PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 15, 2001

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 15, 2001.

AGENDA

Work Session

5:00 p.m. Council questions/comments
5:30 p.m. Update from Mountainlands Community Housing
5:45 p.m. Review of regular meeting

Regular Meeting

6:00 p.m.

I ROLL CALL

II PUBLIC INPUT

III COMMUNICATIONS FROM COUNCIL AND STAFF

IV RESIGNATIONS AND APPOINTMENTS

Appointment to the Board of Adjustment for a term expiring January 2005

V CONSENT AGENDA

Acceptance of audit report

VI PUBLIC HEARING

Resolution adopting the Preservation Element of the General Plan of Park City, Utah

VII NEW BUSINESS

1. Authorization to staff to enter into a letter of intent for regional transportation with Summit County

2. Authorization to staff to enter into a letter of intent for Park City's provision of winter bus service to The Canyons

3. Authorization to staff to prepare purchase agreements to acquire 424 acres in Round Valley in a form approved by the City Attorney

VIII ADJOURNMENT

PARK CITY REDEVELOPMENT AGENCY
SUMMIT COUNTY, UTAH
NOVEMBER 15, 2001

PUBLIC NOTICE IS HEREBY GIVEN that the Redevelopment Agency of Park City, Utah will hold a public meeting, at the Marsac Municipal Building, 445 Marsac Avenue, Park City, Utah for the purposes described below on Thursday, November 15, 2001 immediately following the adjournment of the City Council Meeting.

AGENDA

I ROLL CALL

II PUBLIC INPUT

III MINUTES OF MEETING OF JUNE 21, 2001

IV CONSENT AGENDA

Consideration for adoption of a Resolution of the Board of Directors (the "Board") of the Redevelopment Agency of Park City, Utah (the "Agency") authorizing the issuance and sale of (1) the Agency's tax increment revenue refunding bonds, Series 2001A (the "Series 2001 bonds") in the aggregate principal amount of $800,000 pursuant to a Series A indenture of trust, by and between the Agency and U.S. Bank National Association, as trustee and (2) the Agency's tax increment revenue and refunding bonds, Series 2001B (the "Series 2001B bonds") in the aggregate principal amount of $2,580,000 pursuant to a Series B indenture of trust, by and between the Agency and U.S. Bank National Association, as trustee; and related matters

V ADJOURNMENT

PARK CITY WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 15, 2001

Present: **Mayor Brad Olch; Council members Peg Bodell; Candace Erickson; Roger Harlan, Fred Jones, and Jeff Mann**

Toby Ross, City Manager; Kent Cashel, Transportation Director; Mark Harrington, City Attorney; Tom Bakaly, Assistant City Manager

Scott Loomis and Shelley Weiss, Mountainlands Community Housing Trust

1. **Council questions/comments.** In response to a comment from Roger Harlan about the number of parked cars impeding traffic circulation on Sidewinder, Kent Cashel explained that a four month test program which prohibits over night parking on Sidewinder from 2 a.m. to 6 a.m. has been implemented and will be monitored. There was discussion about sign posts on the Rail Trail. Fred Jones asked the status of the nightly rental issues in Solamere. The City Manager understood that a resolution was reached with restrictions on parking. Mark Harrington added that staff is continuing to work with the home owners on the use definition for commercial, etc. but everyone was in agreement at the last meeting to work through the issues this winter and revisit it in the spring. Mr. Jones continued that he met with the citizens advisory group appointed by Council to assist in the budget review process. They are working toward formulating a user friendly format targeted for the March Council retreat and will be meeting regularly in December and January. It is recommended to have Council-elect Jim Hier and another citizen join the committee. There was discussion of adding another Council member, but the City Attorney recommended avoiding a quorum of Council members present and suggested a rotation. Candace Erickson reported on the Recycle Utah fashion show fund-raiser which was well attended. She also participated in a trip to Logan to look at its ice facility which is under construction. The operational organization for the ice rink and endowment were briefly discussed. Ms. Bodell added that the site is 75 acres and currently there is one single sheet with plans to expand to two. She continued that the Chamber symposium on tourism was productive. The financial forecast was very conservative, but there were helpful marketing strategies. There was discussion about volunteers and the warming stations. Peg Bodell shared curfew information with staff from the NLC.

Fred Jones referred to the City's recession plan and asked for clarification on the *informal* institution of recession policies. Toby Ross explained that implementation is informal until specific triggers emerge. The recession measures are informally employed now by all departments in anticipation of revenue issues under the City Manager's direction. The City Recorder reminded Council of the inter-governmental breakfast meeting on Monday.

2. Update from Mountainlands Community Housing Trust. Executive Director Scott Loomis read a resolution of appreciation from the Board of Directors recognizing Council member Jeff Mann's commitment to the organization and the community. Mountainlands' programs relate to the regulation of state, federal monies and tax credits are available for affordable housing. The Holiday Village renovation was finally completed this summer providing 80 units of affordable housing for about 157 residents who pay 30% of their income for rent with a subsidy from Rural Development. Another project is North Bench Farm in Oakley which includes 12 single family residences provided as part of a zoning application. It is hoped to begin construction this year as the infrastructure is already in place. Rural Development has subsidized loans with two local banks. There is a mutual self-help program, sponsored by Rural Development, with the goal of building 20 homes in Kamas. The grant is used to hire a construction supervisor, project manager, and to cover some expenses. The manager works with six to ten families at a time who participate in building each other's homes. Other projects in the works include a 20 unit complex and senior center in Park City.

Mr. Loomis continued that the housing resource center has been extremely busy, working closely with the ski resorts for employee housing. The last six months have been extremely rewarding because of the support from the City and the community. In response to a question from Roger Harlan, Scott Loomis indicated that the line of credit extended by the City has been paid in full. Council member Harlan recognized the early efforts of Mountainlands Board Member Bob Wells, who was in attendance. In response to a question from Peg Bodell about the self-help program, Mr. Loomis explained that it is being implemented in four areas in Utah and has been in existence for about 20 years. There was discussion about the challenges of providing housing in areas with expensive real estate. Once the home is built, there are no restrictions on resale or occupancy. Ms. Bodell added that she is pleased with the senior housing efforts as it is needed.

Shelly Weiss explained that Peter Cook has donated an office at Aspen Villas which has been very successful. Service enriched housing also addresses the special needs of tenants and most of her clients are Hispanic. Because of the state of the economy many people in the service industry are challenged and her workload has increased tremendously. Her tasks include mediation, and assisting in wage claims, small claims court, workman's compensation claims, etc. The outreach program with the Police Department is very valuable and effective. Her office is also a drop-off for donations to be distributed to the community. On-going efforts include block projects, a watch program, warm coat program, Cinco de Mayo, federal committees and groups. Ms. Weiss invited the Council to visit her office.

3. Review of regular meeting.

Transportation letters of intent. Tom Bakaly explained that the proposed letters of intent are between Summit County and The Canyons. The initial letter of intent with Summit County expired in October since an interlocal agreement did not result. This document encourages a focus on an agreement to be entered into in the summer. This winter Lewis Brothers Stages will provide a Kimball Junction service, which will be funded on a voluntary basis by businesses in the area and a $50,000 subsidy from the County.

The City is assisting the service, but not managing it, by including it in our transit brochure and ordering signs. The County will reimburse the City for the cost of the signs and increased printing costs. City staff will be responding to calls regarding the Kimball Junction service. It is not the City's intent to implement Summit County's Olympic transportation plan, which is spelled out in the letter of intent. Part of the original proposal included training bus drivers for the County, which is not now contemplated.

Roger Harlan expressed his disappointment with break-down in negotiations with the County which were time-consuming and expressed caution in entering into another letter of intent. Mr. Bakaly explained that Lewis Brothers is the entity assuming the risk with this iteration, however, City staff will be fielding calls on the Junction service. The transportation advisory board will address this if it becomes a work load issue. He added that an integrated transit system is a benefit to Park City residents and it is felt that this is a good allocation of resources. The decision made by the County Commission was not to impose a fee to fund the service, but Commissioners still want a system to proceed. Mr. Bakaly thanked Steve Lewis for interceding and getting the service in place and clarified that the letter of intent addresses reimbursable costs, including the consultant. There will be no uniforms for Lewis Brother's drivers.

It is felt that The Canyons service will be a benefit, bringing visitors to Park City to shop and eat in the evening. The City will manage the service this year contracted with Lewis Brothers Stages. The Canyons requested that they have more input on the contract with Lewis Brothers, which will be defined in an agreement and the hours have changed somewhat. The Canyons has additionally requested that the contract amount ranging from $250,000 to $300,000 be paid on a monthly basis rather than up-front, which will be outlined in the agreement and asked for Council direction. Fred Jones suggested that The Canyons prepay on some basis so that the City's monthly payments are covered. The City should not be funding the system. Mr. Bakaly felt that the payment terms could be defined in the agreement.

