

**PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 11, 2010**

Present: Mayor Dana Williams; Council members Alex Butwinski, Candace Erickson; Joe Kernan; Cindy Matsumoto; and Liza Simpson

Tom Bakaly, City Manager; Mark Harrington, City Attorney; Kathy Lundborg, Water Manager; Francisco Astorga, Planner; Kayla Sintz, Planner; and Bret Howser, Budget Manager

1. Council questions/comments. Alex Butwinski confirmed with members that the Art Advisory Board may take as long as it needs to select the appropriate piece of art for the Marsac Building and Council agreed. Liza Simpson stated that she attended the MCHT meeting and most of its projects are moving along although financing has been a challenge. The Planning Commission discussed TDRs at its meeting this week. Candace Erickson commented on the progress of street improvements on Holiday Ranch Loop and on a tour of The Montage. A community open house will be held the beginning of December. The Mayor discussed a press conference held in Salt Lake on alternative fuel month. He recognized Veterans Day and thanked all service men and women for their many sacrifices.

Water quality – Thaynes Canyon. Kathy Lundborg reported on samples tested during the week which revealed elevated metals, manganese, thallium and arsenic which occurred three years ago. The water has been flushed and is now clear but until the data is confirmed within state guidelines, the water quality advisory can not be lifted. The cause is unknown but it appears to relate to scaling on the pipes. Small earthquakes in the region also coincidentally happened in both instances. Public outreach was discussed.

Demolition of 657 Park Avenue. Planner Francisco Astorga stated that the City has been receiving comments about the recent demolition and he distributed information on the project to members. The demolition was approved in conjunction with a Historic District design review and a corresponding preservation plan to rehabilitate the structure by reconstruction. He referred to the most recent 2008 photograph which reflects the as-built condition and relayed that staff and the applicant worked toward the design of the 1930 elevation. Several different options were explored including panelization but because of the scope involved, reconstruction was recommended. Mr. Astorga explained that the application was vested under the 1983 Historic District Design Guidelines and the corresponding Land Management Code. The applicant received approval in June 2009 for demolition and reconstruction. The preservation plan matches the home in a 1930 photograph which includes a bay window. Mr. Astorga indicated that a financial guarantee has been established in the amount of \$154,000 in the event the project is not completed. The applicant received a building permit and the structure was raised on Monday.

Cindy Matsumoto asked about the point of public input, and Mr. Astorga explained that public comment under the old guidelines occurred at preliminary compliance of the guidelines. The Code provided that adjacent property owners be notified and that the property be posted for ten days. Ms. Matsumoto recalled discussions about the e-notify feature on the website notifying interested residents about Old Town projects. Candace Erickson also remembered this suggestion. Ms. Matsumoto felt that without some sort of notice that people feel blindsided. Mr. Astorga stated that staff can revisit the e-notify concept. Before demolition or building in the Historic District occurs, the property is posted with a sign, including the building permit. An additional sheet could be added relating to the Historic District design review, preservation plan and financial guarantee.

Ms. Matsumoto discussed interest in this property over the years and many felt relieved learning that a *preservation* plan was in place. *Preservation* plan does not typically denote demolition and then replication and to use the words *preservation plan* in a demolition action is misleading.

Planner Kayla Sintz explained that the new guidelines also recognize reconstruction as a form of preservation. The same result could have occurred under the new guidelines. Ms. Matsumoto again expressed that some individuals may not have rendered public input because of not fully understanding the preservation plan. She asked if there is an opportunity to appeal. Ms. Sintz responded that appeals can be filed when staff finds an application meets preliminary compliance with the guidelines. Mr. Astorga emphasized that under the old guidelines, only adjacent property owners have the right to appeal which has been extended to property owners within 200 feet. Noticing occurs twice, when the application is received and when the application receives preliminary compliance. Ms. Matsumoto felt that e-notification should be made available for people interested in obtaining information on Historic District building activities and a way to provide input. It was indicated that members could be provided with a list of applications vested under the old guidelines. Ms. Matsumoto felt that 200 feet is not very encompassing and there are many people in Old Town interested in these buildings. She reiterated her interest in staff implementing e-notification.

