be the point person on this effort and Mr. Cashel felt this is a good suggestion. The Mayor added that the Chamber should be encouraging visitors not to rent cars. Liza Simpson felt that as the rental car base has grown, using public transportation is not a focus and Mr. Cashel stated that he will work with the Chamber on these points. A business Transportation Summit was held in 2007 but he acknowledged that momentum is diminishing. Staff feels that employee transportation is a critical issue and staff will continue to work with the Chamber.

8. Facilitate regional efforts to secure federal and state financial assistance to fund necessary transit and road projects. He explained that the City has been successful in obtaining UDOT funding. Potential funding from the Stimulus Program was discussed.

9. Develop processes and procedures to ensure the traffic impacts of all development and annexation proposals are carefully analyzed and understood and

10. Develop processes and procedures to ensure all MPD and annexation proposals are required to include a traffic impact analysis and a traffic mitigation plan sufficient to evidence that the development's or annexation's traffic impacts will not reduce current levels of service on the City's road network - Kent Cashel felt the current internal process of including affected departments and services is effective. Mr. Hier expressed that the statement about not changing the level of service is ambitious and suggested that a realistic level of service be identified. Mr. Cashel indicated that staff will prepare amended language.

11. Utilize financial instruments when appropriate to balance expenditures with revenue resources and cash flow timing. Staff continues to explore funding opportunities and he spoke about projecting costs for improving SR248 which may be shared on a local, state and federal level.

12. Develop and implement an ongoing multi-media communication plan to inform and educate the public on regional transportation issues, transportation management efforts and the role each individual plays in an effective transportation program. Mr. Cashel discussed availability of the press and getting more useful information on-line. Liza Simpson discussed a user entering the starting location and ending location to plan a bus itinerary on-line, and Kent Cashel explained that this will require some added technology but there is grant money available to accomplish this project.

He emphasized the focus to incorporate all of the City's interdependent transportation elements into the Strategic Plan and will return in late January with a report and initial recommendations on the comprehensive strategic transportation plan. Jim Hier relayed that the staff report was very well done.

3. Update on SR248. Kent Cashel explained the goal tonight of receiving Council direction on alternatives acknowledging that the information is not detailed at this point. The strategic plan for our entry corridors was established in 2006. He emphasized that there are seven separate studies on SR248 and it made sense to incorporate them into one plan which represents Phase 1 of the study. Several alternatives were presented and Council provided staff with direction to look at the no build alternatives, directional lanes, dedicated bus/high occupancy (HOV) lanes and four lane widening. A steering committee was formed with a variety of departments and UDOT representatives, a stakeholders group was also organized with key employers, and a Transportation Summit was held on September 30 which was well attended. He spoke about estimates for alternatives and associated carbon footprints.

Consultant Matt Ripken referred to the table in the meeting packet regarding the alternatives and the importance of narrowing down preferences. Jim Hier asked if the four lane full widening option would require excavation of the hillside and Mr. Ripken understood that excavation is minimal but the engineering has not been done to know how much of the wetlands are affected. He continued to explain that there are also options based on the desire for bike lanes where the travel lanes could be shortened to 10 or 11 feet. The no build alternative results in increases to travel times by 30 minutes. The four lane option would involve some widening and would extend beyond the current footprint. If the raised median is removed and the width of the travel lanes decreased, a four lane section with no turn or bike lanes could be built.