See regular meeting minutes.

Prepared by Janet M. Scott

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 15, 2001

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 15, 2001. Members in attendance were Brad Olch, Peg Bodell, Candace Erickson, Roger Harlan, Fred Jones, and Jeff Mann. Staff present were Toby Ross, City Manager; Mark Harrington, City Attorney; Rick Lewis, Community Development Director; Derek Satchell, Preservation Planner; and Tom Bakaly, Assistant City Manager;

II PUBLIC INPUT

The Mayor invited the public to comment on any matter of City business. Hearing none, the public input session as closed.

III COMMUNICATIONS FROM COUNCIL AND STAFF

Roger Harlan saluted everyone who ran for office, as elections are not easy and the results may be disappointing, but involvement in civic life is worth the time and the effort. He stated that his involvement has changed his life and he is grateful to have had the opportunity to serve in public office.

IV RESIGNATIONS AND APPOINTMENTS

Appointment to the Board of Adjustment for a term expiring January 2005 - The Mayor recommended that Mary Wintzer be appointed and requested a motion to appoint. Fred Jones, "I so move". Peg Bodell seconded. Motion carried unanimously.

V CONSENT AGENDA

Acceptance of audit report - See attached staff report. Hearing no comments, the Mayor requested a motion to approve. Roger Harlan, "I so move". Fred Jones seconded. Peg Bodell complemented staff on following up on comments made by the auditors last year and on our sound financial practices. Motion carried unanimously.

VI PUBLIC HEARING

Resolution adopting the Preservation Element of the General Plan of Park City, Utah - Rick Lewis explained that this is the eighth element of the General Plan, which has been reviewed by the Historic District Commission and Planning Commission. Both bodies recommended approval with a few minor changes, after holding a public hearing. Derek Satchell, Preservation Planner, clarified that this is a new element not an amendment to current language. It reflects the importance of historic preservation to the citizens of Park City and the planning of our heritage in the future. The document is broken down into broad-based concepts addressing preservation incentives, rehabilitation and new construction, preservation ordinance, historic preservation design guidelines, demolition by neglect, etc. He continued that the General Plan is a living document that will evolve. The intent of the element is to recommend methods to sustain, enhance and protect cultural icons of the community.

With regard to preservation incentives, Jeff Mann pointed out that in some cases people with financial means to renovate, receive grants and Mr. Satchell agreed. The program is designed as a 50/50 matching system and those who can afford to match the grant, participate. Financial assistance can be further researched and in some cases for the elderly, donations matched the City's grant allocation. Jeff Mann recommended a sliding scale based on income. There was discussion of an historic recycling program associated with demolition by neglect.

The Mayor invited the Council and the audience to comment further. Hearing none, the public hearing was closed.

VII NEW BUSINESS

1. Authorization to staff to enter into a letter of intent for regional transportation with Summit County - See staff report and work session notes. Vern Greco, General Manager of Park City Mountain Resort, stated that he is an advocate of cooperation among the three resorts and is not biased toward any one resort. However, he urged Council to make sure that the true costs of doing business inside the City and outside the City are contemplated as letters of intent are signed for regional transportation. Direct costs alone, when indirect costs are not paid, isn't a fully allocated cost in any program and regional transportation is no different. There are two resorts within the City limits who pay fully allocated costs for the great transportation in place through fees, licenses and sales tax. Mr. Greco pointed out that when a regional transportation system is implemented, unintentional advantages and disadvantages may be created.

Fred Jones expressed that the letter of intent, before an agreement is contemplated, provides a process to work through these issues. Tom Bakaly agreed with Mr. Greco that direct costs will be covered but not a management fee for City staff. City buses, maintenance, and management would trigger recovery of total costs. In response to a question from Ms. Bodell, Mr. Bakaly felt that ridership will increase and improve business for all of the resorts. It is not the intent to create any unfair advantages with this service. Fred Jones indicated that the letter of intent with The Canyons this year will provide an opportunity to gauge the true impacts to the City. The Mayor thanked Mr. Greco for this comments. Fred Jones, "I move approval". Jeff Mann seconded. Motion carried unanimously.

2. Authorization to staff to enter into a letter of intent for Park City's provision of winter bus service to The Canyons - See staff report and work session notes. The

Mayor requested a motion to approve. Fred Jones, "I so move". Jeff Mann seconded. Motion carried unanimously.

3. Authorization to staff to prepare purchase agreements to acquire 424 acres in Round Valley in a form approved by the City Attorney - The City Manager pointed out that members of COSAC are present who were instrumental in this significant purchase involving two property owners. The total cost is $7.25 million; $6.5 million would be paid initially with the balance to be financed within a year. The property is east of Park Meadows and is contiguous with existing City ownership of 700 acres. This property will be available for recreational open space. Authorization will result in the sale of the property to the City and the closing should occur prior to the end of the year. Strategies to pay off the balance will be considered in the context of the budget and this portion would not have the same restrictions as the land purchased with bond proceeds. The Mayor thanked COSAC members in working through all of the open space purchases over the years and congratulated them on this victory. Ms. Bodell recognized the expertise of the board members and their value for involvement in future acquisition negotiations. The Mayor requested a motion to approve. Fred Jones, "I so move".

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

Mountainlands
Community
Housing Trust

TO: PARK CITY MAYOR AND COUNCIL

FROM: SCOTT LOOMIS
EXECUTIVE DIRECTOR

DATE: NOVEMBER 9, 2001

RE: PERIODIC UPDATE

INTRODUCTION

I have been asked to report to the mayor and council from time to time about the affairs of Mountainlands Community Housing Trust (MCHT). I am pleased to report that after a little more than six months as executive director, I not only have my feet on the ground, we are running full speed ahead. At a recent strategic planning meeting our Board of Trustees gave the approval to aggressively pursue many of the affordable housing opportunities that are available in Park City and Summit County. With state and federal financing, low income housing tax credits and affordable housing requirements for developers, MCHT is in a position to leverage these resources to make an impact on the needs of our community. Some of the projects that we have been working on are as follows:

Holiday Village Apartments

This 80 unit apartment complex on Monitor Drive in Park City was purchased and rehabilitated by MCHT. The total funds required were $7.8 million. Funding sources were USDA Rural Development, the Olene Walker Housing Trust Fund, Federal Home Loan Bank of Seattle, low income housing tax credits from Utah Housing Finance Agency, a private activity bond sponsored by Bank of America, equity from Edison Capital and a predevelopment line of credit from the city in the amount of $200,000. By this purchase and rehabilitation 80 units of affordable housing in Park City were preserved. The low- income residents of Holiday Village pay 30% of their income for one and two bedroom apartments. MCHT received the Rural Housing Project of the year award from the Utah Housing Coalition for this project.

1960 Sidewinder Drive, BelleAire Building, Suite 202
Park City, Utah 84060
Telephone: 435-647-9719 *2 Fax: 435-658-3890
Email: scott@housinghelp.org

North Bench Farm

The City of Oakley was instrumental in obtaining twelve residential lots in the North Bench Farm Subdivision for MCHT to develop as affordable housing. After a long delay the infrastructure is now in and construction on the houses will start soon. The single- family residences are approximately 1300 square feet and are appraised at $163,000. They will be sold for approximately $120,000 to twelve homebuyers with restrictions that they remain affordable housing. USDA Rural Development will provide subsidized low interest loans for several of the homebuyers.

Mutual Self Help

MCHT has recently been approved for a Mutual Self Help Program by USDA Rural Development. This program will allow up to twenty families to work with a construction supervisor and other participants to build each others' homes. The grant to MCHT will provide funds for a construction supervisor, project manager, bookkeeper and other support. If necessary, all families are eligible for low interest loans. The homes will be built in an existing subdivision in Kamas starting this spring.

Senior Citizen Housing

Through the efforts of Dana Williams, a private citizen is willing to contribute real property adjoining the Park City Senior Citizen Center for a residential facility. You have already been advised of this project in executive session. With the co-operation of the city, MCHT hopes to build 12 –16 studio and one bedroom units for senior citizens. USDA Rural Development has a grant program for construction and can provide rental assistance for lower income seniors. We hope to access other grants and low interest loans to construct this facility.

Twenty Units/ Partial Rezoning

MCHT has a five acre parcel of Estate zoned property located near Chatham Hills Subdivision in Park City under contract. This property is uniquely positioned for affordable housing by its zoning and location. MCHT hopes to rezone 2 or 3 single family lots that adjoin the existing subdivision to be sold at market rate. The proceeds from the sale of the market lots will be used to purchase the property. The remaining property sits in a draw where we propose building 20 for sale affordable townhouse residences. Several grants and subsidies will be applied for to bring the cost of the homes to a level of affordability. A pre-application has already been filed. We hope to be in a position to commence construction in the spring.