Liza Simpson clarified that discussions on e-notification began at the HPB level where members requested notification whether or not the Board was involved in the review of the project. If HPB members are receiving information on a monthly basis, the process could easily be converted into e-notification on a broader basis. The Council and all interested parties should know about demolitions before they happen. Mr. Astorga indicated that the day the demolition permit is authorized, a notice could be sent.

The Mayor pointed out that the new structure will also be relocated on the parcel and the significant inventory profile indicates that it has not been modified much. He strongly felt that the criteria on the list should be consistent with a recommendation to demolish. It is awkward when Council is unaware of the action beforehand. He requested a work session on the application of the Historic District Guidelines and it may be that the significant properties list needs to be tweaked.

Liza Simpson indicated that part of the problem with the 657 Park Avenue property is the level of deterioration of materials that allowed the owner to demolish and replicate, rather than restore. This is addressed in the new guidelines. Staff advised that the reconstructed building is anticipated to remain on the significant inventory list.

2. Budgeting for Outcomes. Bret Howser explained that staff has completed Phases 1 through 3 of Budgeting for Outcomes and Phase 4 deals with prioritization. The results team is working diligently on arriving at preliminary prioritization which will be presented on December 2. Three meetings are set aside for Council members to address prioritization in work session which will culminate in policy discussions during Council Visioning in February. The deliverable in December will be a master list, categorized by goal, and departmental offers or bids regarding current and enhanced levels of service. Council will have the opportunity to change priorities within each goal and/or level of service for each program or service. This includes capital, debt and all expenses related to any kind of outcome or result that the City produces.

The Visioning process will take this approach to the next step to develop long term financial projections and to adjust some of the assumptions if needed. Council will be able to address financial implications in the context of prioritization decisions. Mr. Howser explained that the results team focused primarily on key factors for all of Council's goals to demonstrate where all of the programs and services of the City factor in under goals. It was challenging but by assigning more definition to goals by creating key factors it became easier to illustrate service levels and costs. He felt this is an example of open and responsive government. Through a PowerPoint presentation he explained how departments are invited to bid on programs and services and what bids look like. Scope of service is presented in matrix form listing different aspects of the service. The results team will address the information to make sure it is clear before it goes to Council.

Ms. Matsumoto referred to the snow plowing example and asked if service levels are based on number of employees. Mr. Howser indicated that levels aren't exclusively set by the number of employees. Sometimes services are performed by part-time employees or contractors and situations vary by program. Costs for personnel, materials and supplies are identified and personnel costs would decrease with a reduced level of snow removal services. Enhanced service levels were explained. Mr. Howser assured members that the results team and managers will be available at the next work session to answer questions.

Joe Kernan stated that he is pleased with the Budgeting for Outcomes approach which will allow the City to respond quicker to changes in types or levels of services offered in the community. It may be helpful for members to address revenue and taxation issues now and discuss alternatives before the budget process. He wondered if fees for services have kept up with inflation of departments and how often they have changed over the years. These are tough decisions and potential increases to property tax and

sales tax should be discussed early in the process. Mr. Howser assured members that staff was not intending on recommending a last minute course of action. Revenue and taxation discussions will begin in February and should continue as long as needed. With regard to the December 2 work session, Mr. Kernan suggested that it would be helpful to have comparison information from other areas on levels of service. Mr. Bakaly stated that performance measures will be available and staff could work on benchmarks. Joe Kernan stated that it may just involve a phone conversation. Mr. Howser asked if he has key services in mind because there are 130 programs. Mr. Kernan recommended pulling a dozen functions to compare and Bret Howser suggested that when members see the bids on certain programs, comparables could then be identified. There is enough time in the process. Liza Simpson felt that some things will be relatively easy to benchmark and feels comfortable reviewing preliminary information first. Mr. Kernan liked the electronic update of costs and felt it would be beneficial to also have revenue sources. Bret Howser believed that revenue assumptions may also have to be adjusted.

For the benefit of Cindy Matsumoto, Mr. Howser explained that *current* costs match the approved budget amount for the current level of service. There is no inflationary factor. Mayor Williams expressed his support of the basic idea of Budgeting for Outcomes.

