PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 16, 2000

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will hold its regularly scheduled meeting at the Marsac Municipal Building, City Council Chambers, 445 Marsac Avenue, Park City, Utah, for the purposes and at the times as described below on Thursday, November 16, 2000.

Work Session

3:30 p.m.	Program and resource analysis update
4:15 p.m.	Discussion on policy for the 2002 Winter Olympic Games
5:30 p.m.	Council questions/comments Review of regular meeting

Regular Meeting

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III WORK SESSION NOTES AND MINUTES OF THE MEETING OF OCTOBER 19, 2000

IV PUBLIC HEARINGS

1. Master Festival License for Outdoor Retailers Winter Market at the Park City Mountain Resort to be held on January 25 and 26, 2001

2. Master Festival License for Holiday on Main Street to be held on December 2, 9, 16, and 23, 2000

V CONSENT AGENDA

1. Master Festival License for Outdoor Retailers Winter Market at the Park City Mountain Resort to be held on January 25 and 26, 2001

2. Master Festival License for Holiday on Main Street to be held on December 2, 9, 16, and 23, 2000

3. Continuance of Ordinance approving an extension of plat approval for The Cove at Eagle Mountain Phase 2, Park City, Utah to January 11, 2001

VI NEW BUSINESS

Line of credit to Mountainlands Community Housing for an interim loan toward the purchase of Holiday Village Apartments

VII COMMUNICATIONS AND REPORTS FROM COUNCIL AND STAFF

Continuation of discussion on policy for the 2002 Winter Olympic Games

VIII ADJOURNMENT

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 23, 2000

PUBLIC NOTICE IS HEREBY GIVEN that the City Council of Park City, Utah will not hold its regularly scheduled meeting on Thursday, November 23, 2000.

Posted: 11/13/00
See: parkcity2002.org

PARK CITY
1884

PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 16, 2000

Present: **Mayor Brad Olch; Council members Peg Bodell; Candace Erickson; Roger Harlan; Fred Jones; and Shauna Kerr**

Toby Ross, City Manager; Mark Harrington, City Attorney; Myles Rademan, Public Affairs Director; Frank Bell, Olympic Planning Director; Melissa Caffey, Special Events Manager; Tom Bakaly, Director of Capital Management and Budget

1. **Program and resource analysis update.** Myles Rademan conducted a presentation on tourism and the resort economy.

2. **Discussion on policy for the 2002 Winter Olympic Games.** Frank Bell pointed out that Park City will be in the middle of the Olympics in 15 months and referred to the Olympics Master Plan adopted in January 1998 and the financial plan which was adopted in July 1999. A great portion of the planning has been accomplished, i.e., venues, competitions, transportation plan, security plan. He urged Council to express how it views the community's participation in the Games and putting planning into action. Staff needs clear policy direction from the Council as to how the staff should proceed; the level of direct involvement of the Council in the decision-making; the level of staff involvement as opposed to contracting services; and Council's vision for the Olympics. He referred to five areas, outlined in his staff report, requiring policy direction from Council: (1) delegation of decision authority; (2) Main Street closure; (3) celebration sponsor; (4) master festival license process; and (5) internal management.

Mr. Bell asked if the Olympics will become the top priority for the Council and staff to accomplish in the year 2001. If so, there may be some goals and objectives pledged that may have to be set aside until after the Olympics, assuming that the Games will be internally managed. He urged Council to be clear on its direction so that staff stays within guidelines and policies to produce a quality event. City staff has been working for some time with SLOC on a city services agreement which addresses roles and responsibilities for shared-use and controlled areas. There is also a transportation element to the services agreement which integrates the City's system with SLOC's transportation plan. The transportation plan was set aside to negotiate the agreement to provide SLOC the north-end of City Park as the hospitality village so that it can be marketed to sponsors. Leasing the Library and Education Center to the Norwegian Trade Council also had a time constraint. He explained that the experience of the Sydney Olympics triggered a shift in SLOC's policy on playing a stronger role in the public celebration and City staff has been meeting with SLOC over the past five weeks. A number of years ago, the City approached SLOC to treat Main Street as a venue and assist in a public celebration and SLOC was unwilling to participate. The public celebration in Sydney was extremely successful and SLOC members now have a better understanding of the importance of the celebration and *doing nothing is not an acceptable alternative*. SLOC has reconsidered its initial policy on public celebrations and Park City and Salt Lake City will be the focus of its attention. Mr. Bell noted that these special negotiations and meetings seem more important for the community to resolve and the special services agreement has been postponed to a certain extent. The Olympics budget plan will be adjusted during the upcoming 2001 budget process in the spring to more accurately reflect information that is now available. He pointed out that all five issues relate to the public celebration to a certain extent.

Currently, staff is conducting most of the work and documents are brought to the Council, as necessary for approval; Mr. Bell asked if Council is comfortable with this arrangement. Ms. Bodell stated that this has worked fairly well, but with regard to closing Main Street, would like input from the merchants and citizens. She pointed out that she and Mr. Jones have been working with citizens over the past nine months and their input would be valuable in meetings with SLOC regarding the public celebration and is uncomfortable hearing things second-hand. Mr. Bell asked if Council wants to attend meetings and work out details. Candace Erickson stated that she has been attending these meetings with SLOC, so it just hasn't been staff. When SLOC asked about the nature of the public celebration, Ms. Erickson noted that she didn't have many details to share, but emphasized that they are anxious to become involved to ensure continuity. Peg Bodell asked if they want to be involved or in control. Ms. Erickson clarified that she believes they want to be involved. Roger Harlan stated that he has been involved in discussions about the Olympics for many years and has confidence in the Olympic Planning Director and staff. He stated that he is comfortable with the level of information provided by staff and delegating authority to staff as the process has worked well in the past. Ms. Kerr explained that she personally does not have time to negotiate contracts and Council should provide staff with clear direction. Council should be advised of negotiations before agreements are signed or if there is *a fork in the road*, but she didn't feel Council members should be involved in negotiations. Frank Bell cited bus wraps as an example of a potential revenue source for the City that staff is capable to negotiate, but would need boundaries outlined. Ms. Kerr hoped that these decisions could be made by staff and the Mayor agreed but added that before contracts reach the Council, that there be information about its elements and timing. Council doesn't want to micro-manage the Olympic effort, but would like information at some level. He discussed the merits of members of SLOC visiting the Sydney Olympics and becoming interested in Park City's public celebration, as it brings many resources to our community. Decisions need to be made and they can't be processed forever and in some instances that will mean making the best decision possible with the best information available at that time.

With regard to Main Street, Ms. Kerr stated that this has been discussed for years and she is very much in support of closing it as it is advantageous to the community. Fred Jones felt that SLOC's turn-about in participating in the public celebration hosts a number of questions about the roles of what happens in the City. It is favorable that Park City has taken the lead and he sees the

City not producing the event, but in controlling the celebration elements. This can be accomplished in partnership with SLOC, the Chamber, and perhaps another event organization. With regard to the delegation of authority, Mr. Jones used the bus wraps as an example and noted that Council does not need to see the designs but needs to make a policy decision on the scope of advertising. The staff should then negotiate the best deal within those parameters. Coordination and frequent communications with SLOC, the Chamber and others are essential and Mr. Jones suggested access to a Council member on an as-needed basis to attend meetings, but Council should not be involved in every detail. Peg Bodell indicated that there are resources available that have been created by the citizens' group which should not be ignored. Many members are professionals and should be utilized as the grassroots effort is key. If a contract is being signed on bus wraps, it would make sense to coordinate it with the look of the party. Frank Bell clarified that he is bound by existing budget policies with regard to executing contracts. Ms. Bodell asked Mr. Bell how he intends to use this group; Mr. Bell responded that in terms of negotiating contracts, he would not intend to use them; the celebration committee would be continued to be used for the solicitation of ideas. Ms. Bodell felt that the committee has been under-utilized.

Candace Erickson referred to the *look* referred to by Ms. Bodell and expressed that she has not seen anything from the committee about their vision and there is a sponsor willing to assist the City with professional services. Ms. Bodell noted that there are professionals within the community and there is some redundancy because of the lack of coordination. Ms. Erickson relayed that SLOC is anxious to have celebration plans available to present to sponsors and no one is intending to overlook the committee's efforts. Fred Jones felt it is incumbent on the committee to get its ideas circulated in a presentable form. The Mayor left the work session. Ms. Erickson added that it is imminent to get the celebration proposal to SLOC now and Mr. Jones agreed that it is important to articulate our vision. Ms. Bodell pointed out that some elements will not be finalized until the Games begin and Ms. Kerr pointed out that sponsors should have some type of package to review as it is an investment on their part.