MCHT has been meeting with several developers about affordable and employee housing. Some are considering new developments and others are trying to fulfill their affordable housing requirements in the city and county. We have also been in contact with owners of existing affordable housing projects in an attempt to assure continued affordability.

Hosing Resource Center

MCHT's Housing Resource Center (HRC) continues to be a focal point for locating housing for Park City employees. The seasonal impact on housing is now being felt. MCHT spent a considerable amount of time and effort with the three resorts and other major employers attempting to provide a turn key arrangement for seasonal employee housing. There was a valuable exchange of ideas and co-operation. The idea was to have MCHT enter into long term leases for apartments and condos that would be furnished and made available to seasonal employees. The program did not work this year because we were unable to get any owners to commit units to the program. It may be possible to implement the program after the Olympics.

The HRC has received over 3000 inquires this year to date on its web site and in office visits. We anticipate in excess of 700 inquiries this month. The HRC fulfills a significant community need. Employers, landlords and employees are aware of the program and utilize its services.

Tenant Outreach Program

Shelley Weiss will be presenting a report on MCHT's Tenant Outreach Program. MCHT has established an advisory board of low income residents and beneficiaries of its programs to provide input to its Board about problems faced by this constituency, information and resources needed and other issues concerning housing in our community.

For me personally, the first six months as executive director have been extremely rewarding. We live in a unique community with a special set of problems. It is gratifying to have the support of the mayor, council and staff, as well as the overall community, for affordable housing and creating a better life for an extremely important segment of our population.

Thank you for your continued support.

DATE:	November 15, 2001
DEPARTMENT:	Community Development
AUTHOR:	Patrick Putt
TITLE:	Appointment to the Board of Adjustment
TYPE OF ITEM:	Administrative

SUMMARY RECOMMENDATIONS: Appoint Mary Wintzer to the Board of Adjustment for a term expiring January, 2005 (to fill the unexpired term of Ray Johnson).

DESCRIPTION: Ray Johnson was appointed to the Board of Adjustment in 1996, and re-appointed to fill a term expiring in 2005. Because Mr. Johnson has moved outside the City limits and Board members are required to live within the City limits, the Board now has a vacancy. This vacancy was advertised in the Park Record for three weeks and PSAs were aired on KPCW, consistent with the Council's direction for soliciting participation on City boards and commissions.

The only response was an application from Mary Wintzer.

ALTERNATIVES:

1. Appoint Mary Wintzer.
2. Delay appointments and continue advertising.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: Staff is uncertain why the response to ads is so minimal, but fluctuations in interest have been typical over the years. It is not anticipated that re-advertising will prompt a better response. The applicant has demonstrated a sincere commitment to serve.

RECOMMENDATION: Appoint Mary Wintzer to fill the unexpired term of Ray Johnson

SUMMARY RECOMMENDATIONS: Appoint Mary Wintzer to the Board of Adjustment to a term expiring January, 2005.

DATE:	November 15, 2001
DEPARTMENT:	Administrative Services
AUTHOR:	Lori Collett, Finance Manager
TITLE:	Audit Report
TYPE OF ITEM:	Informational

SUMMARY RECOMMENDATIONS: Accept the audit. No other action is required.

DESCRIPTION:

A. Topic:

Audit report for the Fiscal Year Ended June 30, 2001. The following is an overview of the Audit Report.

B. Background:

Overview of City's Financial Position as of June 30, 2001

The City's General Fund ended the 2000-2001 fiscal year with a fund balance of $2,485,985. The General Fund balance decreased by $228,502 when compared to last year. The State of Utah establishes minimum (5%-$692,692) and maximum (18%-$2,493,690) limits to the amount that may be accumulated as the fund balance in the General Fund. The General Fund ending balance is within the statutory limitation on the amount the City may carry in the fund balance in the General Fund and is in compliance with the City's Budget Policy. Departments' expenditures were under budget by approximately $540,022. Actual revenues came in $1,955,854 more than projected (Approximately $127,350 in property tax, $864,791 in sales and resort taxes, $280,821 in franchise taxes, $145,876 in planning and building fees and $537,016 in other revenues such as interest).

The Water Fund had net income of $344,821 after depreciation expense of $881,886 compared to a net loss from the prior year of $243,994. The Water Fund ended the year with a debt service coverage rate of 1.60 on all of its debt (1.25 required).

The City's Golf Course Fund ended the fiscal year with net income of $33,029 after depreciation expense of $156,105 compared to a net loss from the prior year of $57,888. Increases in both resident and non-resident fees have to date resulted in restoring revenues to the projected level necessary to maintain the operation and keep it self-supporting.

With a $511,500 subsidy from the General Fund, the Recreation Fund ended the year with a net loss of $75,477, including depreciation of $125,690, compared to a net loss from the prior year of $80,409. The Recreation Fund is currently budgeted to receive a General Fund subsidy of $511,500 in fiscal year 2001-2002.

The Transportation and Parking Fund had net income of $3,803,825 after depreciation of $363,801 compared to a net income from the prior year of $2,533,720. The increase in net income is primarily a result of the receipt of Federal grant monies for the Transit Center construction. According to accounting principles generally accepted in the United States of America (GAAP), 100% of the grant money is recognized as revenue in the year received while most of the construction costs for the Transit Center are not expensed, but capitalized as a capital asset and depreciated (expensed) over time.

General Obligation Bonds - Audit of Bond Expenditures

Resolution No.16-98, *Resolution to Appoint a Citizens Committee to Advise the City Council on Community Priorities for Open Space Acquisition, Methods to Permanently Preserve Open Space, and to Account for Expenditure of Open Space Bond Proceeds should Voters Approve a General Obligation Bond to Preserve Open Space*, requires the City to annually audit bond expenditures and report the results of such audit to the public. During the year ended June 30, 2001, no parcels of land were purchased with either the 1999 or 2000 Series General Obligation Bond proceeds of $10,000,000. As of June 30, 2000, five parcels of land had been purchased for a total of $3,445,800.

Comments from the City's Audit Firm of Deloitte and Touche LLP

The auditors identified no major improvement areas or areas involving material weakness in the operations or internal control structure of the City. Also, the auditors identified no single audit or state compliance findings.

DATE:	**November 15, 2001**
DEPARTMENT:	**Planning Department**
AUTHOR:	**Derek Satchell**
TITLE:	**Review of Historic Preservation Element of the Park City General Plan**
TYPE OF ITEM:	**Legislative**

SUMMARY RECOMMENDATION: Staff requests that the Planning Commission review the *draft* Historic Preservation Element of the Park City General Plan, conduct a public hearing, consider public input, and provide Staff direction. No action is requested at this time.

DESCRIPTION

A. PROJECT STATISTICS

Applicant:	Community Development Department
Proposal:	Review of the Historic Preservation Element of the Park City General Plan

B. BACKGROUND

Park City is in the process of updating the City's Comprehensive Plan, which was originally adopted in 1985. The General Plan contains policies and strategies to guide the future of the City. Changing times and conditions often have an influence on a community's character and self image. This document is a part of that process.

The report contains the draft document for many of the policies and strategies which relate to historic preservation. It is important to discuss how Park City's historic resources are going to be protected as the community grows and continues to develop. After the public hearings before the Planning Commission, the Commission will make changes to the document (if necessary) and forward a recommendation to the City Council. It is important that the Planning Commission hear from the Historic District Commission on this matter so that they can make an informed recommendation to the City Council.

On August 20, 2001, the HDC reviewed the draft document and forwarded it to the Planning Commission with a positive recommendation. The HDC's comments have already been incorporated into the draft. At this time, Staff is requesting direction from the Planning Commission regarding draft report.

On September 12, 2001, the Planning Commission reviewed the draft document and forwarded it to the City Council with a positive recommendation. The Planning Commission's comments have already been incorporated into the draft. At this time, Staff is requesting direction from the City Council regarding draft report.

C. RECOMMENDATION

Staff requests that the Planning Commission review the attached draft of Historic Preservation Element of the Park City General Plan, conduct a public hearing, consider public input, and provide Staff with direction.

EXHIBITS

Exhibit A - Historic Preservation Element Draft (dated September 12, 2001).

III. HISTORIC PRESERVATION ELEMENT
(DRAFT approved by Planning Commission on September 12, 2001)

Issues Statement

Park City attracts tourists and new residents from all over the world. In numerous public surveys, residents proclaim that the community's character is fundamentally due to the allure of the Park City Historic District. Over 200 historic residential and commercial buildings in the community are listed on or potentially eligible for inclusion to the National Register of Historic Places. This serves as tangible evidence of Park City's cultural, social, economic and architectural history as one of the three top metal mining communities in the state during the late nineteenth and early twentieth centuries. New development, political ramifications, changing economic factors, coupled with the expense of rehabilitation continuously threaten the historic integrity of the community's character.

This element focuses on policy statements and an action plan to sustain and protect the architectural significance of Park City through historic preservation.