Mr. Howser pointed out that Incremental budgeting, which has been practiced by the City in previous years, is used for organizations that are growing rapidly and operating in an environment of expanding revenue streams. Liza Simpson thanked staff for its hard work and acknowledged that some departments were impacted more than others. Mr. Howser interjected that other organizations that have implemented something like Budgeting for Outcomes typically have four times our budget and resources and take a year to put it in place. City departments worked very hard and completed this exercise in an abbreviated amount of time. Alex Butwinski stated that this is exactly the type of information he wants. He acknowledged that some programs or services will be difficult to measure.

Prepared by Janet M. Scott, City Recorder

**PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
NOVEMBER 11, 2010**

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, November 11, 2010. Members in attendance were Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Mark Harrington, City Attorney; Matt Cassel, City Attorney; and Kayla Sintz, Planner.

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

1. Silver Queen Court - Tom Hurd, 4 Silver Queen Court, referred to his email sent to members regarding the poor engineering of the portion of the road accessing Silver Queen Court. The uneven pavement is prevalent throughout Thaynes Canyon and the streets need to be milled and resurfaced.

2. 657 Park Avenue demolition – John Stafsholt, 633 Woodside Avenue, stated that 657 Park Avenue and 637 Woodside Avenue have been completely demolished in the last few years in the same neighborhood. 657 Park Avenue was among six adjacent houses that predate incorporation in 1884 and the fire of 1898. This house was built prior to 1887 and was a historically significant structure and according to the historic significant building inventory, it had no additions and only minor alterations. He relayed that the partially poured concrete foundation was in good condition; the structure retained its historical form and was in its original location. The premise of the historically significant building inventory is that if there are any changes made to a building, it has to remain on the inventory. It can not remain on the inventory if it is brand new. The 1983 Code the project falls under and the new Historic District Guidelines even require a plaque to be put on the building of the day it was built and a 2010 date would seem to preclude it from qualifying on the significant inventory.

The 1983 Code does not allow reconstruction. The definition of reconstruction is the after process of reproducing by new construction the exact form and detail of a vanished building, structure, object, or part thereof as it appeared at a specific time. It doesn't allow you to make the building vanish; it is for an empty site. Mr. Stafsholt indicated that if anything is reconstructed, it must be in its original site and its original orientation and it must have adequate documentation. This building is now going to be moved, it is going to be reoriented for the reason of allowing a huge addition. It is also not going to be exactly reconstructed like it needs to be; it is going to be missing stairs

that exist on the south side of the building, it is going to be missing the back; it is going to be over three times larger than the original building of 1,300 square feet. The new structure will be over 4,000 square feet. The original building was residential and the new building will be mixed use or commercial. Mr. Stafsholt emphasized that the use is different and there is going to be a minimum over 2,700 square feet of new commercial, and the use that is laid out is an office and an office use is not allowed in the front of the building on Park Avenue. He sees all these issues with calling this project a reconstruction when he doesn't feel a reconstruction is even allowed.

The only notification that happened was to three adjacent property owners on May 27, 2009 for a Historic District design review. The actual noticing to the three property owners read, "Project Description: HDDR of an addition to a historic building within the Historic Residential Medium Density District. Mr. Stafsholt emphasized that it is not an addition of an historic building and it's not in the HRM District. There was no Certificate for Appropriateness for Demolition (CAD) issued and there was no HPB approval for the demolition and both are required in the 1983 Code. The noticing requirements in the 1983 Code are much more stringent for CADs and require 14 days notice prior to the hearing of the HPB which didn't happen either to all owners within 300 feet rather than just the three owners. He felt this is a mix and match of the guidelines for the benefit of the developer. Implementation of the guidelines and the LMC needs more consistency.

He stated that this is a glaring example to the owner of High West Distillery who spent \$3.5 million to try to do the right thing while his neighbor for \$75.75 knocked down a building without notifying anybody. We need to try to do better and have more consistency. He recommended again requiring a CAD in the new guidelines. Reconstruction is allowed in the new guidelines but he felt that the associated demolition should have a higher level of notification. There are issues on this one. Only three people were told that there would be a design review on an addition.