The City Manager assumed that the celebration committee would present its ideas to the City Council who would endorse or modify those recommendations, rather than committee members going directly to sponsors. The time frame is immediate in some respects, but details don't have to be spelled out yet. The City will be in a position before December 14 to provide the Council with the essence of what SLOC's prepared to do in scope, but not in form. If Council agrees to the distribution of responsibilities, then there are a whole series of things that need to happen quickly and having presentation material is critical at that stage. In response to a question from the City Manager about availability of the material, Ms. Bodell indicated that it is at a design firm right now and it is probably about two weeks away from completion. Mr. Ross expressed that this would be good timing and having a sense of the nature of the celebration is helpful to make other decisions. Ms. Bodell views the plan and committee members as tools to assist Mr. Bell in making decisions and Ms. Erickson believed that SLOC will take those ideas and make them happen. Ms. Bodell added that the guiding principles formulated by the committee will be helpful to sponsors and the

City Manager felt that a list of contacts would also be helpful.

Ms. Kerr stated that before the Mayor left the work session, he indicated to her that he supports closing Main Street. Fred Jones stated that he also supports the closure of Main Street and input is needed from the merchants to address delivery and trash issues and other concerns that may be overlooked. Peg Bodell added that a merchant subcommittee has been formed. Frank Bell noted that closure of the street would require a public hearing and recommended that it occur on December 14. Last New Year's Eve, Main Street was closed by virtue of the crowds. There was discussion about the timing and necessity of a public hearing, and Mark Harrington explained that the magnitude of the contract necessitates the formality of having the street closed by the City Council. If the street is formally closed, Mr. Bell asked if conditions like duration and scope would be delegated to staff. Ms. Kerr felt that the level of delegation may become clearer after the public hearing is held. Mr. Harlan expressed that he supports the closure, but that the rationale for closing Main Street should be communicated to merchants and citizens. Frank Bell added that he felt it prudent to propose a significant closure at the public hearing, rather than minimize it. Ms. Erickson added that the use of Swede Alley also needs to be addressed and explained that her interest and attendance at SLOC meetings has been prompted by her experience in Sydney.

With regard to the celebration sponsorship, Mr. Bell felt that the City could be the master festival license holder, which results in control, but also liability. The City has traditionally distanced itself from the production of an event, but has regulated special events with great success. He asked who the Council prefers to produce the public celebration event. Mr. Jones asked the feasibility of SLOC being the master festival license holder. Mr. Bell explained that the master festival license process never contemplated the Olympics and he felt that there would be a second contract with SLOC or an addendum to the existing city services contract, which outlines SLOC's participation in the public celebration. Mr. Jones clarified that he would not want to issue a master festival license to SLOC that would preclude other things from happening for the community. Mr. Bell explained that to avoid that, a use area needs to be delineated and official live site falls between the definition of a venue and a shared-use area. In the context of an official live site, once the boundaries are defined, the City would not probably be able to do things beyond the scope of the agreement with SLOC, but it doesn't mean that they can't be done somewhere else. The live site, for example, would extend from the intersection of Swede Alley and Main Street and 9th Street and Main Street and some peripheral areas, and a partnership would be formed with SLOC with the common goal of producing a public celebration. Production companies could be hired and there would be site managers for both parties; if there is an impasse on an issue, Park City would retain control of the venue. The live site is not quite an official venue because there is no fence around it. Mr. Bell added that the Chamber was negotiating with a production company, but SLOC is in a much better position to produce the live sites as it has staff and resources in place. Any other third party would be starting from zero. Toby Ross added that it may be more desirable for the City to be the master festival license applicant, assigning SLOC and others with various responsibilities. Mr. Bell suggested that Council may need more information about what SLOC will be bringing to the table as a co-organizer. Ms. Kerr shared concerns about the City being the producer as staff will already be very busy and have no experience in producing an event. However, the City should be involved in its regulation. She pointed out that time has run out and Items 4 and 5 can be addressed later in the regular meeting.

3. Review of regular meeting:

Master festival licenses. See staff reports. Melissa Caffey explained that neither event is considered high impact. She explained the details of each application and pointed out that property owners between 9th Street and Heber Avenue were contacted about the public hearing tonight on the Holiday on Main Street.

Mountainlands line of credit. Tom Bakaly explained that the line of credit amounts to $200,000 to finish construction on Holiday Village. The interest rate requested is 5 ½%; the rate has increased to 7%, which staff is recommending for the loan. The impact of a lower interest rate is about $500 to $1,700, depending upon the draw down on the line of credit, and staff is recommending a public service contract for affordable housing services. The funds are budgeted under affordable housing. See regular meeting minutes.

Prepared by Janet M. Scott

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 16, 2000

I ROLL CALL

Mayor Brad Olch called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, November 16, 2000. Members in attendance were Brad Olch, Peg Bodell, Candace Erickson, Roger Harlan, Fred Jones, and Shauna Kerr. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; Rick Lewis, Community Development Director; Melissa Caffey, Special Events Manager; Tom Bakaly, Director of Capital Projects and Budget; and Frank Bell, Olympic Planning Director.

II PUBLIC INPUT

The Mayor invited the public to comment on any matter of City business not scheduled on the agenda. Hearing none, the public input session was closed.

III WORK SESSION NOTES AND MINUTES OF THE MEETING OF OCTOBER 19, 2000

Hearing no omissions or corrections, the Mayor requested a motion to approve. Roger Harlan, "I move approval of the work session notes and minutes of the meeting of October 19, 2000". Shauna Kerr seconded. Motion carried unanimously.

IV PUBLIC HEARINGS

1. Master Festival License for Outdoor Retailers Winter Market at the Park City Mountain Resort to be held on January 25 and 26, 2001 - See staff report. Ms. Caffey stated that the logistics have been negotiated in such a way that the impacts will be minimal. There have been no negative comments from merchants or adjacent residents. The Mayor invited the public and the Council to comment. Hearing no comments, the public hearing was closed.

2. Master Festival License for Holiday on Main Street to be held on December 2, 9, 16, and 23, 2000 - See staff report. Ms. Caffey again noted that this is a low impact event which will hopefully benefit businesses on lower Main Street. Ms. Erickson suggested that the City provide free parking that day and Ms. Caffey understood that the applicant is still discussing this with parking staff. Fred Jones stated that he supports free parking in consideration of the efforts of the lower Main Street merchants to attract patrons. There was discussion about testing the fire barrels at this event, and Mr. Jones reported that the Main Street Merchants requested that the City participate in running a gas line to Miners Plaza. He understood that the Chamber/Bureau may pay for the gas and

the Ambassadors agreed to provide hosts to man the barrel on weekends during certain hours. Ms. Caffey clarified that the fire barrel site is not part of the application. The Mayor invited the public to comment. With no further comments from Council, or the audience, the public hearing was closed.

V CONSENT AGENDA

Hearing no further questions, the Mayor requested a motion to approve the Consent Agenda. Roger Harlan, "I move approval of Consent Agenda Items 1, 2, and 3". Shauna Kerr seconded. Motion carried unanimously.

1. Master Festival License for Outdoor Retailers Winter Market at the Park City Mountain Resort to be held on January 25 and 26, 2001 - See staff report and public hearing.

2. Master Festival License for Holiday on Main Street to be held on December 2, 9, 16, and 23, 2000 - See staff report and public hearing.

3. Continuance of Ordinance approving an extension of plat approval for The Cove at Eagle Mountain Phase 2, Park City, Utah to January 11, 2001 - See staff report and public hearing.

VI NEW BUSINESS

Line of credit to Mountainlands Community Housing for an interim loan toward the purchase of Holiday Village Apartments - See staff report and work session notes. Candace Erickson stated that she supports the 5 1/2% interest rate requested by Mountainlands; the staff at Mountainlands provides a needed service for the City. The Holiday Village Apartments remodel is coming along very well and it will be real benefit to having housing available sooner. Shauna Kerr agreed and pointed out that $1,700 is the maximum differential in interest rates and a small price to pay in consideration of the prompt manner Mountainlands relocated tenants during the remodel. Fred Jones also supported the request and suggested that the City charge 7% and provide a grant in the amount of the difference in the interest rate. He felt the City should be consistent in lending at the same rate it is being charged. Roger Harlan and Peg Bodell also supported this approach. The Mayor requested a motion to approve the line of credit, including Council direction on the interest rate. Shauna Kerr, "I so move". Candy Erickson seconded. Motion carried unanimously.