Discussion

Park City is an internationally renowned ski resort town, and like other resort towns, tourists serve as the city's economic lifeline. Although skiing may be the primary reason for their coming to town, it is because of the numerous historic buildings around town that contribute significantly to the beauty and "*sense of place*" of Park City that make tourists want to stay. Despite significant growth in recent years, people still enjoy Park City because of the blend between the historic commercial zone and the surrounding historic residential areas. Because of this, Park City still holds on to its small town feel. Residents old and young alike are attracted to this community and live here because of the strong sense of neighborhood pride and our special identity as a historic mining town.

But the importance of Park City's historic buildings is not limited to merely aesthetics. These buildings also provide a heightened sense of relevance of our past as a community. Built primarily of wood–a handy, relatively inexpensive building material that was readily available compared to brick or stone—most of the historic dwellings were considered to be temporary housing containing four rooms or less. The reasoning for this is because the majority of Park City's early residents were miners and needed inexpensive, no-frills housing. Yet, despite their flimsy construction (in comparison to today's construction), many of these original structures still stand today as a physical testimony of the past, a testimonial which reflects the culture of the people who have lived here and the events that have occurred here.

Today, many owners of these quaint "temporary" houses (consisting of approx. 1000 square feet and less) are now seeking to make them more accommodating by enlarging them and incorporating various contemporary comforts for family and friends. In doing so, numerous small historic houses have been remodeled beyond recognition of their earlier appearance. In other instances, the historic dwelling has been intentionally left to deteriorate by neglect to make way for new construction. This action usually results in a spotted street scape of vacant lots, or a visually-unbalanced vernacular of small historic houses standing in stark contrast to adjacent large contemporary residences. Hence, Park City's historic architecture is continuously threatened and the remaining physical vestige of the city's mining heritage will be lost if these actions persist. Therefore, efforts must be taken by the City not to "preserve" the town as a museum artifact, but to actively ensure the sensitive continued used of Park City's significant buildings, structures and sites.

The factors affecting the Park City Historic District are varied and have both positive and negative ramifications. The primary factors are associated with the regular maintenance of existing historic properties and the successful infill of new construction within the sensitive area.

Preservation Incentives

In planning for the future, it is important for the City to acknowledge that in order to encourage owners of historic properties in town to make the necessary repairs on a regular basis, the enforcement of penalties should not be the sole course of action. The offer of financial assistance to owners can be an appealing incentive to foster routine repairs and maintenance. The aesthetics–or visual quality–of Park City may seem to be a superficial notion, but it is vitally important to our economic success as a resort community. Because of the impact and role aesthetics play in Park City, it is necessary that the City exercise its shape of the responsibility to protect and maintain the important aesthetic qualities of Park City's Historic District.

In 1987, Park City began to offer matching grants to owners of historic properties to be used toward necessary repairs. Early matching grant awards equaled $5,000 for residential buildings and $10,000 for commercial buildings. Since then, the City has awarded over a million dollars toward the rehabilitation and preservation of numerous historic buildings. In 2001 alone, the City granted over $200,000 in grants, with individual matching grants as high as $50,000. The result of granting these matching funds is evident all over town. Entire city blocks which were once spotted with well and poorly maintained residential properties, now reflect historical integrity and aesthetic continuity. The funds used to establish this program come from two (2) separate federally-sponsored Redevelopment Funds (RDA's). As of 2005, one of these funds (the Main Street RDA, which provides funding for properties south of 8th Street) will no longer be available. Approximately fifteen years later, the remaining Lower Park Avenue RDA (which provides funding for properties north of 8th Street) will no longer be available.

Rehabilitation and New Construction

Since the 1980's, Park City has witnessed a significant investment of time and money in the Historic District, including the rehabilitation of numerous historic buildings and the incorporation of many new buildings. Today, Park City continues to enjoy a strong developmental and construction trend as reflected by a record number of building permits issued for 1999. Some of these projects were very successful examples of appropriate rehabilitation and compatible in-fill architecture. However, some projects fell short of the expectations of the Historic District Commission and the community as a whole. In part, this outcome has attempted to been mitigated by the City's evolved theory and approach to issues involving building scale, massing, character and development on steep slopes.

Historic Preservation Ordinance

Park City has supported the protection of its Historic District by creating the Historic District Commission (HDC), and by initiating specific design review policy and procedures under Chapter 4 of the Land Management Code. This chapter of the Code provides fundamental information relative to the processes for determination of historical significance, design review, demolition, relocation, demolition by neglect, and the enforcement thereof within the Historic District. The Chapter also identifies the purpose and responsibilities of the HDC and Planning Department Staff. Anyone living in, owning property within, or building within the Historic District(s) is regulated by this Chapter of the Land management Code and should be aware of the special requirements imposed.

Park City Historic District Design Guidelines

Park City citizens feel strongly that the core of Old Town must continue to provide a blend of new and old buildings, while also functioning as an attraction for tourists. In 1983, the City Council adopted the Park City Historic District Design Guidelines. The purpose of the guidelines is for public use when planning changes within the Historic District by helping to identify specific issues that may affect the district's overall integrity, as well as to define the criteria by which the City will evaluate the proposed changes. The objective of the guidelines is to encourage the retention of the visual and historic integrity of the district, while promoting architecturally-compatible new construction within the area. Anyone living in, owning property within, or building within the Historic District is regulated by these Guidelines and should be aware of the special requirements imposed. Noncompliance with the Guidelines will result in one's inability to obtain a building permit to make the proposed changes. The Guidelines are useful, but should be reviewed and updated.

Demolition-by-Neglect

The term "demolition by neglect" refers to the gradual deterioration of a building when routine or general maintenance is not performed on a regular basis. The deterioration of any property (or element/feature thereof) has a detrimental effect upon the overall character of the Historic District, as well as the property values within the surrounding area. The City encourages that all buildings and sites are protected against Demolition by Neglect by making routine repairs at an early stage in the deterioration process before serious defects occur. The failure to properly maintain the property that results in Demolition by Neglect is identified by specific conditions set forth in Section 1001et. seq. of the Uniform Housing Code and Section 3402 of the Uniform Building Code.

Some owners of historic buildings have deliberately been allowing their property to fall into disrepair because of: real estate speculation, the denial of a previous demolition application, a lack of interest to bother with permit application process, or the desire to circumvent the local historic preservation controls for development. When this occurs, neglected buildings eventually become a health or safety hazard which must be condemned by the Chief Building Official--often resulting in its demolition despite any historical significance status.

Intent

The Historic Preservation Element recommends methods to sustain, enhance and protect the historic buildings, structures, sites and aesthetic qualities of the Park City Historic District.

Accurately identifying the physical attributes and features that make Park City appealing as a place to visit and live is essential to maintaining a healthy and strong local economy as a resort town. But most importantly, the creation of incentive programs will encourage owners to maintain and rehabilitate their historic properties, while also stimulating a broad-based level of community participation. All of which will not only sustain local heritage, but significantly contribute to the area's fiscal health. Success in developing this balance between economics and historic preservation should include the following efforts:

1. Foster a strong sense of community awareness of the importance of the Historic District;
2. Innovative, fair and consistent design review policy and guidelines;
3. Cultivate sensible protection of the area's historic architecture;
4. Encourage sensitive rehabilitation and quality in local rehabilitation efforts;
5. Promote the incorporation of architecturally-compatible new construction within the Historic District; and
6. Developing and offering financial incentives to property owners towards the regular maintenance of their historic buildings.

Policies & Action Plans

The following policies are suggested to address the preservation issues facing Park City as the community continues grow and prosper.

<u>Historic District Policies</u>

- Accurately identify those buildings, structures and sites in Park City which are historically significant, historically contributing, and historically insignificant to the Historic District.

- Protect those buildings, structures and sites in the Park City which are historically significant and contributory to the original character of Park City.

- Support preservation efforts toward buildings, structures and sites in the Park City which are historically significant and contributory, including their rehabilitation and continued use.

- Encourage the continued use of those buildings, structures and sites in the Park City which are historically significant and contributory to the original character of Park City.

- Retain and highlight the history and areas of special interest within the Historic District.

Historic District Action Plan

Celebrate Old Town's unique character, its evolution of architectural styles (diversity), its shared characteristics with others (i.e. height, facade proportions, materials, etc.) that give it a sense of unity.

- Maintain support and financial assistance for the Park City Museum, and of other organizations or events that celebrate the heritage of Park City.

- Ensure a sufficient quantity and variety of easily accessible parks and open space to foster a "sense of neighborhood" throughout the Historic District.

- Support improvements to other passive public open space such as pocket parks along public rights-of-way, including intersections and other areas within the Historic District.

- Educate elected officials as well as the general public of the importance of the Historic District, the Historic District Commission and the positive impacts of historic preservation.

