PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH
November 10, 2016

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 10, 2016.

CLOSED SESSION

2:45 p.m. To Discuss Property, Personnel and Litigation

WORK SESSION

4:15 p.m. Council Questions and Comments

4:30 p.m. – Review Draft 2017 City Council Meeting Schedule PAGE 3

4:45 p.m. – Monthly Affordable Housing Update PAGE 6

5:15 p.m. – Review the Site Concept Design for the New Public Utilities Facility PAGE 16

REGULAR MEETING

6:00 p.m.

I. ROLL CALL

II. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Staff Communications Reports:

- Presentation of the United States Tennis Association (USTA) Facility of the Year Award PAGE 24

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

IV. NEW BUSINESS

1. Consideration to Approve an Economic Development Grant Contract in the Amount of $20,000 for a Three Year Period for Anomaly Action Sports in a Form Approved by the City Attorney PAGE 27

(A) Public Hearing (B) Action

2. Request to Approve the Following Special Event Temporary Alcoholic Beverage License Applications for Operation During the 2017 Sundance Film Festival: PAGE 63

Sundance Institute	Park City Marriott- 1895 Sidewinder Drive
Sundance Institute	The Claimjumper- 572 Main Street
Sundance Institute	The Shop- 1167 Woodside Avenue
Sundance Institute	Festival Base Camp- 475 Swede Alley
Sundance Institute	Elks Lodge- 550 Main Street

(A) Public Input (B) Action

3. Consideration to Approve Type 3 Special Event License and City Services Agreement with Park Silly Sunday Market PAGE 68

(A) Public Input (B) Action

4. Consideration to Approve Ordinance No. 2016-49, an Ordinance Approving 324 Woodside Avenue Subdivision, Located at 313 Park Avenue, 324 and 328 Woodside Avenue, Pursuant to Findings of Fact, Conclusions of Law, and Conditions of Approval in a Form Approved by the City Attorney PAGE 98

(A) Public Hearing (B) Action

V. ADJOURNMENT

A majority of City Council members may meet socially after the meeting. If so, the location will be announced by the Mayor. City business will not be conducted. Pursuant to the Americans with Disabilities Act, individuals needing special accommodations during the meeting should notify the City Recorder at 435-615-5007 at least 24 hours prior to the meeting. Wireless internet service is available in the Marsac Building on Wednesdays and Thursdays from 4:00 p.m. to 9:00 p.m.
Posted: See: www.parkcity.org

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

Each fall the City Council establishes the meeting calendar for the following year. This is done ahead of time for the primary benefit of the City Council and staff, so they can plan ahead accordingly.

The 2017 draft City Council calendar has been established based on the following recommendations from a prior City Council: target to have three meetings a month, but no fewer than two meetings each month.

Staff is recommending the City Council finalize the 2017 calendar at the November 10, 2016 City Council meeting. A few questions for City Council, based on the draft 2017 City Council calendar:

1. Does City Council want to plan to have a meeting on Tuesday, October 24 instead of Thursday, October 26 so that City Council liaisons can go to the Colorado Association of Ski Towns can attend that particular meeting?
2. Does the City Council wish to balance the calendar to have a similar number of meetings in the first and second half of the 2017 calendar year?
3. If the agenda for any particular City Council meeting is looking excessively long and it is not possible to move items to another meeting, does the City Council wish to consider adding a special meeting on a Tuesday?
4. There are a few other questions that appear in the comments section to the right of certain calendar items.

Staff plans on walking through the aforementioned questions and the draft calendar at the November 10 City Council meeting.

Respectfully:

Diane Foster,

DRAFT 2017 City Council Calendar: *Updated November 6, 2016*

December 2016
1 City Council Meeting
8 City Council Meeting
15 City Council Meeting
22 No meeting (Christmas Eve)
29 No meeting (New Year's Eve)

January 2017
5 City Council Meeting
12 City Council Meeting
19 No Meeting (Sundance January 19-29, 2017)
26 City Council Meeting *(Council request: start at 4:30pm or after – Women in Sundance Brunch & film)*

February 2017
2 City Council Meeting
8-10 City Council Annual Retreat
16 City Council Meeting
23 No Meeting (school break)

March 2017
2 City Council Meeting
9 City Council Meeting
16 No Meeting
23 City Council Meeting
30 City Council Meeting

April 2017
6 No Meeting (ULCT conference April 5-7)
13 City Council Meeting
20 City Council Meeting
27 City Council Meeting

May 2017
4 No Meeting
11 City Council Meeting
18 City Council Meeting
25 City Council Meeting

June 2017
1 No Meeting (Memorial Day Monday, May 29)
8 City Council Meeting
15 City Council Meeting *(Budget Adoption meeting. Budget must be adopted before June 22)*
22 No Meeting
29 City Council Meeting

July 2017
6 No Meeting (Tuesday, July 4th holiday)
13 City Council Meeting
20 City Council Meeting
27 No Meeting (Pioneer Day holiday on Monday, July 24)

August 2017
3 City Council Meeting
10 No Meeting
17 City Council Meeting
24 No Meeting
31 City Council Meeting

September 2017
7 No Meeting (City Tour is Sept 6-10)
14 City Council Meeting)
21 City Council Meeting
28 No Meeting

October 2017
5 City Council Meeting
12 City Council Meeting
19 No Meeting (UEA weekend Oct 19-20)
26 City Council Meeting *(could meet Tuesday, October 24)*

November 2017
2 No Meeting
9 City Council Meeting
16 City Council Meeting
23 No Meeting (Thanksgiving Day)
30 City Council Meeting

December 2017
7 City Council Meeting
14 City Council Meeting

Comment [DF1]: Please confirm we should have a meeting this day (recommendation is to have a meeting). Monday January 2 is a federal holiday, so you will receive the City Council packet on Tuesday, January 3.

Comment [DF2]: One Council Member out of town February 2.

Comment [DF3]: One Council Member out of town March 23. Could do the following:
-Option 1: Take May 9 and May 23 as "No Meeting"
-Option 2: Have a meeting on March 16 & No meeting March 23.
-Option 3: No change to draft calendar.
Please note that Council Member has not requested accommodating travel schedule. Just wanted to point out that it is possible.

Comment [DF4]: One Council Member will miss April 20 meeting. **Recommended Option: Because those who go to ULCT Conference will not have a week off in April, recommend that take this as a NO MEETING week.** Also – we will be in the 2nd year of biennial budget, so the budget process should be easier this year than last **(***there should be fewer significant recommended changes***).**

Comment [DF5]: Recommend take this as a NO MEETING date. Even with April 20 and May 18 as no meeting dates, there will still be 16 regular City Council meetings in the first half of the year, not including the Retreat, and 15 in the second half of the year.

Comment [DF6]: Council Member has requested August 24 as no meeting week so that liaisons can attend the CAST meeting. It still meets the City Council target objective of three meetings in month, whenever possible. **Recommended change shown in this updated calendar.** (Prior calendar had August 17 as No Meeting)

Comment [DF7]: One Council Member out of town October 5. Could do the following:
-Have a meeting on September 28
-No meeting October 5.
Please note that the Council Member has not requested accommodating travel schedule. Just wanted to point out that it is possible.

Comment [DF8]: Council Member has requested October 26 as no meeting week so that liaisons can attend the CAST meeting. Couple of options:
OPTION 1: (**recommended**) Having a City Council meeting on **Tuesday**, October 24 to allow for CAST, but not mess up UEA weekend. Could also have No Meeting October 5 & have a MEETING on September 27 to accommodate one Council Member's travel schedule.

OPTION 2: *(not preferred)*
Could do the following to accommodate both schedules:
-September 28: MEETING
-October 5: No meeting
-October 19: MEETING (bad for public w/kids)
-October 26: No Meeting
-November 2: MEETING
-November 9 MEETING
-November 16: MEETING

21 No Meeting (Christmas Eve – *although could have a meeting where xmas isn't until the following Monday*)
28 No Meeting (New Year's Eve)

January 2018

4 No Meeting (New Year's – Monday & Tuesday, January 1 & 2 are holidays)
11 City Council Meeting
18 No Meeting (Sundance)
25 City Council Meeting *(Council request - start at 4:30pm or after – Women in Sundance Brunch & film)*

DATE: **November 10, 2016**

TO HONORABLE MAYOR AND COUNCIL

Council has established Housing as one of three Critical Priorities. A Critical Priority is one where if the current trajectory must be positively changed to maintain the four core community values that help us to Keep Park City Park City: Sense of Community, Small Town, Historic Character and Natural Setting. In particular, achieving the goals that Council has established for affordable housing is of the utmost importance to maintain Park City's Sense of Community.

This report summarizes the progress toward meeting housing goals established at the February 2015 Council Retreat and the subsequent numeric goal that was set in August of 2016. Work is summarized in four areas: Regulatory Tools, City Sponsored Development, Land Acquisition and Disposition, and the Neighborhood Preservation Pilot Program. Progress includes:

- **Formal adoption of City Council's Housing Goals**: At the housing update provided on August 25, Council requested that a formal resolution be adopted to institutionalize the goal established of completing 800 affordable housing units by 2026 as well as a sub-goal of 220 units by 2020. Staff is returning with a drafted resolution for Council's review tonight.
- **13 Units at Woodside Park**: Housing plans for Lower Park Avenue have moved forward including 14 units on the old Fire Station lot as Phase I of newly named project: Woodside Park.
- **8 Units at 1450/1460 Park Avenue**: A construction contract was approved by City Council on October 6, 2016 and the agreement signed on October 7, 2016. To date, work has begun on both historic homes to stabilize and move the homes for footings and foundations.
- **Affordable Housing Fee Waivers**: Housing staff worked with Building and Budgeting staff to conduct a full study session on November 3, 2016 with City Council to review the impact of waiving building, planning and engineering fees as well as impact fees for affordable housing projects. City Council direction was to waive fees for municipal affordable housing projects and to track those fee waivers so that the true cost can be tracked.
- **Contributing to Other Communities:** Housing staff made contributions to two affordable housing conferences - one national in scope and the second a state-wide group.
- **Regional Collaboration on Affordable Housing:** Staff has started regional housing discussions with Summit County and is preparing for a joint City/Summit County Council meeting on December 6 to focus on affordable housing and

transportation.

Respectfully:

Rhoda Stauffer, Housing Specialist

City Council
Staff Report

Subject:	**Affordable Housing Update**
Author:	**Rhoda Stauffer**
Department:	**Community Development**
Date:	**November 10, 2016**
Type of Item:	**Informational**

Summary Recommendation

Staff is providing an update on progress toward affordable housing goals and strategies, one of City Council's critical priorities: Affordable, Attainable and Middle Income Housing. No Council action is requested.

Executive Summary

Council has established Housing as one of three Critical Priorities. A Critical Priority is one where if the current trajectory must be positively changed to maintain the four core community values that help us to Keep Park City Park City: Sense of Community, Small Town, Historic Character and Natural Setting. In particular, achieving the goals that Council has established for affordable housing is of the utmost importance to maintain Park City's Sense of Community.

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Acronyms

CUP	Conditional Use Permit
EPS	Economic & Planning Systems, Inc.
HDDR	Historic District Design Review
RDA	Redevelopment Agency
RFQ	Request for Qualifications
SF	Square Feet

The Problem

As an international resort community with world class recreational, hotel and leisure service amenities, Park City's job market is dominated by the hospitality and leisure sector. More than 40 percent of all jobs within the city limits are in this sector. In 2014, the average annual income earned in all employment sectors was $44,052. Wages earned in the leisure and hospitality sector averaged $27,456 – 38 percent below all jobs.

According to the Park City Board of Realtors, the average of median closed sales for single family homes in 2016 since January in Park City is $1,703,071. For Midway and Heber City, the average of median sales for the same time period is $494,989 and $342,736 respectively. For homes in Park City to be affordable to the majority of those employed within City limits, prices would need to range between $200,000 and $500,000 (this range covers both affordable and attainable). Today, 80 to 85% of Park City's workforce lives outside the city limits. High home prices in Park City not only result in the need to import a high percentage of our community's workforce, it causes problems that range from increased traffic to the risk that Park City could lose vibrancy because of lack of full time residents.

Background

- In December 2014 City Council identified Affordable, Attainable and Middle Income Housing as a Critical Priority.

- On February 5, 2015 the City's Community Affairs Manager, and its Housing Specialist, presented a report on the current state of housing in Park City, 2014 accomplishments, a one-year action plan and five year targets.

- On March 5, 2015 Council provided direction to proceed with city-sponsored housing development at 1450/60 Park Avenue.

- On April 23, 2015 staff refined the Housing Action Plan to reflect actions taken through that date, and actions planned through June 30, 2019 in each of the program areas: Housing Regulatory & Compliance, Housing Development, Land Acquisition and Disposition and Neighborhood Preservation. All areas were on schedule with the timeline proposed during the Council Retreat, staff and Council also discussed income targeting for city-sponsored projects. Staff presented a summary of existing housing affordability levels and anticipated housing targets for proposed projects.

- On June 4, 2015 staff hosted an extended study session with City Council to provide a housing update and specifically to ask City Council for approval to (1) establish a Blue Ribbon Commission on Housing as we work through Housing Resolution changes, (2) consider housing feasibility on all city-owned parking lots, and (3) conduct a feasibility analysis to rehabilitate the historic home owned by the city located at 664 Woodside Avenue. Rehabilitation of 664 Woodside was too costly and the property was sold to add funding to overall housing budget for less costly properties.

- Since the Summer of 2015, staff is working with architects on design of a small in-fill neighborhood at the city-owned site at 1450 & 1460 Park Avenue. Construction began in October of 2016.

- From October of 2015 through April of 2016, with Council direction staff established and worked with the Blue Ribbon Housing Commission as well as EPS (regulatory consultants) to look at ways for the City to improve policy and regulatory tools for increased affordable housing development. Most of the recommendations have been approved or are under further review for budget and legal consideration.

- Two joint study sessions were held with City Council and Planning Commission on June 30 and July 28 which led to a Council Work Session on August 4 where Council approved amendments to the Housing Resolution regarding: A change in calculation method for the in-lieu fee; an update to employee generation calculations for commercial space; and a change income targeting to include a range of incomes. Staff requested to return with a financial analysis of cost to the city before approving an increase in fee waivers for affordable housing projects.

- On August 4, 2016, City Council provided direction to establish a goal of 800 more affordable units by 2026 with a subset of 220 by the year 2020. On August 25, Council requested that a formal resolution be adopted to memorialize this commitment. The drafted resolution is attached as Exhibit A.

- On September 16 staff began regional housing discussion with Summit County and is now preparing for a joint Park City/Summit County Council meeting on December 6 to focus on affordable housing and transportation.

- On September 28, City and Summit County Councils jointly hosted a reception for the participants in a conference by national affordable housing group – Grounded Solutions.

- On November 3, 2016 City Council held a Study Session to review the impact of fee waivers on affordable housing projects. The results of this discussion will be incorporated into a series of recommended amendments to the 13-15 Housing Resolution, namely that fees will be waived for municipal affordable housing projects and staff will establish a method of tracking those fees to allow for an understanding of the true full costs. Council also provided direction that fees will not be waived for private sector affordable housing projects where the units are being developed to fulfill a developer's affordable housing obligation. For private sector affordable housing projects that are not part of a developer's affordable housing obligation, Council will consider partial or full fee waiver requests on a case by case basis.

- Work to educate audiences about affordable housing issues in the past 60 days include:
    - Grounded Solutions Network – premier national housing group held their conference in Park City and housing staff organized a welcome reception (sponsored in partnership with Summit County) for the entire group on Main Street in Park City. In addition, housing staff served as a workshop presenter.
    - Grand County – housing staff served as a panelist in a public information session on "Assured Housing" to educate and entertain questions from the general public, developers and public officials about the pros and cons of instituting policy such as Park City's Housing Resolution.
    - Utah Housing Coalition – state-wide affordable housing conference held in Salt Lake City and housing staff served on the planning committee, as a workshop presenter and in a conference coordinating role

Housing Agenda Updates

More specific updates for the past 60 days are listed per each of the four categories below:

Regulatory Tools

- **Code Changes**: On August 4, Council approved several Housing Resolution amendments. The full package of amendments will be brought to council after conclusion of the fee waiver discussion on November 3. Approved to date is:
    - Modification of in-lieu fee calculation to incorporate real construction costs into the formula.
    - Update commercial employee generation numbers to reflect the survey conducted of local businesses by EPS.

- Amendment to the income limits and targets for deed restricted units to reflect a range of options.

- **Fee Waivers**: Working with staff from building and budget, housing staff returned with an in-depth analysis of legal and financial implications of increasing the amount of fees that can be waived for development of affordable housing units. This discussion occurred on November 3, 2016 and may lead to an additional amendment to Housing Resolution 13-15.

- **Resale of Existing Affordable Housing Units**: Staff is assisting another deed restricted property owner to complete the sale of their Silver Star unit to a qualified buyer. This brings the total re-sales at Silver Star to five in the past four months.

- **Market Assessment:** Jim Wood, Ivory-Boyer Senior Fellow, Kem C. Gardner Policy Institute, University of Utah, completed his initial draft of the affordable housing market assessment and staff is currently reviewing it. Once a final report is ready, staff will present to Council at the December 8 meeting date.

- **Update for Planning Commission:** A November 30 work session with the Planning Commission is scheduled to discuss all three City critical goals (Energy, Transportation, and Housing) as they relate the potential LMC updates

City Sponsored Development

1450/60 Park Avenue Status

At the March 5, 2015 City Council meeting, Council directed staff to move forward with a city-sponsored, single-family affordable housing project at this site. The property is zoned Historic Residential Medium density. There are two lots of .21 acres each. In October, Council directed staff to select a design that would allow for two one-bedroom, single family homes in the two historic properties, five two-bedroom homes and one three-bedroom home on the property. Council also directed staff to move parking to the perimeter of the property – primarily on Sullivan Avenue.

- Staff continues to conduct weekly meetings with Caddis of Boulder, Colorado – the architectural firm approved by City Council on June 25, 2015. HPB has approved the Historic Preservation Plan and the HDDR has approved specific designs and plans for the rehabilitation of the historic houses and the move forward on the property.

- A parking CUP was approved by Planning Commission at their July 13 meeting.

- An RFQ was issued in July to narrow the list of qualified bidders and all five applicants were qualified to bid. Three of the qualified bidders provided construction bids and the lowest viable construction bid received on September 22 came from North Ridge Construction and a contract was approved by Council on October 6 and signed on October 7. The construction contract is for a total of $2,200,800 which is lower than original estimates. The overall project budget is $3,023,520. The budget for construction is $2,755,000. To date, $208,197 has been spent on:
    - Structural engineering, soils testing, hazard remediation
    - Project design and construction drawings
    - Project management

- Construction began immediately with work on the two historic homes. Both non-historic additions have been removed. Both houses have been stabilized and moved back on the lots to make room to build footings and foundations.

- HDDR approvals on the new homes are still in-progress.

Woodside Park / Lower Park Avenue Status

On June 30, 2016 the City Council awarded a contract to Elliott Work Group for planning and design for housing and other civic uses on City owned property in the Lower Park Avenue Redevelopment Authority (RDA). The scope included:

1. Delivering housing on the fire station parcel as the most important priority;
2. Creating a master plan and subsequent RFP to secure a team to develop housing on the remaining land from Woodside to Empire;
3. Conducting a feasibility exercise on the program and location for senior needs;
4. Examining proximate, existing city facilities for highest and best use.

Economic Development, Housing, Planning and Community Development staff are part of the design team working with Elliott Workgroup and continue to meet weekly. Work completed on housing goals to date includes:

1. A layout for the old fire station parcel (Phase I) that provides a total of 14 units, eight ownership units and five rentals. Initial site designs have also been approved by Council for Phase I.
2. City Council provided direction to build the new Senior Center as part of the planned new recreation building adjacent to Miner’s Hospital. This direction from Council allows for continued forward progress on Phase II.
3. Initial discussions of higher density options for Phase II have been introduced and will be more fully analized at a City Council meeting on November 17.

Land Acquisition and/or Disposition

Staff continues feasibility analysis on possible land acquisitions to provide new affordable housing options. As options become more clearly viable, they are presented to Council in Closed Session for consideration. While under Utah law property acquisitions may be discussed in Closed Session to allow for the negotiation of best possible terms; final acquisition of any property must be approved by the City Council in an open and public meeting.

Neighborhood Preservation Pilot Program

Staff recommends we revisit this category in the coming months. Staff will meet with the Budget Team and discuss any potential alternatives which will be reported on in a future update. However, for the most part, land and property costs are now at the higher end of the market and the resources set aside for this program would only allow for minimal units.

How this work furthers the goals of the General Plan

Goal seven of the General Plan states "Create a diversity of primary housing opportunities to address the changing needs of residents" and goal eight states: "increase affordable housing opportunities and associated services for the workforce of Park City" (Link here to pages 70-77 of the Sense of Community section of the General Plan) All efforts and issues identified here are to increase the number of units affordable to members of Park City's workforce. General Plan objectives that are addressed by this work include:

- 7A - Increase diversity of housing stock to fill void within housing inventory.
- 7E - Create housing opportunities for the city's aging population.
- 8A - Provide increased housing opportunities that are affordable to a wide range of income levels.
- 8C - Increase housing ownership opportunities for workforce within primary residential neighborhoods.

Department Review

The following Departments have reviewed this Staff Report: Community Development, Budget, City Attorney and Executive.

Funding Source

Funding has been reserved for these programs. A combination of Resort Sales Tax and RDA funding – both Capital budgets.

Attachments

- Exhibit A – Resolution setting housing development goal

Exhibit A

Resolution No. _______

DRAFT – FOR REVIEW ONLY

A RESOLUTION ESTABLISHING AN AFFORDABLE HOUSING PRODUCTION GOAL to promote a range of affordable, quality housing opportunities available for persons of all economic levels; and

WHEREAS, Park City is a world-class community and our quality of life and ability to live in this beautiful mountain community is dependent upon the availability of a variety of housing options to meet the socio-economic needs of people who live and work here; and

WHEREAS, Park City is committed to maintaining a community that contains a broad diversity of owner-occupied and rental housing types; and

WHEREAS, Park City is committed to promoting new housing development that is energy efficient, environmentally sensitive and that blends with the City's natural environment; and

WHEREAS, since 2008 sale prices for all homes has escalated exponentially and the job market has similarly increased resulting in high numbers of commuters and few workforce residents;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council do hereby proclaim an affordable housing goal of 800 units by 2026 with an intermediate goal of 220 units by 2020.

PASSED AND ADOPTED this 17th day of November, 2016.

PARK CITY MUNICIPAL CORPORATION

____
Mayor Jack Thomas

Attest:

____
Michelle Kellogg, City Recorder

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

On August 11, 2016 City Council authorized an architectural services contract with RNL for the Phase 1 concept design of Public Utilities and Streets Facility. Staff and RNL have collectively worked together to develop a site plan to integrate and meet the City's goals, needs, and Land Management Code requirements.
On October 6, 2016 staff presented programmatic goals as they relate to all three of Council's critical priorities and received helpful feedback and direction. Council asked to see a concept of some form of housing onsite in order to determine if housing at this semi-remote municipal facility makes sense.
During this work session, staff will be presenting the recommended site layout, massing model, and viewshed perspectives for the concept plan. Staff will also present a housing alternative for Council's consideration. This and future work sessions are needed prior to submitting land use applications to the Park City Planning Department and Planning Commission in early 2017.

Respectfully:

Holly Hilton, Assistant

City Council Staff Report

Subject: Public Utilities and Streets Facility – Site Concept
Author: Clint McAffee, Public Utilities Director
Roger McClain, Public Utilities Engineering Manager
Department: Public Utilities and Streets
Date: November 10, 2016
Type of Item: Administrative

Summary Recommendation
Staff is seeking input and direction from City Council on: 1) preliminary site plans and massing models and 2) programmatic goals for the proposed Public Utilities and Streets Facility as they relate to City Council's Housing Critical Priority.