Liza Simpson asked for clarification of the traffic issues at Quinns Junction and Mr. Ripken stated that it is anticipated that the signals will begin to fail resulting in delays during peak times. Use of the HOV lanes and park and ride lot will help alleviate some traffic problems for a period of time but these issues will have to be addressed again in the future. Kent Cashel emphasized that in order to blend traffic westward beyond the schools requires widening SR248. Matt Ripken explained using directional lanes for peak travel hours and in response to a question from the Mayor, he estimated traffic growth to be about 5% to 6% to 2014 and reducing to 3% to 4% to the year 2020. These estimates were based on the pending PC Heights annexation, other developments and the growth projections within Wasatch County. Jim Hier pointed out the 11,000 units proposed at the Jordanelle Reservoir. Candace Erickson felt that these residents may not be impactful because the majority of the 15,000 residents in the Basin do not come into Park City on a regular basis. Jim Hier disagreed. Ms. Erickson expressed that all potential impacts should be carefully considered in light of the significant cost for improvements to essentially add two more lanes in front of the schools. Mr. Ripken admitted that it is difficult to project numbers but the trend is that traffic growth has been stronger than building growth which is unique to the rest of the state. Other studies were used in this analysis including development proposals and it is expected that growth will flatten out. Since it is impossible to predict the future, Roger Harlan asked if there are any interim fixes that may delay improvements. Mr. Ripken stated that the City has done a good job of implementing interim improvements and he again discussed removing the raised median. He believed that reversible lanes will become ineffective over time because of the projected growth in Wasatch County which is out of the control of the City. On the other hand, implementing HOV lanes, improved transit, and the park and ride are things that would be managed directly by the City and will buy some time. Roger Harlan spoke about the unintended consequences of trying to manage traffic and Matt Ripken agreed and acknowledged that when more capacity is provided, more people are encouraged to drive. He believed that Park City needs to focus on a management strategy and working with UDOT on future projects. Kent Cashel agreed that congestion can not be solved but can be mitigated.

The Mayor felt it premature to make assumptions about encroaching on the hill or wetlands and was uncertain if it is even feasible because of restrictions. Mr. Ripken responded that the group has explored it to the extent that it is feasible but the full trade-offs are unknown. Jim Hier pointed out that there is very little improvement of travel times with the four lane concept within the existing footprint compared to a full four lane expansion. Creating that additional cost at this stage seems inappropriate. The four lane and/or reversible lanes within the existing footprint are the two options that should be pursued in his mind. The location and distance of the reversible lane would have to be studied. Additional lanes in front of the school should be considered in conjunction with an underpass project and if the underpass proceeds, he suggested pursuing the full four lane expansion option.

Liza Simpson stated that she has not abandoned the *no build* option and discussed encouraging travel on off-peak times and pointed out that people are now traveling around SR248 to avoid a 12 minute wait. Ms. Simpson requested clarification about the negative recommendation about the use of reversible lanes and Matt Ripken stated that the option may be disappointing because of continued growth within Wasatch County. Trends show that as suburban areas grow, the directional split in flows begins to flatten out. Ms. Simpson stated that the one alternative she does not favor is the four lane full expansion and Ms. Erickson agreed, adding that she doesn't want to encroach on the hillside or wetlands. The raised median slows drivers down as they approach town and Ms. Erickson felt that one of the worst things the City has done was to widen SR224. Speeds and accidents have increased and an expansion doesn't seem like a great solution because it won't change people's driving habits. She hoped that promoting the park and ride and designating a HOV lane for public transportation will be effective. Roger Harlan favored using the reversible lane option at least on a trial basis which may buy the City some time to research other solutions.

The Mayor summarized that the group is not supportive of the fully expanded four lane project and Kent Cashel noted that the other alternatives will return to Council with a higher level of detail. Jim Hier also supported including a HOV lane in a four lane configuration.

4. Economic outlook and shortfall plan – Through illustration of a PowerPoint presentation, Bret Howser explained that the focus tonight will be on General Fund activities over the years. Revenues have grown faster than expenditures at 7.8% to 7.4%. Net revenues average $2 million a year but over the past five years have averaged $5 to $6 million and have been dedicated to one-time capital expenses. Property tax is a major revenue source which is steady but does not have an inflationary measure to meet expenditures but property values have increased significantly over time. Another significant revenue source is sales tax as well as building related revenue which are somewhat more unstable sources. Building numbers are coming in below the budgeted amount of revenue forecasted this year. He added that strong financial performance over the years tends to build strong reserves but state statute only allows the City to keep 18% reserves in the General Fund and he explained where reserves are dedicated.