Liza Simpson asked if the owner could take advantage of both sets of guidelines. Mark Harrington believed the planning staff indicated that the project followed only the old guidelines but the Planning Department will have to provide a more complete follow-up with what was applied. He understood that the new guidelines were not applied. Francisco Astorga affirmed. Ms. Simpson pointed out that the old guidelines did not allow for reconstruction and Mr. Harrington stated that planning staff will have to explain its position more clearly to members.

Tom Bakaly indicated that it is likely that this will return to Council on December 16. The Mayor felt it would be helpful if staff would walk a project through the process as an illustration. In response to a comment, Kayla Sintz explained that the last updated list of current HDDR applications under review also have tag notes related to the associated review or guidelines. When one of those is approved, there is a condition of approval that identifies an exact date when a building permit has to be obtained, otherwise the approval is lost. Members could be provided a copy of that information and also

reference approval dates. She believed the very first building permit under the new guidelines was issued this past month even though they have been adopted for awhile.

With no further comments, the public input session was closed.

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

1. Consideration of an Ordinance approving the 310 Park Avenue Subdivision Lots 31 and 32 of Block 11 of the Park City Survey, Park City, Utah – Kayla Sintz explained that there is an existing single family non-historic contemporary home built in 1995 that sits across multiple lot lines. This application would create a legal lot of record reflecting current ownership. The applicants have indicated there are no current plans for expansion but they could obtain a building permit for any kind of upgrades once the subdivision is approved.

Alex Butwinski felt it would be helpful to provide members with information on the allowable maximum square footage for the resulting footprint for these types of applications. The Mayor opened the public hearing and hearing no comments from the audience, closed the hearing. Liza Simpson, "I move we approve the subdivision for 310 Park Avenue based on the findings of fact, conclusions of law, and conditions of approval as found in the draft ordinance". Joe Kernan seconded. Motion unanimously carried.

2. Consideration of an Ordinance approving the Monarch Condominiums Record of Survey Plat located at 2169 Monarch Drive, Park City, Utah – Planner Kayla Sintz explained that the request is for a condominium record of survey for an existing legal duplex. The Prospector Subdivision currently allows duplexes as identified in the subdivision plat. The Planning Commission heard this item; there was continued public input and discussion regarding the parking pad encroachments into the City's right-of-way. Required parking includes two parking stalls per unit for a total of four and parking is currently accommodated on-site in the existing driveway. One of the original garages was converted into living space with parking on the existing driveway. The application initially requested two additional parking spaces for a total of six. Ms. Sintz described the location of the parking pad encroachment. Staff recommends a condition of approval which states that parking in that paved area is not allowed and the property would need to meet the requirements of the City Engineer and Planning Director to mitigate parking in the future. She again pointed out the scope of the City's right-of-way and the illegal encroachment of the parking pad.

Roger Stevens, co-owner, stated that this is the first duplex built on the cul-de-sac in 1978 and the pad area has been used for parking since then. This situation is no different from other duplexes in Prospector. Joe Kernan felt that the pad appears as if it's part of the driveway. Ms. Sintz explained that when an application is submitted, staff is required to make sure that the existing property complies with the LMC. The review

revealed parking in the side yard setback area and in the City's right-of-way which is prohibited. Parking spaces must also meet the minimum dimensions provided in the Code. The request was to include the parking pad as part of the condominium plat which is contrary to the Code. One of the purpose statements for the single family zone is to require a streetscape design minimizing impacts on existing residents and a plan that reduces architectural impacts of the vehicle. Staff must ensure that applications meet the requirements of the LMC and follow the purpose statements for the zone. Discussion ensued on keeping options open for reuse of the parking pad or tearing it out.

Alex Butwinski felt that a condition of approval should require that the parking pad be removed. He understood that the concrete pad was installed in 2005 and despite the practice of parking in the right-of-way, the applicant is requesting a change to the plat. Mr. Butwinski favored supporting the original intent of the zone and getting back to that rather than granting exceptions. Roger Stevens believed he is being penalized because he is doing a conversion rather than building something new. He doesn't feel it is harmful to the neighborhood. Mr. Butwinski emphasized the difficulty of regulating the parking pad if it remains. Mr. Stevens understood the City Engineer will make the final decision but tearing it out seems foolish.