Executive Summary
Through the General Plan City Council has set as an objective to "Provide reliable public resources to ensure the health, welfare, and safety of residents and visitors" *(Objective 1.4 http://www.parkcity.org/home/showdocument?id=12388 page 99).* Additionally, City Council has established, through the strategic planning process and the Biennial Plans, the following Desired Outcomes:

- Enhanced water quality and high customer confidence
- Effective water conservation program
- Adequate and reliable water supply
  (http://www.parkcity.org/Home/ShowDocument?id=13028 page 1)

In pursuit of the need to maintain levels of service and meet City Council's goals for essential services, City Council has directed staff to develop a Public Utilities and Streets facility on the property known as "the Gordo parcel" located on the north side of SR 248. This site is comprised of several properties totaling about 14 acres.

On August 11, 2016 City Council authorized an architectural services contract with RNL for the Phase 1 concept design of Public Utilities and Streets Facility. Staff and RNL have collectively worked together to develop a site plan to integrate and meet the City's goals, needs, and Land Management Code requirements.

On October 6, 2016 staff presented programmatic goals as they relate to all three of Council's critical priorities and received helpful feedback and direction. Council asked to see a concept of some form of housing onsite in order to determine if housing at this semi-remote municipal facility makes sense.

During this work session, staff will be presenting the recommended site layout, massing model, and viewshed perspectives for the concept plan. Staff will also present a housing alternative for Council's consideration. This and future work sessions are needed prior to submitting land use applications to the Park City Planning Department and Planning Commission in early 2017.

Acronyms
The following acronyms and abbreviations have been used in this report:

City	Park City Municipal Corporation
LMC	Park City Land Management Code
FPZ	Frontage Protection Zone
ECPO	Entry Corridor Protection Overlay
MPD	Master Planned Development

The Issues

1. Staff and RNL have developed a space needs assessment for the Public Utilities and Streets concept site plan and massing model.
   a. Site Layout.
      The concept site plan incorporates the findings of the needs assessment and addresses key issues such as: existing deficiencies in staffing needs; site circulation; visibility; sustainability goals; parking and access; applicable Land Management Codes (LMC); and future expansion.
   b. Site Massing Model
      Public Utilities and Streets operates and maintains a significant quantity of equipment in varying sizes that require facilities with specific building height, and massing needs. The facilities are situated on the site to be consistent with the surrounding area and zoning requirements.
   c. View shed Analysis
      The site is located on the City's eastern entry corridor and is impacted by the Frontage Protection Zone (FPZ), and more specifically the Entry Corridor Protection Overlay (ECPO) requirements of the LMC.
2. Housing - At the October 20, 2016 City Council meeting Council directed staff to continue to look for opportunities to integrate housing onsite to address Council's Housing Critical Priority.

Analysis
The Park City General Plan references development in Quinns Junction area. Regional and institutional type facilities are encouraged development types for the Quinns Junction Neighborhood. The General Plan discourages uses that would increase dependence on single vehicle occupancy, or detract from existing commercial nodes within the City. While the Public Utilities and Streets Facility is not an institutional or regional facility as defined within the plan, the site plan and the building layout and sizes are similar to the campus style layout of those existing facilities in the area including the Quinns Water Treatment Facility. The proposed Facility should not increase dependency on personal vehicles, and will not detract from existing commercial nodes throughout the City.

It is also important to note that modifications to the existing Land Management Code are likely required before this facility could be permitted in order to meet open space requirements for the development. Community Development has agreed to propose changes to the Land Management Code that would define essential public facilities which could have unique requirements and would allow this Facility to be constructed at this site.

1. Concept Site Plan
   a. Site Layout.
      When viewing the site layout and existing vs proposed square footage of the facility for Water and Streets, it is important to remember that the current location on Iron Horse Drive does not adequately house the existing uses. In addition several facilities including the Park Ave Fire Station and the Spiro Operational Campus will be repurposed resulting in a significant decrease in available space. For example, equipment that is stored outside at the Iron Horse facility, because of space constraints, will be stored inside in the new facility. Generally speaking, equipment stored inside has a longer life than equipment stored outside. Additionally, outside storage of certain equipment causes operational problems and inefficiencies due to freezing and subsequent added time to thaw and/or repair equipment due to freezing. Examples include barricades freezing to trailers; and asphalt and high pressure cleaning equipment which either needs to be winterized after each use, which takes time, or stored indoors.

      The proposed site layout and building footprints are based on a detailed space needs assessment, site circulation, property shape and terrain, sunlight direction, and expandability. Figure 1 presents a preliminary summary of the current and future space needs assessment. Figure 1 depicts future space needs compared to existing facilities. Figure 2 provides a detailed breakdown of what is contributing future space needs shown in Figure 1. The values in Figures 1 and 2 are approximate and will continue to be refined as site plans and building designs are refined.

Figure 1 - Preliminary Space Needs

Public Utilities Divisions	**2016 - Existing, Various Facilities (square feet)**			**Build Out- Public Utilities & Streets (square feet)**		
	Admin	Garage	Yard	Admin	Garage	Yard
Water	3,073	11,923	400	5,950	17,097	26,738
Streets/Storm	897	14,778	11,263	5,950	17,397	27,738
IT Place Holder				2,400	0	0
Parks Place Holder				0	1,500	0
TOTAL	**3,970**	**26,701**	**11,663**	**14,300**	**35,994**	**54,476**
Added Space (see Figure 2 for detail)				*10,330*	*9,293*	*42,813*

Figure 2 provides a detailed breakdown of what is contributing to the added space shown in Figure 1.

Figure 2

Preliminary Major Contributors to Added Space (square feet)			
	Admin	Garage	Yard
IT Place Holder	2,400		
Existing Deficiency			
PPE Storage*/Employee Locker Room	1,800		
Meeting, Training, and Common Space	2,500		
Records Storage and Printing	1,000		
Equipment Storage/Shop Space		2,200	
Future Needs			
Additional Employees	2,300		
Additional Equipment		4,000	
Parks Place Holder		1,500	
Future Materials Storage		1,500	
Growth and Replacement Yard Space			43,000
TOTAL	10,000	9,200	43,000

**PPE is Personal Protective Equipment*

Key siting elements for the proposed facility will be identified and presented to City Council during the work session.

b. <u>Site Massing Model</u>

The site massing model for the proposed site concept plan and buildings will be presented to City Council during the work session.

Key Considerations for Site Massing

- Are proposed site improvements and grading consistent with the site and buildings in the surrounding area?
- Are the proposed building height variations sufficient for the site?

c. <u>Viewshed Analysis</u>

Views of the site massing model for the proposed site concept plan and buildings will be presented to City Council during the work session.

Key Considerations for Viewshed Analysis

- Do proposed site improvements and grading adequately address entry corridor views?
- Are operational and parking areas sufficiently screened?
- Will building design elements be able to address concerns with visible portions of buildings?

Pros of proposed Concept Site Plan

- Meets identified space needs and programmatic elements
- Supports Council's critical priorities to the extent possible
- Minimizes visual impact to entry corridor to the extent practical
- Efficient layout for vehicle and workflow circulation

Cons of proposed Concept Site Plan

- Visible in entry corridor
- No expansion area outside currently identified future needs

Question for Council:

Does Council support the proposed Concept Site Plan for the new Public Utilities and Streets Facility?

2. Housing

a. Staff has solicited input from current Public Utilities and Streets Department employees and did not receive an interest in onsite departmental workforce or emergency housing.

b. Staff has discussed this topic with Community Development and Transit and identified a need for workforce transit housing that might be compatible with the proposed Public Utilities and Streets Facility site. Staff and the site architect, RNL, have explored alternatives and identified a potential location for transit housing on the concept site plan. The units could be located above the proposed heated vehicle storage area at the northwestern corner of the site and would be isolated from access to areas of facility operations. As with other buildings on the site, staff has not finalized floor plans or exact number of housing units possible. However, the site plans shows an approximate 5,000 square foot area for this potential housing.

The City Manager highly recommends placing a least a few housing units at this site. We will always find reasons why employee housing won't work at a particular site; in fact, there are many reasons why the Transit housing at Irohorse shouldn't work: noise, small units, units don't have full kitchens, etc. Yet these are incredibly popular, with some Transit Operators choosing to share these small units to save money.

Municipal salaries will never keep pace with the cost of housing within City limits and School District Boundaries. As municipal employees who purchased homes in the 1980's and 1990's retire, the percentage of employees who live within municipal boundaries will erode.

City Employees (PCMC)		
PCMC total full & part-time employees	745	100.00%
City Limits	205	27.52%
School District Boundaries & outside of City limits	157	21.07%
Eastern Summit County	81	10.87%
SL/Utah/Davis counties	182	24.43%
Wasatch County	108	14.50%
Other	12	1.61%

Source: Human Resources office of PCMC, October 2015

While it may take many years to get there, we should anticipate that the $1.7 median home price we now see in Park City will eventually reach the $4.2 million Aspen median home price we heard on CityTour. (Wall Street Journal 2011 article pegs this figure at $4.6 million http://www.wsj.com/articles/SB10001424052748703775704576162553297928260)

Pros of onsite Transit housing

- Might advance Council's housing priority to add 800 units by 2026 by adding housing units to the City's inventory if transit housing is included in the goal
- City can "walk the talk" and provide affordable housing for our own employees, which is what we are asking other large employers in town to do.
- Increases transit housing opportunities needed for City employees and supports Goal 7 of the General Plan by helping to fill voids in housing inventory
- If employees live in the community, they will be better able to respond to emergencies. Because of increasing housing prices, in 50 years we should anticipate, as we have seen in Aspen, that municipal employees will be push further and further afield.

Cons of onsite Transit Housing

- Currently funding for additional transit housing is not budgeted within the Transportation and Parking fund. Additional housing options should be evaluated in the context of planned transportation and parking priorities with in the fund.
- Site massing impact
- Cost per unit could be significant due to small number of units and required structural and access upgrades to proposed buildings (e.g. an elevator would be required) and noise mitigation that staff would recommend for these units
- Impact on residents from municipal activities onsite are not ideal for family or long term residential uses
- Could restricts future expansion and/or modification needed for future municipal operations
- Site is not connected to a broader neighborhood or community
- High likelihood of reliance on single occupancy vehicles

- There may be other sites that are more conveniently located to the Public Works operations to develop transit employee housing which need further consideration

Question for Council:

Does Council want staff to return with a more focused discussion on the possible Transit housing scope, costs, budget, and project implications?

Background
Staff previously presented recommendations to City Council during the "New Business" and "Work Session" portion of regular meetings. The project related material previously presented at City Council meetings may be found at:

Architectural Services Professional Services Agreement – RNL, Inc. – August 11, 2016:
http://parkcityut.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=2179&Inline=True

Engineering Services Professional Services Agreement – Bowen Collins & Associates, Inc. – May 19, 2016:
http://parkcityut.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=2140&Inline=True

Public Utilities Facility – Programmatic Goals – October 6, 2016:
http://parkcityut.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=2193&Inline=True

Next Steps:
a. Staff intends to return to City Council with an updated site concept plan that integrates Council's directions from the work session
b. Pending Land Management Code changes: Public Utilities' goal is a submission to the Planning Department for permitting anticipated early 2017

Department Review
This report has been reviewed by representatives of Public Utilities, Community Development, Budget, City Attorney's Office, and the City Manager's Office. Comments have been integrated into this report.

Funding Source
The funding for the project is from water and storm water service fees and impact fees; transportation fund; and general funds. This funding is part of the approved 5-year CIP.

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

On June 23rd, the MARC was notified that it had been awarded a 2016 USTA Facility of the Year. The notice went on to state that from the other 11 winners, Park City was further selected to receive the USTA's top facility award, The "Featured Facility of the Year." This is the highest honor a facility can receive from the USTA.

The MARC also received several "Certificates of Recognition" for City and Rec workers, architects, builders and public volunteers that were instrumental in the concept, design and build of the MARC. Candy Erickson has also been honored with one as well.

The Park City Recreation Department has the following outstanding staff that contributed to making this facility great: Ken Fisher, Manager; Tate Shaw, Asst. Manager; five Recreation supervisors and coordinators, three front desk leaders, 11 front desk attendants, 6 full time tennis pros, 12 part time tennis pros, three pro shop attendants and 2 facility engineers which brings our total to 44 year round employees with several others working seasonally.

Respectfully:

Michelle Kellogg, City Recorder

May 26, 2016

Michael O'Keefe
The Candy Erickson Tennis Center
1200 Little Kate Road
Park City, Utah 84060

Dear Michael,

Congratulations! I am pleased to inform you that The Candy Erickson Tennis Center at Park City Municipal Athletic and Recreation Center has been selected to receive a 2016 USTA Outstanding Facility Award and is named as this year's Featured Facility of the Year.

The United States Tennis Association's Outstanding Facility Award Program was established to stimulate high standards in tennis facilities and to recognize those facilities whose efforts make such a positive statement about the vitality of the game.

Official announcement of the award will be made at the USTA Semi-Annual Meeting Awards Breakfast on Monday, September 5th, 2016 in New York City at the Grand Hyatt Hotel. Two (2) representatives are invited to attend. As the Featured Facility winner, your facility is entitled to two (2) flight accommodations and one (1) hotel room accommodation. We will be in contact in the coming weeks with specific instructions on how to book your travel and lodging. Please note that any accommodations booked prior to instructions from the USTA will not reimbursed.

If someone from your facility cannot attend the meeting, a commemorative plaque will be presented to your facility via your section or district office. In addition, an outdoor sign will be shipped directly to your facility in the fall and your facility will receive a complimentary one-year Organizational Membership with the USTA.

Certificates of achievement are available for park and recreation directors, architects, consultants, and community volunteers who were integral to the construction, design, or general concept of the facility. We ask your assistance in providing us with the appropriate names and titles for recipients of these certificates by sending an email to facilityawards@usta.com by Thursday, June 30th, 2016.

For questions, please call or email Toni Ann Buchalski at 914-697-2264 or Buchalski@usta.com.

We would like to take this opportunity to thank you for your participation in this program and to let you know that your contribution to the game of tennis is greatly appreciated.

We wish you and The Candy Erickson Tennis Center continued success!

Sincerely,

Virgil Christian

Virgil Christian
Senior Director, Market/Facility Development & Collegiate Tennis

Cc:
Rob Scott - Executive Director, USTA Intermountain
Maiysha Warren - National Manager – USTA Tennis Facilities & Development


PARK CITY, UT

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

Anomaly Action Sports is an action sports based company specializing in apparel, protective equipment, and accessories. They are seeking funds to offset their cost of relocating to Park City, increased rent cost, and business expansion. They have requested the Economic Development Grant in the amount of $100,000, $20,000 annually for the next five years. Staff is supportive of funding a one-time grant covering three years in a total amount of $20,000, which is consistent in amount and duration of other Grants. This recommendation is based on the applicant's ability to meet the City's Economic Development Grant Criteria. Staff is additionally supportive of reconsidering award of additional funds after one year based on demonstrated success and possible competition from other applicants.

Respectfully:

Michelle Kellogg, City Recorder

Lower Park Avenue Redevelopment Authority Staff Report

Subject:	**Economic Development Grant Application – Anomaly Action Sports**
Author:	**John Umbel – Budget Analyst** **Jonathan Weidenhamer, Economic Development Manager**
Department:	**Budget, Sustainability**
Date:	**November 10, 2016**
Type of Item:	**Administrative - Award of Economic Development Grant**

Summary Recommendations:

Staff recommends City Council approve an Economic Development Grant Contract in the amount of $20,000 for a three year period for Anomaly Action Sports in a form approved by the City Attorney. Return in one calendar year and reconsider award of additional funding depending on demonstrated growth and competition for funds from other grant applications.

Executive Summary:

Anomaly Action Sports is an action sports based company specializing in apparel, protective equipment, and accessories. They are seeking funds to offset their cost of relocating to Park City, increased rent cost, and business expansion. They have requested the Economic Development Grant in the amount of $100,000, $20,000 annually for the next five years. Staff is supportive of funding a one-time grant covering three years in a total amount of $20,000, which is consistent in amount and duration of other Grants. This recommendation is based on the applicant's ability to meet the City's Economic Development Grant Criteria. Staff is additionally supportive of reconsidering award of additional funds after one year based on demonstrated success and possible competition from other applicants.

The Opportunity:

The City Council expanded the funding in the Grant program in fiscal year 2015 to better align economic development resources with their goals. Since doing so, we've seen successes in growing outdoor related startup companies including Avatech.

Background:

Grant Program

In 2006 Park City created an Economic Development Grant program that awards up to $20,000 annually for business relocation or startup costs. City Council has awarded the full amount almost every year, usually to one recipient, but in some cases the money has been split between multiple applicants. The City Council updated the Grant Criteria to consider award of Economic Development Grants as part of an update to the Budget Policy on July 7, 2014 (Exhibit C).

As part of the 2016 Fiscal Year budget, Council also approved an increase in the funding for the Economic Development Grant Program to $50,000 annually. The funding comes from three sources: General Fund ($10,000), Lower Park Redevelopment Agency ($20,000), and the Main Street Redevelopment Agency ($20,000). The funding from the two redevelopment agencies must be spent within the funding districts. As part of that update the Economic Development Grant Policy was also updated to expand the evaluative framework to include the City's General Plan and Biennial Strategic Plan and expanded eligibility to include Business Expansion Assistance. The process was also updated to review any grant application at the end of the quarter they applied. The first quarter ended September 30, 2016.

In only one case, a Grant for Avatech was awarded over multiple fiscal years (2016, 17, and 18). This award was based on the limited funding source and location of the business (the business in Prospector Square was only eligible for general fund money, which is limited to $10,000 annually).

<u>Anomaly Application</u>
On August 3, 2016 staff received a grant proposal from Ted Ligety (Chairman & Co-Founder) and Carlo Salmini (Co-Founder) of Anomaly Action Sports. They seek the funds for the purpose of business relocation, increased rent costs, and business expansion. A panel of staff and Economic Development Council Liaisons Henney and Beerman reviewed the application. The application was further vetted by the Capital, Debt and Grants Budget Manager.

The proposal is to relocate and consolidate Anomaly Action Sports from California and New Hampshire to Park City. The business is located on Iron Horse Drive will include office space, a Flagship Store, and a warehouse. Their proposal is found as Exhibit B. In summary, Anomaly seeks:

- $100,000 over 5 years ($20,000/year) – Cost to relocate to Park City, including offsetting rent increase. Tenant Improvements including painting, renovations and furniture. The funding will also help to expand business operations.

Alternatives for City Council to Consider

1. **Recommended Alternative:** Approve a one-time grant in the amount of $20,000 that would commit Anomaly to doing business within Park City for 3 years. Return in one calendar year and reconsider award of additional funding depending on demonstrated growth and other applications.

   <u>Pros</u>
   a. Supports an outdoor based retailer to relocate to Park City;
   b. Supports a resident to open a small business in Park City;
   c. Allows consideration of more funds based on demonstrated success;
   d. Consistent with stated goals of general plan.

   <u>Cons</u>
   a. It is significantly under the amount requested.

   <u>Consequences of Selecting This Alternative</u>

The business has not turned a profit yet, and the recommended grant amount might not be enough to help them become fully profitable.

2. **Alternative:** Commit to award of additional funding over 2 to 5 more years.

   Pros
   a. Would demonstrate our strong commitment to investing in a small, locally business, that is based in outdoor related industry;
   b. Continue to develop a niche in the Iron Horse district that had diversified.
   c. There is some consistency with award over multiple years for a growing outdoor related business.

   Cons
   a. Award over multiple years with Lower Park Avenue funds would be inconsistent with other grant awards;
   b. Would bind Council to spending out of a future budget;
   c. Would preclude other grants from the Lower Park Avenue Budget for that number of years.

3. **Alternative:** Approve a one-time grant in the amount of $20,000 that would commit Anomaly to doing business within Park City for 3 years.

   Pros
   a. Supports an outdoor based retailer to relocate to Park City;
   b. Supports a resident to open a small business in Park City.

   Cons
   b. It is significantly under the amount requested.

Analysis

On July 10, 2014 City Council adopted an updated Grant Criteria (Exhibit C). The former criteria did not provide the flexibility that previous City Councils were looking for when considering grant applications. Staff believes the changes adopted during the 2016 budget process assists Council to balance their economic development priorities within other stated community goals, by expanding the geographic available locations available for Grants. The Grant Criteria and entire Economic Development Budget Policy can be found on p.109 of the City's 2017 Adopted Budget (p.115 of linked document).

The budget policy is silent on awarding funds for multiple years, except to say that Council has complete discretion over the process – *"Individual ED Grant Contracts may vary from contract to contract at the discretion of the City Council. Any award of a contract is valid only for the term specified therein and shall not constitute a promise of future award."*

Anomaly Action Sports' Grant Application – Public notice of the Council's consideration of this contract was published on October 15, 2016. We have received no input on the matter.

Staff analysis according to criteria is included in *italics*.

Criteria #1 – The organization must demonstrate a sound business plan that strongly supports prioritized Goals of the current City Economic Development Plan.
Anomaly exhibits a sound business plan in line with Council goals. One of the founders, Ted Ligety is from Park City. He and his partner Carlo Salmini started the business in 2006 in their garages. In 2013 Anomaly restructured and sales took off. Their products are sold in over 40 countries, with over 4 million in sales in 2014. Also in 2014, online sales increased by 500%. Their proposal indicates their business plan will focus on steady growth, product development and grow revenue through diversified brands and products. They estimate, in their 5-year forecast, that they will grow sales by 50% annually.

1. *Examples of the ways in which the business plan meet council goals include: 1) Anomaly has a company policy that supports alternative forms, especially the use of bikes, which meets the Council goal of preserving and enhancing the natural environment.; 2) Many of Anomaly's products are made with natural fibers and recycled materials which also supports Council's goal of preserving and enhancing the natural environment. 3) In support of Council's goal complete community that values historic preservation, economic diversity, and the arts & culture, anomaly plans on providing educational events that promote outdoor sports participation and safety. 4) Anomaly is a catalyst for action sports in all seasons helping to diversify the resort economy and furthering Council's goal of a thriving mountain community.*

2. **Criteria #2** – Organizations must commit to and demonstrate the ability to do business in the City limits no less than three years. Funding cannot be used for one-time events. *Anomaly seeks a 5 years of funding from the City; this demonstrates their commit to do business within the City limits. Staff however, has always sought 3 year commitments, and recommends limiting the grant contract to 3 years as a reasonable time to return a direct benefit proportionate to the grant awarded.*

3. **Criteria #3** –– The organization must produce items or provide services that are consistent with the Economic Development Work Plan and be consistent with the City's General Plan and enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City. The organization must demonstrate there is more identifiable benefits than detriment when weighed against the balanced goals of the General Plan through the attached score sheet as well as identify areas where the proposal is consistent or inconsistent with the City's biennial strategic plans. The proposal is consistent with the World Class, Multi-Seasonal Resort Destination Biennial Strategic Plan Key Strategy of Pursuing Development and Redevelopment Consistent with the General Plan and specific Area Plans as well as the Desired Outcome of providing unique and diverse businesses. *Indirect Benefits - The proposal provided by Anomaly indicates creation of a local business and employment that will further Park City's economic status. The business plan also promotes an emphasis upon sustainability, which is a pursuit of the City Council. The following*

was submitted by Anomaly which demonstrates creation of jobs outside the resort service sector:

	Five year forecast				
	Year 1	Year 2	Year 3	Year 4	Year 5
Expenses - Payroll	350,760	387,701	439,871	596,381	752,891
FTEs	7	8	9	12	15

4. **Criteria #4** – Fiscal Stability and Other Financial Support: The organization must have the following: (1) A clear description of how public funds will be used and accounted for; (2) Other funding sources that can be used to leverage resources; (3) A sound financial plan that demonstrates managerial and fiscal competence. *The use of the ED grant funds has been well outlined in detail in the application. The funds will be used to offset the increase cost of rent in Park City, relocation expenses, and to implement their business expansion plan.*

5. **Criteria #5** – Can forecast at the time of application an ability to achieve direct or indirect economic/tax benefits equal to or greater than the City's contribution. *Currently*, *Anomaly sales are conducted online. Park City would only be able to collect sales tax dollars on the sales that occur when a Park City Resident purchases their products online. However, starting 2018, Anomaly anticipates opening their Flagship store in Park City. Following the opening of this store it is reasonable to assume, over time, that the amount collected in sales tax revenue will exceed what the city has contributed to Anomaly through the ED Grant. Anomaly also supplies the indirect economic benefits by supplying new jobs with a living wage.*

6. **Criteria #6** – The organization should show a positive contribution to diversifying the local economy by increasing year-round business opportunities, creating new jobs, and increasing the local tax base. *Anomaly currently has 7 employees who will be relocating to Park City and projects to add 8 more employees over the next of 5 years. They provide products for actions sports for all seasons during the year. Once they open the flagship store in 2018, Anomaly will increase the local tax base.*

Project Evaluation

If awarded the grant, the success of Anomaly Action Sports relocation and expansion will be measured based on the project and submitted to PCMC within one year of the grant's exhaustion.