Mr. Howser displayed a chart on the history of recessions in the early 1990s. He further explained that Park City has performed well during recessions and market research shows that skiers seek quality and favor better snow and more accessible resorts. Despite low consumer confidence, it appears that skiers are still willing to spend money on destination vacations. In order to forecast numbers, leading indicators including reservation activity, visitor nights, and disposable income per capita are considered to predict sales tax revenues. A downturn in sales tax is estimated at about $1.9 million which will be continually updated, and building revenue will be down about $1.5 million. This represents a 10% reduction in revenues in the General Fund. Reservations for future months compared to the same time last year are down 17% for the winter season. He added that December numbers are catching up and it may be that visitors are booking reservations later than in previous years. Bret Howser then displayed a chart on real disposable personal income plotted against visitor nights which shows a decrease this ski season.

He explained that the City's financial impact assessment report reveals a shortfall of about $2.7 million and if the City continues to operate at current expenditure levels in both capital and operating, there will be a deficit this year and using reserves may be necessary. The contribution to the General Fund to cover capital projects this year would be about $5.2 million this fiscal year. Mr. Howser displayed the project list expected to be funded in the next three years using General Fund surplus money and some projects have been spread out over time. The OTIS street reconstruction projects represent debt service paid with the General Fund surplus. He added that the use of reserves to the degree of 1% to 9% is defined in the City's shortfall policy as the *alert level* or the first stage of five levels. Both the alert and minor levels anticipate providing the same level of service on the operating side but recommends tighter budget monitoring and delaying expenditures wherever possible. Staff is already working on budget monitoring and additional tools for managers are being developed like monthly distribution information for better planning. The Budget Department will work with managers if they are over-budget at the end of the month. During the budget review, the capital improvement plan will be re-evaluated to determine what projects can be deferred as well as operating budget offsets. Departments have been directed to identify 5% operating reductions over the next six months while still maintaining the same level of service. Staff will also be exploring revenue enhancement by looking at fees to make sure costs are covered and internal sales tax distribution may be adjusted. Mr. Howser emphasized that the City has a history of good financial health and our strong reserves places the City in a good position heading into the recession.

Jim Hier supported looking at operating expenses in conjunction with a reduction in capital expenses. He suggested that with the re-evaluation of the capital improvement plan data, that productivity enhancements be prioritized.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 20, 2008

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Library and Education Center on Thursday, November 20, 2008. Members in attendance were Dana Williams, Candace Erickson, Roger Harlan, Jim Hier, and Liza Simpson. Joe Kernan was excused. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Todd Touchard, Project Manager; Max Paap, Special Events Manager; and Jon Weidenhamer, Economic Development Manager.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Resolution acknowledging the importance of supporting non-profit organizations in our community and declaring Friday, November 28, 2008 as Giving Day in Park City, Utah – Mayor Williams read the Resolution into the record and presented it to Teri Orr, Executive Director of the Eccles Center, a non-profit organization in Park City.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETINGS OF OCTOBER 30, 2008 AND NOVEMBER 6, 2008

Roger Harlan, "I move that we approve the work session notes and minutes of the meetings of October 30 and November 6". Jim Hier seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

V RESIGNATIONS AND APPOINTMENTS

Consideration of the appointment of two members to the Historic Preservation Board for terms expiring July 2011 – The Mayor requested a motion to continue to December 4. Liza Simpson, I so move". Jim Hier seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye

Joe Kernan	Absent
Liza Simpson	Aye

VI CONSENT AGENDA *(Items that have previously been discussed or are perceived as routine and may be approved by one motion. Listed items do not imply a predisposition for approval and may be removed by motion and discussed and acted upon under "Additional Discussion – Agenda Items")*

Candace Erickson, "I move we approve Consent Agenda Items 1 through 4". Roger Harlan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

1. Consideration of acceptance of the Comprehensive Annual Financial Report (CAFR) and Independent Auditor's Report for fiscal year ending June 30, 2008 for Park City, Utah – See staff report.

2. Consideration of a Community Engagement and Visioning Contract with czbLLC in the amount of $53,959 in a form approved by the City Attorney – See staff report.

3. Consideration of a Resolution acknowledging the importance of supporting non-profit organizations in our community and declaring Friday, November 28, 2008 as Giving Day in Park City, Utah – Staff recommends approval.

4. Consideration of a Resolution authorizing the issuance and sale of up to $10,000,000 aggregate principal amount of general obligation bonds of the City for property acquisition; fixing certain maximum terms for the Bonds; and providing for related matters – See staff report.