Preservation Incentives Policies

- Actively research, identify and utilize existing financial incentives for historic preservation being offered to communities by federal , state and private institutions.

- Actively research, identify and utilize potential supplemental funding available in order to continue offering existing financial incentives for preservation such as the HDC matching grant program.

Preservation Incentives Action Plan

- Identify funds or other resources to subsidize and replace the current matching grant program, as well as to foster other financial incentives.

- Develop and implement other financial incentives for preservation (e.g. low-interest loan programs, local tax credits, sales tax waivers, rebates for rehabilitation construction material, etc.).

- Continue providing general appropriations towards existing preservation incentive programs.

- Consider the formulation of bond issues in association with existing programs (e.g. Open Space, etc.), or existing state's bonding authority to help underwrite the rehabilitation of historic buildings.

- Consider instituting other funding initiatives to help underwrite the rehabilitation of historic buildings (e.g. real estate tax for surrounding non-historic areas, mortgage registration fees when houses are bought and sold, etc.).

- Earmark litigation proceeds awarded from civil actions regarding LMC violations and utilize the funds towards existing preservation incentive programs.

Land Management Code - Chapter 4, Historic Preservation Policies

- Support and maintain a high standard of qualification and expertise for Historic District Commissioners and Staff persons involved in the design review process.

- Respect and be aware of Park City's natural environmental constraints such as steep slopes, significant vegetation and other factors when land is developed.

- Require all development projects prepare and submit sufficient information during all phases of construction.

- Integrate the goals and priorities of historic context into broader planning processes.

Land Management Code - Chapter 4, Historic Preservation Action Plan

- Amend the Land Management Code to address some of the outstanding historic preservation issues raised in this element of the General Plan. Monitor and revise as necessary once it is adopted.

- Improve local zoning and design review mechanisms for preservation planning to provoke clarity in the design expectations of construction projects.

- Articulate the processes for determining historical significance, economic hardship, demolition and demolition-by-neglect.
- Streamline regulations which pertain to the procedure of design review affecting those buildings, structures and sites within the Historic District.
- Preserve aesthetic and sensitive historic areas in their contextual states through open space zoning, zoning of historic areas, purchase of land/buildings, etc.
- Maintain and refine lighting standards to preserve a visible night sky.

Park City Historic District Design Guidelines Policies

- Seek to improve the outcome of design projects in Old Town.
- Enhance the quality of growth and development in town.
- Provide an objective basis for the decisions of the Historic District Commission of design review.
- Encourage architects to create landmarks for future designation.
- Ensure that the character of new construction reflects and is compatible with the historic character of Park City.
- Increase public awareness of design issues, concerns and options.
- Encourage sensitive development on steep slopes.
- Increase the awareness among adjacent governmental jurisdictions of the potential for air quality degradation and the adverse impacts on our economy and quality of life.

Park City Historic District Design Guidelines Action Plan

- Rewrite the Historic District Design Guidelines to address these new developmental issues. Present the Guidelines in a more comprehensive and user-friendly format.
- Revise and develop proactive Guidelines so that there is little duplication or confusion.
- Communicate a good understanding of the purpose for the Guidelines in terms of type of compatibility that is being sought (e.g. traditional infill, clearly contemporary, or

replication).

- Indicate which approaches to design are encouraged and discouraged by the community to preserve the historic integrity of the District.
- Guide hillside development so that it is clustered at the base of the hills and stays off ridge lines.
- Encourage alternatives to the use and reliance of automobiles, and discourage the amount of hard-surface area in highly-visible areas on the property in new design.
- Maintain entry corridor aesthetics including open vistas and natural stream corridors.
- Protect natural vegetation and require new vegetation to compliment the existing vegetative character of a site.
- Maintain large expanses of open space in its existing condition.
- Maintain and enhance trail and open space linkages.
- Review and establish criteria for reviewing the use of new technology, and for handling utilities, infrastructure, etc.

<u>Rehabilitation and New Construction Policies</u>

- Reduce construction waste in nearby landfills through the rehabilitation and repair of existing construction.
- Encourage early consultation with Staff to foster strong communication throughout the construction process.
- Support architectural and scalar compatibility with the historic character of the area and maintain visual quality.
- Recognize the uniqueness of Old Town as a whole.
- Promote the use of new technologies in both new and rehabilitative construction that meets or exceeds national Federal standards for historic preservation.

<u>Rehabilitation and New Construction Action Plan</u>

- Maintain a Staff force that is capable of providing technical assistance to applicants during the construction process and promote sensitive rehabilitation efforts within the

Historic District.

- Mitigate development on steep slopes by evaluating and refining the sensitive lands provisions and design guidelines

Demolition-by-Neglect Policies

- Be clear in identifying hardship and demolition standards and procedures.
- Develop incentive packages to discourage demolition based on claims of economic hardship.
- Mitigate valid economic hardship claims.
- Support demolition-by-neglect provisions without promoting political battlefields.
- Build partnerships with adjacent governmental jurisdictions to implement a regional approach to demolition-by-neglect.

Demolition-by-Neglect Action Plan

- Provide City funding for the enforcement of Uniform Building Code requirements that has not been available in the past, nor is currently available.
- Monitor and enforce demolition-by-neglect provisions.
- Work with owners to identify and mitigate neglect relating to the long-term maintenance of historic properties.
- Incorporate demolition-by-neglect provisions to help identify and catch potential demolition and hardship applicants before they reach the point of no return.
- Implement incentive packages to discourage demolition based on claims of economic hardship.
- Provide funding of a minimum maintenance program (as described in the Uniform Building Code and Uniform Housing Code) for mitigating demolition-by-neglect.
- Develop recycling programs that serve our residents and visitors to reduce the amount of material currently being deposited in land fills.

DATE:	November 15, 2001
DEPARTMENT:	Office of Capital Management & Budget
AUTHOR:	Tom Bakaly and Kent Cashel
TITLE:	Extension of Letter of Intent with Summit County for Regional Transit Service and Letter of Intent with the Canyons for Winter Bus Service
TYPE OF ITEM:	Legislative

SUMMARY RECOMMENDATIONS: City Council should do the following:
1) Authorize the Mayor to execute the attached letter of intent with Summit County relating to regional transportation in a final form approved by the City Attorney and; 2) Authorize the Mayor to also execute a separate letter of intent (attached) with the Canyons for the provision of 2001-02 Winter skier shuttle service by Park City for the Canyons.

DESCRIPTION:

A. Topic: Letter of Intents with Summit County and the Canyons relating to Regional Transit

B. Background: Regional transit is a top priority goal in the 2000-2001 City Council Action Agenda. Pursuant to that goal, the City has been in discussions with the Summit County (the County) regarding regional transit for several years. On July 12, 2001 the City Council and County executed a letter of intent relating to regional transportation. The City and County also jointly appointed a Transit Advisory Board (JTAB) that has been meeting regularly. The City, County, JTAB and a consultant completed the Summit County Regional Transit Plan on 10/8/01.

The Transit Plan contemplated year-around service and two primary bus service routes in the County: 1) A Canyons "express" shuttle service that traveled between the City and the Canyons between 8:00am and 5:00pm every half hour; and 2) A Kimball Junction Service that traveled between the City, the Canyons and Kimball Junction between 8:00am and into the evening every hour. The Transit Plan recommended that for the first Winter, an independent contractor be utilized for both services, but that they be centrally managed by Park City. After receiving quotations from the City for non-Winter service, it was determined that the City should provide non-Winter service for the first year. Through a staff intensive formal bid process administered by the City, Lewis Brothers Stages was selected as the third Party transportation provider.

The Transit Plan also contemplated that the County would implement a fee system that businesses would pay to the County. The City assisted with the development of a possible fee system for the County. The idea was that the County would then pay the City to cover the City's own operational costs during non-Winter operation and the City would pay the contractor for Winter month service. On October 8, 2001 Summit County decided that it would not implement the fee system for this Winter's service. Since an inter-local agreement was expected to be executed on October 8th, the City and County had not renewed the previous letter of intent that expired on October 1, 2001. Since October 1, 2001, and at City Council's direction, Staff has been working with the County, the JTAB, and the independent contractor to come up with alternatives for the Winter 2001-02 transportation service in light of the County's decision.

C. Analysis:

Despite choosing to not implement a year-around fee to fund a commercially oriented bus system, Summit County does want there to be 2001-02 Winter bus service to the Canyons and Kimball Junction. Summit County is also interested in extending the letter of intent with the City to pursue year-around County transportation service that would begin in the Summer of 2002.

Summit County Letter of Intent: The attached letter of intent is fairly self-explanatory. For the Winter of 2001-02, the City would manage all aspects of the Canyons shuttle and an administrative portion of the Kimball Junction service. Lewis Brother Stages is managing the operational component of the Kimball Junction service directly. The County is contributing $50,000 to Lewis Brothers Stages to assist with this service. Lewis Brothers is attempting to recoup the remaining cost of the Kimball Junction System through voluntary contributions from Kimball Junction businesses.