Relocation and expansion: One of the best ways to measure the success of this grant will be in sales one year after exhausting the grant. We will be able present information about how the move to Park City and the opening of a flagship store-front increased sales and therefore tax revenue. By comparing sales prior to the grant we will be able to demonstrate the positive impact it has on business, community and tourism.

Project Evaluation Estimates by the Numbers:

- 8 new employees in the next 5 years.
- Expected growth of 50% in sales annually.
- Over a five year period expected growth in sales over 400%.

Issues for Discussion

1. Does Council agree with the staff and Council Liaisons' recommendation on an award of a specific one-time amount of $20,000?
2. Does Council wish to consider committing additional funds over additional years?

General Plan Review

The General Plan Neighborhood Plan for Bonanza Park has the following excerpts p.30 (link):

Section 3.1 A mixed use neighborhood where locals live and work – In an effort to support local start-up businesses and services is it essential to maintain affordable leases in the area.

Section 3.2 An authentic neighborhood and local employment hub – To reach the goal of creating more diverse jobs for Parkites, a collaborative approach to redevelopment must exist between the City, property owners, residents and business owners. Participation from all parties is necessary to create a desirable mixed use neighborhood in which existing and new business choose to call home. The City has a goal to use economic development tools to attract new businesses in cooperation with investors.

Department Review

Sustainability, Budget, Planning

Funding Source

Lower Park Avenue Redevelopment Budget

Recommendation:

Staff recommends City Council approve an Economic Development Grant Contract in the amount of $20,000 for a three year period for Anomaly Action Sports in a form approved by the City Attorney. Return in one calendar year and reconsider award of additional funding depending on demonstrated growth and other grant applications.

Exhibits

Exhibit A Anomaly Action Sport Draft Grant Contract

Exhibit B	Anomaly Action Sport Grant Application and Proposed use of Funds
Exhibit C	Economic Development Grant Criteria
	General Plan Goals
	Biennial Strategic Plan Goals - http://www.parkcity.org/Biennial Plan 15/16

Exhibit A – Draft Grant Contract

Economic Development Grant Contract

ECONOMIC DEVELOPMENT GRANT CONTRACT BETWEEN ANOMALY ACTION SPORT AND PARK CITY MUNICIPAL CORPORATION FOR BUSINESS RELOCATION.

THIS AGREEMENT is made and entered into this __th day of ______, 2016, by and between **Anomaly Action Sports** and **PARK CITY MUNICIPAL CORPORATION** (hereinafter "City").

WITNESSETH:

WHEREAS, as part of the budget process, the City Council appropriates Economic Development funds to contract with organizations who meet the economic development grant program requirements outlined by the City's Budget Policy; and

WHEREAS, organizations must meet certain criteria in order to be eligible for an Economic Development Grant Contract; and

WHEREAS, applicants are eligible to apply for an Economic Development Grant Contract year round, the City will award Contracts through an application process administered by the Economic Development Grant Program Committee; and

WHEREAS, pursuant to Sections 10-8-2 and 10-2-84 of the Utah Code Annotated, the City Council hereby finds that the provision of City funds herein is consistent with the Park City General Plan, and provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City; and

WHEREAS, notwithstanding the recitals above, the City desires to provide grant funds in exchange for positive economic impact benefit at least equal to the current fair market value to the City's contribution; and

WHEREAS, the Economic Development Grant program committee evaluated and approved the Economic Development grant request by Anomaly Action Sports for assistance towards rent subsidy and tenant improvements.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the sufficiency of which is hereby acknowledged, that parties agree as follows:

ARTICLE I
<u>TERM AND ALLOCATION</u>

Anomaly Action Sports shall have an Economic Development Grant contract with a term of three years. The City will allocate the full grant amount upon execution by both parties.

TOTAL amount available for allocation: $20,000

ARTICLE II
<u>SERVICES TO THE COMMUNITY</u>

In exchange for the City's contribution, Anomaly Action Sports agrees to:

- Operate the Business in Park City for a minimum of three years in accordance with Grant application.
- Report to the Economic Development Manager annually on performance and growth of the business.

Both parties agree that the above service provided to the community represents a good faith exchange of current fair market value for the City's contribution.

ARTICLE III
HOLD HARMLESS/NO AGENCY

Anomaly Action Sports agrees to defend, indemnify, and hold harmless City, its officers, agents, and employees from and against all losses and expenses, including costs and attorney's fees, resulting from any injury, including death, to any person or damages to property of others arising out of the acts or omissions of Anomaly Action Sports in the performance of work under this agreement. Anomaly Action Sports is an independent entity and nothing herein shall be construed to create any agency, nor employee relationship with the City.

ARTICLE IV
DISSOLUTION

On dissolution of the organization or project prior to three years any remaining funds attributable to the City shall revert to the City in a prorated amount.

ARTICLE V
RECORD KEEPING/AUDIT

Anomaly Action Sports agrees to keep accurate books and records of expenditures related to its operation. The City or its independent auditor reserves the right to conduct its own audit of books and records at reasonable times and places during ordinary business hours. If the grant money has not been used as agreed herein, the City shall be entitled to a full or partial refund of the grant.

ARTICLE VI
AMENDMENT

This Agreement may be amended with the approval of the City Council and Anomaly Action Sport. This Agreement may not be amended, except by an instrument in writing signed on behalf of each of the parties hereto.

ARTICLE VII
EFFECTIVE DATE

The effective date of this Agreement is the date first written above.

PARK CITY MUNICIPAL CORPORATION

____

Diane Foster, City Manager

Attest:

____
Michelle Kellogg, City Recorder

Approved as to form:

____
Mark Harrington, City Attorney

Anomaly Action Sports

____
Ted Ligety, Chairman & Co-Founder

STATE OF UTAH)
) ss.
COUNTY OF SUMMIT)

On this ___th day of ________, 2016 before me, the undersigned notary, personally appeared - ____________________________ allowed by law, to be the person whose name is signed on the preceding or attached document, and acknowledged that he signed it voluntarily for its stated purpose as Chairman & Co-Founder of Anomaly Action Sports.

____
Notary Public

Exhibit B – Anomaly Action Sports Proposal

August 3, 2016

Jonathan Weidenhamer
Economic Development Manager
Park City Municipal Corporation

Dear Mr. Weidenhamer,

I am pleased to submit the enclosed grant proposal to the Park City Municipal Corporation. Anomaly Action Sports' (AAS) passion for outdoor and action sports is a perfect fit for Park City's vibrant community. I am excited about the opportunity to move the company that I co-founded to my home town where it will benefit from the business environment and I will be able to supervise its growth much more closely than in past years.

We are planning to consolidate AAS US operations from its current facilities in California and New Hampshire to Utah, uniting under one roof Sales, Marketing and US Operations. To do so, we are applying for a $20,000 grant for the next 5 years. These funds, if granted, will cover part of our investment to relocate our activities and scale our company into what we always imagined: a worldwide catalyst for outdoor winter and summer sports enthusiasts.

Anomaly Action Sports started in 2006 during a mountain bike ride in Park City with my business partner Carlo Salmini, skier/material-engineer/MIT-MBA. There we shared our vision for creating the products of our dreams with the goal of creating a company that unified the various segments of snow sports with products that were fun but also innovative with new technologies to enhance safety and allow athletes to push their limits. We have since expanded this philosophy and know-how into bike and other action sports.

We started by producing ski goggles and race protection in our garages. Today, AAS ships over 40,000 goggles and helmets plus body protection, sunglasses and accessories. We developed two brands with clear objectives in mind:

- Shred Optics: We make the products of our dreams, with the fusion of performance and style.
- Slytech Protection: The best technical protection, try it and there is no going back.

We are continuously striving to be leading innovators in terms of technology. For instance, we are currently starting a collaboration with MIT on lens technology and style, leveraging our Italian based design center while listening to market feedback through our diverse team of athletes.

We believe that our presence here would benefit Park City in multiple respects. Firstly, we will attract and retain talent within the Park City area. We are currently planning to start with 7 FTEs and expect to reach at least 15 by 2020. Our team is diverse and energetic. We can count on a variety of high-value professionals including: professional athletes, engineers, MBAs, and graphic designers. Secondly, we will promote Park City and its surroundings, leveraging this beautiful area for events and photo/video shoots. We co-sponsored *Good Company*, a local Park City film production company founded by friends and ski/outdoor enthusiasts who produce one of our prominent athlete's, Tom Wallisch, feature films and episodes for distribution through GoPro, Monster Energy, ESPN, and ABC distribution channels reaching millions of eyes and homes across the world in highly anticipated global debuts. Finally, AAS's core values are aligned with Park City's goals for year-round outdoor recreation. We will sponsor events, both for winter and summer sports.

We share Park City community goals and we believe Anomaly Action Sports can contribute to a vibrant and diverse economic environment while reinforcing its unique character. My business partner and co-founder, Carlo, advised Avatech when they started their project and Brint Markle has strongly encouraged us to move to Park City. You can learn more about our team at http://shredoptics.com/ and http://slytechprotection.com/. I also invite you to reach out to me at 435-901-0920 to discuss this application in more detail.

Sincerely,

Ted Ligety
Chairman & Co-founder

Anomaly Action Sports

Mission

Our mission is to un-limit an athlete’s pursuit of fun through our technological advances in engineering. The company is based around our love for all forms of shredding. We all push the boundaries in search of freedom. Our products are the brainchild of the athletes using them, and are produced with materials of the highest quality. We make the products of our dreams, with passion, love, and know-how.

BRANDS & PRODUCTS

Shred – "From the core"
Shred is our most well-known brand, famous for combining Style and Performance in all of our offerings including: Snow and bike goggles, helmets, and sunglasses. Below you can find a selection of the products we proudly developed. More on **http://shredoptics.com/.**

Helmet Collection

Goggles Collection

Shred Sunglasses Collection

Slytech – "Got my Back"

Slytech is our brand dedicated to body protection. We differentiate ourselves by combining safety and comfort for our athletes during all of their activities. Below we highlight a selection of our protective gear and accessories. More on: **[http://slytechprotection.com/.](http://slytechprotection.com/)**

Protection Collection

Accessories

Technologies

Loyal to our drive for performance and innovation, we always strive to improve our products and, as first users, test them. Over the years we developed several technologies that we successfully market like:

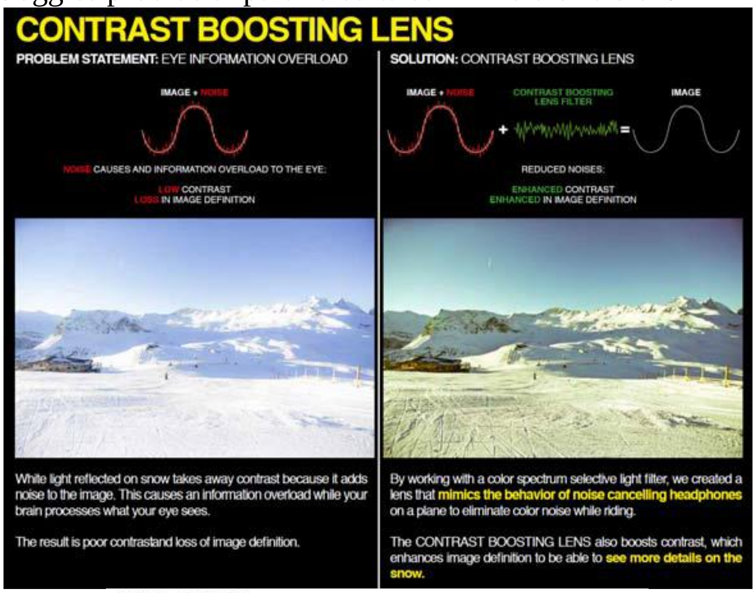
- Contrast Boosting Lens (see below).
- Slytech NoShock offers improved safety and comfort utilizing our proprietary honeycomb design for multi-directional distribution of impact energy, Patent Pending
- Shred NoDistortion offers excellent optical properties with impact-resistant materials.

Patent Pending.

- Shred NoWeight, lightweight and durable design for the secure fit needed for active users
- Shred NoSeason Helmets engineered to meet safety regulations for snow and bike.

Patent Pending.

- Shredwide Goggles provide unparalleled width in field of vision.



Company highlights

Founded in 2006 as a hobby driven activity, Anomaly restructured in 2013 to become a key player in the Actions Sports industry. A few highlights of the company:

- Product lines are sold in over 40 countries around the world.
- Aggregated sales of $4M in 2014 (Sales Projection of $20M by 2020). GM of 48%.
- 2012-2015 growth of 100%.
- Online sales growth of 500% since the re-launch of our websites in 2014, and also in key online retailers such as backcountry.com, blue-tomato.com and Amazon.
- Marketing, Sales and US Operations hub: 5 employees in US (Huntington Beach, CA, New Boston, NH) and 2 employee to be hired in Park City.
- Development and EU Operations hub: 15 employees in Venice, Italy

Founders

- **Ted Ligety – Chairman / Chief Creative Officer**
  - 2x Olympic Gold Medalist, 5x World Champion, 4x World Cup GS Champion
  - Mountain Biker
  - Creating and innovating with SHRED and SLYTECH since 2006
  - Addicted to product perfection and performance

- **Carlo Salmini – CEO/ Sales, Product & Marketing**
  - Former Ski Racer, Freeskier, Mountain Biker, Surfer
  - MIT Sloan MBA, Class of 2011
  - Leading the product technology and innovation of SHRED and SLYTECH since inception
  - Addicted to sports engineering and innovation, equipment geek

Recent media references

http://freeskier.com/the-wire/tom-wallisch-signs-shred-optics

HOME / NEWS /

Tom Wallisch signs with Shred Optics

BY DONNY O'NEILL / SEPTEMBER 2, 2014 2 COMMENTS

639 Shares

Facebook Twitter

Photo provided by Erik Seo

After a long tenure with Scott USA, Tom Wallisch has signed with Shred Optics. Wallisch will be sporting Shred goggles, sunglasses and helmets as well as being heavily involved on the product development side of things. In regards to the signing Wallisch said, "For me, what separated Shred from other brands was the athlete involvement in the company. I was able to see firsthand the amount of input Ted [Ligety] and other athletes had in everything from design to color choices. Having gear that incorporates great technology and also looks good is all any skier wants."

In addition to signing Wallisch, Shred just launched a brand spankin' new website. Check out the press release below and then head over to shredoptics.com to browse the new site.

Press Release, Shred Optics:

At SHRED OPTICS, we have been working tirelessly to provide the most talented riders with the products they wish to see shape the future of their sports with the inherent style associated with our products, as well as the incorporated technology. As an athlete born company that remains rider driven, our products

http://www.powder.com/latest-news/tom-wallisch-joins-shred-optics-crew/#3dM1k2E90jsxu1ry.97

September 02, 2014 | By Powder Magazine

For immediate release:

Nashua, N.H. (September 2, 2014) –At SHRED OPTICS, we have been working tirelessly to provide the most talented riders with the products they wish to see shape the future of their sports with the inherent style associated with our products, as well as the incorporated technology. As an athlete born company that remains rider driven, our products are the tangible revelations of our team. We could not be more proud to announce that Park City local and worldwide legend, Tom Wallisch, has joined the family. All of us at the SHRED OPTICS family share the same passion for the mountains that Tom does, and we are ecstatic to support him in his pursuit of skiing perfection, as well as to provide an avenue to foster his creative growth as a product designer and brand influencer.

Co-founder and Park City resident super star, Ted Ligety, never hid his aspirations, "Tom is a hero. I have been in awe of his style and skills for years. He inspires me to push my own boundaries. I am so excited to collaborate with Tom on both the aesthetics of helmets, goggles, and sunglasses moving forward, but also to push the technological boundaries."

Upon signing with SHRED OPTICS, Wallisch shared, "I want to work on and design awesome products with a company that is excited about me as an athlete and person. I've got a lot of plans left for my ski career and I'm excited to have a company like SHRED OPTICS there to support me and all my future endeavors. For me what separated SHRED from other brands was the athlete involvement in the company. I was able to see firsthand the amount of input Ted and other athletes had in everything from design to color choices. Having gear that incorporates great

Proposal Summary

Anomaly is considering a move to Park City this year. We have an ambitious yet solid business plan to grow our US operations from $1mm to over $5mm by 2020. Our team will comprise 7 full time employees at the time of the move but we expect to grow it to 15 by 2020. Park City will be a critical accelerator for our growth by:

- **Facilitating business operations** – Park City is a unique district for outdoor companies to collaborate and develop partnerships
- **Attracting talents** – Park City has a talent pool available for new hires and offers an attractive location to retain current employees.

We therefore believe Anomaly Action Sports is a great fit for this project and our plan complies with all the criteria you described. Specifically:

1. Sound business plan

Anomaly Action Sports has been consistently growing and we expect to stay on the same trajectory for the coming years. The financial data below is for the US operation only which launched in 2010. Still in the start-up phase of the business, we haven't yet reached profitability but we will bring economic benefits to Park City community from Day 1, in terms of wages, rents 400,000 USD and we expect to generate almost 900,000 USD by 2020 including corporate taxes (see below financial projections, related expenses in yellow).

	Five year forecas			**t**		
	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**CAGR**
Revenue	1,120,567	1,680,851	2,521,277	3,781,915	5,672,873	50%
COGS	527,810	765,324	1,109,720	1,609,094	2,333,186	45%
Expenses - Rent	49,200	50,676	52,196	65,245	81,557	25%
Expenses - Payroll	350,760	387,701	439,871	596,381	752,891	
FTEs	7	8	9	12	15	25%
Expenses - Advertising & Promotion	120,282	144,339	173,206	207,848	249,417	20%
Other Expenses	502,999	578,449	665,217	764,999	879,749	15%
Income Taxes (5% Utah)	0	0	4,053	26,917	68,803	
Net Income	**-430,491**	**-245,646**	**77,004**	**511,419**	**1,307,255**	

2. Organization in line with Economic Development Work Plan and Park City General Plan

As stated above, Anomaly Action Sports is aligned and will contribute to many of Park City's development objectives (attached in this application you can also find the detailed score sheet). In particular:

○ **Direct complimentary land use and development into existing neighborhoods that have available infrastructure and resource capacity.**

Anomaly has narrowed prospective office locations to the Prospector or Bonanza Park areas. These areas provide housing opportunities for our employees and the opportunity to walk or bike to services during the work day.

- **Park City will encourage alternative modes of transportation on a regional and local scale to maintain our small town character**

Anomaly has a company policy that supports alternative forms of commuting, especially bicycles. At this regard we are now launching a helmet for bike that reflects light and greatly increase visibility and safety for commuters at night.

- **Environmental Mitigation: Park City will be a leader in energy efficiency and conservation of natural resources reducing greenhouse gas emissions by at least fifteen percent (15%) below 2005 levels in 2020**

As an outdoor company, we are sensitive to environmental issues. We continue to create innovative materials and developing products like natural fibers goggles and sunglasses made from recycled snowboards. Moreover, we are would like to participate annually with Thin Air conference, as sponsors and/or as speakers.

- **Parks & Recreation: Park City will continue to provide unparalleled parks and recreation opportunities for residents and visitors**

As we grow, we would like to contribute to the spread of the unique outdoor culture in Park City. We want to organize fun educational events for high-school students with our athletes to promote outdoor sports participation and safety.

- **Park City will provide world-class recreation and public infrastructure to host local, regional, national, and international events that further Park City's role as a world-class, multi-seasonal destination resort while maintaining a balance with our sense of community**

As mentioned above, we have a solid team of elite athletes, many of whom grew up here as I did, including Tom Wallisch and several others. Being based in Park City, we can bring together our team of athletes for events and shoots. Moreover, we plan to host our October sales team meeting, further adding to year-round visits.

- **Support the continued success of the multi-seasonal tourism economy while preserving the community character that adds to the visitor experience**

We started as a Snow sports company but we have now successfully diversified into summer sports like mountain bike, skateboard while also looking into trail running. Therefore, we consider Anomaly as a catalyst for Action Sports for all seasons, with well-established product offerings, and a team of athletes in a variety of sports.

Anomaly Action Sports wants to bring a home-town business back to where it started. It is a local business, not a formula business or chain store. Our mission and products are deeply tied to the core values that Keep Park City Park City.

○ **Foster diversity of jobs to provide greater economic stability and new opportunities for employment in Park City**

Anomaly is a locally owned business. We will employ 7 full time employees with more than 115 years of combined experience. In addition, we work with a team of independent contractors, sales representatives and athletes. Areas of expertise include: marketing, sales, management, finance, credit, operations, e- commerce and IT.

	Five year forecast				
	Year 1	Year 2	Year 3	Year 4	Year 5
Expenses - Payroll	350,760	387,701	439,871	596,381	752,891
FTEs	7	8	9	12	15

Finally, we are already leveraging our ties with top universities, such as MIT, to develop common projects and intern programs. We believe these connections will help Park City to promote the opportunities offered by the city to emerging professionals as well as established businesses.

Project budget

Anomaly believes Park City is an ideal location to base its growth for all the reasons mentioned above. This grant is an opportunity to support part of the expenses related to the relocation and the expansion of our activities in the next five years. We are there requesting $20,000 per year for the next five years as partial funding for the following activities:

	Expected relocation and expansion costs					
	2016	2017	2018	2019	2020	Remarks
Business relocation and start-up	**89,995**	**83,484**	**54,189**	**54,914**	**55,662**	
Rent offset	9,995	23,484	24,189	24,914	25,662	Estimated at about 4100$/month in PC vs current 2200$/month, plus buy-out of California lease.
New office renovation and furniture	15,000					Painting, minors renovation and furniture
Employee relocation package	35,000					Estimated moving expenses for 7 FTEs.
Employee retention expenses	30,000	30,000	30,000	30,000	30,000	Salary increases and health insurance
Warehouse relocation		30,000				Planned for 2017.
Business expansion		**70,000**	**90,000**	**80,000**	**80,000**	
Global Sales Meeting in PC		60,000	60,000	60,000	60,000	US SNOW Sales meeting, Global bike sales meetings and demo events
Hiring activities		10,000	10,000	10,000	10,000	Including research, interviewing expenses and intern programs
Showroom/Flagship store development			20,000	10,000	10,000	Development of a Showroom/Flagship store to also host clients athletes, ...
Total	**89,995**	**153,484**	**144,189**	**134,914**	**135,662**	
Anomaly Investments	**69,995**	**133,484**	**124,189**	**114,914**	**115,662**	
Potential PC grant	**20,000**	**20,000**	**20,000**	**20,000**	**20,000**	

Exhibit C –Grant Criteria & Budget Policy

ECONOMIC DEVELOPMENT GRANT POLICY (ADOPTED JULY 10, 2014)

Annually, the City will allocate up to $50,000 to be used towards retaining and growing existing businesses and attracting and promoting new organizations that will fulfill key priority goals of the City's Biennial Strategic Plans and General Plan. Funding will be available for relocation and/or expansion of current businesses, and new business start-up costs only.