VII COMMUNICATIONS AND REPORTS FROM COUNCIL AND STAFF

1. City Council comments. Peg Bodell reported that she and Fred Jones attended the Envision Utah local presentation during the week and asked how the information should be disseminated to the community. Rick Lewis reported that staff also attended and typically, it would be distributed to the Planning Commission and he will follow up. Ms. Bodell added that as a part

of the Envision Utah discussion on landscaping pedestrian ways, she suggested adding a public art element and using specific examples in a community. Ms. Erickson stated that she attended a committee meeting on schools being closed during the Olympics, and is pleased to report that the Snyderville Basin Recreation District, Young Life, Park City Recreation Department, Norwegian School, Park City Mountain Resort, and Coke are developing programs for kids whose parents have to work during the day and there are efforts to recruit instructors. Peg Bodell suggested that the Arts Council be contacted and there was discussion about acquiring grants for youth programs. The Mayor reported on the World Cup activities. Shauna Kerr complimented the Public Works Department on the snow removal brochure. Roger Harlan was pleased to announce that the Friends of the Library raised $13,000 for the library. Fred Jones stated that he discussed continuation and expansion of curbside recycling with members of the County Commission. He was directed to provide a request from the City Council to consider this as a part of the budget process and there was discussion about scheduling Council action on November 30. In response to a question from Mr. Jones about the status of the newspaper racks ordinance, Rick Lewis explained that the project is at a standstill due to legal opposition and the potential costs associated in managing leasing the space on the racks. Other priorities which have taken precedence. Mr. Jones understood, but felt that the situation on Main Street is worsening and needs to be solved. Peg Bodell added that there are also safety considerations with regard to snow removal around the racks. Mr. Jones suggested that the Olympic Plaza be plowed so pedestrians can enjoy it and asked that staff project optional meeting dates for the upcoming months.

2. <u>Continuation of discussion on policy for the 2002 Winter Olympic Games</u> - Mr. Bell summarized that the work session discussion covered three issues, including delegation of authority, Main Street closure, and celebration sponsorship. The master festival license process typically covers events that do not fit within the City's regulatory code, and he requested that if Council desires to change the code, staff should be directed now to draft amendments. Fred Jones commented that the one area he is concerned about is the regulation of signage and would like a mechanism in place to remove signs without a process. The Olympics is susceptible to ambush marketing that the City should be able to control. Mark Harrington noted that on December 14, Council will review these issues as a part of the Sundance Film Festival and in a broader context. There is an effort to eliminate confusion between the Special Events and Planning Departments to administer things like the Sign Code. Fred Jones stated that he feels comfortable handling as much as possible through a master festival license process and wants to make sure there are tools to handle other activities. Shauna Kerr discussed a process to regulate signs, where the sign can be removed, and the incident can be litigated afterward; Mr. Harrington indicated that staff is exploring this approach. Small sales operations by kids and locals were discussed, and Frank Bell indicated that the police has used good discretion in the past with regard to outdoor sales. Peg Bodell noted that the spontaneity in Sydney was great, and there was discussion about the entertainment in Sydney being free. Mr. Bell emphasized that what goes on inside the master festival venue is at the discretion of the producers of the event and activities outside the defined area are subject to the regulation of the City's codes. Ms. Bodell felt that the master festival area should include Deer

Valley Drive and Park Avenue to ensure continuity of the experience. Mr. Bell explained that he would prefer to find ways within existing regulations, rather than to create special ordinances.

With regard to internal management issue, Mr. Bell pointed out that there will not only be additional work load for staff but also the City Council and boards and commissions. He asked what Council is willing to give up, if anything, to maintain the principles outlined in the Olympic Master Plan which contemplates using City staff. He referred to a list of projects that may be delayed or adjusted as 2001 approaches to reduce workload. Many of these relate to goals identified by the City Council and there may not be time to accomplish these as projected. Fred Jones stated that he felt that the Olympics are not in conflict with Council's political agenda. If the City is interested in preserving the financial health of the City, it behooves us to do the best job possible on the Olympics. He agreed that priorities have to be identified over the next 15 to 18 months and some of those discussions have taken place informally. Efforts have to be invested in the Olympics, but certainly not to the detriment of the basic services that the City provides to citizens. Capital improvement projects that should move forward are those that enhance our Olympic presence and he felt that staff is headed in the right direction. The budget and program analysis should continue over the next six months, but the second phase could be suspended until after the Olympics. He added that the Council retreat should be scheduled when it is needed, not necessarily in January. The Mayor expressed that the Olympics is our number one priority and other projects may have to be delayed. Frank Bell emphasized that it is getting to the point where he can not manage the Olympics himself. If the Olympics are largely managed internally, there will be an organizational framework, encompassing all of the City departments. Employees will find themselves with their regular work load and an Olympic job, and this approach will maintain control by the City. Roger Harlan interjected that there may be some public expectations that just can't be met. Fred Jones agreed and stated that the Council needs to be realistic, but there may be some alternatives. Mr. Bell suggested the merits of creating a policy statement that addresses the priorities of the Olympics for the year 2001, and asked if there are any projects on the list that Council does not want to delay, eliminate, or change.

There was discussion about the Land Management Code amendments, and Rick Lewis explained that at some point, a shift will occur, and if the amendments are not completed by July, it may be set aside. Additionally, revisions to the Historic District Guidelines are being initiated but can be delayed if Council prefers to direct resources to the Olympics. In response to a question from Peg Bodell about implementing the parks master plan, the City Manager explained that the Parks and Recreation Board will be prioritizing CIP projects but a work plan will be approved by Council and will not occur until after the Olympics. Mr. Bell indicated that he is not dictating a work reduction plan, but referred to the recommendation that Council endorse a work load reduction plan designed to defer, suspend or consolidate appropriate projects and processes, where possible, until 2002 without compromising existing essential services. At the same time, Council is asked to identify goals and projects that can be postponed in 2001. Ms. Kerr referred to the Silver Creek watershed project where other agencies are involved and asked if the City will be able to suggest delays. Toby Ross explained that the EPA has tentatively agreed to suspend the watershed work plan, but some of the other agencies have not; it would be helpful to have an adopted policy to affect that outcome. Fred Jones stated that he felt comfortable with the recommendation. Frank Bell asked Council to look again at the five issues, and provide input on anything that is of concern.

The Mayor reiterated that Council is not interested in negotiating every contract, but would like information on aspects and timing of contracts. Peg Bodell agreed that communication is extremely important.

VIII ADJOURNMENT

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

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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

Janet M. Scott, City Recorder

PARK CITY SUMMIT COUNTY UTAH CORPORATE Seal MARCH 1, 1884

Council Agenda Report

DATE:	November 21, 2000
DEPARTMENT:	Golf Course
AUTHOR:	Craig Sanchez, Clint Daley
TITLE:	Golf Course Financial Update
TYPE OF ITEM:	Update

DESCRIPTION:

A. Topic:

An Update on the financial status of the golf course.

B. Background:

For fiscal years 1998 and 1999 Park City Golf Course had seen an increase in expenditures and a decrease in revenues. The cause of this was a combination of circumstances: Hotel construction, weather, and player mix.
Because the weather and the hotel construction are not controllable, staff decided to concentrate on the player mix. Wikstrom Economic Planning assessed the revenues and expenditures of the golf course. From the analysis, the following areas were targeted: season pass usage and expenses. Some examples include the following: season pass prices were increased from $660 to $750, senior season passes were eliminated. Green fee prices were increased by 25%, and expenses were cut by 10%. The Golf Course also took out a loan of $230,000 from the City Park Capital Account to obtain a positive cash balance at the end of FY2000.

ANALYSIS:

Revenues and transfers in for FY2000 were $1,170,349. Total expenses, including depreciation of $152,309, and transfers out of $51,400, amounted to a total of $1,227,399, resulting in a net loss of $57,888. The cash and investment balance at this time was $249,659, this includes the loan of $230,000. This was the picture on June 30, 2000 , end of fiscal year. The cash balance as of October 15 is $475,000. This also includes the $230,000 loan from the parks capital fund.
Season pass pricing had an affect on the outcome of the player mix. Pass sales decreased from a total of 151 in 1999 to 66 in 2000. Season pass play was down by 10% of total rounds, which in turn created more tee times for the daily fee player. The golf course had increases in resident play (2%), non-resident play (3%), punch pass play (2%), and lodging play (2%). Green fees last year accounted for 46% and this season accounted for 55% of total revenues. Season pass revenue per 18 holes also increased from $11.35 to $13.75. The above numbers are based on the 2000 calender year.
In an effort to meet the 10% expense reduction, some non sustainable changes were attempted. One of these was cutting the maintenance employees down to 8, while most courses in the area employ between 14 to 20. Although the golf course was able to keep up with the everyday tee to green maintenance, there were areas on the perimeter that did suffer. Some of these areas were:

bunkers, benches, flower beds, overseeding, and clean up. The golf course received nothing but compliments throughout the year, however staff and the golf advisory committee believe that it would be difficult to maintain the course at the level that is expected without changes in staffing. This fiscal year the course has seen revenues up 25% over last season. Expenses are down 20% from last years levels.