The County is reimbursing the City for some incremental costs relating to the County service such as bus stops and increased printing costs. The City will not be reimbursed for management costs for the Kimball Junction Service which could be significant. The Kimball Junction Service will likely be included in the City's transit brochure and the City's transit phone number will be listed on Kimball Junction bus stop signs. This will cause rider phone inquiries to be made to the City.

Canyons Letter of Intent: The attached draft letter of intent is fairly self explanatory. There may be some changes made to the final letter of intent that will be presented to Council on November 15th. The Canyons would prefer to not have to manage their bus system. In addition, the Canyons will be able to use City facilities at no charge and be included in the City's transit brochure. These are amenities that they have not enjoyed before. The Canyons will pay for incremental brochure costs, but not for City management of the system. Staff anticipates returning to Council in December with a formal agreement for the provision of Winter bus service to the Canyons.

Olympic Transportation System: As can be seen from the attached letter of intent, the City is no longer directly involved in the implementation or management of the Summit County Olympic Transportation System. However, it is likely that additional assistance from the City will be requested by the County for the Summit County Olympic Transportation System as the Games approach.

Analysis Summary: In summation, a single transit system serving the Summit County area is the best interests of all involved. The transit center was obviously an important step towards facilitating regional transit, and was recognized as such by the Governor and the 2001 Quality Growth Awards. Pursuing a single regional transit system as contemplated in the attached letter of intent is the next logical step. Constituents, employers/employees, and the regional economy will best be served by a single, efficient transit system. Depending upon the success of efforts with Summit County, the next step for regional transit would be to use lessons learned to possibly expand service into the Kamas and Heber Valleys.

D. Department Review: This report and the letter of intent has been reviewed by the Public Works Department, the City Manager's Office, and the Legal Department.

ALTERNATIVES: Listed below are possible alternatives relating to the letter of intent. Please note that the Summit County Commission is scheduled to adopt the letter of intent at their meeting on November 12, 2001. Any changes to the letter of intent resulting from their action will be described to Council on November 15th.

A. Approve the Letter of Intent: Approve the attached letters of intent with Summit County and the Canyons.

B. Deny the Request: Direct Staff to discontinue efforts to implement a regional transit system.

C. Continue the Item: Council could decide to continue direction on the item until its November 29th meeting. Service provision and equipment decisions cannot be made until the letter of intent is executed. Delaying action until the end of November will significantly decrease the chance of a City-managed Canyons system for the 2001-2002 Winter service.

D. Do Nothing: The result of this action would be similar to denying the request.

SIGNIFICANT IMPACTS:

Summit County: The City has already incurred roughly $8,000 in consultant costs relating to the Summit County Regional Transit Plan, the Summit County Olympic Transportation Plan and the Summit County Transit Fee Apportionment Analysis. In an effort to have an integrated City/County transportation system, the City will incur indirect management cost relating to the Canyons and Kimball Junction service. While there will not be additional staff hired for these services, other City parking and transportation programs will receive less attention from the Transit Director. At the request of Summit County, the City is also delaying the printing of the transit brochure so that the Kimball Junction route can be included in the City's brochure. The County is paying for the extra cost of printing the brochure in an accelerated manner so it can still be distributed by December 1, 2001.

Since the Kimball Junction Service will operate at night, there are advantages to Park City businesses as people staying in the County will be able to use an integrated bus system to travel to town.

The major impact to the City for continued regional transportation efforts beyond the Winter of 2001-02 will be in the allocation of resources. Significant resources from the Public Works Department, Legal Department and Office of Capital Management & Budget will be required to complete a possible year-around agreement by June. However, given the significance of the project, Staff recommends the allocation of necessary resources.

Canyons: Staff feels that by managing the Canyons system for the 2001-02 Winter, the City and County will have a truly integrated transit system. A lot will be learned for future regional transportation efforts by actually having the City manage a Winter's Canyons operation.

CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION: A Winter Canyons service will exist with an agreement between the Canyons and Lewis Brothers Stages. The Kimball Junction Service will also exist. If Council does not desire to pursue regional transportation, then the City's transit phone number should be removed from the Kimball Junction bus stops.

RECOMMENDATION:

City Council should do the following:

1) Authorize the Mayor to execute the attached letter of intent with Summit County relating to regional transportation in a final form approved by the City Attorney.

2) Authorize the Mayor to also execute a separate attached letter of intent with the Canyons for the provision of 2001-02 Winter skier shuttle service by Park City for the Canyons.

Attachments:

City/Summit County Letter of Intent
City/Canyons Letter of Intent

Summit County & Park City Regional Transportation Letter of Intent
November 15, 2001

Summit County and Park City conceptually agree to the following terms contingent upon further discussion and finalization. These concepts and ideas are not binding on the parties:

1. By June 1, 2002 Summit County and Park City will enter into a one (1) year management contract with possible renewal options by which Park City will manage the day-to-day operation of transit service in the Snyderville Basin (Kimball Area Transportation Special Service District) starting in the Summer of 2002, including:
   - Scheduling
   - Bus driver administration
   - Contracts with third party operators (where necessary for bus service)
   - State and federal grant application and administration
   - Bus procurement

2. Upon execution of the inter-local management agreement in June, 2002 Summit County will compensate Park City a monthly fixed sum which shall be calculated using only the direct costs relating to Summit's proportionate share of the transit system as described in the Summit County Regional Transit Plan dated October 8, 2001.

3. The City and County have established a Joint Transit Advisory Board which shall continue to meet monthly and will make recommendations to both the City and County regarding future Summer, 2002 service rate fees, scheduling, routes, level of service, look of buses and strategies for supplementing service and equipment demands with private contracts as well as further regionalization. The initial term of the Joint Transit Advisory Board is scheduled to end on October 1, 2002.

4. The City shall retain final approval and management of their transportation system, while the County shall retain final approval of service rates, schedules, routes and level of service and all other decisions which may affect the direct costs under the contract for the Kimball Area Transportation SSD. (*See paragraph* 2)

5. Park City will be the Federal and State grantee for the bus system. No grant shall be applied for nor shall Summit County bound unless formal approval is made by the Summit County Board of County Commissioners, prior to the grant application being submitted. Summit County agrees to pay the required 20% local match dollars for federally funded equipment acquired to provide County transportation service in the Kimball Area.

6. Summit County will support the transfer of any existing State or Federal draft bus

allocation that is in the County's name to Park City with the exception of any Senior Citizen busses.

7. Under the contract, the City will attend the monthly meetings of the Joint Transportation Advisory Board and along with County staff shall act as staff for the board and shall use their best efforts to implement the directions from that board consistent with City Council and County Commission agreements.

8. The City has assisted financially with the development of the draft Summit County Olympic Transportation Plan. The City has also assisted with conceptual approval of the Plan by the School District and the Salt Lake Olympic Organizing Committee. The City has also assisted with the development of a draft budget for the Summit County Olympic Transportation Plan. The County will be responsible for the management and the final implementation of the Summit County Olympic Transportation System.

9. Park City and Summit County will make best efforts to jointly secure future sites and funding for park & ride, bus maintenance and other capital facilities needed to facilitate the regional transportation system.

10. Summit County will retain responsibility of assessing and/or collecting fees from the businesses served by the transit system (Kimball area) unless otherwise agreed by both parties during the Summer of 2002 and any other funding mechanism, and shall continue to pay Park City the established monthly fee determined by cost of service (direct cost) regardless of how those fees are regenerated to the County. Both parties agree that at this time, no user fees (bus riders) shall be established.

11. For the Winter of 2001-02, the City will assist the County with the privately run Kimball Junction bus service system by ordering bus service signs that will be paid for by the County at an amount not to exceed $3,000. Summit County will be responsible for installing the signs. The County will also pay printing fees associated with including the Kimball Junction bus service in the transit brochure in a timely fashion. The County's share of the printing costs will exceed $2,000. In an effort to facilitate regional transportation, the Kimball Junction service will be allowed to use the Transit Center at no cost to the County or its private contractor. The private contractor will be responsible for major service issues. The City will be responsible for general rider inquiries relating to the Kimball Junction bus service system.

PARK CITY MUNICIPAL CORPORATION & THE CANYONS FIXED ROUTE SERVICE LETTER OF INTENT - November 15, 2001 - *DRAFT*

WHEREAS, Park City Municipal Corporation (the City) and the Canyons propose a fixed route transit service("Fixed Route Service") to be operated between Park City and the Canyons during the 2000-2001 ski season; and

WHEREAS, in the spirit of regional transportation, the Canyons and the City have an immediate need to secure an operating agreement for Winter transit services; and

WHEREAS, the City and Canyons propose to operate its Fixed Route Service within Park City and the Canyons in a fashion that will benefit citizens, businesses and visitors and that is compatible with Park City Transit.