A. ED Grant Distribution Criteria

Applications will be evaluated on the following criteria in order to be eligible for an ED Grant:

1. **Criteria #1:** The organization must demonstrate a sound business plan that strongly supports prioritized Goals of the current City Economic Development Plan.
2. **Criteria # 2:** Organizations must commit to and demonstrate the ability to do business in the City limits no less than three years. Funding cannot be used for one-time events.
3. **Criteria #3:** The organization must produce items or provide services that are consistent with Economic Development Work Plan and be with ~~of~~ the City's General Plan enhances the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City. The organization must demonstrate there is more identifiable benefits than detriment when weighed against the balanced goals of the General Plan through the attached score sheet as well as identify areas where the proposal is consistent or inconsistent with the City's biennial strategic plans.
4. **Criteria #4:** Fiscal Stability and Other Financial Support: The organization must have the following: (1) A clear description of how public funds will be used and accounted for; (2) Other funding sources that can be used to leverage resources; (3) A sound financial plan that demonstrates managerial and fiscal competence.
5. **Criteria #5:** Can forecast at the time of application an ability to achieve direct or indirect economic/tax benefits equals to or greater than the City's contribution.
6. **Criteria #6** – The organization should show a positive contribution to diversifying the local economy by increasing year-round business opportunities, creating new jobs, and increasing the local tax base.

The City's Economic Development Program Committee will review all applications and submit a recommendation to City Council, who will have final authority in judging whether an applicant meets these criteria.

B. Economic Development Grant Fund Appropriations

The City currently allocates economic development funds from the Lower Park RDA ($20,000), the General Fund ($10,000), and the Main Street RDA ($20,000). Of these funds, no more than $50,000 per annum will be available for ED Grants. Unspent fund balances at the end of a year will not be carried forward to future years.

C. ED Grant Categories

ED Grants will be placed in two potential categories:

1. **Business Relocation Assistance:** This category of grants will be available for assisting an organization with relocation and new office set-up costs. Expenses that could be covered through an ED Grant include but are not limited to moving costs, leased space costs, and fixtures/furnishings/ and equipment related to setting up office space within the City limits.
2. **New Business Start-up Assistance:** This category of grants will be available for assisting a new organization or business with new office set-up costs. Expenses that could be covered through an ED Grant include but are not limited to leased office space costs and fixtures/furnishings/ and equipment related to setting up office space within the City limits.
3. **Business Expansion Assistance:** This category of grants will be available for assisting an organization or business with expansion costs. These expansions should increase square footage, increase year-round jobs in city limits and/or increase tax revenue; or demonstrate a venture into an area considered a diversification of our economic base.

D. Application Process

Application forms may be downloaded from the City's www.parkcity.org website available via email from the Economic Development Manager, or within the Economic Development Office of City Hall. Applications will be evaluated and awarded on a quarterly basis.

E. Deadlines

All applications for Economic Development Grants must be received no later than the following dates each year to be eligible for quarterly consideration; March 31th, June 30th, September 30th, and December 31st.. The City Council will consider in a public meeting any application within 30 calendar days of each of the quarterly deadlines. Extraordinary requests outside the scheduled application process may be considered, unless otherwise directed by Council.

Extraordinary requests received must meet all of the following criteria to be considered:

1. The request must meet all of the normal Public Service Fund Distribution Criteria and qualify under the Economic Development Grant criteria;

2. The applicant must show that the requested funds represent an immediate fiscal need that could not have been anticipated before the deadline; and

3. The applicant must demonstrate significant consequences of not being able to wait for the next quarterly review.

F. Award Process

The disbursement of the ED Grants shall be administered pursuant to applications and criteria established by the Economic Development Department, and awarded by the City Council consistent with this policy and upon the determination that the appropriation is necessary and appropriate to accomplish the economic goals of the City.

ED Grants funds will be appropriated through processes separate from the biennial Special Service Contract and ongoing Rent Contribution and Historic Preservation process.

The Economic Development Program Committee will review all applications on a quarterly basis, and forward a recommendation to City Council for authorization. All potential awards of grants will be publicly noticed 14 days ahead of a City Council action.

Nothing in this policy shall create a binding contract or obligation of the City. Individual ED Grant Contracts may vary from contract to contract at the discretion of the City Council. Any award of a contract is valid only for the term specified therein and shall not constitute a promise of future award. The City reserves the right to reject any and all proposals, and to waive any technical deficiency at its sole discretion. Members of the City Council, the Economic Development Program Committee, and any advisory board, Task Force or special committee with the power to make recommendations regarding ED Contracts are ineligible to apply for such Contracts. City Departments are also ineligible to apply for ED Contracts. All submittals shall be public records in accordance with government records regulations (“GRAMA”) unless otherwise designated by the applicant pursuant to UCA Section 63-2-308, as amended.

General Plan Goals Score sheet

Small Town

Goal 1: Park City will protect undeveloped lands, discourage sprawl, and direct growth inward to strengthen existing neighborhoods

Objectives:

1A: Direct complimentary land use and development into existing neighborhoods that have available infrastructure and resource capacity.

1B: Each neighborhood should have a well-defined edge, such as open space or a naturally landscaped buffer zone, permanently protected from development, with the exception of the transition areas where two adjacent neighborhoods merge along an established transportation path.

1C: Primary residential neighborhoods should encourage opportunities to enhance livability with access to daily needs, including: a mini market, a neighborhood park, trails, community gardens, walkability, bus access, home business, minor office space, and other uses that are programmed to meet the needs of residents within the neighborhood and complement the existing context of the built environment.

1D: Increase neighborhood opportunities for local food production within and around City limits. Sustainable agriculture practices should be considered within appropriate areas.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 2: Park City will emphasize and preserve our sense of place while collaborating with the Wasatch Back and Salt Lake County regions through regional land use and transportation planning.

Objectives:

2A: A regional land-use planning structure should be integrated within a larger transportation network built around transit.

2B: Regions should be bounded by and provide a continuous system of greenbelt/wildlife corridors to be determined by natural conditions.

2C: Regional institutions and services (e.g. government, stadiums, museums, etc.) should be located within existing development nodes.

2D: Materials and methods of construction should be specific to the region, exhibiting a continuity of history and culture and compatibility with the local character and community identity.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 3: Park City will encourage alternative modes of transportation on a regional and local scale to maintain our small town character.

Objectives:

3A: Streets, pedestrian paths and bike paths should contribute to a system of fully connected and interesting routes to all destinations. Their design should encourage pedestrian and bicycle use by being small and spatially defined by buildings, trees, signs, and lighting; and by discouraging high-speed traffic.

3B: Prioritize efficient public transportation over widening of roads to maintain the *Small Town* experience of narrow roads, modest traffic, and Complete Streets.

3C: Public transportation routes should be designed to increase efficiency of passenger trips and capture increased ridership of visitors and locals.

Impacts Goal:		
Positively	Negatively	neutral/unsure

NATURAL SETTING

Goal 4: Open Space: Conserve a connected, healthy network of open space for continued access to and respect for the *Natural Setting.*

Objectives:

4A: Protect natural areas critical to biodiversity and healthy ecological function.

4B: Buffer entry corridors from development and protect mountain vistas to enhance the natural setting, quality of life, and visitor experience.

4C: Prevent fragmentation of open space to support ecosystem health, wildlife corridors, and recreation opportunities.

4D: Minimize further land disturbance and conversion of remaining undisturbed land areas to development to minimize the effects on neighborhoods.

4E: Collaborate with neighborhoods to create small parks or passive open space areas.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 5: Environmental Mitigation: Park City will be a leader in energy efficiency and conservation of natural resources reducing greenhouse gas emissions by at least fifteen percent (15%) below 2005 levels in 2020.

Objectives:

5A: Encourage development practices that decrease per capita carbon output, decrease vehicle miles traveled, increase carbon sequestration, protect significant existing vegetation and contribute to the community emission reduction goal.

5B: Encourage efficient infrastructure to include water conservation, energy conservation, renewable resource technology, decreased waste production, green public transit, and increased road and pathway connectivity.

5C: Park City Municipal Corporation will be a strong partner in efforts to reduce community GHG emissions, leading by example and providing policy guidance while promoting personal accountability and community responsibility.

5D: Align transportation goals with sustainable goals that reflect all four Core Values of the City.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 6: Climate Adaptation: Park City will implement climate adaptation strategies to enhance the City's resilience to the future impacts of climate change.

Objectives:

6A: Prepare for probable scenarios that could threaten health, welfare, and safety of residents. Implementation of climate adaptation strategies is necessary to become more resilient to wildfire, flood, and drought.

6B: Encourage opportunities for local food production and sales of food produced regionally.

6C: Support ecosystem health, biodiversity, and natural buffers between development and sensitive lands.

6D: Encourage regional planning efforts as a mechanism to mitigate population growth.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Sense of Community

Goal 7: Life-cycle Housing: Create a diversity of primary housing opportunities to address the changing needs of residents.

Objectives:

7A: Increase diversity of housing stock to fill voids within housing inventory (including price, type, and size) to create a variety of context sensitive housing opportunities.

7B: Focus efforts for diversity of primary housing stock within primary residential neighborhoods to maintain majority occupancy by full time residents within these neighborhoods.

7C: Focus future nightly rental units to resort neighborhoods - near Park City Mountain Resort and Deer Valley.

7D: Facilitate the implementation of a housing plan that promotes economic diversity.

7E: Create housing opportunities for the City's aging population (e.g. step-down housing, community housing, cottage style units).

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 8: Workforce Housing: Increase affordable housing opportunities and associated services for the work force of Park City.

Objectives:

8A: Provide increased housing opportunities that are affordable to a wide range of income levels within all Park City neighborhoods.

8B: Increase rental housing opportunities for seasonal workers in close proximity to resorts and mixed use centers.

8C: Increase housing ownership opportunities for work force within primary residential neighborhoods.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 9: Parks & Recreation: Park City will continue to provide unparalleled parks and recreation opportunities for residents and visitors.

Objectives:

9A: Maintain local recreation opportunities with high quality of service, exceptional facilities, and variety of options.

9B: Locate recreation options within close vicinity to existing neighborhoods and transit for accessibility and to decrease vehicle miles traveled. Grouping facilities within recreational campuses is desired to decrease trips.

9C: Optimize interconnectivity by utilizing bus/transportation services to recreation facilities.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 10: Park City will provide world-class recreation and public infrastructure to host local, regional, national, and international events that further Park City's role as a world-class, multi-seasonal destination resort while maintaining a balance with our sense of community.

Objectives:

10A: Remain competitive as a world-class, multi-season, destination resort community by increasing year-round recreation events and demand for resort support services, such as hotels and restaurants.

10B: Balance tourism events with preservation of small town character and quality of life. Locate larger tourist activities close to resorts and/or existing facilities. Locate community facilities close to primary residential areas.

10C: Public infrastructure improvements and programming should consider the visitor experience to Park City during large events and master festivals.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 11: Support the continued success of the multi-seasonal tourism economy while preserving the community character that adds to the visitor experience.

Objectives:

11A: The vibrancy of Park City's resorts is essential to the success of resort support businesses. The City must provide flexibility to allow the primary resorts to evolve with the tourism industry, increase occupancy rates year round, and create more demand for the resort support industries throughout the City.

11B: Preservation of our community core values of Small Town, Natural Setting, Sense of Community, and Historic Character is essential to maintaining the unique Park City Experience for visitors and residents. Regulate design of new development to compliment the community's core values and protect the Park City Experience.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 12: Foster diversity of jobs to provide greater economic stability and new opportunities for employment in Park City.

Objectives:

12A: Retain and expand existing Park City businesses.

12B: Improve the balance of jobs-to-housing ratio in Park City through efforts to attract higher paying jobs and workforce housing strategies.

12C: Support local owned, independent businesses that reflect the core values of Park City and add to the Park City experience.

12D: Minimize commercial retail chains on Main Street and the impacts of big box and national chains on the unique Park City experience.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 13: Arts & Culture: Park City will continue to grow as an arts and culture hub encouraging creative expression.

Objectives:

13A: Increase cultural, arts, and entertainment-related events that diversify and support our tourism-based economy.

13B: Foster and enhance the vitality of Park City's local arts and cultural sectors.

13C: Encourage the installation of public art on private property, public space, parks, trails, and streets that represent Park City's core values.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 14: Living within Limits: The future of the City includes limits (ecological, qualitative, and economic) to foster innovative sustainable development, protect the community vision, and prevent negative impacts to the region.

Objectives:

14A: Provide reliable public resources to ensure the health, welfare, and safety of residents and visitors.

14B: Manage growth to protect the quality of life and preserve the unique *Park City Experience* by recognizing limits to growth and adopting responsible policies that are consistent with those limits. Look at policies to offset this growth through efficiencies and renewables.

14C: Provide safe drinking water to residents and visitors. Set limits to future demand based on available sources and expense of available sources.

14D: Prevent degradation of air quality through the implementation of best practices for land use, clean energy, regional transportation, and growth management.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Historic Character

Goal 15: Preserve the integrity, mass, scale, compatibility and historic fabric of the nationally and locally designated historic resources and districts for future generations.

Objectives:

15A: Maintain the integrity of historic resources within Park City as a community asset for future generations, including historic resources locally designated on the Park City Historic Sites Inventory and its two National Register Historic Districts – the Main Street Historic District and the Mining Boom Era Residences Thematic District.

15B: Maintain character, context and scale of local historic districts with compatible infill development and additions.

15C: Increase local knowledge of historic preservation principles and accepted standards through increased public education and programming.

15D: Provide additional public education/programming to connect property owners and financial incentives in an effort to offset the high cost of restoration.

15E: Encourage adaptive reuse of historic resources.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Goal 16: Maintain the Historic Main Street District as the heart of the City for residents and encourage tourism in the district for visitors.

Objectives:

16A: Support "adaptive re-use" of buildings along Main Street through incentives to property owners and businesses.

16B: Limit uses within the first story of buildings along Main Street to retail and restaurant establishments that are inviting to the passing pedestrian. Uses that should be discouraged include office space, real estate show rooms, parking, etc.

16C: Utilize Main Street as a backdrop/setting for cultural events, festivals, and celebrations.

Impacts Goal:		
Positively	Negatively	neutral/unsure

Total Score/15		
Positively	Negatively	neutral/unsure

Biennial Plan

The Biennial Strategic Plan draws on Park City 2030, the Business Plans, and the Budget Document to give a summary of the City's approach over the next two years to pursue Council Priorities and the Community Vision. This document is used to report highlights of the Strategic Planning Process to Council during their annual Visioning Session, and it is updated every two years.

The current Biennial Plan to be provided by the Economic Development Department along with application forms at the request of the applicant. The 2015 – 2016 Plan can be found at:

http://www.parkcity.org/Modules/ShowDocument.aspx?documentid=10646

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

The attached Exhibit A lists all License applicants to date pending approval. These applicants have completed all requirements for application, including insurance requirements and paid the applicable license fee. Staff is requesting approval of the attached applicants to conduct business during the 2017 Festival.

Respectfully:

Beth Bynan, Business License Specialist

City Council
Staff Report

Subject:	**Local Consent for Special Event Temporary Alcoholic Beverage Licenses during the 2017 Sundance Film Festival**
Author:	**Beth Bynan, Business License Specialist**
Department:	**Finance**
Date:	**November 10, 2016**
Type of Item:	**New Business**

Summary Recommendation

Staff is requesting Council approval of the Special Event Temporary Alcoholic Beverage License (License) applications listed in Exhibit A for operation during the 2017 Sundance Film Festival (Festival).

Executive Summary

The attached Exhibit A lists all License applicants to date pending approval. These applicants have completed all requirements for application, including insurance requirements and paid the applicable license fee. Staff is requesting approval of the attached applicants to serve alcoholic beverages during the 2017 Festival.

Acronyms

City – Park City Municipal Corporation
DABC - Utah Department of Alcoholic Beverage Control
License – Special Event Temporary Alcoholic Beverage License
Festival – Sundance Film Festival
MFL – Master Festival License
SE – Special Events

Background

On June 6, 2013, Council passed amendments to the requirement for a License during the time period of the Festival. One of those amendments requires City Council approval of all applications no later than the last regularly scheduled meeting in the preceding month of December. This is consistent with the Utah Department of Alcoholic Beverage Control (DABC) process. The final deadline for DABC approval prior to the Festival will be on January 6, 2017. However, there are instances in which the Park City Municipal (City) requires a License and the DABC does not (i.e. private parties). Under City Municipal Code 4-4-2(B)(2) Council may hold an emergency meeting to hear no more than twelve (12) applications for late approval.

All applications must be complete and submitted no later than the first Friday in January (January 6' 2017) to be heard no later than the second Thursday in January (January 12, 2017). No more than the first twelve complete applications to be submitted will be heard. A higher fee, pursuant to the fee schedule, may be required due to the expedited nature of the emergency meeting.

Condition of Approval:

In order to maintain life safety standards, staff recommends that security personnel (at a ratio of 1 security officer per 50 occupants) be required for all Special Event Temporary Alcoholic Beverage Licenses, for nightclubs, bars and similar uses as appropriate. Staff recommends that this security be included as a condition of approval for these identified sites as highlighted on EXHIBIT A. Sites approved through the Special Event process are separately regulated; security is addressed during that application process.

Vacancy:

During the October 6, 2016 work session, vacancies on Main Street were discussed in the context of temporary conversions to hospitality p.57- http://parkcityut.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=2193&Inline=True. While staff intends to return by the end of November 2016 with a proposed ordinance, no ordinance or notice has been developed to date.

However, staff would like to specifically make note of any licenses that are proposed into locations shown in the previous report. Staff recommends approval of the application because it would be difficult to defend that a property owner had any reasonable notice or expectation that they would be unable to make a conversion of this type. From the five applicants listed in Appendix A there is one location, 573 Main Street, that has been vacant and only used exclusively by Sundance annually. This location was issued a full-time business license for an art gallery, Prospect Fine Art, on August 31, 2016. However, as of October 27, 2016, the gallery has not opened.

Alternatives for City Council to Consider

1. **Recommended Alternative:** Approve the Single Event Liquor Permit locations listed in Exhibit A

   Pros

   a. The Sundance Institute will be able to serve liquor at their Special Event locations.

   Cons

   a. There are no anticipated negative impacts associated with approving the locations on Exhibit A.

   b. Null Alternative: If Council does nothing and does not grant approval, the Sundance Institute will not be permitted to serve liquor at the specified host locations.
   Pros: There are no perceived positive impacts from doing nothing.
   Cons: The Sundance Institute will not be able to serve liquor at their Special Event Locations during the 2017 Sundance Film Festival.

Department Review

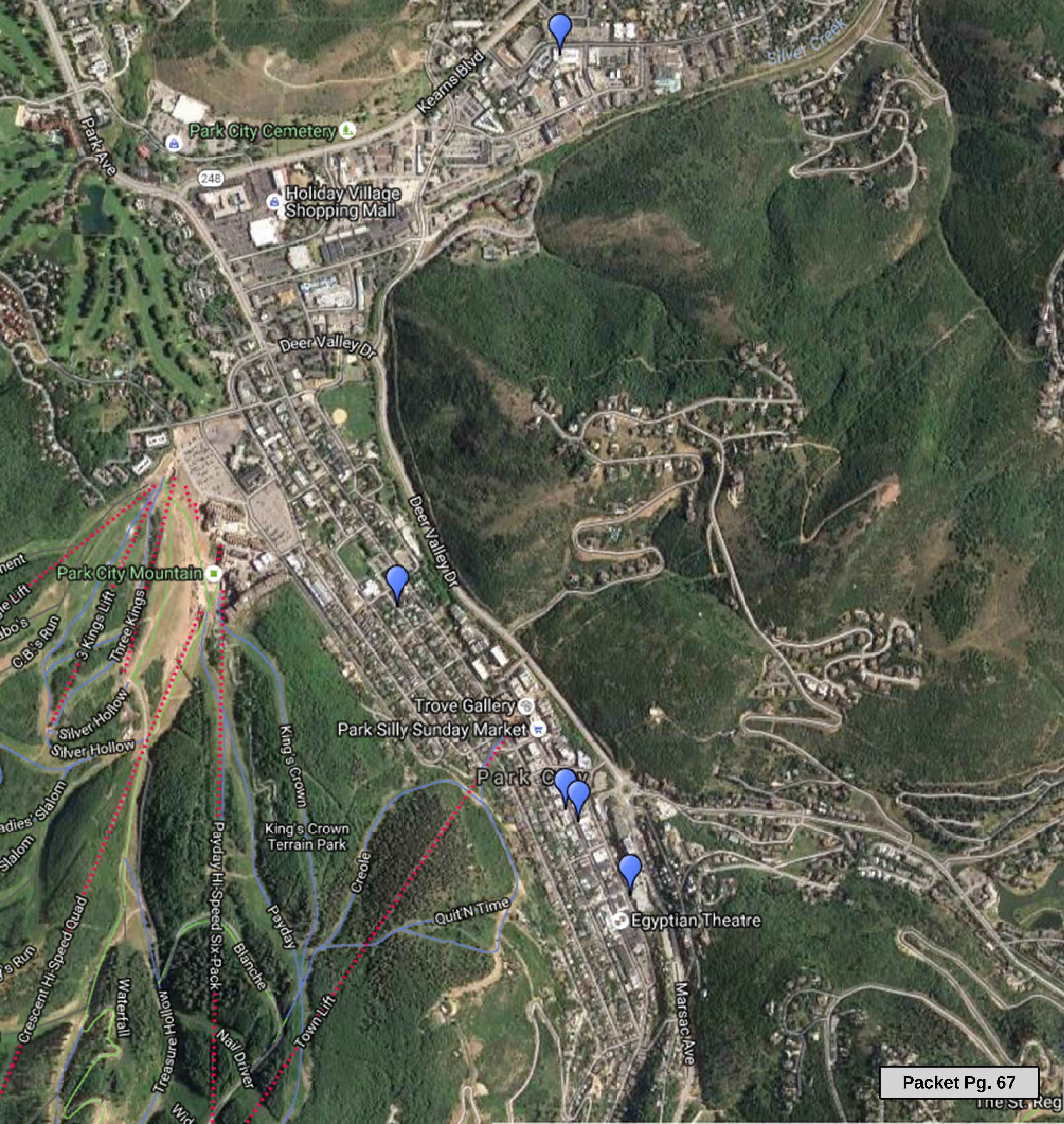
Finance, Special Events, Building, Sustainability, Legal, Executive

Attachments

Exhibit A- List of locations / Exhibit B- Map of Locations

Applicant Name	Location Address
Sundance Institute	Park City Marriott- 1895 Sidewinder Drive
Sundance Institute	The Claimjumper- 573 Main Street
Sundance Institute	The Shop- 1167 Woodside Avenue
Sundance Institute	Festival Base Camp- 475 Swede Alley
Sundance Institute	Elks Lodge- 550 Main Street

Staff recommends a security plan for the highighted address locations



Kearns Blvd
Silver Creek
Park City Cemetery
Park Ave
248
Holiday Village Shopping Mall
Deer Valley Dr
Deer Valley Dr
Park City Mountain
3 Kings Lift
Three Kings
C.B.'s Run
Silver Hollow
Silver Hollow
King's Crown
King's Crown Terrain Park
Payday Hi-Speed Six-Pack
Payday
Creole
Quit'N Time
Trove Gallery
Park Silly Sunday Market
Park City
Egyptian Theatre
Marsac Ave
Crescent Hi-Speed Quad
Waterfall
Treasure Hollow
Blanche
Nail Driver
Town Lift

DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

Park City Municipal Corporation (PCMC) entered into a City Service Contract with the PSSM on March 11, 2014. The contract expired after the 2016 season, which ended in September 2016. City staff has been meeting with representatives from the PSSM to better understand the needs of their event and are coming to City Council to present the proposed new city service contract. The overall goals of this contract balance KAC's desired event operation with the funding requirements of the city and State, an annual economic impact study, an annual review of the event's supplemental plan, and performance measures that focus on some of the critical priorities of City Council.