VII NEW BUSINESS *(New items with presentations and/or anticipated detailed discussions)*

1. Consideration of a Professional Services Agreement, in a form approved by the City Attorney, with Bowen Collins & Associates for General Engineering Services for an amount of $252,560 – Todd Touchard explained that the addendum extends existing tasks and an adds projects like finishing the water line from the Quinns treatment plant. Also, the master plan will be updated to show the alternatives for treating raw water. Other services include designing the water line out of the treatment plant into the City,

redesigning the Hillside Avenue water line project, finishing the Bonanza Avenue line along Deer Valley Drive to the existing pump station, and replacing a flume structure on McLeod Creek. He also explained other minor tasks and the purpose of a flume for the benefit of Liza Simpson. The Mayor invited public input; there was none. Jim Hier, "I move we authorize the City Manager to execute the second addendum to the professional services agreement with Bowen Collins & Associates for general engineering services in the amount of $252,560 in a form approved by the City Attorney". Candace Erickson seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

2. Consideration of a Letter of Intent in a form approved by the City Attorney between Summit County and the City related to joint property acquisition of approximately 107 of the estimated 112 acres of Parcel #SS-57-1, property owned by the Boyer Company located to the southeast of the UDOT facility - and

3. Consideration of a Purchase Agreement in a form approved by the City Attorney between Boyer Summit County and Park City (collectively Buyers) in the amount of $2,250,000 for the joint property acquisition of approximately 107 of the estimated 112 acres of Parcel #SS-57-1, property owned by the Boyer Company located to the southeast of the UDOT facility – City Manager Tom Bakaly emphasized that the 107 acres are not intended to be used for open space. He described the location of the property, east of US40 or the area used as the park and ride during the Olympics. Staff is recommending entering into a letter of intent with the County to purchase the property for $4.5 million or $2.25 million each. The funding source is the General Fund and/or funds in the five year CIP, not open space bonds. Some of the proceeds from the Shortline parcel may be used and it is likely the property will be the site for a future public works facility. The letter of intent outlines financial commitments for each party and references a joint master plan process for the City and Summit County. The first recommended action is approving the letter of intent and the second is approval of the purchase agreement. PRI is reserving five acres and the wording of the purchase agreement is somewhat confusing because it refers to 112 acres being purchased upfront but then speaks to how the five acres would be reserved for the church (PRI). He reiterated that the City is purchasing 107 acres and is scheduled to close this calendar year unless there are substantial changes or other conditions.

The Mayor invited public input on the letter of intent; there was none. Jim Hier, "I move that we approve the letter of intent with Summit County and Park City Municipal for the acquisition of the property known as #SS-57-1 owned by the Boyer Company, as outlined in the staff report". Roger Harlan seconded. Motion carried.

The Mayor invited public input on the purchase agreement and there was none. Jim Hier, "I move approval of the purchase agreement with Boyer Company in conjunction with Summit County, conditioned upon the definitions of Paragraph #10 and #11 which are currently labeled as reserved being filled in with either appropriate verbiage or to be defined as not applicable in a form approved by the City Attorney as well as any potential refinements in the definition of the acreage to be reserved by the church and to approve the conditions in a form approved by the City Attorney, unless they are substantive enough where we would want to have it brought back to us". Roger Harlan seconded. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

4. Consideration of the Park Silly Sunday Market Master Festival License for 2009 – Jonathan Weidenhamer explained that staff is recommending approval for 15 Sundays from June 14 through September 27, except for the weekend of Arts Fest. The hours are proposed to be 10 a.m. to 4 p.m., not including loading times, which reflects the same terms as last year. Staff believes that the market was a great success from an operational standpoint and the extra measures the event organizers put into place to get patrons up the street, reduce parking impacts, and encouraging transit worked pretty well. Additional conditions of approval relate to the short term parking load and unload changes. The parking in front of the Kimball Art Center on Heber Avenue is currently two hours which is recommended to be reduced to 30 minutes and dedicated parking enforcement of the area is required. Volunteers will be used on a trial basis. Staff is recommending that an economic analysis be conducted; the first phase would be $10,000 to measure the direct fiscal impacts of the 2008 market on existing Main Street businesses. This will be conducted independently by the City who would contract with Wikstrom Economics. He warned that there is no *silver bullet* but any disproportionate impact to one type of business or blatant flaw should be identified. It is anticipated that Phase 1 would be completed by mid-January so that any operational changes could be made by February 1. Phase 2 is estimated at $15,000 and a long-term services agreement with PSSM would be anticipated at that point. He emphasized that Condition 18 specifies that the event organizers will have to fund the analysis but that will probably will be omitted because the City has typically been responsible for the costs of economic analyses in the past.