NOW, THEREFORE, the City and Canyons agree as follows:

1. The City and Canyons intend to enter into a contract by December 6, 2001 whereby the City will manage the Canyons skier shuttle service between the Canyons and Park City from December 15, 2001 through April 15, 2002.

2. The City intends to enter into a contract with a third party transportation company for the provision of maintained buses and trained drivers to for the Canyons skier shuttle.

3. The Skier Shuttle will likely operate from 8:00 a.m. to 5:00 p.m. seven days per week from December 15^{th} to April 15^{th}. The Canyons may contract with a third party contractor for transportation services between December 1, 2001 and December 15, 2001. Schedules and routes must be pre-approved by Park City and the Canyons.

4. The Canyons Shuttle serves Park City Mountain Resort and the Old Town Transit Center on every scheduled run.

5. A Nightly Shuttle will be operated and managed independently from the City by Lewis Brothers Stages and will operate from 5:00 p.m. to 11:00 p.m., seven days per week, December 15^{th} to April 15^{th}. Schedules and routes must be pre-approved by the Park City Transit Director. The Nightly Shuttle will serve the Old Town Transit Center on every scheduled run. The Grand Summit Shuttle will be allowed City access as well.

6. The Canyons Skier Shuttle will operate on 30 minute frequency during all hours and days of operation.

7. Scheduled stops are timed to facilitate convenient transfers to and from Park

City Transit busses.

8. Scheduled arrival and departures times are maintained on a reasonable "on-time" basis (No early departures from any bus stop).

9. Canyons' buses and vans must use space pre-assigned by Park City's Transportation Director at any City bus stop in Park City. Busses must not occupy City bus stops longer than is required to load and unload passengers.

10. No bus stops will be located along Main Street, Swede Alley or Heber Avenue.

11. The City will make best efforts with Park City Mountain Resort (PCMR) to allow the Canyons Skier Shuttle service to use the PCMR bus facility.

12. Destination signs on all Canyons buses bound for Park City will read "Park City". Destination signs can be changed upon each buses arrival at its first stop in Park City.

13. All Canyons related vehicles are authorized to utilize the Old Town Transit Center and must enter and exit the facility as directed by the Park City Transportation Director.

14. The City will provide a staffed customer service line during all days and hours of operation. This number will be posted in buses, at bus stops, and included in all marketing materials and printed schedules.

15. The Canyons Skier Shuttle will be included in the City's Winter Transit schedule.

16. The Canyons will compensate the City for the entire 3rd party contract service cost no later than December 15, 2001.

17. The City will not charge the Canyons for management of the Canyons Skier Shuttle, but the Canyons will pay the City's incremental cost of printing and marketing costs related to the Canyons Skier Shuttle in an amount not to exceed $2,000.

18. The Canyons will compensate the City for any direct costs associated with required Americans with Disabilities Act (ADA) call out service.

DATE:	**November 15, 2001**
DEPARTMENT:	**Executive**
AUTHOR:	**Toby Ross/Michelle Bridge**
TITLE:	**Open Space Acquisition**
TYPE OF ITEM:	**Property Acquisition**

SUMMARY RECOMMENDATION: Authorize staff to prepare final documents and the Mayor to execute two purchase agreements to acquire approximately 424 acres in Round Valley in a form approved by the City Attorney.

DESCRIPTION

A. Topic

Purchase of open space in Round Valley.

B. Background

COSAC has been attempting to secure more open space in Round Valley for many years and now recommends the acquisition of about 424 acres of Round Valley, from two separate owners. Three parcels comprise the proposed purchase (240 acres, 144 acres and 40 acres). The City already owns approximately 727 acres near Round Valley from the Gilmor purchase and donation and several smaller purchases. These parcels are at the northeast edge of Park City and are contiguous with the earlier acquisitions.

While Round Valley has been high on COSAC's list of potential acquisitions since the citizen advisory group was formed following voter approval in 1998 of the $10 million open space bond, little progress was made until recently when representatives from COSAC, Bob Richer and Ann McQuoid, and Mayor Olch began working intensively with John McMillian, one of the property owners. After several weeks of discussions and many rounds of negotiations including negotiations between the two property owners, City representatives requested purchase and sale agreements from the property owners. The two property owners (McMillian and Stewart) have signed and returned agreements offering to sell the properties. The Council is being requested to decide whether to accept, modify and counter, or reject these two offers.

C. Analysis

The combined offers total $7.75 million, which is more than the $6.5 million remaining from the open space bonds. The offers includes $1.25 million in seller financing. Copies of the draft agreements are available in the City Recorder's office. Final agreements will not be available until appropriate deeds can be prepared. A summary of the terms is presented below.

McMillian Parcels - John and Anna Marie McMillian owns approximately 280 acres composed of two parcels: a 240 acre parcel (to be sold); and a 40 acre parcel (to be donated). A down payment of $5,000,000 would be due at a mutually acceptable closing date which is expected to be before the end of the year. The remainder would be paid in five annual principal and interest payments with a taxable interest rate equal to the prime rate. The City may pay the remaining balance at any time with no penalty. The principal payments would be due December 15 beginning in 2002 and four additional payments would follow on December 15 until 2006. Each principal payment would be made in the amount of $100,000, making the total purchase price $5,500,000.

Stewart Parcel - The other parcel (approximately 144 acres) is owned by Bilogio LLC, which is managed by Michael Stewart. A $10,000 earnest money deposit is required with a down payment of $1,490,000 at date of closing. Two annual principal and interest payments with a taxable interest rate equal to the prime rate, would be made December 15, 2002 in the amount of $250,000 and December 15, 2003 in the amount of $500,000 making a total purchase price of $2,250,000. The City may pay the remaining balance at any time with no penalty.

Because of the seller financing and the uncertainty of how the balance will be paid, a portion of the purchase may be segregated from the majority of the land that would be acquired with bond proceeds.

D. Department Review

This offer has been reviewed by Legal, Executive and Public Affairs.

ALTERNATIVES

A. The City Council may accept both offers, or

B. The City Council may reject both offers, or

C. The City Council may accept one offer and reject the other, or

A. The City Council may counter one or both offers.

SIGNIFICANT IMPACTS

Purchasing these parcels would further Park City's goals of acquiring open space and encouraging controlled growth. These particular parcels are contiguous to and will add to the Gilmor lands and several other parcels already acquired in Round Valley bringing the total City holdings in Round Valley to 1,151 acres. This purchase would preclude any large scale development in Round Valley but would also preclude using Round Valley as a receiving site in any Transfer of Development Rights (TDR) system that may be proposed.

The purchase price for the combined acquisition exceeds the funds remaining from the open space bonds. Seller financing provides the City some time to determine how to pay off the remaining balance. Options include:

A. The City Council could ask voters to authorize another open space bond.

B. The Snyderville Basin Recreation District recently approved an $11 million bond some of which could be used to participate in this purchase.

C. The City has impact fee revenue that could be used for open space acquisition.

D. The City could refinance the seller financing and repay the debt from traditional general fund revenues.

E. The City could seek a conservation buyer who could acquire a portion of the property as open space.

F. These options could be used in combination.

The recently approved $4 million recreation bond could not be used for this purchase.

Until a final funding strategy is determined, the CIP contingency will be pledged to debt service payments. The first debt service payment would not be due for more than a year.