Respectfully:

Jason Glidden, Economic Development Program Manager

City Council
Staff Report

Subject: Park Silly Sunday Market Contract Negotiations
Author: Jason Glidden
Department: Sustainability – Economic Development
Date: November 10, 2016
Type of Item: Administrative

Summary Recommendations:
Staff recommends that City Council approve the new City Service Contract with the Park Silly Sunday Market as approved by the City Attorney.

Executive Summary:
The Park Silly Sunday Market supports the goals of the City's General Plan; specifically, PSSM furthers Goal 13 in the Sense of Community chapter "Arts & Culture: Park City will continue to grow as an arts and culture hub encouraging creative expression." and specifically addresses Objectives 13A and 13B:

- 13A Increase cultural, arts, and entertainment-related events that diversify and support our tourism based economy.
- 13B Foster and enhance the vitality of Park City's local arts and cultural sectors.

Park City Municipal Corporation (PCMC) entered into a City Service Contract with the PSSM on March 11, 2014. The contract expired after the 2016 season, which ended in September 2016. City staff has been meeting with representatives from the PSSM to better understand the needs of their event and are coming to City Council to present the proposed new city service contract. The overall goals of this contract balance PSSM's desired event operation with the funding requirements of the City and State, an annual economic impact study, an annual review of the event's supplemental plan, and performance measures that focus on some of the critical priorities of City Council.

Acronyms in this Report:
PSSM – Park Silly Sunday Market
PCMC – Park City Municipal Corporation
HPCA – Historic Park City Alliance
PCPAA – Park City Professional Artists Association

Background:

Date	Item
March 31, 2016	Park Silly Sunday Market Supplemental Plan & Approval Staff Report - pages 69 through 104
March 31, 2016	Park Silly Sunday Market 2016 Supplemental Plan & Approval Minutes - pages 5 through 6

July 21, 2015	Park Silly Sunday Market 2016 Mid-Season Update – Manager's Report - pages 26 through 40– (not reflected in minutes)
September 22, 2016	Special Event Work Session Update - pages 7 through 30
September 22, 2016	Special Event Work Session Minutes - pages 7 - 11

In January of 2014, City Council approved a contract that included the following changes to previous contracts:

- 3-year contract that renewed each year based on PSSM being in compliance with the 'Measures for Success' (EXHIBIT A). The areas covered in the measures were:
  - Vendor Mix
  - Parking Management
  - Pedestrian & Crowd Management
  - Street Cleaning & Trash Removal
  - Set Up & Inspections
  - Working Group
  - Marketing & PR
- Cash contributions from the City to the market were reduced on an annual basis. (See chart below)

CONTRACTED YEAR	2014	2015	2016
CASH	$ 50,000	$ 45,000	$ 40,000
CITY SERVICES (FEE Reduction)	$ 64,435	$ 73,003	$ 75,783
TOTAL	**$ 114,435**	**$ 118,003**	**$ 115,783**

- There will not be any expansion of the Market's footprint
- Includes definitions on different vendor categories.

Current City Services

The costs associated with city services for this event have risen slightly over the last few years. The two areas that make up the majority of the current city services are parking and Public Safety. Parking Services waives over $22,000 in parking fees for use of lower Main Street for the market to operate. This was not a cost that was included in city service costs in past contracts but was added in this year to better account for the total lost revenue from parking fees that are unavailable due to the market. The cost for Public Safety is more of an issue as the crowds grow bigger each year; it is possible that the cost to provide the same level of service would also increase.

Below is a chart of the actual level of city services provided to the PSSM during the 2015 season as well as the estimated total cost of city services for the 2016 Market.

Departments	Actual Item 2015	Actual Fees 2015	Item 2016	Actual Fees 2016

Parking Department	Parking spaces for 14 days	$22,050.00	Parking spaces for 14 days	$22,050.00
Streets Department	NA	00.00	NA	00.00
Police Department	520 Hours	$39,000.00	502 Hours	$37,500.00
Transit Department	15 Hours	$2,250.00	15 Hours	$2,250.00
Parks Department	Banner installation	$648.70	Banner installation	$648.70
Building Department	Inspections and permits	$3,375.00	Inspections and permits	$7,575.00
Application Fee	Annual Permit Fee	$80.00	Annual Permit Fee	$160.00
VMS Signs & Barricades	2 VMS/ Electronic Signs	$5,600.00	2 VMS/ Electronic Signs	$5,600.00
Total Fees	2015 Actual	$73,003.70	**2016 Fee**	**$75,783.70**

SEAC Feedback

At the April 20 SEAC meeting, staff helped to facilitate a pre-season debrief regarding the Park Silly Sunday Market. Although there was not a vote on these sentiments, the majority of SEAC concurred with the following statements during the meeting.

- The group stated that the event is important for local non-profits and felt that some booths were valuable as they provided local, community information.
- PSSM event had too many days, the hours were too long, noise was too loud and traffic needed further mitigation. Members further stated that this was not just the problem of PSSM, but that this was an overall feeling and that they needed a break from all the activity, and that residents were mainly upset regarding parking and traffic impacts.
- SEAC also discussed that the consistency of PSSM was liked and that they saw locals at the farmer's market during the event. SEAC discussed that PSSM is a draw for Basin and Summit County residents, specifically mentioning the June and September dates for locals.
- In summary, there was group consensus that the in addition to the local art and cultural elements of the market, the farmers market and sustainable efforts of the PSSM are valuable. Additional mitigations need to be considered with regards to

noise, parking, traffic, and possibly looking into the number of event days. The mitigation of impacts will be key to overcoming the challenges of PSSM.

At the July 12 SEAC meeting, staff helped to facilitate a mid-season debrief of the Park Silly Sunday Market. SEAC reported that they had visited the market and various areas around the Old Town neighborhood. Their comments and findings included:

- Finding that the noise associated with the market was not too much and the committee did not mention parking challenges.
- SEAC further stated the need for small changes such as adding more seating in the food area, and adding additional signage for restrooms and directions to the Farmers Market.
- SEAC further discussed that they felt the Farmers Market was specifically an important part of the event for local appeal but that it was separated from the rest of the event. Staff explained that the Farmers Market was implemented to 5th Street as a way to draw people further up Main Street.
- SEAC stated that the Park Silly Sunday Market felt very crowded and that it may be a good idea to look at ways to expand the footprint in future years to help disperse the feeling of the large crowd.

During the September 6, 2016, SEAC meeting, the group worked on the event prioritization. In addition to the feedback that was given at the April meeting, several residents, who attended the meeting to make public comment, expressed concern at the number of market dates and the hours of the market. They would like to see both reduced.

On September 19, 2016, City staff met with representatives from PSSM. They expressed concerns with not having a new contract in place and how it was preventing them from the planning of the 2017 market. They explained how they did not feel comfortable sending out application to vendors without have a signed contract with the City. In addition, the delays in the application process, along with the delay in registration fees, would significantly affect the financial health of the organization. Due to these concerns, PSSM submitted a new proposal asking that a one year contract be executed with the same terms as the previous contract with the intentions of both parties working over the next 6 months to have a new long term contract negotiated by spring of 2017.

As presented to City Council at the November 3, 2016 City Council Meeting, staff finds that PSSM has worked to ensure that they are continually in compliance with the parameters of the City Services Agreement, Measures of Success and Master Festival License and has worked with staff to continue to address concerns and implement mitigation opportunities as soon as they arise. SEAC has not had the opportunity to further debrief the end of the 2016 Park Silly Sunday Market after their final market date. Staff intends to ask SEAC to complete a debrief at the next scheduled SEAC meeting in November before returning for further negotiations of a new contract.

Staff believes that future mitigations efforts should be carefully considered. Additional steps may reduce the overall impact with regards to traffic and parking in the Old Town Neighborhood and others may increase the small town feel of the market.

- As staff works towards additional mitigations in future years, it is important to ensure that such changes would not adversely impact the economic benefits that the market brings in creating opportunities for small, local and non-profit businesses and the economic benefits for Main Street merchants on Sundays in the summer that prior to the market were quite quiet.
- Additionally, staff believes the PSSM, HPCA and PCMC have worked to ensure the event adds to the vibrancy of Main Street. As mitigations for the future of the event are considered, it is important to consider how changes will impact the Old Town neighborhood and Main Street businesses and the viability of PSSM. For example if the time, foot print, or number of days of PSSM were changed, staff would recommend ensuring that HPCA and PSSM work to continue to drive community and visitors to Main Street during breakfast, lunch and dinner hours, as well as, attract locals to shop in Main Street stores. This will be a fine balance between implementing transportation and parking mitigations, community gathering opportunities that create a small town feel and economic incentives.
- Furthermore, PSSM is concerned that if the number of booths are reduced, or the site plan is changed, or number of days of the market is reduced, these changes may have an adverse effect on PSSM financially and may prevent them from implementing some of the valuable programs that help keep the small town feel of the event, including providing non-profit booth space, HPCA booth spaces, farmers market and being a leader in with regard to sustainable practices for events in Park City.

Analysis:

Proposed New City Service Contract

Staff has worked with representatives from the PSSM to negotiate a new one year City Service Contract (Exhibit A).

Below is a chart that shows the difference from the terms in 2016 and the proposed terms in the new contract.

City Service Contract Comparison		
	2016	**2017**
YEARS	3	1
AUTO RENEWAL	No	No
CASH PAYMENT	$40,000*	$20,000
CITY SERVICES	$75,783	$77,000**
# of MARKETs	14	14
***The cash payment from the City reduced by $5,000 each year. The cash payment in 2016 was $40,000.**		
****This is an estimate of fees to be waived in 2017.**		

The proposed terms of the contract are:

1. **Term**
    a. November 10, 2016 – September 30, 2017
    b. Agreement will not automatically renew.

2. **Future Festival Dates**
    a. The market will operate fourteen markets on Sundays from June 4, 2017 through September 17, 2017
        i. The Market will not operate on August 6, 2017 (Kimball Arts Festival)

3. **City Services**
    a. PCMC agrees to:
        i. Provide the following City Services:
            1. Police and public safety/traffic/security mitigation
            2. Public works
            3. Enhanced transportation
            4. Additional trash can placement along Main Street
            5. Pressure washing/sweeping of street and sidewalks
            6. Installation of street banners
            7. Enhanced Main Street restroom cleaning
            8. (2) electronic VMS signs
        ii. Provide the following Cash Payment:
            1. $20,000 cash payment to the Market to help offset the costs of the zero waste program and other operational costs associated with the market.

4. **Use Areas**
    a. Utilize all "Use Areas" in existing contract that are owned by PCMC. (Exhibit A) This will not include any expansion of the Market without approval through the annual supplemental plan**.**

5. **Annual Council Check Ins**
    a. Approval of a supplemental plan & review of specific operational plan by last week in May.
    b. Debrief of Park Silly Sunday Market by November 30th to ensure that the Park Silly Sunday Market is being operated consistently with service contract, measure of success and mitigations Council goals.
    c. Park Silly Sunday Market will make available Profit & Loss statements to City Hall upon request.

6. **Performance Measures**

In an effort to further City Council's critical priorities, PSSM will be required to meet the following performance measures on an annual basis that will be evaluated at the mid-season check in as well as the year-end review.

1. **Vendor mix –** PSSM agrees to regulate their vendor mix to mitigate for potential of adverse impacts to brick and mortar Main Street businesses:

a. PSSM shall continue to develop the local growers' area of the Market. PSSM shall develop a plan to define a specific vendor mix and category type for approval with the Supplemental Plan. In developing a vendor mix plan PSSM may consider any written recommendations from the Working Group regarding vendor mix. PSSM's vendor mix plan shall specify a number of vendor types allowed or a percentage of vendor types allowed that may include, but is not limited to the categories listed in the City Service Contract (Exhibit A).

2. **On-Site Food** (not to exceed 14 total) PSSM agrees to this number for On-Site Food Vendors.
   - **a.** No on-site food vendors south of Heber
   - **b.** PSSM agrees to offer first right of refusal to HPCA on 3 of each type of food vendor (Onsite Food, Gourmet Food and Snack Food). PSSM agrees to offer second right of refusal to the Park City Restaurant Association. As previously noted on-site food vendors shall not exceed a total of 14.
   - **c.** In an effort to minimize direct negative competition to HPCA merchants and unwanted mass-produced items; PSSM shall develop, implement and manage criteria and in season follow-up for all vendor admissions to the Market. PSSM may consider any suggestions from the Working Group in developing criteria for vendor admissions to the Market. These criteria shall include specific definitions and review/checking procedures of vendor product verification.

3. **HPCA access to vendor space –** PSSM agrees to provide:
   - **a.** One 10'x10' vendor booth space with full set up for HPCA member use each week.
   - **b.** Space in the PSSM Information kiosk/table for HPCA outreach, coupons, information etc.
   - **c.** Deadline of May 1, 2015 for all HPCA requests. Any unfilled dates for June that are not fulfilled by the May 1 deadline, will be filled by other vendors as pertains to the Vendor Mix requirements, and subsequently on the first of each month through August 1, 2016.
   - **d.** HPCA members who are scheduled and fail to notify PSSM staff prior to 5:00 p.m. on the Thursday before the scheduled Sunday will receive a bill for a $50.00 cancellation/no show fee. The next scheduled member will not be permitted to participate or load-in if the cancellation/no-show fee has not been paid

4. **Review(s) –** PSSM agrees to:
   - **a.** Approval of supplemental plan & review of specific operational plan
   - **b.** Debrief of Market - is Market being operated consistently with service contract and Council goals
   - **c.** Mid-Event Review –A mid-event review, which will consist of a Managers Report to City Council or Work Session by August 4, 2017.

d. Financial information regarding contributions to PSSM pursuant to this Agreement made available to City

5. **<u>Demonstrated & Measurable success</u>** – The following performance measures will be reviewed annually as part of the annual Supplemental Plans:
   a. 'Measures for Success' as defined in the City Service Contract.
   b. Community benefits – PSSM shall conduct a limited survey of market attendees geared at measuring benefit to local community. Park City reserves the right to provide input to said survey and methodology, and changes shall be mutually agreed upon. This should be conducted with requirements for UTIC funding.

6. **<u>Limitation on use of funds</u>** - PSSM shall provide financial reports at the annual review that will outline the use of funds tied directly to contributions received by PSSM from Park City pursuant to this Agreement. These contributions will not to be allowed for executive or director salaries.

Alternatives for City Council to Consider

1. **Recommended Alternative:**
2. Staff recommends Council approve a City Service Contract with PSSM based on the following terms:
   a. 1 year contract with no automatic renewal
   b. PCMC covers the City Service Fees estimated at $77,000 for 2017.
   c. PCMC will make a cash payment of $20,000 to PSSM.
   d. PSSM will operate 14 markets on Sundays from June 4, 2017 through September 17, 2017.

   <u>Pros</u>
   e. Provides a valued partner, PSSM, with assurances to move forward with planning the 2017 market, including the application process with vendors.
   f. Allows more time for negotiations for a new long term contract. This will allow staff to ensure that Councils' direction on event thresholds are included in any new long term contract.
   g. Provides staff with more time to work with PSSM to create more robust and efficient parking and transportation, and sustainability plans.
   h. Accomplishes Councils' direction to staff to continue to reduce cash funding to events.
   i. Staff believes the event aligns with City Council's goals of providing a complete community that values economic diversity and arts and culture, creating engaged and effective government, and a thriving mountain community in the following ways:
      - Vibrant arts and culture offering;
      - Protected and celebrated history, as well by creating a community gathering place;
      - Safe Community;
      - Balance between tourism and local quality of life;

- Varied and extensive event offerings;
- Accessibility during peak times
- Well utilized, fare-free, regional public transit, walk-able and bike-able community;
- World-class, multi-seasonal resort destination

Cons

a. This would not allow for some of the feedback from residents regarding market dates and hours to be addressed for the 2017 year
b. Short term solution that does not provide either party with a long term contract.

3. **Alternative:** Reduce Scope and/or Size or financial contribution – Council could choose to enter into a one year contract but reduce the scope and size of the event through:
   - Number of market dates
   - Hour of operation.
   - Site map of the market

Pros

a. This option would be consistent with Councils' desire to reduce "event fatigue" in the community.
b. Would reduce the amount of City Services required for the event and associated financial impacts.

Cons

a. Reducing the scope and/or size of the market would have significant financial implications to PSSM and other businesses in our community without, perhaps, adequately noticing the public
b. PSSM may choose not to enter into the contract and look to move the market off Main Street and outside of Park City

3. Other Alternatives:

City Council could choose to continue negotiations of a long term contract.

Pros

a. Allows SEAC and staff additional time to further focus on questions City Council may have regarding the balance and evaluation of events as well as "fine tune" the current set of tools that have been created.
b. Allows the Council and the community to better evaluate the overhaul of the Event regulatory framework that was completed on March 24th, 2016 beyond one summer events season.

Cons

c. Delays PSSM in the planning of the 2017 market.
d. Could cause financial hardship on the market.

4. Denial Alternative

City Council could choose to provide no direction regarding staff recommendations.

Cons

a. Staff would lack direction on best negotiations terms with PSSM.

b. Delays PSSM in the planning of the 2017 market.
c. Could cause financial hardship on the market.

Funding Source:
The General Fund pays for the PSSP contract currently. Any increases to expenses would need come through the BFO process. Any decreases (savings) to ongoing expenses would go back to the General Fund and potentially used for other needs within the General Fund.

Department Review:
This report has been reviewed by the Sustainability, Budget, Public Safety, City Attorney's Office, and Executive Departments.

Attachments:
EXHIBIT A – 2017 PSSM City Service Draft Contract (includes Measures of Success)

Type 3 Special Event License and City Services Agreement

THIS TYPE 3 EVENT LICENSE AND CITY SERVICES AGREEMENT is entered into as of _________, 2016, between PARK CITY MUNICIPAL CORPORATION, a political subdivision of the state of Utah ("Park City" or "City"), and Park Silly Sunday Market, a Utah non-profit corporation ("PSSM").

Recitals

WHEREAS, PSSM has staged the Park Silly Sunday Market ("Market") in Park City under the regulation and authority of annual Special Event Licenses issued by Park City;

WHEREAS, Park City and PSSM wish to enter into a contract establishing Park City Main Street as the Market headquarters and to maximize planning efficiencies, pool resources and improve event management to ensure the continued success of the event with minimal impacts to the residents of the City;

WHEREAS, PSSM, a non-profit entity, desires to use certain facilities owned or controlled by Park City and to obtain certain municipal services, fee waivers, and other nonmonetary assistance from Park City and others as appropriate in connection with the Market, all under the terms hereinafter provided;

WHEREAS, Park City desires to contract with PSSM to implement additional closures of Main Street, perform marketing and event management services, and to make substantive changes to the transportation plan and parking management plan as specified pursuant to the terms herein;

WHEREAS, Park City is authorized by Section 10-7-85 of the Utah Code Annotated to provide for and appropriate funds and services for the support of the arts for the purpose of enriching the lives of its residents;

WHEREAS, pursuant to Sections 10-8-2(1) and 10-2-84 of the Utah Code Annotated, the City Council hereby finds that the provision of City funds, property and services is for a corporate purpose consistent with the Park City General Plan, particularly the Community Economic Element, and provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the city;

WHEREAS, Park City reviewed the direct economic benefits of the Market Event to Park City, and the Summary of Revenue Impacts to Park City is incorporated herein by reference. The City Council also finds that, in addition to the services contracted for herein, the Market has numerous additional indirect and intangible benefits which create an additional overall positive economic, artistic and quality of life impact on the City, its residents and its visitors, and nothing herein shall be determined to be a gift or charitable contribution by the City.

Agreement

In consideration of the recitals listed above, which are incorporated herein, and of the terms and mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

A. PRINCIPLES AND RESPONSIBILITIES.

1. General Principles.

1.1 Mutual Cooperation and Flexibility. Park City and PSSM mutually acknowledge and agree to proceed through all stages of planning and operations for the Use Areas identified at Exhibits E-1 of this Agreement and each Market in the spirit of mutual cooperation and flexibility, recognizing that circumstances may change between the date of execution of this Agreement and the commencement of the Market Event. Park City and PSSM agree that the purpose for cooperation and flexibility is the successful operation of the Market. Both Parties understand that plans may change, and are subject to final approval by the City Council.

1.2 Supplemental Plans. This Agreement outlines the terms for the respective duties and obligations of Park City and PSSM with respect to the Use Areas and the other items covered by this Agreement. The Parties agree that implementation of the specific terms outlined in this Agreement will require the development of supplemental implementation and operational plans (referred to herein as the "Supplemental Plans") with respect to those functions of the Use Areas, that may change with the Market. The Supplemental Plans and any modifications are incorporated herein and a material part of this Agreement. Supplemental Plans for the 2016 Market are incorporated within this Agreement; changes that promote the efficient and successful operation of the Market may be considered. Failure to agree on changes to existing Plans will result in use of the Existing Supplemental Plans. Any substantial changes in material terms, as determined by City Staff, shall require an amendment to this agreement and City Council approval. The City Council reserves full authority to approve or reject changes in accordance with Title 4, Chapter 8 (as amended) and any other applicable ordinances.

1.3 PSSM General Responsibilities. In addition to the responsibilities of PSSM set forth in the balance of this Agreement, PSSM is responsible for the timely submission to City of all annual plans related to the Market, and producing and providing all official information related to the Market to the City.

1.4 Park City General Responsibilities. In addition to the responsibilities of Park City set forth in the balance of this Agreement, Park City is responsible for producing and providing to PSSM or its designee all official Park City information relevant to the Market and the Use Areas, including internal staff communication, and promoting positive support for Park City's involvement in the Market and the opportunities provided thereby. Park City shall cooperate with Park Silly Sunday Market by using its best efforts to notify PSSM of any

pending City ordinance
changes or city right of way projects which could have a negative impact on PSSM and its sponsorship relationships, including those relating to marketing and signage.

B. TERM AND LEASE OF USE AREAS DURING USE PERIODS.

2. Term. PSSM hereby agrees to hold the 2017 Market in Park City. Accordingly, this agreement shall be effective from November 1, 2016 to September 30, 2017

2.1 Dates of Market. The dates of the Market shall be held on 14 successive Sundays from June 4, 2017 through September 17, 2017 with the following exceptions:

1. No Market on August 6, 2017 for the Park City Kimball Arts Festival

The Supplemental Plan must be have Council approval by March 30th 2017 for the Market to begin on June 4, 2017. Any delay in Supplemental Plan approval will necessitate a commensurate delay in the start of the Market.

2.2 Hours. The event will last from 10:00 am to 5:00 pm. Street closures for load in, load out, set up and delivery would allow street closures from 6:00 am to 8:00 pm. Park City shall consider expanded hours and special holiday late closures (Opening, July 4th, Pioneer Day, Labor Day and Silly Fest) based on performance and feedback from Historic Park City Alliance (HPCA), City Council and the Public as part of the consideration of annual Supplemental Plans.

2.3 Location. The event will be held on Main Street between Heber Avenue and 9th Street and on 5th Street from Main to Swede Alley Park City shall consider expanded venue areas based on performance and feedback from the HPCA, City Council and the Public as part of the consideration of Supplemental Plan or Mid-Event Review.

2.4 Expanded Marketing. Expanded Marketing, Media, Cross Promotional and Public Relations activity is required and shall be further defined in Section D.9.

2.5 Additional Conditions of Approval. The following apply unless specifically modified by Supplemental Plans:

1. The applicant, at its cost, shall incorporate such measures as directed by Staff in order to ensure that any safety, health, or sanitation equipment, and services or facilities reasonably necessary to ensure that the event will be conducted with due regard for safety are provided
2. Unless specifically approved by the Supplemental or Mid-Event Review, Expanded Market Activities or Expanded Location on Main Street south of Heber Avenue shall terminate by 6:30 pm on each Sunday. Main Street north of Heber Avenue shall reopen by 8:00 pm. Should the applicant not be able to open the street by that time, the closing time of the Market shall be adjusted to meet stated time limits.