Mr. Weidenhamer stated that associated fees amount to about $22,000 and staff has the ability to waive up to $5,000. Additional fee waivers were denied in 2008; waivers are again requested this year and staff is again recommending denial because those types of fee waivers are usually associated with long-term service contracts like those held by Sundance and the Arts Festival. He reiterated that staff believes the event has been an operational success but there is a perception by some that the market presents competition with the Street, it is not a partner and additional compromises should be proposed. He referred to the staff report outlining operational changes to mitigate concerns, including addressing vendor mix, hours of operation, number of Sundays and venue location.

Since the meeting packet was distributed on Monday, Mr. Weidenhamer relayed that the HMBA rendered its formal position. Generally, the majority of the Board supports PSSM proceeding but would like a look at shorter hours and vendor mix to lessen potential competition with Main Street businesses. The HMBA also distributed a survey this morning and about 39 merchants responded and the event organizers have prepared a list of type and percentage of vendors. Since the staff report was published, the HMBA and PSSM have met and have made progress toward more compromise.

Jewels Harrison, event organizer, explained that eco-friendly elements of the festival were very successfully resulting in almost a zero waste event. She detailed recycling efforts and noted that only 7.5 bags of actual trash went to the landfill for the entire season. Kimberly Kuehn spoke about the rotation of a free booth to HMBA merchants which was a successful program and six businesses participated last year. Signs were added to direct people to the China Bridge Parking Structure and the trolley was rerouted. She stated that she negotiated a PSSM day of shopping on Sundays with bus carriers in Salt Lake and the passengers were dropped off on the top of Main Street. An average of five coaches for 11 out of the 15 Sundays were commissioned with 45 to 55 people on each bus, resulting in an additional 200 to 300 patrons on Main Street. Greyline Coaches offers five day tours and next year it will be offered for Park City so overnight visits are promoted. She suggested cooperative advertising with the HMBA and commented on the videos produced for the market on PCTV, KUTV, and Fox 13. A local live interview was broadcasted every Friday promoting historic Main Street. Ms. Kuehn stated that all of their advertising included historic Main Street and communication with merchants was enhanced. The hours were moved up to 10 a.m. to 4 p.m. in 2008 because of concerns expressed last year about the market taking away from breakfast business. Sidewalk sales could promote all of Main Street and she spoke about creating an inclusive street festival. The Mayor invited public input.

Jeff Ward, HMBA, stated that he doesn't have a lot to add to the information distributed to Council today. The majority of the Board supports PSSM and sees the potential for long term benefits to the Street. He felt that an on-going dialog can result in appropriate adjustments. There is not clear consensus from the membership or the Board about hours of operation and he is hopeful that the economic study will shed some light on this issue. The HMBA recognizes that the market can be a great addition and wants to be a partner. Mr. Ward referred to the staff report and asked for clarification on the wording *fatal flaw* and whether it would trigger a change in hours.

Mary Black, Hilda's, stated that she supports the growth of the PSSM which has been a great success. She felt that concerns about vendor mix can be worked out and strongly believed that the festival needs to be held every Sunday, even over the Fourth of July weekend in 2010. The hours should be extended into the evening and the scope should include the whole street. Her business was up 40%. Roger Harlan asked if the Salt Lake chartered passengers contributed to her sales and Ms. Black stated that she is unsure but most of her business seems to be local and second home owners. She saw more people that she recognized on Sundays than in the past and felt that having more people on the Street contributes to the ambiance of the market whether or not they are buying.