SIGNIFICANT IMPACTS:

Park City Golf Course had a season in which revenues increased and expenditures decreased. Although the golf course was able to keep up with everyday maintenance, it was not able to continue ongoing projects. If this pattern continues, the cost to fix these areas will be significant. Not keeping up with the expected level of the golf course could diminish its image and stature, which in turn could negatively impact revenues.

PARK CITY 1884

CITY COUNCIL STAFF REPORT

DATE: November 16, 2000
DEPARTMENT: Facilities and Special Events
AUTHOR: Melissa Caffey
TITLE: Master Festival License approval
TYPE OF ITEM: Outdoor Retailer On Snow Demo at Park City Mountain Resort

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<u>SUMMARY RECOMMENDATIONS:</u> **Discuss proposal to conduct a two day private on snow demo event for the Outdoor Retailers Winter Market at the Park City Mountain Resort, conduct a public hearing, consider public input and approve the proposed schedule for the event on January 25 and 26, 2001 as conditioned by staff.**

<u>DESCRIPTION:</u>

A. <u>Topic:</u> Two day event on January 25 and 26, 2001 for Outdoor Retailers winter market at Park City Mountain Resort.

B. <u>Background</u>:
The Outdoor Retailers conduct an annual retail show in Salt Lake every year for wholesalers in the ski industry. The event is by invitation only. Last year the organizers requested a test event at the Park City Mountain Resort for on site demo of ski products. The event was open only to invited participants from the larger retail show in Salt Lake and did not include the public. The event included a tent at the base of the First Time lift and accommodated parking within the resort parking lots for vendors only. Event organizers were required to shuttle all participants to the event from both Salt Lake City and from the K-Mart parking lot at Kimball Junction. The event occurred during the last week of the Sundance Festival. Staff allowed the event last year in order to determine the specific operations of the event and to what extent any impacts would occur. The event ran smoothly but traffic flows proved to be difficult for short periods of time. Due to the impacts, staff has directed the applicant to apply for a Master Festival so that mitigation measures can be put in place for this years' event.

This year the organizers are proposing to run the same event at the same location. In order to mitigate the traffic and parking issues from last year the organizers have again secured parking at the K-Mart parking lot at Kimball Junction. All participants will be shuttled in from the junction to the event. A limited number of spaces for the vendors will be held within the Resort lots but will require a permit for entry. Attendants will be placed at each parking lot entrance in order to facilitate traffic and to keep bus lanes clear. Cleanup, emergency services, additional restrooms and security will be handled by the event organizers. No off-premise signs are requested. No alcohol will be served outside existing licensed resort venues.

C. Analysis:
The event organizers have complied with the permitting requirements for Master Festival License. All affected departments have reviewed the request and are comfortable with the event as conditioned. Staff has worked with the organizers to ensure that traffic flow is not impeded and that parking is monitored.

D. Department Review:
The Public Works, Public Safety, Transportation, Building, Planning, Engineering, and Special Events Departments have all contributed to the review of the proposed event. The City Attorney's office has reviewed the conditions of approval and the City Manager's Office has approved the staff's recommendation.

ALTERNATIVES:

A. Approve the Request: Approve the proposed Master Festival License application for a two day event on January 25 and 26, 2001 for Outdoor Retailers winter market at Park City Mountain Resort as conditioned.

B. Deny the Request: Deny the Master Festival License request for the two day event on January 25 and 26, 2001 for Outdoor Retailers winter market at Park City Mountain Resort.

C. Continue the Item: Continue the item to another City Council meeting for further input and discussion.

SIGNIFICANT IMPACTS:

If approved, the significant negative impacts of the series at the Resort could include issues of noise and additional traffic impacts during an already congested time of year. The positive impacts would include a potential increase in general business to the Resort during a period when its skier day attendance is generally low due to the Sundance Film Festival. Staff is of the position that the economic benefits outweigh the minimal traffic disruptions.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

The event would not happen in Park City.

RECOMMENDATION:

Staff recommends that City Council hold a public hearing and approve the Master Festival License applications for the proposed Two day event on January 25 and 26, 2001 for Outdoor Retailers winter market at Park City Mountain Resort, with the following Findings of Fact, Conclusions of Law and Conditions of Approval:

Findings of Facts:

1) The private event will occur on January 25 and 26, 2001.
2) Parking attendants will be provided by Park City Mountain Resort at each parking lot entrance. Attendants will also keep all bus lanes clear and will ensure that no loading or unloading will occur in the bus lanes. General parking will occur at the K-Mart parking lot and participants will be shuttled in from the lot.
3) No parking on Lowell Avenue will be permitted for this event.
4) In order to mitigate impacts to traffic routes all shuttle bus loading and unloading will occur on Lowell Avenue at a location that meets the Transportation and Police Department's approval. The buses must drop off and pickup within 5 minutes and drivers are not permitted to leave the buses unattended at any time. All buses shall be clearly marked as "Outdoor Retailers Buses" so as not to cause any confusion with City or Sundance shuttle bus operations.
5) No alcohol will be served at this event except at existing licensed restaurants and clubs.
6) The only temporary sign visible to public streets will be one sign designating the shuttle bus drop off and pickup location.
7) The conduct of the events will not substantially interrupt the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area of its venue. The location of the temporary tables for merchandise will not impede pedestrian walkways or emergency exits.
8) The conduct of the events will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
9) The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
10) The events will not substantially interfere with any other Special Event or Master Festival for which a license has already been granted or with the provision of City services in support of other such events or governmental functions.

Conclusions of Law:

1). The application is consistent with the requirements of the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:

1) The private event will occur on January 25 and 26, 2001.
2) Parking attendants will be provided by Park City Mountain Resort at each parking lot entrance Attendants will also keep all bus lanes clear and will ensure that no loading or unloading will occur in the bus lanes. General parking will occur at the K-Mart parking lot and participants will be shuttled in from the lot.
3) No parking on Lowell Avenue will be permitted for this event.
4) In order to mitigate impacts to traffic routes all shuttle bus loading and unloading will occur on Lowell Avenue at a location that meets the Transportation and Police Department's approval. The

buses must drop off and pickup within 5 minutes and drivers are not permitted to leave the buses unattended at any time. All buses shall be clearly marked as "Outdoor Retailers Buses" so as not to cause any confusion with City or Sundance shuttle bus operations.

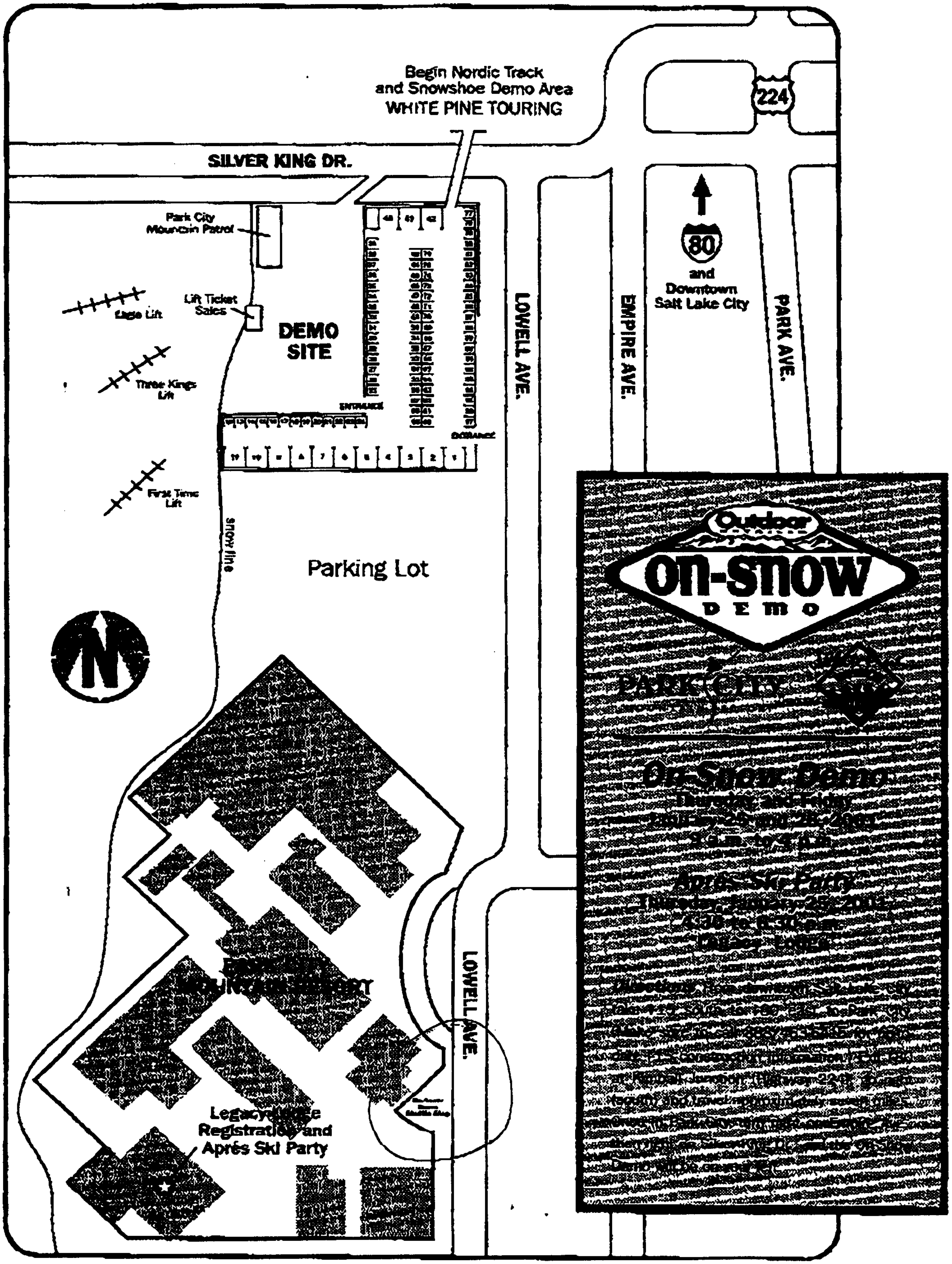
5) The only temporary sign visible to public streets will be one sign designating the shuttle bus drop off and pickup location.