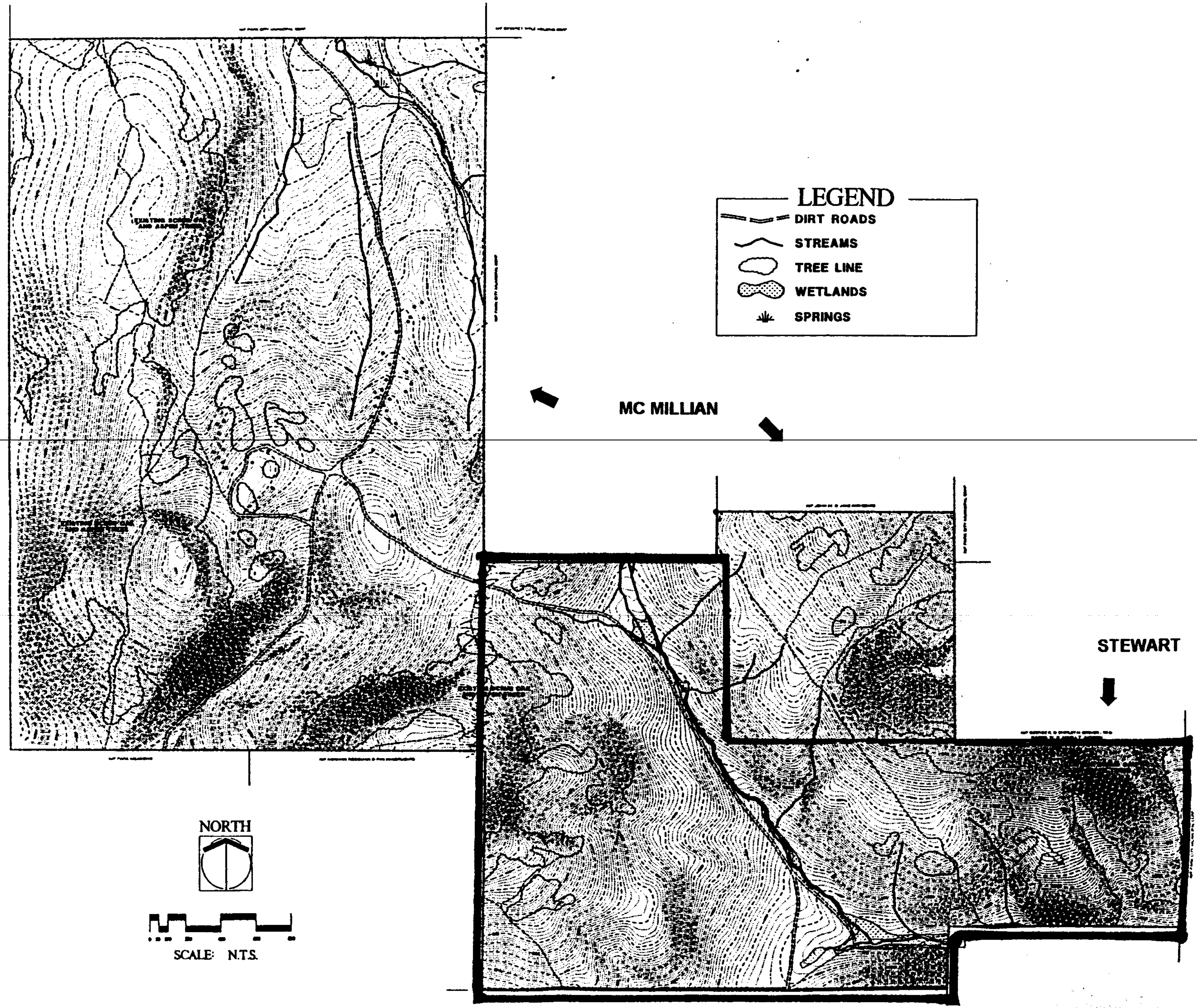
CONSEQUENCES OF NOT TAKING THE RECOMMENDED ACTION

The property owners have indicated that their willingness to sell depends on a timely closing. If the City does not accept these offers, the property may not be available in the future or may not be available at the proposed price. If the bond proceeds are not spent on these properties now, they may be spent on other properties and would not be available to purchase the property in the future. If the land not purchased by the City and designated as open space, there is a chance that the land will be developed. Accepting only one offer could mean that the other is never acquired or even that the proposed purchase is jeopardized depending which offer is accepted.

RECOMMENDATION

Authorize staff to prepare final document and the Mayor to execute two purchase agreements to acquire about 424 acres in Round Valley in a form approved by the City Attorney.

Exhibit A - Property Map


LEGEND
DIRT ROADS
STREAMS
TREE LINE
WETLANDS
SPRINGS
MC MILLIAN
STEWART
NORTH
SCALE: N.T.S.

DATE:	**November 15, 2001**
DEPARTMENT:	**Office of Capital Management and Budget**
AUTHOR:	**Mark Christensen**
TITLE:	**Final Bond Resolutions - RDA Refunding Bonds, 2001 Series**
TYPE OF ITEM:	**Legislative/Administrative**

SUMMARY RECOMMENDATIONS: The Park City Redevelopment Authority and the City Council should consider and approve the respective Final Bond Resolutions relating to the issuance of Park City Redevelopment Agency Tax Increment Revenue Refunding Bonds, 2001 Series A and B (Main Street Project Area). In addition to refunding existing bonds and saving the City approximately $69,000 in interest after issuance costs are subtracted, additional proceeds from these bonds ($592,500) may be used to finance new or existing projects in the Main Street RDA Project Area. Eligible project included parking improvements, utilities, landscaping, acquisition of property, buildings, public road and other public improvements.

DESCRIPTION:

A. Topic: Consideration and adoption of a resolution that does the following: 1) Approves the issuance and sale of Park City Redevelopment Agency Tax Increment Revenue Refunding Bonds, Series 2001 A and B (Main Street Project Area); 2) Authorizes the City Manager and Budget and Grants Manager to facilitate the closing of the bond issuance which includes executing closing documents and the purchase agreement.

B. Background: Over the last year and the last few months in particular the Federal Reserve has lowered interest rates creating the lowest interest rates in years. Recent economic events have increased investor interest in municipal bonds this has made it possible for the City to refinance its existing bonds to from 4.951 percent to 3.18 percent. In addition to refunding existing bonds within the Main Street Project area, the proposed bond issue restructures payments making approximately $592,500 in "new money" available for projects in the Main Street RDA. These refinance opportunities were not available a few months ago.

The ability to refinance bonds is limited as the length of the bond draws to a close. The current RDA debt is scheduled to retire in FY2006, or December 30, 2005. As bonds draw near the end of the payment schedule the savings potential on reduced interest decreases as more of the payment is paid on principal reducing the potential to earn interest. This being the case, it is in the City's best interest to refinance this debt at this time. There will not be a call provision in these bonds which means that the rate that we receive on these bonds will be the "final" interest rate fore these bonds. The attached is a resolution that finalizes the bond issuance and establishes the parameters for refinancing this bond.

Staff and the City's Financial Advisor have been working with KeyBank to "privately place" the bonds. This means that KeyBank will purchase the bonds for their investment portfolio. The attached resolution finalizes the interest rate for the bonds and repayment schedule.

C. Analysis: The attached Final Bond Resolutions authorize and confirm the sale of bonds as Tax Increment Revenue Refunding Bonds sold through the Redevelopment Agency (RDA). The Final Bond Resolutions set the final issuance amount of the bonds, the interest rate of the bonds, the length to maturity for the Lease Revenue bonds, and designates the eligible projects for the additional funds created by the bond issuance.

1) Size: The total amount of the bond issue is $4,074,037.50
This amount comprises the following components:

Refunding of 1997 Bonds	3,428,037.50
Additional Funds	592,500.00
Financial Advisor	25,350.00
Bond Counsel	18,000.00
Misc. (Title ins.., Trustee, etc)	10,150.00
TOTAL	**4,074,037.50**

Staff will be prepared to answer questions regarding any of the components listed above at the Meeting on Thursday, November 15, 2001.

2) Length to Maturity: The maximum length to maturity cannot exceed 5 years.

3) Interest Rates of the Bond Coupons: The Net Interest Cost (NIC) for the bonds is 3.18 percent.

4) Eligible Projects: Please note that the "additional funds "of $592,500 will be available for Council to appropriate for Main Street RDA capital projects. Staff recommends that Council appropriate these funds as part of the CIP reprioritization that will take place during the budget process in the spring. This will allow Council to make funding decisions based on all of the project demands in the RDA consistent with Council adopted budget policies.

Projects that are eligible for funding with this new money include: parking improvements, utilities, landscaping, public road and other public improvements, property and building acquisition.

D. Department Review: City Manager's Office, OCMB, Legal, and Administrative Services.

ALTERNATIVES:

A. Approve the Request: Adopting the resolutions will approve the sale of bonds and authorize the City Manager and Budget and Grants Manager to complete the bond issuance process. If the resolutions are approved, it is anticipated that the bond deal

B. Deny the Request: Denying the resolutions will cause the bonds to not be sold at the negotiated price leaving the interest rate on existing bonds. Staff will need direction from the City Council as to how they would like to proceed.

C. Continue the Item: Continuing the item would mean that the resolutions would not be before the City Council again until December. It is possible that interest rates might change effecting the transaction. This action would require that the bonds be priced by KeyBank again, closer to that date and may jeopardize the private placement of these bonds.

D. Do Nothing: This would have the same impact as continuing the item.

SIGNIFICANT IMPACTS: Adoption of this resolution will allow the City and the Redevelopment Agency to proceed with the issuance of the bonds in a timely and efficient manner. Swift completion of the bond issuance is needed to take advantage of favorable interest rates. This allows the City to receive additional tax increment funds for RDA projects to be reprioritized as part of the budget process in the spring.

CONSEQUENCES OF NOT TAKING RECOMMENDED ACTION: Not adopting the resolution will impact the City's ability to refinance the RDA bonds and potentially fund RDA projects in the Spring.

RECOMMENDATION: Adopt the Final Bond Resolutions relating to the issuance of Park City Redevelopment Agency Tax Increment Revenue Refunding Bonds, 2001 Series A and B (Main Street Project Area).

Enclosure:
See bond resolutions under separate cover