Monty Coates stated that he has three retail stores on Main Street which probably appeal more to the visitor than the resident customer and his experience is different than Hilda's. He relayed that he has been keeping close attention to Sunday sales over the past two years to better analyze the numbers and to create a history of sales. He stated that he has experienced a 78% drop in business on PSSM Sundays, but at the same time, sales on Mondays through Saturdays were flat. Sundays historically represented 20% of summer sales and now represent only 6%. He reserved judgment on this event last summer because he felt it added some needed *funk* to the Street and had hoped that sales would incrementally increase for Main Street businesses. However, he believes that the current configuration will never accomplish that. He felt that street events by nature are intended to enhance and bring awareness to the area, thereby increasing revenues to area businesses and should not cause greater impacts than benefits. Mr. Coates stated that he feels this was the intent of the PSSM, the event organizers have done an exceptional job, and he is impressed with their skills. He feels they have been acting in good faith to minimize impacts; however, there have been many businesses that have been harmed.

Mr. Coates stated that the market has some major flaws, duration and frequency, and the two combined creates a detrimental effect. Events attract people *like a moth to a flame*. Any event that has music, shopping, and entertainment will draw people but the problem is that PSSM holds patrons on lower Main Street all day long. It lasts the bulk of the day, it's every weekend all summer long, and replaces the natural flow of business rather than enhancing it. Any market on the Street should end no later than 1 p.m.; extended hours only benefit the market vendors in his view. This negates the opportunity to holding a street event by never releasing the visitors to shop and dine in the commercial district. The scale of the tenant mix looks like a two day festival and not a weekly market and Mr. Coates stated that the vendors compete directly with the majority of existing businesses. In many cases, the vendors are from outside the area increasingly the likelihood that revenues will leave the City. The tenant mix should enhance the business district, not replace it, and a weekly market should provide goods and services not commonly found on the Street. He reiterated that it should be limited to morning hours so it attracts people and releases them on Main Street. PSSM should not be allowed to continue in its current configuration and any event that has the power to affect the entire season over multiple years should be carefully analyzed to fully understand all of the ramifications. He understood the HMBA has tried to obtain meaningful economic data from other businesses and was shocked at the results of his own analysis. Mr. Coates felt that a decision should not be made until there is more information from the study to determine the scope of impacts.

Mayor Williams thanked Mr. Coates for his work and input. He asked if his businesses offered coupons or other incentives and Mr. Coates replied he didn't offer coupons but held sidewalk sales on several weekends which were not worthwhile.

Devon Stanfield stated that his gallery is located on lower Main Street and he definitely benefitted from the market. However, he operates another gallery in Aspen which holds weekly events like the PSSM throughout the summer but on Saturdays. In Aspen, the event is held on the opposite side of the commercial district so he is familiar with and understands both sides of the argument. He feels it is important to look at the overall picture. Summer is considered Aspen's high season now and part of the reason is that it host events all summer long. He feels that PSSM will end up helping merchants overall and is supportive of the hours. Mr. Stanfield pointed out that even if patrons aren't buying expensive art, they are creating an atmosphere.

Tim Helty, Silver Queen Gallery, stated that his business has been negatively affected by the market. He appreciated the event organizers meeting with him but urged Council not to approve 15 Sundays. The atmosphere the PSSM brings to town *cheapens* Park City. It doesn't attract the kind of clientele needed to support a business or that Main Street deserves.

With no further comments, the public hearing was closed.

The Mayor asked what Phase 1 will accomplish and Jon Weidenhamer explained that it will identify if any type or location of a business is onerously impacted. Phase 2 will analyze all of the indirect benefits of the event including surveying attendees of the market. Mr. Hier expressed that spending $10,000 on summarized data provided by the merchants this year and $15,000 to conduct independent surveys and a fiscal analysis later seems disproportionate. He felt that Council members could reach their own conclusions with the data provided by the HMBA and asked what the term *onerous* means. Mr. Weidenhamer acknowledged that it is a grey area. There was discussion about gathering information from other commercial areas in town.