6) No alcohol will be served at this event except at existing licensed restaurants and clubs.

7) All temporary structures must be reviewed by the Building Department for compliance with the Park City and Uniform Building Codes. Permits will only be issued upon determination of compliance with the codes.

8) The City retains the right to revoke this Master Festival License or modify these conditions of approval with no penalties, financial or otherwise, if, at its sole discretion, the City determines that a significant negative situation or incident occurs at this event or negatively impacts the Park City community. The City Council may revoke this Master Festival License held by the applicant, therefore canceling any remaining events with NO PENALTY TO PARK CITY MUNICIPAL CORPORATION WHATSOEVER.

Exhibit A: Site Plan of event


Begin Nordic Track
and Snowshoe Demo Area
WHITE PINE TOURING
224
SILVER KING DR.
Park City
Mountain Patrol
Lift Ticket
Sales
Eagle Lift
DEMO
SITE
Three Kings
Lift
First Time
Lift
ENTRANCE
snow line
Parking Lot
LOWELL AVE.
EMPIRE AVE.
80
and
Downtown
Salt Lake City
PARK AVE.
Outdoor
ON-SNOW
DEMO
PARK CITY
On-Snow Demo
Après Ski Party
LOWELL AVE.
Legacy Lodge
Registration and
Aprés Ski Party

PARK CITY
1884

CITY COUNCIL STAFF REPORT

DATE: November 16, 2000
DEPARTMENT: Facilities and Special Events
AUTHOR: Melissa Caffey
TITLE: Master Festival License approval
TYPE OF ITEM: Holiday on Main event for four Saturdays in December

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SUMMARY RECOMMENDATIONS: **Discuss proposal to conduct "Holiday on Main" for four Saturdays in December.**

DESCRIPTION:

A. Topic: **"Holiday on Main" series of events on four Saturdays in December sponsored by the Historic Main Street Business Alliance (HMBA).**

B. Background:
The Historic Main Street Business Alliance, (HMBA), in conjunction with the Chamber of Commerce, is sponsoring a proposed series of holiday events on Lower Main street and at the Main St. Mall for four Saturday afternoons in December. The kickoff event is proposed for December 2 and includes free cider and treats at the Town Lift plaza with a visit by Santa Claus. The Faith Temple Choir will also perform from 4:15 to 5:00 pm and from 5:30 to 6 pm. At 7 pm the festivities will end with Santa's departure on the Town Lift ski lift. On the following three Saturdays, the 9th, 16th, and 23rd the event will simply include free pictures with Santa at the Main St. Mall from 2 - 4 pm. The Historic Main Street Merchants, Park City Mountain Resort and owners of the Town Lift plaza and the Chamber Bureau are all supportive of the proposal.

No off-premise signs are requested. No alcohol will be served outside existing licensed resort venues. Free parking during the event hours on December 2, 2000 will be provided for in the Marriot Summit Watch plaza garage. Due to the short notice of the event the Staff has requested that all affected residences, businesses and Homeowners Association on Park Avenue be notified by flyer of the proposed event on December 2nd prior to the public hearing on November 16th.

C. Analysis:

The event organizers have complied with the permitting requirements for Master Festival License. All affected departments have reviewed the request and are comfortable with the event as conditioned. Staff has worked with the organizers to ensure that traffic flow is not impeded and that parking is monitored.

D. Department Review:
The Public Works, Public Safety, Transportation, Building, Planning, Engineering, and Special Events Departments have all contributed to the review of the proposed event. The City Attorney's office has reviewed the conditions of approval and the City Manager's Office has approved the staff's recommendation.

ALTERNATIVES:
A. Approve the Request: Approve the proposed Master Festival License application for "Holiday On Main" for four Saturdays in December as conditioned.

B. Deny the Request: Deny the Master Festival License request for "Holiday on Main".

C. Continue the Item: Continue the item to another City Council meeting for further input and discussion.

SIGNIFICANT IMPACTS:
If approved, the significant negative impacts of the series could include issues of noise and additional traffic impacts during an already congested time of year. The positive impacts would include a increase of local residents to Main Street to shop and an added attraction for tourists.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:
The event would not happen.

RECOMMENDATION:
Staff recommends that City Council hold a public hearing and approve the Master Festival License application for the proposed "Holiday on Main" series of events on four Saturdays in December sponsored by the Historic Main Street Business Alliance, (HMBA), with the following Findings of Fact, Conclusions of Law and Conditions of Approval:

Findings of Facts:
1) The events will occur on Saturday December 2nd, 9th, 16th, and 23rd. On Saturday, December 2nd, the event will run from 4 to 7 pm at the Town Lift plaza. The following three events will occur at the Main St. Mall from 2 to 4 pm.
2) No off premise signs are permitted. Announcement signs for Saturday, December 2 are limited to the Town Lift plaza area and must be placed outside of pedestrian circulation paths. Signs for the following events are not permitted on the exterior walls of the Main St. Mall. A portable notification sign is permitted on the day of the events.
3) Parking shall be controlled by the event organizers on Park Ave. from the area of the Happy Sumo south to Heber Avenue. The staging area for Santa on the Town Lift plaza shall also be controlled

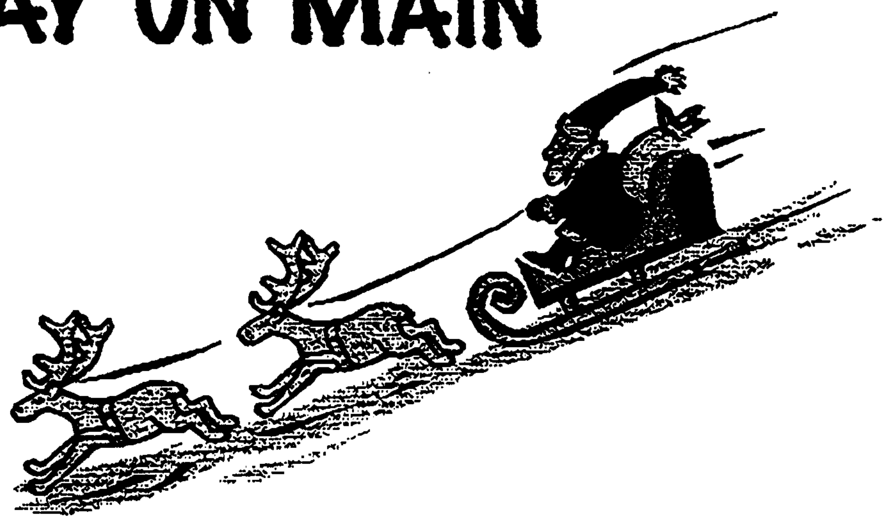
by program volunteers. The sidewalk and roadway on Park Ave. shall remain clear of pedestrians so as to not obstruct traffic and to avoid possible injury to people.
5) No alcohol will be served at this event except at existing licensed restaurants and clubs.
6) The conduct of the events will not substantially interrupt the safe and orderly movement of public transportation or other vehicular and pedestrian traffic in the area of its venue. The location of the temporary tables for merchandise will not impede pedestrian walkways or emergency exits.
7) The conduct of the events will not require the diversion of so great a number of police, fire, or other essential public employees from their normal duties as to prevent reasonable police, fire, or other public services protection to the remainder of the City.
8) The concentration of persons, vehicles, or animals will not unduly interfere with the movement of police, fire, ambulance, and other emergency vehicles on the streets or with the provision of other public health or safety services.
9) The events will not substantially interfere with any other Special Event or Master Festival for which a license has already been granted or with the provision of City services in support of other such events or governmental functions.