Matt Cassel stated in many instances, these violations are not caught until there is an application for modifications to the property. The permit process is being changed to help catch some of these situations. The Mayor stated that he doesn't care how long the pad has been there, it doesn't make it okay and it should be taken out as part of the approval. Joe Kernan pointed out the number of properties not meeting the Code and asked if there are other tools to deal with violations. Matt Cassel noted that most violations are flagged when an application is submitted for review. Joe Kernan did not feel this is fair unless everyone is asked to remove improvements in the rights-of-way. Mayor Williams felt this is a bigger discussion.

Mark Harrington explained that this issue is a matter of level of priority. Council is not affirmatively approving the property's continued violation of the Code. This is entirely different than not surveying every single lot in every subdivision for current compliance. We're affirmatively representing and finding this property to be in compliance with the Code when Council approves the ordinance. He felt it important to consider the additional benefit Council is providing the owners with the ability to sell two units separately, which may result in impacts. Two separate occupancies and sale of the units may increase parking demand. The theory is to have current compliance.

He stated that converting garages into living space in Prospector was a big issue in the 1980s and 1990s. There were discussions about requiring them to be removed but also arguments about loss of equity and subsequent purchasers not knowing they were illegal at time of purchase. These situations can become very complicated. He emphasized that affirmatively granting additional property rights to the owners requires findings in compliance of the Code. The owners have the outlet of going to the Board of

Adjustment to address hardships or equity issues. If the parking pad is allowed, he recommended that the decision be made with a clear understanding of the bigger ramifications.

Discussion ensued on the use of the common sewer lateral and Kayla Sintz explained that the HOA would be responsible for the utility. Ms. Sintz clarified that Condition #4 is unchanged from the ordinance Planning Commission reviewed providing that the pad may be reused and not torn out as long as it is not used for parking. The Mayor opened the public hearing; there were no comments from the audience and the public hearing was closed.

Mr. Butwinski again expressed that Condition #4 should address removing the parking pad. Alex Butwinski, "I move that we approve the Monarch Condominium Record of Survey Plat, located at 2169 Monarch Drive, subject to the findings of fact, conclusions of law and conditions of approval, modifying Condition #4 that the paved area in the City's right-of-way should be taken out (illegal area in the north side yard)". Cindy Matsumoto seconded.

Joe Kernan didn't feel that removing the parking pad will be a benefit to the neighborhood and will have a negative impact because of expense. He favored a more flexible condition. Mark Harrington explained that one available solution in the future is to amend the Code to permit it so that Council can approve these types of applications affirmatively. Mr. Kernan stated that he would rather keep options flexible, review them and decide if the Code should be amended. Liza Simpson acknowledged an instance in Old Town where a new owner was required to pull out a paved area that had replaced landscaping in the original approval and had no idea that the pad was illegal. She felt the fair thing to do is to require that they are torn out.

Mark Harrington suggested that the last sentence in Condition #4 be replaced with *the illegal paved area in the north side yard shall be removed*. Motion carried.

Alex Butwinski	Aye
Candace Erickson	Aye
Joe Kernan	Nay
Cindy Matsumoto	Aye
Liza Simpson	Aye

V ADDITIONAL DISCUSSION – AGENDA ITEMS

VI ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 3:30 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Candace Erickson, Joe Kernan, Cindy Matsumoto, and Liza Simpson. Staff present was Tom Bakaly, City Manager; Tom Daley, Deputy City Attorney; Joan Card, Environmental Regulatory Affairs Manager; Jason Christensen, Legal Intern; Diane Foster, Sustainability Manager; Jon Weidenhamer, Economic Development Director; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss property and litigation". Liza Simpson seconded. Motion carried unanimously. The meeting opened at approximately 5 p.m. Liza Simpson, "I move to open the meeting". Candy Erickson seconded. Motion unanimously carried.

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

Prepared by Janet M. Scott, City Recorder