Tom Bakaly pointed out the timing problem because it is going to be difficult to produce a meaningful analysis between now and the time PSSM needs to make decisions for the summer. He admitted that the study is a bifurcated approach pointing out problem areas in the short term and providing a more meaningful analysis to be completed through the year. Phase 1 is probably not going to provide the level of detail that would warrant conditioning the MFL. Mr. Hier felt it is not worth $10,000 if it is not detailed and Mr. Bakaly suggested a broader study that would be completed next year. Jim Hier agreed with not contracting with Wikstrom for Phase 1 but to conduct a comprehensive study including all of the data right now and continuing throughout the year. He also stated that he feels the retail stores on Main Street are very unique to the district. He questioned how much weight the Council could place on the findings of Phase 1 as proposed. The City Manager relayed that staff is leaning toward a comprehensive approach as well and asked if other specific conditions should be placed on the PSSM.

Roger Harlan noted that if the market sold more fruits and vegetables, it probably would not compete with the rest of the street. In response to a question from Liza Simpson Kim Kuehn described a list of ideas for the HMBA to promote Main Street in 2008 including greeters at the trolley stop, coupons, and sidewalk sales to make it more of a full street festival. Jeff Ward stated that he didn't recall a commitment from the HMBA to staff a person at the trolley but remembers discussions about integrating the street.

Mike Sweeney explained that the HMBA was going to try to help make upper Main Street more festive with the goal of having these merchants participate. The Board looked at conducting an independent analysis and found it was too expensive. He acknowledged the problem of motivating merchants, including lower Main Street. In today's economy, merchants need to do business differently and to be creative. Liza Simpson asked about programming music and Mr. Sweeney explained that the HMBA programmed Mountain Town Stages on a couple of occasions. He noted that some businesses on lower Main Street made financial contributions to the market to support its success. Mr. Sweeney expressed his support of the market, acknowledging that there are some impacts to some businesses.

Candace Erickson commented on how many locals she knows that attended the market and didn't buy anything. She agreed with Jim Hier about the wisdom of spending $10,000 on a study that probably will not provide the answers needed. She pointed out that the City has already provided tax-payers dollars to support the event by way of a grant. She didn't feel that the merchants on upper Main Street should have to work harder to recover from an event created for lower Main Street. She expressed that maybe the HMBA needs to create its own event on another day because the two are not co-existing well. It is unfair to ask merchants to expend more to remain status quo. Ms. Erickson referred to and asked for clarification of a statement in the staff report, *the event organizers may elect not to continue should the Council pursue certain regulatory options.*

Jewels Harrison responded that the assumption that the PSSM is causing the decline in business is not a fact, which is why a study would be helpful, and pointed out that the first year of the market was the first year the Redstone commercial area opened. People tend to create high expectations and forget that PSSM is only two years old and there are certain areas where they are experiencing growing pains. The demonstrated cooperation between everyone creates the real potential for positive things to happen. She asked for more opportunity to solve concerns and as an example, there will be an adjustment of vendor distribution of product. PSSM will lower the percentage of jewelry vendors to 15% and a jury process for selection will be formed. PSSM is willing to make changes without solid evidence and Ms. Harrison felt that the description of the PSSM patron is a gross misconception. The cost to advertise is much higher compared to manning a booth and creating a relationship with customers at the market and having them come back to the store.

Ms. Kuehn spoke about her experience launching product shows in a San Francisco mall and relayed solutions to balance the benefits to all tenants by programming locations throughout the mall. She emphasized that PSSM is only two years old and asked for an opportunity to work through issues together; the event will improve with time. Jewels Harrison pointed out that this year more farmers participated and increasing produce vendors is a priority. Candace Erickson stated that she has thought about closing Main Street over the weekends in the summer to host events like a street market, outdoor dining, etc. Ms. Kuehn expressed her enthusiasm about the idea. Ms. Erickson encouraged event organizers to continue to work with the merchants to promote upper Main Street.

Mayor Williams commented on the turn-over of businesses on lower Main Street over the years and the difference the market has made there. He suggested dropping Conditions #18 and #21 and encouraged the applicants to continue to work with all business owners. The scope of the economic analysis needs to be clearer and should not be a condition of the MFL. Spending $10,000 seems like a waste of money now because he didn’t feel a fatal flaw will be identified.