Conclusions of Law:
1). The application is consistent with the requirements of the Park City Municipal Code, Title 4, Chapter 8.

Conditions of Approval:
1) The events will occur on Saturday December 2nd, 9th, 16th, and 23rd. On Saturday, December 2nd, the event will run from 4 to 7 pm at the Town Lift plaza. The following three events will occur at the Main St. Mall from 2 to 4 pm.
2) No off premise signs are permitted. Announcement signs for Saturday, December 2 are limited to the Town Lift plaza area and must be placed outside of pedestrian circulation paths. Signs for the following events are not permitted on the exterior walls of the Main St. Mall. A portable notification sign is permitted on the day of the events.
3) Permits for the use of a generator on the Town Lift plaza on December 2, 2000 will be required to be obtained from the Park City Building Department.
4) If outdoor speakers are used on December 2 they must be directed away from Park Avenue. No outdoor speakers are permitted at the other three events.
5) No alcohol will be served at this event except at existing licensed restaurants and clubs.
6) Parking shall be controlled by the event organizers on Park Ave. from the area of the Happy Sumo south to Heber Avenue. The staging area for Santa on the Town Lift plaza shall also be controlled by event organizers. The sidewalk and roadway on Park Ave. shall remain clear of pedestrians so as to not obstruct traffic and to avoid possible injury to people.
7) Event organizers are responsible for cleanup and trash removal after each event.
8)The City retains the right to revoke this Master Festival License or modify these conditions of approval with no penalties, financial or otherwise, if, at its sole discretion, the City determines that a significant negative situation or incident occurs at this event or negatively impacts the Park City community. The City Council may revoke this Master Festival License held by the applicant, therefore canceling any remaining events with NO PENALTY TO PARK CITY MUNICIPAL CORPORATION WHATSOEVER.

Exhibit A: Description of event

HOLIDAY ON MAIN



GOAL

To create a holiday event that will entice area residents to shop and dine on Historic Main Street during the month of December.

THEME/EXECUTION

The cornerstone of Holiday on Main will be Santa's arrival on Main Street December 2, 2000. Six chairs on the the Town Lift will be transformed into Santa's sleigh. The front chair will have a live Rudolph in costume, the next four chairs will be adorned with lighted, wooden reindeer and the last chair will hold Santa in his sleigh. The Town Lift plaza will be decorated with lights and Christmas trees for the event. Afterward, the trees will be relocated to other areas on Main Street.

This project has been approved by Laura Murphy and Brian Strait of Park City Mountain Resort and Pat Sweeney owner of the Town Lift Plaza. Brian will work with Cindy Wallace on the successful transformation of the Lift.

Free parking is being negotiated in the Marriott Summit Watch garage for the event. Furthermore, discussions are taking place with Brian Anderson for free parking on Main Street for a portion of the day.

After the initial event, Santa will continue to appear on Main Street each successive Saturday in December at the Main Street Mall from 2:00 - 4:00 pm for free pictures.

SCHEDULE

Saturday, December 2

4:00 - 7:00 pm	Free hot chocolate, wassail/cider, gingerbread cookies and nuts are offered free to patrons.. Main Street bucks are distributed to all attendees.
4:15 - 5:00 pm	Faith Temple Choir to perform on stairs of Town Lift Plaza
5:00 – 5:15 pm	Santa and his sleigh descend on the Town Lift Plaza via the Town Lift.
5:30 - 6:15	Faith Temple resumes performance.
5:30 - 7:00 pm	Santa takes his throne for free pictures. Rudolph hands out candy canes and interacts with kids.
7:00 pm	Santa and Rudolph fly back to the North Pole via the Town Lift. All other festivities end.

Saturday, December 9, 16 and 23

2:00 - 4:00 pm	Santa will be at the Main Street Mall offering free pictures courtesy of the HMBA. Main Street bucks will be distributed to all parents.

ADVERTISING

Print ads will be designed for placement in the Park Record. All concepts will be presented to the Historic Main Street Business Alliance for approval. Existing media relationships will be used to maximize dollars spent on Wasatch Front and Back radio stations.

PR efforts will be made locally through Park City Mountain Resort and Cindy Wallace.

PARK CITY
1884

COUNCIL AGENDA REPORT

DATE: November 16, 2000
DEPARTMENT: Office of Capital Management and Budget
AUTHOR: Tom Bakaly TBB
TITLE: Line of Credit - Mountainlands Community Housing Trust
TYPE OF ITEM: Legislative/Administrative

SUMMARY RECOMMENDATIONS: Approve a bridge loan in the amount of $200,000 at a market interest rate of 7% to Mountainlands Community Housing Trust until June 30, 2001 for construction improvements to the Holiday Village project.

DESCRIPTION:

A. Topic.

Mountainlands Community Housing Trust Request for a bridge loan in the amount of $200,000 for construction improvements to the Holiday Village Project.

B. Background

Mountainlands Community Housing Trust acquired the Holiday Village Apartments on July 28, 2000. The City assisted with that acquisition by providing a $65,000 pre-development line of credit to Mountainlands which has been repaid with interest (5.5%). Rehabilitation of the project has occurred faster than anticipated due to the availability of temporary housing for residents provided by Deer Valley. Due to the accelerated rehabilitation schedule, there is cash flow timing issue as investor assistance for the project does not occur until January and June of 2001. Mountainlands is requesting a $200,000 line of credit at a 5.5% interest rate from the City so they can pay their contractors until reimbursement is received from the investor. Please see attached memo from Mountainlands.

C. **Analysis:**

The construction line of credit requested would be basically identical to the one used for the pre-development activities. Interest would begin to accrue with the first drawdown with an interest rate of 7.0%. Interest would accrue and the full payment (principal and interest) would be made by June 30, 2001. Staff has used the following criteria for reviewing the line of credit request:

1) The line of credit is for capital, not operating expenses. The line of credit would be seed money for the improvement of the City's affordable housing stock (which is in compliance with the City's public service contract policy).

2) There is an identified source of funds for the line of credit in the affordable housing CIP account ($500,000).

3) Affordable housing has been a priority of City Council as evidenced by the City's significant contribution to affordable housing over the years.

D. Department Review: This report has been reviewed by the Legal Department, the City Manager's Office, the Community Development Department, the Finance Division and the Office of Capital Management and Budget.

ALTERNATIVES:

A. Approve the Request: Council could approve the $200,000 line of credit to Mountainlands Community Housing Trust at 5.5% for a term not to exceed June 30, 2001.

B. Modify the Request: Council could approve the $200,000 line of credit to Mountainlands Community Housing Trust at 7.0% for a term not to exceed June 30, 2001. This is Staff's recommendation.

C. Deny the Request: Council could deny the request or modify the terms. This would require Mountainlands to find another financing source until the funds from the federal government are received.

D. Continue the Item: The next Council meeting is November 30th which might be too late for Mountainlands to effectively use this line of credit. Continuing the item may have the same impact as denying the request.

E. Do Nothing: Doing nothing would have the same impact as denying the request.

SIGNIFICANT IMPACTS: Because Staff has recently administered a line of credit with Mountainlands, the impact on staff time would be relatively minimal. Funds are budgeted in the affordable housing CIP account ($500,000) for this type of expenditure. The City is currently earning 7% on its investment portfolio. If Mountainlands used the whole line of credit for 7 months at an interest rate of 5.5%, the City would forgo roughly $1,750 in interest earnings.

If City Council desires to execute a line of credit at 5.5%, the City would treat this forgone interest cost as a public service contract payment for the improvement of affordable housing services. The $1,750 represents the maximum impact as Mountainlands plans to repay principal and interest as they receive federal funds throughout the term of the loan.

CONSEQUENCES OF NOT TAKING RECOMMENDED ACTION: This would require Mountainlands to find another financing source until the funds from their investor are received.