3. A Fire Lane approved by the Fire Marshall will be maintained to provide access across Heber Avenue and Main Street at all time of Market operation. Applicant shall provide signage to indicate closures and detour options.
4. Applicant must obtain Relief from Noise Restrictions (6-3-11), as amended, for any set- up activity occurring before 9:00 am on any given Sunday.
5. Applicant shall comply with all UDABC regulations and obtain applicable approvals for the beer garden area and all other areas of compliance.
6. Applicant has met with Park City Police and is aware that event has grown to a level where it warrants more than routine patrol and the cost of additional Police will be incurred by the applicant unless waived by City Council.
7. A base operational plan footprint and sign plan shall be submitted at the Supplemental Plan process outlining placement of no less than 80% of the Market. This will be used as the Approved Operational Market Footprint. All plans for tents, stages and other temporary structures and activities shall be submitted to the Building Department and the City Representative for review each week of the Market by Thursday at 5pm for the Market on the following Sunday. All changes from the Approved Operational Market Footprint must be approved prior to Friday at 5pm of that week
8. The costs to provide additional City staff, as estimated in the report herein, will be incurred by the applicant, unless otherwise waived by the City Council.
9. The applicant will orient all temporary stages so as to minimize sound impacts to the neighborhood. Monitoring of the amplified shall be consistent with 4-8A-7, as amended; regulations for Public Outdoor Music Plazas. The General Regulations of this section indicate the following:

4-8A-7. GENERAL REGULATIONS.

(A) The program manager, or his/her designee, shall provide on-site management for each event.

(B) A sound technician shall provide on-site monitoring for each event with music, amplified or otherwise, and any amplified event.

(C) Except as otherwise provided at Subsection 6(A) herein, for amplified events or music, the program manager shall be responsible to ensure that the sound system maintains the sound at an A-weighted sound level adjustment and maximum decibel level of 90, as measured twenty-five feet (25') in front of the stage. The data currently available to the City indicates that a maximum decibel level of 90 satisfies the purpose of this ordinance. The City may amend this ordinance consistent with newly acquired data.

(D) All events shall be open to the public and free of charge.

(E) The Police Department or other proper City official shall have access at all times to all Public Outdoor Music Plazas under this Chapter, and may make periodic inspection of said premises whether the officer or official is in uniform or plain clothes.

(F) All events shall take place only on authorized Stages and shall have clean-up services directly following each event so as to leave the plazas in a clean and litter free manner.

10. As part of the Special Event License, the applicant shall provide Utah State Tax Commission and the City Representative a weekly list of all participating vendors containing the following information: Name, address and contact information, Utah State Tax Identification number. PSSM shall also provide a list of all participating not-for-profit organizations. Consistent with section 4-8-7 of the Municipal Code, concessions directly related to the event do not require a regular business license. The Utah State Tax Commission does require a Temporary Special Events Sales Tax License. Utah State Tax Commission will provide each vendor a Utah State Tax ID Number. PSSM shall require all participating vendors to provide and display their Special Event Permit provided by the State of Utah Tax Commission.
11. Nothing herein shall limit use of Coalition Park by non-vendors in accordance with the Art in the Park Ordinance PCMC § 4-3A-7, as amended.
12. The applicant shall regularly review the vendor list to ensure the participants reflect the integrity of the Market's purpose and mission, and limit sales of mass produced goods.
13. Organizers shall return to Council no later than November 1, 2017 to conduct a debrief of the 2017 Market.

3. Grant of Lease. Park City hereby grants to PSSM and its designees and assigns, and PSSM hereby accepts, the right for the occupancy and use of the Use Areas for the purposes further described on Exhibit E-1 along with the use all available utilities, services and related incidental rights in such Use Areas, all upon the terms, and subject to the conditions set forth in this Agreement. The relationship between Park City and PSSM with respect to the Use Areas is that of landlord and tenant, and may be further be defined by Lease Agreement. However, the Lease Agreements shall not conflict with this Agreement or any Exhibit attached hereto. Park City makes no express or implied warranties regarding the Use Areas and PSSM hereby acknowledges it has inspected the Use Areas and accepts the Use Areas "as is."

4. Non-Exclusive Use; Right to License. The Use Areas are public rights of way and PSSM has Non-Exclusive Use as granted herein. During Market hours, PSSM shall have the exclusive right to jury, select and authorize Market vendors pursuant to the criteria herein and PSSM's internal guidelines and contracts. Otherwise, no right to exclude is hereby granted except as may be required by applicable law (UDABC alcohol areas). Businesses adjacent to and within the Use Areas shall remain eligible for outdoor/sidewalk sales as otherwise provided for in the Municipal Code.

4.1 Access Prior to Use Periods. Unless otherwise set forth herein, Park City and PSSM shall cooperate to arrange times that PSSM and its designees may have non-exclusive access to the Use Areas prior to the Use Periods for the purpose of inspections, planning, preparations, testing and design work, surveys, examinations, and other activities that are necessary for Use Area planning and preparatory functions and advance preparations for and (if necessary) advance construction of certain Temporary Improvements such as installation of cables, conduits, curb cuts, signage and substructure; provided that such access shall not materially interfere with ordinary and customary Park City operations and that such advance construction shall be consistent with the requirements outlined herein.

4.2 Lawful Use. During the applicable Use Periods, PSSM will not use, operate or maintain the Use Areas improperly, carelessly, in violation of any applicable law or in any manner contrary to that contemplated by this Agreement.

4.3 Permitted Uses. PSSM is granted use of the Use Areas and may authorize or license others to use the Use Areas at any time during the applicable Use Periods, with City Approval, for the purposes indicated on Exhibit E-1; including for the moving in and out, and the construction, erection and staging of decorations, trash, recycling and other temporary facilities and installations and other Temporary Improvements, lighting, sound systems, booths, stages, tents, fencing and other equipment; for the sale of food, beverages, novelties, souvenirs and other merchandise to persons attending the Market; for advertising, marketing and promotion; and for any other purpose related to the Market.

4.4 Restoration. PSSM shall return the Use Areas to Park City at the conclusion of their respective Use Periods in clean, orderly condition and in good repair and working order, taking into consideration reasonable wear and tear. Prior to the end of the Use Periods, PSSM shall, at its sole cost and expense, remove all Temporary Improvements and modifications located in or on the Use Areas, unless otherwise agreed upon in writing by the Parties.

5. Permits and Licenses.

5.1 Permits and Licenses. PSSM shall be solely responsible for any building or other permits necessary for its temporary improvements or food operations.

5.2 Special Event License. The City hereby finds the Market to comply with the Municipal Code of Park City Section 4-8-5. Upon execution of this Agreement, Park City shall issue to PSSM a Special Event License that covers all activities of PSSM described in this Agreement that may require such a license. Annual Supplemental Plans will be necessary to obtain building permits, temporary beer and liquor licenses, sign plan approval and all other required permits, approvals, variances, etc. that may be encompassed by the Special Event License for each Market.

5.3 Permits and Licenses Issued by Other Governmental Authorities. PSSM shall have sole responsibility for obtaining and paying for any and all certificates, permits, licenses and approvals that are required to be obtained from governmental authorities other than Park City for the operations of the Use Areas that are unique to PSSM's use of the Use Areas during the Use Periods. Park City shall support and cooperate with PSSM in obtaining any necessary permits for the activities associated with the operations of the Use Areas during the Use Periods, and shall authorize PSSM to apply in the name of Park City (or Park City will apply for such permits in its own name) with respect to any necessary permits from other governmental authorities that must be issued in the name of Park City.

5.4 Governmental Ordinances. The Special Events and Facilities Department shall support and cooperate with PSSM in obtaining permits as necessary concerning any local, city, county or state ordinances, rules, laws and regulations to assist PSSM in hosting and staging the operations of the Market and related activities in Park City.

C. PARK CITY FACILITIES AND SERVICES.

6. City Services.

6.1 Basic City Services. In addition to enhanced restroom and trash service provided to all events, at no additional cost to PSSM, Park City will provide the following City Services:

(a) PSSM shall be entitled to a waiver of the following fees:

a. Parking fees for any approved Use Areas.
b. Building Permit fee and inspection fees for all tents and temporary structures.
c. Transit Department fees (labor and operational costs) for re-routing transit and moving 2 stops on Park Avenue.
d. Transit Department for re-routing Main Street Trolley.
e. Parks Department for street banner installation (does not include banner costs).
f. Application fees for the Special Event License.
g. Use of city-owned type 1 and bicycle barricades, if available.

(b) PSSM shall be entitled to a credit of 480 hours (4 officers, 8 hours for 14 days) for enhanced Police patrols when determined necessary by the Park City Police Department.

(c) PSSM shall be entitled to use of Park City Main Street and other use areas at no cost, as outlined within Exhibit E-1.

(d) Use of any municipal owned electronic text signs, as otherwise agreed in accordance with mutually acceptable Supplemental Plans concerning Traffic Control.

PSSM may, in consultation with Park City, request adjustments in the priorities or timing or intensity of maintenance and other City Services to be provided by Park City to promote the efficiency and success of the Market. If such adjustments require Park City to provide services which exceed the level or type of City Services in the aggregate that Park City is committed to provide at Section 6.1 herein, then such services shall be considered Additional City Services to be paid for by PSSM under Section 6.2.

6.2 Additional City Services and Work Order Process. PSSM may request services from Park City in addition to Basic City Services under this agreement, either due to quantity, frequency or type of service requested (collectively, "Additional City Services"). PSSM will be charged the actual cost of Additional City Services incurred by Park City.

7. City Representative.

7.1 Event Representative. Prior to and during the Use Periods, Park City shall designate at least one full-time employee to serve as its "City Representative" for the Market, who shall be the operational liaison between Park City and PSSM and who shall be authorized by Park City to (a) ensure that the Use Areas are operated and maintained as set forth in this Agreement, (b) ensure that, at PSSM's request, access to and street closure(s) (if applicable) of the Use Areas is provided to PSSM upon commencement of the Use Periods, (c) serve as Park City's representative for the services of any Park City personnel provided pursuant to this agreement, and (d) give or obtain any necessary consents, approvals or authorizations on behalf of Park City in relation to the Supplemental Plan. The City Representative shall generally be Special Events staff for the City, unless otherwise approved in advance by PSSM, which such approval shall not be unreasonably withheld or delayed.

7.2 Management Representative. Park City shall also designate at least one Departmental Manager who shall be authorized to speak on behalf of the City Manager and City Council, and to act for the City Representative if the City Representative is not available. The costs of providing the City Representative and the Management Representative to provide services under this agreement shall be borne solely by Park City. The Management Representative shall, if requested by PSSM, assist PSSM with the formation of a logistics coordination team.

7.3 Management Meetings. The Event Representatives and Manager shall meet to review Market operation, Supplemental Plan and terms of this Agreement. Any changes to this Agreement or Supplemental Plan shall be approved prior to the first operational date of the Market.

8. Parking and Transportation.

8.1 Transportation Plans. PSSM, with coordination from PCMC, shall develop and implement plans for traffic control around Main Street, as part of the Supplemental Plan to meet the transportation and parking needs of the public during the Use Periods, including provisions for parking, road closings and any enhanced transit service to off-site shuttle lots. Park City shall modify and as necessary expand the public City Transit service, at PSSM's expense, to meet the increased public demand during the Market consistent with the purposes of the Agreement and the needs of the public, including patrons of the Market. The system will remain open to the public and will service the existing transit routes.

The transportation plans contemplated by the paragraph are intended as an enhancement to Park City's public transportation to meet the needs of the public during the Use Periods and are not to be construed as the provision of "charter" services.

8.2 Cooperation in Main Street Closing. Consistent with the requirements to develop plans for traffic as part of the Supplemental Plans, Park City and PSSM both agree to support and cooperate with one another if both Parties agree to close all or a portion of Main Street for pedestrian use only or restrict traffic to one-way during some portion or all of the Use Periods.

8.3 Parking Areas. Park City shall make available to PSSM for non-exclusive use the upper and lower Sand Ridge parking lots and the top level of the China Bridge Parking Structure for PSSM Vendors and Staff in accordance with Exhibit E.1.

D. PSSM SERVICES.

9. PSSM Obligations. As consideration for the City support herein, PSSM agrees to the following:

1. Vendor mix – PSSM agrees to regulate their vendor mix to mitigate for potential of adverse impacts to brick and mortar Main Street businesses:
   a. PSSM shall continue to develop the local growers' area of the Market. PSSM shall develop a plan to define a specific vendor mix and category type for approval with the Supplemental Plan. In developing a vendor mix plan PSSM may consider any written recommendations from the Working Group regarding vendor mix. PSSM's vendor mix plan shall specify a number of vendor types allowed or a percentage of vendor types allowed that may include, but is not limited to the categories listed in **Exhibit C** ;

2. On-Site Food (not to exceed 14 total) PSSM agrees to this number for On-Site Food Vendors.
   a. No on-site food vendors south of Heber
   b. PSSM agrees to offer first right of refusal to HPCA on 3 of each type of food vendor (Onsite Food, Gourmet Food and Snack Food). PSSM agrees to offer second right of refusal to the Park City Restaurant Association. As previously noted on-site food vendors shall not exceed a total of 14.
   c. In an effort to minimize direct negative competition to HPCA merchants and unwanted mass-produced items; PSSM shall develop, implement and manage criteria and in season follow-up for all vendor admissions to the Market. PSSM may consider any suggestions from the Working Group in developing criteria for vendor admissions to the Market. These criteria shall include specific definitions and review/checking procedures of vendor product verification.

3. HPCA access to vendor space – PSSM agrees to provide:
   a. One 10'x10' vendor booth space with full set up for HPCA member use each week.
   b. Space in the PSSM Information kiosk/table for HPCA outreach, coupons, information etc.
   c. Deadline of April 1st, 2017 for all HPCA requests

4 Review(s) – PSSM agrees to:
   a. Approval of supplemental plan & review of specific operational plan
   b. Debrief of Market - is Market being operated consistently with service contract and Council goals
   c. Mid-Event Review –A mid-event review, which will consist of a Managers Report to City Council or Work Session by August 4, 2017.

d. Financial information regarding contributions to PSSM pursuant to this Agreement made available to City

5 Demonstrated & Measurable success – The following performance measures will be reviewed annually as part of the annual Supplemental Plans:

a. 'Measures for Success' as defined in **Exhibit C**
b. Community benefits – PSSM shall conduct a limited survey of market attendees geared at measuring benefit to local community. Park City reserves the right to provide input to said survey and methodology, and changes shall be mutually agreed upon. This should be conducted with requirements for UTIC funding.

6. Limitation on use of funds - PSSM shall provide financial reports at the annual review that will outline the use of funds tied directly to contributions received by PSSM from Park City pursuant to this Agreement. These contributions will not to be allowed for executive or director salaries.

7. Working Group – PSSM agrees to create a Working Group that will include at least: (a) two (2) HPCA representative; (b) two (2) PSSM representative; and (c) two (2) members of the Park City Council. The Working Group shall seek to promote and foster cooperation and communication between PSSM and the HPCA regarding PSSM's selection, inclusion and oversight of specific vendors that participate or have applied to participate in the 2017 Market and any other issues relevant to the 2016 Market.

8.1 Park City, Main Street Venue. Park City's Main Street shall be recognized as the headquarters of the 2017 Market.

8.2 Marketing and Public Relations – Press Releases and Promotional Materials. PSSM shall include a reference to "Park City, Utah" in all press releases made; and all promotional materials, and shall cooperate where possible in releasing joint public statements with the City and the HPCA promoting Park City, Utah generally. PSSM agrees to aggressively market residents and visitors to attend the Market on Main Street Park City, Utah using the following mechanisms:

A. www.parksillysundaymarket.com;
B. On-site event promotions; and
C. Weekly radio and TV spots; and
D. Weekly email blast and social media updates

8.3 Cooperation with Chamber Bureau and Business Associations. PSSM and Park City shall use best reasonable efforts to coordinate with the Park City Chamber Bureau and other business associations as the City staff may from time to time suggest, to solicit business support and minimize adverse impacts on the community.

E. FINANCIAL

10. Service Contract. Subject to annual budget appropriation, Park City hereby agrees to make the following annual contributions to PSSM towards the cost of the Market for the term of this contract:

Contracted Year 2017

(a) Cash payment for the contracted period November 1, 2016 through September 30, 2017 will be as follows:

(i.) Twenty Thousand dollars ($20,000) will be for Operations, including zero waste program, and nonprofit table free of charge at each market.

(b) Annual fee waivers, based on a combination of the following:

(i.) Fee waivers – 2017 fees estimated at seventy seven thousand dollars ($77,000).

10.1 Park City agrees that this Agreement and all Park City's obligations and contributions shall be included in the City Manager's Recommended Budget delivered to the Park City Council on the first scheduled meeting in May and must be approved by the Park City Council no later than June 30 of each year. If such budget is not approved prior to June 30, PSSM and Park City shall meet and attempt to secure funds to make up for costs which were not approved in the budget. If such funds cannot be secured by July 15, PSSM may, at its option, terminate this Agreement upon ninety (30) days prior written notice, without recourse or further claims by Park City. Payment shall be made within 15 business days of Supplemental Plan approval. No payments shall be made to PSSM prior to approval of the Supplemental Plan. Similarly, should PSSM dissolve or file bankruptcy, PSSM may terminate this Agreement upon ninety (30) days prior written notice prior to that year's Market, without recourse or further claims by Park City.

10.2 PSSM agrees to keep and maintain its financial books and records in accordance with generally accepted accounting principles. The City or its independent auditor reserves the right to conduct its own annual audit of the financial books and records at reasonable times and places during ordinary business hours provided that thirty (30) days written notice of the audit is provided to PSSM and such notice contains a reasonable explanation for the audit. Any audit performed by Park City pursuant to this Agreement shall be performed at Park City's sole expense. If the contributions have not been used as agreed herein, the City shall be entitled to a full or partial refund of the amount. PSSM agrees to turn in all IRS forms, updated business plans, and other similar financial information by November 1, of each contracted year.

F. INSURANCE AND RISK MANAGEMENT.

11. Indemnifications.

11.1 PSSM's Indemnity. PSSM shall indemnify and hold the City, and their agents, employees, and officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against the City arising out of, in connection with, or incident to the execution and/or performance of any terms of this Agreement. However, that if such claims are caused by or are the result of concurrent or contributory negligence of the City, its agents, employees, and officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of PSSM. Nothing herein shall require PSSM to hold harmless or defend the City, its agents, employees and/or officers from any claims arising from the sole negligence or intentional misconduct of the City, its agents, employees, and/or officers. PSSM expressly agrees that the indemnification provided herein constitutes the PSSM's limited waiver of immunity as an employer under Utah Code Section 34A-2-105; provided, however, this waiver shall apply only to the extent an employee of PSSM claims or recovers compensation from the City for a loss or injury that PSSM would be obligated to indemnify the City for under this Agreement. This limited waiver has been mutually negotiated by the parties, and is expressly made effective only for the purposes of this Agreement. The provisions of this section shall survive the expiration or termination of this Agreement. Nothing herein shall waive any provision, defense or limitation of the Utah Government Immunity Act.

11.2 Waiver of Claims Against Park City. PSSM shall not make any claim against Park City or its officers, employees and agents with respect to any liability incurred by PSSM to any third person on account of bodily or personal injury or damage to or loss of property arising out of this Agreement, use of the Use Areas, or the Market, except to the limited extent such liability results from the willful misconduct of Park City, its officers, employees, or agents.

12. Insurance.

12.1 Insurance. PSSM shall procure and maintain at its own expense throughout the Exclusive Use Periods the following insurance:

(a) **$500,000** Workers' compensation insurance for PSSM employees, including statutorily required limits and other requirements of law.

(b) All employee benefit programs and overages required under ERISA, unemployment insurance and any other insurance required by state or federal laws.

12.2 PSSM Liability Insurance. Prior to commencement of any activity in Park City under this Agreement, PSSM shall procure and thereafter maintain during the entire period of such activity one or more policies of insurance providing all of the following coverage, whether by separate policies or by endorsement:

(a) Commercial general liability policy, with combined single limits of Two Million dollars ($2,000,000.00) per occurrence and Four Million Dollars ($4,000,000.00) in aggregate

(b) Automobile general liability policy, with a limit of $2,000,000.

(b) Liquor Liability Coverage Part on the commercial general liability policy;

(c) PSSM shall require any hired security company to provide a policy of liability insurance and name PSSM and Park City as name insured on the policy with limits set forth in 14.2(a).

12.3 Additional Requirements. The insurance provided by PSSM pursuant to Section 14.2 of this Agreement:

(a) Shall be written on an occurrence basis, and with respect to any coverage provided on a claims-made basis, shall be supplemented by a two (2) year tail policy for the limits applicable to the policy periods covered by such tail policy, which are approved by Park City, such approval not to be unreasonably withheld or delayed;

(b) Shall provide that Park City be named as additional insured with respect to liability arising out of or in connection with PSSM's activities under this Agreement, including those claims, set-offs, losses, damages, liabilities, fines and expenses that arise out of or in connection with the acts or omissions of Park City incident to PSSM's above-referenced activities, but not including the willful misconduct of Park City or its respective officers, employees or agents;

(c) Shall provide if reasonably possible that with respect to any covered claim arising under this Agreement, such insurance shall be primary coverage without reduction or right of set-off or contribution on account of any insurance provided by Park City for itself or for its officers or employees; and

(d) Shall provide if reasonably possible that such insurance shall not be altered or canceled without thirty (30) days' prior written notice to Park City.

12.4 Park City Liability. Nothing herein shall waive any provision, defense or limitation of the Utah Government Immunity Act.

G. MISCELLANEOUS.

13. License for Use of PSSM Marks. PSSM grants to Park City a license to use PSSM's emblem(s) and other trademarks for any non-commercial, governmental purpose, press release, and in internal Park City communications/reports. Such license shall be subject to restrictions prohibiting any commercial use of such marks.

14. License of Park City of Utah Logo, Name and Marks. Park City hereby grants PSSM a non-exclusive license to use for the effective term of this Agreement, any Park City-related symbols, emblems, marks, logos, trademarks, service marks, or pictures, paintings or likeness of the City, including without limitation the use of the (i) the name "Park City", and any variations thereof, (ii) the names of any officials of Park City, and (iii) the name and likeness of any buildings or grounds owned by Park City, in every case solely for the purposes of (a) broadcasting the Market, (b) providing map and way finding information, and (c) advertising or promoting the Market; but specifically excluding any license for the sale of any novelties or merchandise.

15. Photography and Broadcast Rights. PSSM shall have the non-exclusive right to arrange, conduct or permit commercial and noncommercial photography, filming, videotaping, television and radio transmission, and similar activities in and above the Use Areas during the Use Periods. PSSM shall have the non-exclusive right to record, to broadcast, and to permit media coverage of PSSM's activities in Park City with a Film Permit.

16. Sponsorships. PSSM shall have the exclusive right to sell sponsorships and supplierships of and other rights of affiliation with the Market and events staged or conducted by PSSM in the Use Areas.

17. Representations and Warranties.

17.1 Representations and Warranties of PSSM. PSSM hereby represents and warrants that (a) PSSM is a non-profit corporation duly organized, validly existing and in good standing under the laws of the State of Utah, (b) PSSM has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder, (c) the execution of this Agreement by PSSM and the performance by PSSM of its obligations hereunder have been duly authorized by all necessary corporate action, and (d) this Agreement has been duly executed and delivered by PSSM and is a valid and binding obligation of PSSM.

17.2 Representations and Warranties of Park City. Park City hereby represents and warrants to PSSM that (a) Park City validly exists, and is in good standing under the laws of the State of Utah, (b) Park City has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder, and (c) the execution of this Agreement by Park City and the performance by Park City of its obligations hereunder have been duly authorized by all necessary action, including all reviews and approvals required by the City Council of Park City.