Jim Hier suggested offering free parking in the Wasatch Brewpub on Sundays to encourage more foot traffic on upper Main Street. He observed a lot of folks cutting across to Swede Alley headed to the parking garage at about 4th Street rather than walking all the way up the street. He also felt that parking on the east side of Park Avenue from 7th Street to City Park should be barricaded to force patrons to park in the parking structure. Max Paap suggested that it be designated for the vendors. Jewels Harrison pointed out that this was implemented in 2008 and vendors parked in those spaces. Mayor Williams expressed doubts about the logic of offering free parking in the Wasatch Brewpub because there is already free parking available in Swede Alley and those spaces are closer to the event than the Brewpub.

Candace Erickson believed that the only thing that needs to be changed is the hours and Ms. Kuehn asked for an additional year of operation before a change in hours is considered. Ms. Harrison felt it beneficial to be able to study two years of operations under the same terms and Liza Simpson felt this is a valid point. She urged the applicants to work hard to encourage pedestrian traffic to upper Main Street adding that it is not solely their responsibility but they have experience and skills in marketing. Jewels Harrison expressed their willingness to help but the merchants have to make a commitment too. She hoped hours would not be shortened because of the time needed for set-up and dismantling the event. There are people who travel from the Valley that intend to spend a whole day on the Street. Jim Hier recommended that the City work with the HMBA to try to program something on the upper end of Main Street. He felt the Phase 2 date should be changed from July to August.

Ms. Harrison explained that vendor payments or sponsorship money can not be accepted until they have a MFL to move forward. She urged Council to please make a decision tonight so that they can begin to plan for 2009. Kimberly Kuehn stated that the HMBA seemed pleased with the commitment to change vendor mix and product. Jeff Ward indicated that they discussed a different percentage for mix but he was unsure what it actually meant. Tom Bakaly suggested continuing this item to December 4, have the HMBA and PSSM members clarify tasks and responsibilities, and reflect those in conditions of approval. Mayor Williams recommended approving the MFL with a condition to return in a month or two with a mitigation plan. He felt that in order for the economic study to be meaningful that another year of operation is necessary and again suggested that Conditions #18 and #21 be removed. He felt that Mr. Coates comments are valid about the market competing with similar products sold by Main Street businesses. Max Paap confirmed that 15 Sundays from 10 a.m. to 4 p.m. remains the same for 2009

Liza Simpson, "I move that we approve the Master Festival License application for the 2009 Park Silly Sunday Market with these amendments to the conditions of approval; drop #18 and #21, and add a condition of approval that the HMBA, staff and PSSM organizers return ~~before January 8th~~ **by February 5th** with an action plan to address the HMBA's concerns". The Mayor suggested changing the deadline to mid-February; the number of Sundays and hours remain the same. Jim Hier asked if the plan should be better defined, i.e., vendor mix, activities to generate pedestrian traffic on Main Street. Discussion ensued about the potential requirement for the HMBA to apply for a separate MFL. Liza Simpson accepted the modifications to her motion. Jim Hier seconded. The Mayor clarified that the terms are the same and Conditions #18 and #21 are removed, and by February 5, 2009, the HMBA, staff and the PSSM agree to return with a plan which identifies cooperatively working on product mix and programming the rest of Street to draw patrons. Motion carried.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

VIII ADDITIONAL DISCUSSION – AGENDA ITEMS

IX ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 2:30 p.m. Members in attendance were Mayor Dana Williams, Candace Erickson, Roger Harlan, Jim Hier, and Liza Simpson. Joe Kernan was absent and excused. Staff present was Tom Bakaly, City Manager; Wade Carpenter, Police Chief, Linda Tillson, Library Director; Max Paap, Special Events Manager; Jon Weidenhamer, Economic Development Manager; and Tom Daley, Deputy City Attorney. Jim Hier, "I move to close the meeting to discuss property, litigation and personnel". Candace Erickson seconded. Motion carried. The meeting opened at approximately 4 p.m. Jim Hier "I move to open the meeting". Liza Simpson seconded. Motion unanimously.

Candace Erickson	Aye
Roger Harlan	Aye
Jim Hier	Aye
Joe Kernan	Absent
Liza Simpson	Aye

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

Prepared by Janet M. Scott

Janet M. Scott, City Recorder