RECOMMENDATION: Approve a bridge loan in the amount of $200,000 at an interest rate of 7% to Mountainlands Community Housing Trust until June 30, 2001 for construction improvements to the Holiday Village project.

Attachments:

1) Letter from Mountainlands Community Housing Trust

Mountainlands Community Housing Trust

November 7, 2000

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

Dear Mr. Bakaly:

I am writing to request a bridge loan of $200,000 from the Park City Housing Fund for the Holiday Village Apartments. This loan will be used to close a short term financing gap that has arisen due to our accelerated rehabilitation schedule.

Background and Project Status
Mountainlands Community Housing Trust acquired the Holiday Village Apartments on July 28, 2000. Rehabilitation of the property began on August 14, 2000. Originally anticipated to take nine months, we have completed the rehabilitation of the residential units, laundry and manager's office in less than three months. The schedule was accelerated to take advantage of the availability of temporary lodging from Deer Valley through November 15. We have a few remaining pieces of work (concrete, asphalt and landscaping) to be completed in the spring.

Bridge Loan Request
Mountainlands Community Housing Trust is requesting a bridge loan of $200,000 at an interest rate of 5.5% percent. The loan would be structured as a line of credit and used solely for construction-related costs for the Holiday Village Apartments. The loan would be repaid by limited partner equity.

The loan is needed because of a timing issue between the equity pay-in schedule from the sale of the Low Income Housing Tax Credits and the accelerated construction schedule. The equity pay-in schedule was developed under the nine month construction schedule scenario. The second equity installment of $287,000 is due in January 2001. The third and final equity installment due in June 2001. The equity pay-in schedule cannot be adjusted without affecting the yield which would result in a lower total equity investment for the project. As a result we anticipate a timing shortfall in our construction funding.

Our third construction draw request will occur the third week in November. We anticipate a shortfall of approximately $175,000 in that draw request without the assistance of Park City Municipal Corporation. We are requesting that the loan be structured as a line of credit with full repayment due no later than June 30, 2001. We would anticipate drawing down up to $175,000 in late November. The outstanding principal and accrued interest would be repaid in January with the proceeds from the second equity funding. Please note that the equity funds are legally obligated to the project from our limited partner, Edison Capital.

We are requesting the line of credit remain available to us until June 30, 2000 in order to bridge the gap between final construction work in the spring and the final equity pay-in due in June 2001.

As with our previous line of credit (repaid August 2000) we would ask that there would be no

P.O. Box 3661 614 Main Street, Suite 306 Park City, UT 84060
(435)647-9674 (435)658-3890*fax* pmcrob@sisna.com

payment of principal nor interest required during the term of the loan, although we could prepay the loan at any time without penalty. Interest would accrue on any outstanding balance. The loan would be due in full no later than June 30, 2001.

Please let me know what information you will need to complete your review. I would be happy to provide you with copies of our entire Partnership Agreement (all 8 inches of it!) or at minimum the Funding Agreement that verifies the equity schedule described above.

The support of Park City Municipal Corporation made the preservation of the Holiday Village Apartments a reality. We appreciate your consideration of this request.

Very truly yours,

Phyllis M. Robinson

Phyllis McDonough Robinson
Executive Director

P.O. Box 3661 614 Main Street, Suite 306 Park City, UT 84060
(435)647-9674 (435)658-3890*fax* pmcrob@sisna.com

PARK CITY
1884

DATE: November 9, 2000
DEPARTMENT: Olympics Services
AUTHOR: Frank Bell
TITLE: Olympic Policy Process and Decision Making Framework
TYPE OF ITEM: Legislative/Administrative

SUMMARY RECOMMENDATIONS:

During the City Council meetings of November 16th and December 14th, staff recommends that the City Council provide direction related to: the delegation of authority to staff for Olympic related contract negotiations; the status of Main Street during the Games; management and production of the Olympic celebration in Park City; and, the guiding principles and policies contained in the 1998 Olympic Master Plan.

DESCRIPTION:

A. Topic:

A review of: strategies to streamline and prioritize Olympic related policy decisions; appropriate roles and responsibilities of Council and staff; and existing guiding principles related to Olympic Master Planning and implementation.

B. Background:

In October the City Council asked how and when some of the major policy decisions related to the City's participation in the Olympics would be made. The Council cited specific issues such as the possible closure of Main Street, the disposition of city-owned property and the appropriate role of the City in implementing a public Olympic celebration. Early decisions are required on these types of issues so that necessary planning be accomplished, resources identified, and implementation accomplished in a timely fashion. Some logistical questions will be resolved with the City service agreement which is anticipated to come to the Council in the next few months. The leases for the Sponsor Village and Norway House already approved by the Council have helped to frame options. On November 16 and December 14, staff will present City Council with several philosophical and policy issues related to the on-going implementation of the City's Olympic Master Plan as endorsed by the City Council in 1998.

The Olympic Master Plan (Topic 25) endorses managing our participation in the Olympics through internal processes, using existing staff and community groups in the planning and implementation of the Games. Through its guiding principles, the plan also endorses addressing unusual issues and community impacts associated with the Games using contracts with Olympic participants (SLOC, sponsors, NOC's etc.) and the Master Festival Licensing process. Treating the Olympics as an event, and mitigating the associated impacts through processes designed to address temporary circumstances, allows policy making without complex and time consuming legislative action.

We are now 15 months from Opening Ceremonies. Much of the planning associated with our Olympic participation is finished, and it is time to translate our planning strategies into operational objectives.

C. Analysis:

Some decisions are more time critical than others. This staff report covers five broad policy arenas requiring policy direction in the near future.

1. Delegation of Decision Authority. As we move into the "operational phase", staff would like to know to what extent the Council is comfortable delegating decisions to staff. What types of decision is Council not comfortable delegating? For example, in order to produce our Olympic celebration, it is possible that a number of contracts will be required for use of public property by Olympic sponsors or other Olympic participants. These groups will expect speedy resolution of issues, and quick and definitive answers. Is it appropriate for staff to make these decisions within a general policy framework established in coordination with the City Council? Of course, we want an orderly and high quality approach to our public celebration, maximizing advantages and opportunities, and appropriately involving the public. Even more pressing is a proposal from a company wanting to "wrap" our buses, in a manner similar to Sydney, with advertising from Olympic sponsors. This is a relatively low impact proposal with a very high revenue potential for the City, however, it is something we have not done before, and is a departure from current policy. Our revenue potential is directly proportional to the time the buses are wrapped. What process is most comfortable for the Council in dealing with one time, unusual, low impact but highly visible projects where there is probably a "taste" component but few long term impacts?

2. Main Street Closure. Is the Council comfortable closing Main Street during the Olympics? If the answer is "yes" the cascading series of decisions begins. Is the Council comfortable in allowing staff to determine the conditions of closure - time, extent, location, impact mitigation etc.? Is the Council comfortable making this decision independently, or is further information or public or stakeholder input necessary? This decision is increasingly time sensitive thus, is the Council comfortable making this decision by the middle of December?

3. Celebration Sponsor. Who should be the primary sponsor or producer of the Olympic celebration - the City, the Chamber, SLOC, an event management company, a committee, or some other entity yet to be considered? Traditionally, the City has been the regulator of events rather than the producer, but our Olympic circumstances and on-going Council involvement in this project support the argument that the City is already heavily involved in the promotion of the celebration and may wish to continue its lead.

If the decision is made that the City should be responsible for producing the local Olympic celebration, then we must manage and regulate our own event and accept the associated liabilities. We may have to provide many of the resources and logistics necessary (and in some cases mandated by law) for proper health, safety, and welfare in addition to insuring that the event is a success by community standards. If the Council accepts the responsibilities of event production, then we need to get started with event staging and logistics.

We have had several recent discussions with SLOC that indicate they now are willing and even eager to provide a broad range of support, and assume many of the production, administrative, and financial responsibilities connected with the celebration in Park City. We are scheduled to meet again on Tuesday the 14th, and will be able to report more on this significant reversal in SLOC's long standing policy which appears to be a direct result of the success of the public celebration in Sydney.

Whether the celebration be the City's, SLOC's, that of a third party, or some combination of producers, the event and associated decisions is time sensitive. Is the Council comfortable making this decision in December, and what information would assist the Council in making the decision?

4. Master Festival License Process. The Olympic Master Plan and staff favor treating the unusual circumstances of the Olympics (LMC, HDC issues, city services etc.) within our Master Festival Process. Alternative processes (ordinance creation or amendments) are cumbersome, time consuming, and may create more problems than they solve. As in number 1 above, the MFL process involves the delegation of a large number of regulatory issues to staff on the grounds that almost all of what the Olympics bring to town is of short duration and will be removed after the Games. Using the MFL process relieves the Council and other regulatory boards of passing additional ordinances, or amending or repealing existing ordinances to accommodate the Games. Delegation requires an on-going Council consensus, a dedication to communication above process, and a willingness to take decision making responsibility rather than relying on more traditional forms of input, accommodation, compromise or consensus building.