18. Unforeseen Circumstances. Either Party may terminate or suspend its obligations under this Agreement if such obligations are rendered impossible of performance by any of the following events to the extent such event is beyond the reasonable control of the party whose performance is prevented: Fire, flood, riot, earthquake, civil commotion, insurrection, Act of God, war or any law or supervening illegality. In any such event, such party shall not be liable to the other for delay or failure to perform its obligations.

19. Dispute Resolution. The Parties agree that any dispute arising in connection with the interpretation of this Agreement or the formulation or implementation of any of the Supplemental Plans or the performance of any party under this Agreement or otherwise relating to this Agreement shall be treated in accordance with the procedures set forth in this Section, prior to the resort by any party to arbitration or litigation in connection with such dispute. The dispute shall first be referred for resolution to Park City's City Representative and PSSM's Manager or other person designated by PSSM as exercising authority over the Use Areas. If such persons are unable to resolve the dispute, it shall then be referred for resolution to Park City's Manager Representative and PSSM's Managing Director. Either Party may invoke such procedures by presenting to the other party a "Notice of Request for Resolution of Dispute" (a "Dispute Resolution Notice") identifying the issues in dispute sought to be addressed hereunder. A telephone conference of such officers shall be held within three (3) days, or if an emergency meeting is requested, within eight (8) hours, after delivery of the Dispute Resolution Notice. In the event that such officers are unable to resolve the dispute, then upon delivery of a further Dispute Resolution Notice, either Party may require that the matter be referred for resolution to the City Manager of Park City and the Managing Director of the Market. A telephone conference of the City Manager of Park City and the Managing Director shall be held within (2) two days, or if an emergency meeting is requested, within eight (8) hours, after delivery of the further Dispute Resolution Notice. If the City Manager of Park City and the Managing Director are unable to resolve the dispute, then the Parties shall engage in nonbinding mediation with a mutually acceptable mediator to resolve the issue within three (3) days of the delivery of a further Dispute Resolution Notice. Both Parties shall share the costs of such mediation equally. In the event that the parties are unable to agree on a mediator, then each Party shall select one (1) mediator and the two mediators shall select a third mediator. Each Party shall bear the cost of the mediator chosen by that Party and the Parties shall share the costs of the third mediator. If the dispute involves the formulation or implementation of any of the Supplemental Plans contemplated under this Agreement, the parties agree that the persons outlined above who are authorized to attempt to resolve disputes shall consider the minimum requirements for each of the Supplemental Plans outlined in this Agreement along with reasonable supplementation of such minimum requirements in order to meet the purposes outlined in this Agreement.

20. Other Miscellaneous Terms.

20.1 Governing Law. This Agreement shall be construed in accordance with, and governed by the substantive laws of, the State of Utah, without reference to principles governing choice or conflicts of laws.

20.2 Severability. If any provisions or portions thereof of this Agreement shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement or the application of such provisions or portions thereof shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by the law, so long as the intent of the parties can be maintained.

20.3 Assignment and Delegation. Neither party may assign nor in any manner transfer the benefits of this Agreement or delegate its obligations under this Agreement without the prior written consent of the other party. Subject to the foregoing limitation, this Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors, agents, heirs and assigns.

20.4 Waiver. No action taken by either party shall be deemed to constitute a waiver of compliance by such party with any representation, warranty or covenant contained in this Agreement. Any waiver by either party of a breach of any provision of this Agreement will not operate or be construed as a waiver by such party of any subsequent breach.

20.5 Headings. The article and section headings herein are for convenience and reference only, and in no way define or limit the scope and content of this Agreement or in any way affect its provisions.

20.6 Consent. Unless otherwise specifically noted herein, the consent of any party to any action may be made in such party's sole discretion. All consents or approvals hereunder shall be given without delay by either party.

20.7 Entire Agreement. This Agreement, together with any attached Exhibits, constitutes the entire agreement between the parties hereto with respect to the subject matter contained herein, and there are no covenants, terms or conditions, express or implied, other than set forth or referred to herein. This Agreement supersedes all prior agreements between the parties relating to all or part of the subject matter herein.

20.8 No Third Party Beneficiaries. This Agreement is intended for the sole benefit of Park City and PSSM and there are no third party beneficiaries to this Agreement.

20.9 Notice. Unless otherwise specified herein, all Notices, requests, consents and demands required to be in writing, including any Dispute Resolution Notice (collectively referred to herein as a "Notice" or "Notices") shall be given to or made upon the parties at their respective addresses set forth below, or at such other address as a party may designate in writing delivered to the other parties. Unless otherwise agreed in this Agreement, all Notices, requests, consents and demands shall be given or made by personal delivery, by confirmed air courier, by facsimile transmission ("*fax*") (with a copy sent the same day by first-class mail), or by certified first-class mail, return receipt requested, postage prepaid, to the party or parties addressed as aforesaid. If sent by confirmed air courier, such Notice shall be deemed to be given upon the earlier to occur of the date upon which it is actually received by the addressee or the business day upon which delivery is made at such address as confirmed by the air courier (or if the date of such confirmed delivery is not a business day, the next succeeding business day). If mailed, such Notice shall be deemed to be given upon the earlier to occur of the date upon which it is actually received by the addressee or the second business day following the date upon which it is deposited in a first-class postage-prepaid envelope in the United States mail addressed as aforesaid. If given by fax, such Notice shall be deemed to be given upon the date it is actually received by the addressee.

If to Park City:
Economic Development Manager
Park City Municipal Corporation
PO Box 1480
445 Marsac Avenue
Park City, UT 84060-1480
Tel 435-615-5000
Fax 435-615-4901

With copies to:
City Attorney
Park City Municipal Corporation
PO Box 1480
445 Marsac Avenue
Park City, UT 84060-1480

If to PSSM:
Kate Boyd – Executive Director Park
Silly Sunday Market
PO Box 684229
Park City, UT 84068

20.10 Reserved Police Power. The City expressly reserves, and PSSM expressly recognizes, the City's right and duty to adopt, from time to time, in addition to provisions herein contained, such ordinances and rules and regulations as the City may deem necessary in the exercise of its police power for the protection of the City may deem necessary in the exercise of its police power for the protection of the health, safety and welfare of its citizens and their properties.

20.11 Nondiscrimination.

A. The City is an equal opportunity employer.

B. In the performance of this Agreement, PSSM will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap; provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the particular worker involved. PSSM shall take such action with respect to this Agreement as may be required to ensure full compliance with local, state and federal laws prohibiting discrimination in employment.

C. PSSM will not discriminate against any recipient of any services or benefits provided for in this Agreement on the grounds of race, creed, color, national origin, sex, marital status, age or the presence of any sensory, mental or physical handicap.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

PARK CITY MUNICIPAL CORPORATION

______________________________ ; ______________________________

Jack Thomas, Mayor

Approved as to Form:

____
Mark D. Harrington, City Attorney

Attest:

____
City Recorder

PARK SILLY SUNDAY MARKET

____
Kate Boyd, Executive Director

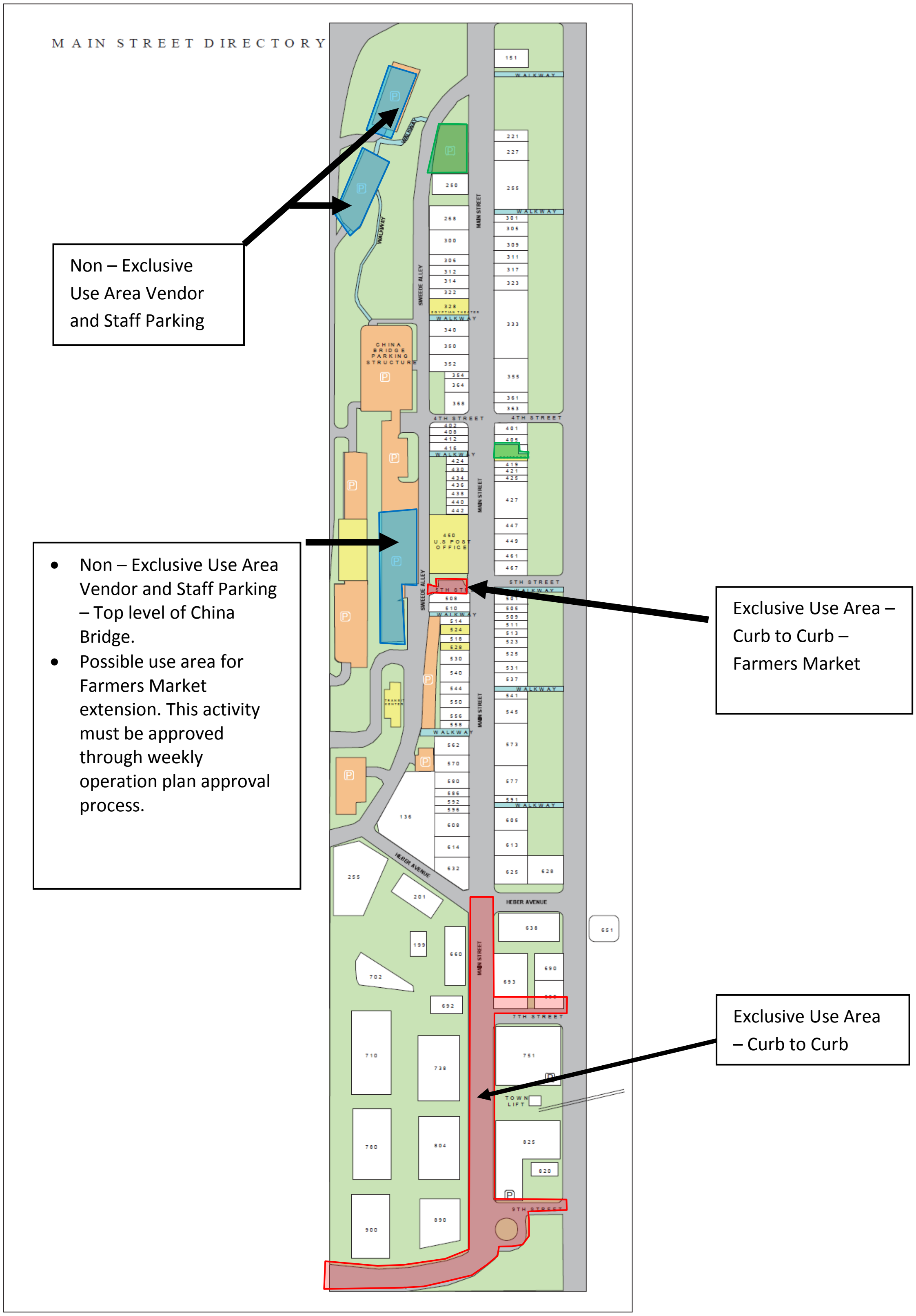
ACKNOWLEDGMENT

STATE OF UTAH)
: ss.
COUNTY OF SUMMIT)

On this ______ day of ____, 2016, personally appeared before me _________________, who being duly sworn, did say that he is the _____________ for ______________________, and acknowledged to me that the preceding Agreement was signed on behalf of said company, and he acknowledged that the company did execute the same for its stated purpose.

____
Notary Public

Exhibit E- 1 – PSSM 2017 Use Areas



DATE: November 10, 2016

TO HONORABLE MAYOR AND COUNCIL

The applicant is requesting a Plat Amendment for the purpose of combining Lot B and Lot C of the 315 Park Avenue Subdivision to create one (1) legal lot of record. The third lot (Lot A) will remain as currently platted. The applicant owns all lots and requests to combine Lot B and Lot C by removing the property line which separates them.

Respectfully:

Ashley Scarff,

City Council
Staff Report

PARK CITY 1884
PLANNING DEPARTMENT

Subject: 324 Woodside Avenue Subdivision
Author: Ashley Scarff, Planning Technician
Project Number: PL-16-03290
Date: November 10, 2016
Type of Item: Legislative – Plat Amendment

Summary Recommendations

Staff recommends the City Council hold a public hearing and consider approving the 324 Woodside Avenue Subdivision based on the Findings of Fact, Conclusions of Law, and Conditions of Approval as found in the attached ordinance.

Description

Applicant:	Thaynes Capital Park City, LLC, represented by Gus Sharry, P.E., of Canyon Engineering
Location:	313 Park Avenue, 324 & 328 Woodside Avenue
Zoning:	Historic Residential (HR-1) District
Adjacent Land Uses:	Residential
Reason for Review:	Plat amendments require Planning Commission review and City Council review and action.

Proposal

The applicant is requesting a Plat Amendment for the purpose of combining Lot B and Lot C of the 315 Park Avenue Subdivision to create one (1) legal lot of record. The third lot (Lot A) will remain as currently platted. The applicant owns all lots and requests to combine Lot B and Lot C by removing the property line which separates them.

Background

On August 26, 2016, the City received an application to amend the 315 Park Avenue Subdivision, which currently consists of 313 Park Avenue (Lot A), 328 Woodside Avenue (Lot B), and 324 Woodside Avenue (Lot C). The application was deemed complete on September 1, 2016. The applicant wishes to combine Lot B and Lot C as shown on the 315 Park Avenue Subdivision Amended plat (Exhibit C); it is proposed that Lot A will remain as currently platted. The subdivision plat will be renamed as the 324 Woodside Avenue Subdivision. Summit County recognizes 324 Woodside Avenue as Parcel 315-PA-C-AM, 328 Woodside Avenue as Parcel 315-PA-B-AM, and 313 Park Avenue as Parcel 315-PA-A-AM (Tax IDs).

All three (3) lots are currently vacant and undeveloped, with the exception of a concrete retaining wall that runs along the frontage of Lots B and C; a stacked rock wall located entirely within Lot B; rock walls that encroach onto Lot C from adjacent Lot 30 (320 Woodside Avenue); a railroad tie retaining wall that encroaches onto Lot A from adjacent Lot 6 (323 Park Avenue); a portion of a shed roof that also encroaches onto Lot A from adjacent Lot 6; and concrete walls located entirely within Lot A.

The encroachments between Lot A and Lot 6 were resolved during the last plat amendment process via Notice of Encroachment on file at the Summit County Recorder's Office (Exhibit E). The encroachment between Lot C and Lot 30 was resolved via recorded Encroachment Agreement (Exhibit E).

Constructed across the underlying Park City Survey lot lines, a house once stood at 315 Park Avenue. On May 10, 2007, the Historic Preservation Board made a determination that the house was not a historically significant structure. On June 6, 2007, a demolition permit was issued and the structure was removed. The house was not listed on the Park City Historic Sites Inventory.

The proposed plat amendment would be the second amendment for the subject property. The first subdivision plat created the three-lot 315 Park Avenue Subdivision with a re-plat of Lots 4, 5, 6, 27, 28, and 29, Block 3 of the Park City Survey. The created Lot A had frontage on Park Avenue, and Lots B and C had frontage on Woodside Avenue. Lots A and B contained sufficient area for a single family dwelling; Lot C had enough area to house a duplex structure. The 315 Park Avenue Subdivision was approved by the City Council on March 16, 2006, extended on June 28, 2007, and recorded at Summit County on September 24, 2007 (Exhibit F).

The first plat amendment created the 315 Park Avenue Subdivision Amended (current), and reconfigured the property lines of the three (3) lots to make them more equal in size. 225 square feet of land was transferred from Lot A to Lot B, and the property line separating Lots B and C was redrawn so each lot could potentially house a single family dwelling. The 315 Park Avenue Subdivision Amended was approved by the City Council on March 21, 2013, and recorded at Summit County on April 4, 2014 (Exhibit C).

A Historic District Design Review (HDDR) pre-application was submitted on May 3, 2016, proposing the development of a single-family home on the combined lot; however, this application is not vested in any way, and the applicant's plans could change in the future. If this plat amendment is approved, the middle portion of the combined lot has approximate slopes greater than 30 percent (30%); thus, a Steep Slope Conditional Use Permit (SS CUP) would be required prior to the issuance of a building permit if more than 200 square feet (sf) of the building footprint is proposed to be located in those areas.

On October 26, 2016, the Planning Commission forwarded a positive recommendation to City Council for approval of this plat amendment. There was a quorum of five (5) members. At that time, the applicant had not proposed to title the plat as the 324 Woodside Avenue Subdivision, and the Commission forwarded their recommendation for the 315 Park Avenue 2nd Amended Subdivision. Nothing else in this proposal has changed since that time.

District Purpose
The purpose of the HR-1 District is to:

(A) Preserve present land Uses and character of the Historic residential Areas of Park City,
(B) Encourage the preservation of Historic Structures,
(C) Encourage construction of Historically Compatible Structures that contribute to the character and scale of the Historic District and maintain existing residential neighborhoods,
(D) Encourage single family Development on combinations of 25' x 75' Historic Lots,
(E) Define Development parameters that are consistent with the General Plan policies for the Historic core, and
(F) Establish Development review criteria for new Development on Steep Slopes which mitigate impacts to mass and scale and the environment.

Analysis
The proposed plat amendment combines two (2) existing parcels to create one (1) lot of record consisting of 5,850 square feet. A single-family dwelling is an allowed use in the HR-1 District. The minimum lot area for a single family dwelling is 1,875 square feet. The proposed lot meets the minimum lot area for a single-family dwelling. A duplex dwelling is a conditional use in the HR-1 District. The minimum lot area for a duplex dwelling is 3,750 square feet. The proposed lot also meets the minimum lot area requirements for a duplex dwelling.

The minimum lot width in the HR-1 District is twenty-five feet (25’). The proposed plat amendment will combine Lots B and C, with current lot widths of 37.50 feet each, to create one (1) lot of record with a width of 75 feet (75’). The proposed lot meets the minimum lot width requirement. The proposed plat amendment meets the lot and site requirements of the HR-1 District described below:

Land Management Code (LMC) Regulation	**Existing**	**Permitted**
Lot Size	5,850 square feet combined	1,875 square feet minimum for Single Family Dwelling/3,750 square feet minimum for Duplex
Building Footprint	N/A	2,105.5 square feet maximum (based on proposed lot area)
Front/rear yard setbacks	N/A	12 feet minimum, 25 feet total (based on lot depth of 85 feet).
Side yard setbacks	N/A	5 feet minimum, 18 feet total (based on lot width of 75 feet).
Height	N/A	27 feet above existing grade, maximum.

Height (continued)	N/A	A Structure shall have a maximum height of thirty five feet (35’) measured from the lowest finish floor plane to the point of the highest wall top plate that supports the ceiling joists or roof rafters.
Final Grade	N/A	Final grade must be within four (4) vertical feet of existing grade around the periphery of the structure.
Vertical Articulation	N/A	A ten foot (10’) minimum horizontal step in the downhill façade is required unless the First Story is located completely under the finish Grade on all sides of the Structure. The horizontal step shall take place at a maximum height of twenty three feet (23’) from where Building Footprint meets the lowest point of existing Grade.
Roof Pitch	N/A	Between 7:12 and 12:12. A roof that is not part of the primary roof design may be below the required 7:12 roof pitch.
Parking	N/A	Two (2) parking spaces per dwelling unit.

No changes are proposed to the access points, as the combined lot fronts Woodside Avenue. The potential density would be reduced or maintained, as the subdivision as currently platted allows for two (2) single family dwellings, and the combined lot could accommodate either one (1) single family dwelling (a reduction in potential density), or one (1) duplex structure (maintenance of potential density). Similarly, off-street parking requirements would be maintained or reduced, as each single family dwelling requires the provision of two (2) off-street parking spaces, and duplexes require two (2) off-street spaces per unit (4 total).

As noted above, there are existing encroachments onto the subject properties that were resolved prior to recordation of the last plat amendment, which was approved by City Council on March 21, 2013. There are rock walls that encroach onto Lot C from adjacent Lot 30 (320 Woodside Avenue). There are also railroad tie retaining walls and a portion of a shed roof that encroach onto Lot A from adjacent Lot 6 (323 Park Avenue). Please refer to attached Encroachment Notice and Agreement (Exhibit E).

The proposed plat amendment does not create any non-conformities or remnant parcels. This plat amendment is consistent with the LMC and applicable State law regarding plat amendments. Any new structures proposed at the site must comply with applicable LMC requirements and Design Guidelines for Historic Districts and Historic Sites. A Steep Slope CUP may be required for development on the amended lot.

The property is not within the soils ordinance boundary. In the event that mine wastes or impacts are encountered, the applicant is responsible for handling the material properly.

Good Cause

Planning Staff finds there is good cause for this plat amendment. Combining the parcels will allow the property owner to develop either a single family dwelling or duplex, and will create one (1) legal lot of record out of the existing two (2) parcels. The plat amendment will also utilize best planning and design practices while preserving the character of the neighborhood and of Park City, while furthering the health, safety, and welfare of the Park City community.

Staff finds that the plat will not cause undue harm to adjacent property owners and all future development will be reviewed for compliance with requisite Building and Land Management Code, as well as applicable Historic District Design Guidelines requirements and Steep Slope CUP requirements.

Department Review

This project has gone through an interdepartmental review. There were no issues raised by any of the departments or service providers regarding this proposal that have not been addressed by the conditions of approval.

Notice

The property was posted and notice was mailed to property owners within 300 feet in accordance with the requirements of the LMC on October 12, 2016. Legal notice was also published in the Park Record on October 12, 2016, and on the public notice website in accordance with the requirements of the LMC.

Public Input

Staff has not received public input on this application at the time of this report. Public input may be taken at the regularly scheduled City Council public hearing.

Process

Approval of this application by the City Council constitutes Final Action that may be appealed following the procedures found in LMC 1-18. Any new structures may require a Steep Slope CUP and will require a Historic District Design Review. A Building Permit is publicly noticed by posting of the permit.

Alternatives

- The City Council may approve the 324 Woodside Avenue Subdivision; or
- The City Council may deny the 324 Woodside Avenue Subdivision and direct staff to make Findings for this decision; or
- The City Council may continue the discussion to a date certain and provide staff with direction to provide additional information necessary in order to make a final decision on this item.

Significant Impacts

There are no significant fiscal or environmental impacts from this application.

Consequences of not taking the Suggested Recommendation

The proposed plat amendment would not be recorded and the existing lots would not be adjoined and would remain as is. The parcels at 324 and 328 Woodside Avenue would remain vacant and would need to comply with the current LMC requirements for any new structures built in the HR-1 District.

Recommendation

Staff recommends the City Council hold a public hearing and consider approving the 324 Woodside Avenue Subdivision based on the Findings of Fact, Conclusions of Law, and Conditions of Approval as found in the attached ordinance.

Exhibits

Exhibit A – Draft Ordinance with Proposed Plat
Exhibit B – Survey of Existing Conditions
Exhibit C – 315 Park Avenue Subdivision Amended Plat
Exhibit D – Vicinity Map/Aerial
Exhibit E – Notice of Encroachment & Encroachment Agreement
Exhibit F – 315 Park Avenue Subdivision Plat

Exhibit A – Draft Ordinance with Proposed Plat

Ordinance 2016-49

AN ORDINANCE APPROVING THE 324 WOODSIDE AVENUE SUBDIVISION, LOCATED AT 313 PARK AVENUE, 324 AND 328 WOODSIDE AVENUE, PARK CITY, UTAH.

WHEREAS, the owners of the property known as the 315 Park Avenue Subdivision, located at 313 Park Avenue, and 324 and 328 Woodside Avenue, have petitioned the City Council for approval of the 324 Woodside Avenue Subdivision; and

WHEREAS, the property was properly noticed and posted according to the requirements of the Land Management Code; and

WHEREAS, proper legal notice was sent to all affected property owners according to the Land Management Code; and

WHEREAS, the Planning Commission held a public hearing on October 26, 2016 to receive input on the proposed subdivision;

WHEREAS, on October 26, 2016 the Planning Commission forwarded a positive recommendation to the City Council; and,

WHEREAS, on November 10, 2016 the City Council held a public hearing on the proposed 324 Woodside Avenue Subdivision; and

WHEREAS, it is in the best interest of Park City, Utah to approve the proposed 324 Woodside Avenue Subdivision.