5. Internal Management. Given our existing policy of internally managing our Olympic participation, the last year leading up to the Games will be particularly demanding on staff. The issues above are only the tip of the iceberg. While the process has worked well to date, affirmative responses to these and other issues as they develop will have a dramatic impact on the ability of staff to take on new projects unrelated to the Olympics, and may in fact require that some departments reduce current workloads. Additionally, many of the Olympic demands may mean that some staff find themselves working outside their department or area of expertise. Is the Council willing to continue its support of internal Olympic management? If so, is the Council willing to examine strategies aimed at consolidating, deferring, or suspending projects and activities between now and the conclusion of the Games? Examples of workload reduction strategies include, though are not limited to, some or all of the following:

A. Defer work on implementation of the Parks Facilities Master Plan except as it may relate to the Olympics.

B. Suspend work on the EPA watershed study sometime this summer.

C. Conclude LMC revisions by 1 July 2001, and defer further LMC revisions until after the Games.

D. Suspend work on HDC guidelines after 1 July 2001.

E. Complete Phase 1 of the Program and Resource Analysis 2000 by the end of the budget process this year and defer Phase 2 work until after the Games.

F. Raise minimum requirements for City Council reviews and contract approvals.

G. Look for opportunities to use administrative approvals within existing ordinances.

H. Minimize the 2002/2003 budget process

I. Defer 2002 Council retreat until after Olympics.

General Discussion and Direction. As with most policy decisions in our Olympic planning, each general policy resolution creates a cascading series of decisions, actions, time commitments, and resource allocations. Each can be complicated by requests for additional information, worries about changing circumstances, timing problems, and other such uncertainties which create discomfort for all of us charged with the responsibilities of decision making. One of the objectives in this Olympic policy process discussion is to identify decision making strategies and policy direction guidelines which allow for our planning efforts to transition into operational objectives.

One of the goals of the City's Olympic Plan is to identify opportunities to attract some of the signature Olympic participants and sponsors in the Games to our community. Doing so helps insure that Park City itself will be a vibrant and exciting Olympic venue outside of the areas of actual competition. A second goal is to promote and produce a community celebration and public Olympic legacy as the "Alpine Heart of 2002".

Treating the Olympics as an event, and its impacts as temporary circumstances, allows for a great deal of discretion in reconciling our tight regulatory environment with the unusual and often prohibited things events bring to our community. Strict enforcement of our existing codes would, in most cases, simply banish our events to less regulated communities. At the same time, the Master Festival License process through which events pass to help insure quality, reduce liability, and protect the public interest is already a staff function. For new events, the City Council sees the result of negotiations between the staff and event producers in the form of a staff report and written documentation outlining the character of the event. The Council then holds a public hearing where the application can be amended based on public input, and the event is approved or not. In the case of on-going events, the process is almost entirely administrative whereby approvals are given at the staff level absent significant changes or problems in the event from year to year.

Our MFL process was never intended for events as complicated as the Olympics, thus we have turned to contractual relationships, master planning, and various community and Olympic partnerships to get through the Olympic planning phases. However, as the planning becomes finalized there comes a time when it is necessary to translate plans into action. Concurrently, the time available for "processes" shrinks as the Games approach. That dilemma creates problems for a process oriented local government such as ours. How do we give everyone their say and at the same time make critical, time sensitive decisions leaving sufficient time for implementation?

Issues #1 and 4 above go to the heart of the decision making quandary, questioning the extent our elected officials are willing to delegate some of the political and negotiating processes that normally apply to contractual relationships, use of public property, permitting and enforcement, and other regulatory protections. The distinction already made by the HDC and Planning Commission has been in the event nature of the Olympics - if it's temporary, well communicated, meets health, safety and welfare standards, and is of sufficient quality to pass muster with the staff, then formal political process and review hasn't been necessary on the grounds that whatever is brought to town with the event will leave with the event.

Issues #2 and 3 go more to the point of which decisions appropriately rest in the hands of Council, even if they are time sensitive. For example, we have long been planning the public celebration as a community event in connection with our participation in the Games. It is largely intended for Main Street but is highly dependent in its "look" and complexity on whether Main Street is open or closed. There is also a practical component to Main Street in that as an existing community landmark, it may be a sufficiently popular gathering place, with or without an organized celebration, that closure might be advisable or necessary as a matter of public safety.

Issue #5 may become increasingly important as decisions are made regarding Main Street, disposition of City owned property, and the public celebration. Olympic planning received top priority status in the Council's goals for 2000, and it is logical to assume that the Games will continue to be at the top of Council's agenda in 2001. Because of the growing workload associated with the Game, and absent a reversal of Council's policy to use internal processes and staff whenever possible, a prioritization of Olympic projects and general city workload may be necessary for maximization of staff resources and continuing quality services

D. <u>Department Review:</u> The Olympic Services Department wrote this report, but all city departments have been involved in its preparation by virtue of a retreat held in early November where each of these issues was discussed at length. In so doing, each department has reviewed its current Olympic participation, and projected its potential for further involvement as the Games approach.

ALTERNATIVES:

A. **Approve the Recommendations:** The Council may approve some or all of the proposed recommendations. In doing so, the Council will be asked for specific actions on December 14th regarding Main Street and the responsibilities of the public celebration.

B. **Deny or Modify the Recommendations:** The Council may wish to take a stronger role in the management of the Games in Park City and elect to deny or modify the recommendations accordingly.

C. **Continue the Discussion:** Council may feel it has insufficient information, or may wish to think about or further discuss the proposals and recommendations presented thus delaying action until a future meeting.

D. **Do Nothing:** The Council may be satisfied with the current courses of action and choose to nothing in support or denial of the proposals and recommendations.

SIGNIFICANT IMPACTS: Many of the impacts have been discussed in the body of this report. However, with the passage of time, the absence of specific policy direction will reduce our ability to carry out Olympic plans. That, in turn, could result in reduced revenues for Olympic expenses already incurred, lower expectations of a meaningful public celebration, and damaged relationships with Olympic participants and the community at large.

Approval of all or most of the recommendations would result in a quickening of the pace of work, particularly in creating a clearer picture of the plans for public celebration, the presence of Olympic sponsors in Park City, and clearer understandings of how public resources will be utilized for the Games. There will also be additional staff resources dedicated to the Games which would become more substantial as the Games approach. An organizational structure dedicated to the Olympics would be designed and implemented.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION:

Denying all or most of the recommendations would require a re-examination of our Olympic Master Plan guiding principles and an assessment of what we can reasonably expect to accomplish. We might also have to more closely examine our budget expectations and realities. A negative outcome would also signify that the Council is either interested in cutting back our Olympic activities, assuming more hands-on control and the associated workload, or perhaps farming out the work to a third party.

RECOMMENDATIONS:

With respect to the five broad based policy arenas, staff recommends:

1. That the City Council delegate to staff the authority to negotiate and prepare contracts in support of Olympic activities in Park City. Participants in such contracts would be limited to

SLOC, Olympic sponsors and suppliers, national teams, or other entities directly involved in the planning and execution for the 2002 Winter Games. Rather than bring each potential contract to Council, staff would have the ability to negotiate "packages" involving one or more Olympic participants. In that fashion, Council would receive projects to approve which might contain several contracts for such things as use of City property. Final drafts will continue to be subject to Council approval, and the legal steps necessary for execution of agreements will remain with Council or specifically delegated by Council.

2. That during its December 14th meeting, Council agree to "close" Main Street for the Olympic celebration, and in so doing, delegate the conditions of the street closure to staff.

3. That during its December 14th meeting, Council decides on its approach to the public celebration. By that date, staff will have a clearer picture of SLOC's potential participation as well as that of the Chamber of Commerce. Recommendations will be made through a separate staff report at that time.

4. That the City Council, regardless of the approach taken toward the management and production of the public celebration, treat the celebration and all other legitimate temporary activities brought to Park City through our participation in the Olympics, through one or more Master Festival Licenses, negotiated and administered by staff upon City Council approval.

5. That the City Council endorse a workload reduction program (council supported projects and staff administered functions) designed to defer, suspend, or consolidate until after March 2002 appropriate projects and processes where possible without compromising existing essential services; identify those council goals and projects which can be legitimately postponed by December 14th; and direct staff to re-prioritize administrative functions as necessary so long as the general business of the City is not compromised.