NOW, THEREFORE BE IT ORDAINED by the City Council of Park City, Utah as follows:

SECTION 1. APPROVAL. The above recitals are hereby incorporated as findings of fact. The 324 Woodside Avenue Subdivision, as shown in Exhibit A, is approved subject to the following Findings of Facts, Conclusions of Law, and Conditions of Approval:

Findings of Fact:

1. The 315 Park Avenue Subdivision is located within the Historic Residential (HR-1) District.
2. On August 26, 2016, the City received an application to amend the 315 Park Avenue Subdivision, which currently consists of 313 Park Avenue (Lot A), 328 Woodside Avenue (Lot B), and 324 Woodside Avenue (Lot C). The application was deemed complete on September 1, 2016.

3. The applicant wishes to combine Lot B and Lot C as shown on the 315 Park Avenue Subdivision Amended plat; it is proposed that Lot A will remain as currently platted.
4. The subdivision plat will be renamed as the 324 Woodside Avenue Subdivision.
5. All three (3) lots are currently vacant and undeveloped, with the exception of a concrete retaining wall that runs along the frontage of Lots B and C; a stacked rock wall located entirely within Lot B; a rock wall that encroaches onto Lot C from adjacent Lot 30 (320 Woodside Avenue); a railroad tie retaining wall that encroaches onto Lot A from adjacent Lot 6 (323 Park Avenue); a portion of a shed roof that also encroaches onto Lot A from adjacent Lot 6; and concrete walls located entirely within Lot A.
6. Encroachments between Lot A and Lot 6 were resolved during the last plat amendment process via Notice of Encroachment on file at the Summit County Recorder's Office (Entry No. 987095).
7. The encroachment between Lot C and Lot 30 has been resolved under an Encroachment Agreement on file at the Summit County Recorder's Office (Entry No. 987096).
8. Constructed across the underlying Park City Survey lot lines, a house once stood at 315 Park Avenue. On May 10, 2007, the Historic Preservation Board made a determination that the house was not a historically significant structure. On June 6, 2007, a demolition permit was issued and the structure was removed. The house was not listed on the Park City Historic Sites Inventory.
9. The first subdivision plat for the subject property created the three-lot 315 Park Avenue Subdivision with a re-plat of Lots 4, 5, 6, 27, 28, and 29, Block 3 of the Park City Survey.
10. The 315 Park Avenue Subdivision was approved by the City Council on March 16, 2006, extended on June 28, 2007, and recorded at Summit County on September 24, 2007
11. The first plat amendment created the 315 Park Avenue Subdivision Amended (current), and reconfigured the property lines of the three (3) lots to make them more equal in size.
12. The 315 Park Avenue Subdivision Amended was approved by the City Council on March 21, 2013, and recorded at Summit County on April 4, 2014.
13. The proposed plat amendment combines two (2) existing parcels to create one (1) lot of record consisting of 5,850 square feet.
14. The amended lot will have access fronting Woodside Avenue.
15. The HR-1 zone requires a minimum lot area of 1,875 square feet for a single-family dwelling. The proposed lot area meets the minimum lot area for a single-family dwelling.
16. The HR-1 zone requires a minimum lot area of 3,750 square feet for a duplex structure, a conditional use in the zone. The proposed lot area meets the minimum lot area required for a duplex structure.
17. The minimum lot width allowed in the district is twenty-five feet (25'). The proposed plat amendment will create one (1) lot with a width of 75 feet.
18. The minimum front/rear yard setbacks for a lot with depth of 85 feet is 12 feet minimum, 25 feet total.

19. The minimum side yard setbacks for a 75 foot wide lot are 5 feet minimum, 18 feet total.
20. The maximum footprint allowed in the HR-1 zone is 2,105.5 square feet for the proposed lot.
21. As conditioned, the proposed plat amendment does not create any new non-complying or non-conforming situations, or any remnant parcels.
22. Any new structures must comply with applicable LMC requirements and Design Guidelines for Historic Districts and Historic Sites.
23. A Steep Slope CUP may be required for development on the amended lot.
24. The property is not within the soils ordinance boundary. In the event that mine wastes or impacts are encountered, the applicant is responsible for handling the material properly.
25. The property does not fall within the 100 or 500 year flood plains.
26. The proposed plat amendment will not cause undo harm to adjacent property owners.

Conclusions of Law:

1. There is good cause for this plat amendment.
2. The plat amendment is consistent with the Park City Land Management Code and applicable State law regarding subdivisions.
3. Neither the public nor any person will be materially injured by the proposed plat amendment.
4. Approval of the plat amendment, subject to the conditions stated below, does not adversely affect the health, safety and welfare of the citizens of Park City.

Conditions of Approval:

1. The City Attorney and City Engineer will review and approve the final form and content of the plat amendment for compliance with State law, the Land Management Code, and the conditions of approval, prior to recordation of the plat.
2. The applicant will record the plat amendment at the County within one year from the date of City Council approval. If recordation has not occurred within one year's time, this approval for the plat will be void, unless a complete application requesting an extension is made in writing prior to the expiration date and an extension is granted by the City Council.
3. No building permit for any work on the new lot shall be issued until the plat is recorded and until the Historic District Design Review and Steep Slope CUP, if required, applications are submitted and approved for the lot.
4. Modified 13-D sprinklers will be required for new construction by the Chief Building Official at the time of review of the building permit submittal and shall be noted on the final Mylar prior to recordation.
5. All applicable notes and conditions of approval of the 315 Park Avenue Subdivision and 315 Park Avenue Subdivision Amended, recorded as Entry Nos. 826141 and 992668 in the office of the Summit County Recorder, continue to apply.

SECTION 2. EFFECTIVE DATE. This Ordinance shall take effect upon publication.

PASSED AND ADOPTED this 10 day of November, 2016

PARK CITY MUNICIPAL CORPORATION

____
Jack Thomas, MAYOR

ATTEST:

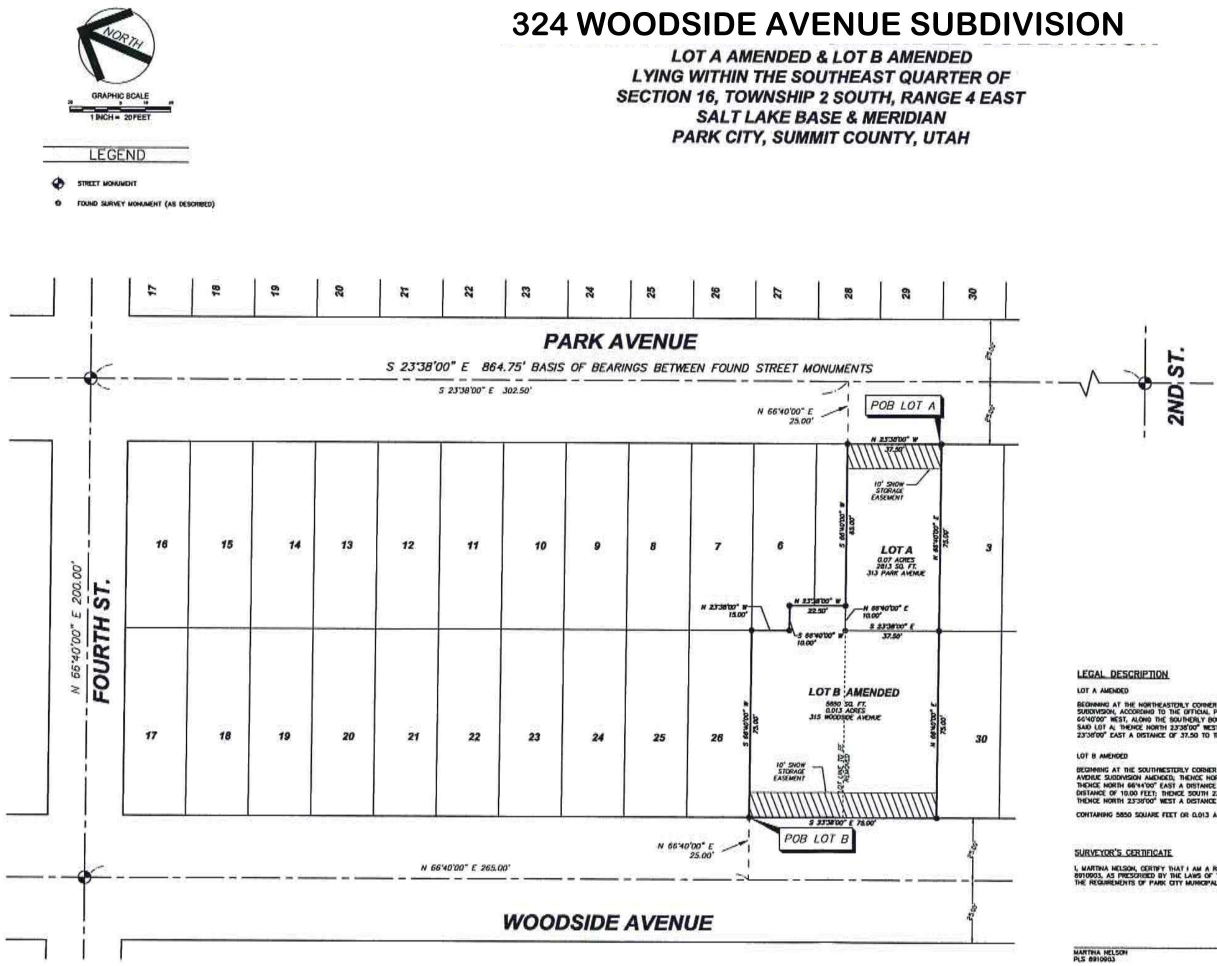
____
Michelle Kellogg, City Recorder

APPROVED AS TO FORM:

____
Mark Harrington, City Attorney

324 WOODSIDE AVENUE SUBDIVISION

LOT A AMENDED & LOT B AMENDED
LYING WITHIN THE SOUTHEAST QUARTER OF
SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN
PARK CITY, SUMMIT COUNTY, UTAH



PLAT NOTES

1. THE PURPOSE OF THIS PLAT AMENDMENT IS TO COMBINE AMENDED LOT B AND AMENDED LOT C INTO ONE LOT. AMENDED LOT A REMAINS THE SAME AS IN "315 PARK AVENUE SUBDIVISION AMENDED" OF RECORD.

2. FOR HISTORICAL PLAT REFERENCE, SEE ENTRY 828141, 315 PARK AVENUE SUBDIVISION, RECORDED 09-24-2007 AND ENTRY 992660, 315 PARK AVENUE SUBDIVISION AMENDED, RECORDED 04-04-2014.

3. SEE S-XXXX RECORD OF SURVEY & TOPOGRAPHIC MAP OF LOTS A, B & C OF 315 PARK AVENUE SUBDIVISION AMENDED. THIS SURVEY WAS PERFORMED IN JULY 2016.

4. ENTRY NUMBER 987095. ENCROACHMENT AGREEMENT BY AND BETWEEN THAYNES CAPITAL PARK CITY LLC AND MARION LITNER. RECORDED 01-03-2014. THIS AGREEMENT BENFITS 323 PARK AVENUE, PARK CITY.

5. ENTRY NUMBER 987096. ENCROACHMENT AGREEMENT BY AND BETWEEN THAYNES CAPITAL PARK CITY LLC AND JB TOYS LLC. RECORDED 01-03-2014. THIS AGREEMENT BENEFITS 320 WOODSIDE AVENUE, PARK CITY.

5. FIRE SPRINKLERS SHALL BE REQUIRED FOR ALL NEW CONSTRUCTION OR SUBSTANTIAL RENOVATIONS, AS DETERMINED BY THE PARK CITY BUILDING DEPARTMENT DURING BUILDING PERMIT REVIEW.THE RESIDENCE SHALL CONTAIN 13-D SPRINKLERS AS PER COA #5 OF ORDINANCE #15-14, DATED JUNE 11, 2015.

ADDL PLAT NOTES HERE....

OWNER'S DEDICATION AND CONSENT TO RECORD

KNOW ALL MEN BY THESE PRESENTS THAT, THE UNDERSIGNED OWNERS OF THE HEREIN DESCRIBED TRACT OF LAND, TO BE KNOWN HEREAFTER AS "315 PARK AVENUE 2ND AMENDED SUBDIVISION", DO HEREBY CERTIFY THAT WE HAVE CAUSED THIS PLAT TO BE PREPARED, AND I, ______________________ HEREBY CONSENT TO THE RECORDATION OF THIS PLAT.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET OUR HAND THIS _____ DAY OF ____________, 20___.

____
DAVID NAVARRO
THAYNES CAPITAL LLC

ACKNOWLEDGEMENT

STATE OF UTAH
COUNTY OF SUMMIT:

ON THIS _____ DAY OF ____________, 20___ PERSONALLY APPEARED BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, IN AND FOR SAID COUNTY OF SUMMIT, IN SAID STATE OF UTAH, ______________________ BEING THE PERSONS THAT EXECUTED THE WITHIN INSTRUMENT AND KNOWN TO ME TO BE (OR PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE) THE PERSONS WHO EXECUTED THE WITHIN INSTRUMENT ON BEHALF OF SAID PERSON, BEING DULY SWORN ACKNOWLEDGED TO ME THAT THEY ARE THE OWNERS OF THE HEREIN DESCRIBED TRACT OF LAND AND THEY SIGNED THE ABOVE OWNER'S DEDICATION AND CONSENT TO RECORD FREELY AND VOLUNTARILY.

______________________ NOTARY PUBLIC

______________________ MY COMMISSION EXPIRES

LEGAL DESCRIPTION

LOT A AMENDED

BEGINNING AT THE NORTHEASTERLY CORNER OF LOT 3, BLOCK 3, PARK CITY SURVEY, AND THE SOUTHEASTERLY CORNER OF LOT A, 315 PARK AVENUE SUBDIVISION, ACCORDING TO THE OFFICIAL PLAT, ON FILE AND OF RECORD IN THE OFFICE OF THE SUMMIT COUNTY RECORDER, AND RUNNING THENCE SOUTH 66°40'00" WEST, ALONG THE SOUTHERLY BOUNDARY OF 315 PARK AVENUE SUBDIVISION AMENDED, A DISTANCE OF 75.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT A; THENCE NORTH 23°38'00" WEST A DISTANCE OF 37.50 FEET; THENCE NORTH 66°40'00" EAST A DISTANCE OF 75.00 FEET; THENCE SOUTH 23°38'00" EAST A DISTANCE OF 37.50 TO THE POINT OF BEGINNING. CONTAINING 2813 SQUARE FEET OR 0.07 ACRES, MORE OR LESS.

LOT B AMENDED

BEGINNING AT THE SOUTHWESTERLY CORNER OF LOT 26, BLOCK 3, PARK CITY SURVEY AND THE NORTHWESTERLY CORNER OF SAID LOT B, SAID 315 PARK AVENUE SUBDIVISION AMENDED; THENCE NORTH 66°44'00" EAST A DISTANCE OF 75.00 FEET; THENCE SOUTH 23°38'00" EAST A DISTANCE OF 15.00 FEET; THENCE NORTH 66°44'00" EAST A DISTANCE OF 10.00 FEET; THENCE SOUTH 23°38'00" EAST A DISTANCE OF 22.50 FEET; THENCE SOUTH 66°44'00" WEST A DISTANCE OF 10.00 FEET; THENCE SOUTH 23°38'00" EAST A DISTANCE OF 37.50 FEET; THENCE SOUTH 66°44'00" WEST A DISTANCE OF 75.00 FEET THENCE THENCE NORTH 23°38'00" WEST A DISTANCE OF 75.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 5850 SQUARE FEET OR 0.013 ACRES, MORE OR LESS.

SURVEYOR'S CERTIFICATE

I, MARTINA NELSON, CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF UTAH AND THAT I HOLD CERTIFICATE NO. 8910903, AS PRESCRIBED BY THE LAWS OF THE STATE OF UTAH, AND THIS PLAT WAS PREPARED UNDER MY DIRECTION IN ACCORDANCE WITH THE REQUIREMENTS OF PARK CITY MUNICIPAL CORPORATION. I FURTHER CERTIFY THAT THE PROPERTY BOUNDARIES AS SHOWN ARE CORRECT.

______________________ MARTINA NELSON
PLS 8910903

__________ DATE

PLAT v1 08-01-2016
SHEET 1 OF 1

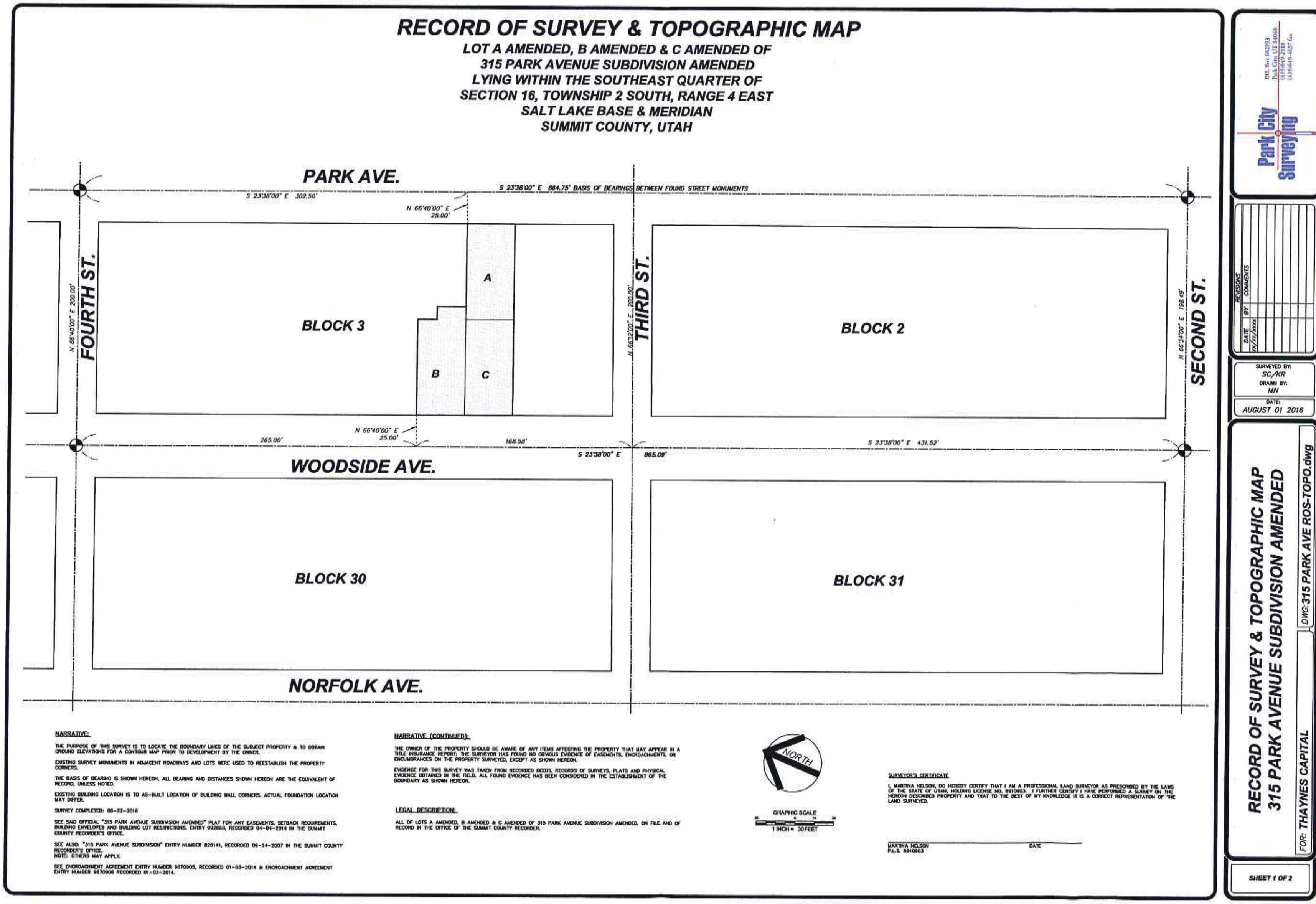
Park City Surveying

RECEIVED
AUG 26 2016
PARK CITY PLANNING DEPT.

PARK CITY PLANNING COMMISSION	CERTIFICATE OF ATTEST	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	ENGINEERS CERTIFICATE	APPROVAL AS TO FORM	COUNCIL APPROVAL AND ACCEPTANCE	RECORDED
APPROVED BY THE PARK CITY PLANNING COMMISSION ON THIS _____ DAY OF _______, 2016 A.D. ______ CHAIRMAN	I CERTIFY THIS PLAT MAP WAS APPROVED BY PARK CITY COUNCIL ON THIS ___ DAY OF _______, 2016 A.D. BY ______ PARK CITY RECORDER	REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS ____ DAY OF __________, 20___ A.D. BY ______ S.B.W.R.D.	I FIND THIS PLAT TO BE IN ACCORDANCE WITH THE INFORMATION ON FILE IN MY OFFICE ON THIS ____ DAY OF __________, 20___ A.D. BY ______ PARK CITY ENGINEER	APPROVED AS TO FORM ON THIS ____ DAY OF __________, 20___ A.D. BY ______ PARK CITY ATTORNEY	APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL ON THIS ____ DAY OF _____, 20___ A.D. BY ______ MAYOR	STATE OF UTAH, COUNTY OF SUMMIT AND FILED AT THE REQUEST OF ______ DATE: ______ TIME: ______ BOOK: ______ PAGE: ______ ENTRY NO.: ______ FEE: ______ RECORDER: ______

Packet Pg

Exhibit B


RECORD OF SURVEY & TOPOGRAPHIC MAP
LOT A AMENDED, B AMENDED & C AMENDED OF
315 PARK AVENUE SUBDIVISION AMENDED
LYING WITHIN THE SOUTHEAST QUARTER OF
SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN
SUMMIT COUNTY, UTAH
PARK AVE.
S 23°38'00" E 864.75' BASIS OF BEARINGS BETWEEN FOUND STREET MONUMENTS
S 23°38'00" E 302.50'
N 66°40'00" E 25.00'
FOURTH ST.
THIRD ST.
SECOND ST.
BLOCK 3
A
B
C
BLOCK 2
N 66°40'00" E 25.00'
265.00'
168.58'
S 23°38'00" E
865.09'
S 23°38'00" E 431.52'
WOODSIDE AVE.
BLOCK 30
BLOCK 31
NORFOLK AVE.
NARRATIVE:
THE PURPOSE OF THIS SURVEY IS TO LOCATE THE BOUNDARY LINES OF THE SUBJECT PROPERTY & TO OBTAIN GROUND ELEVATIONS FOR A CONTOUR MAP PRIOR TO DEVELOPMENT BY THE OWNER.
EXISTING SURVEY MONUMENTS IN ADJACENT ROADWAYS AND LOTS WERE USED TO REESTABLISH THE PROPERTY CORNERS.
THE BASIS OF BEARING IS SHOWN HEREON. ALL BEARING AND DISTANCES SHOWN HEREON ARE THE EQUIVALENT OF RECORD, UNLESS NOTED.
EXISTING BUILDING LOCATION IS TO AS-BUILT LOCATION OF BUILDING WALL CORNERS. ACTUAL FOUNDATION LOCATION MAY DIFFER.
SURVEY COMPLETED: 06-22-2016
SEE SAID OFFICIAL "315 PARK AVENUE SUBDIVISION AMENDED" PLAT FOR ANY EASEMENTS, SETBACK REQUIREMENTS, BUILDING ENVELOPES AND BUILDING LOT RESTRICTIONS. ENTRY 992668, RECORDED 04-04-2014 IN THE SUMMIT COUNTY RECORDER'S OFFICE.
SEE ALSO: "315 PARK AVENUE SUBDIVISION" ENTRY NUMBER 820141, RECORDED 09-24-2007 IN THE SUMMIT COUNTY RECORDER'S OFFICE.
NOTE: OTHERS MAY APPLY.
SEE ENCROACHMENT AGREEMENT ENTRY NUMBER 9870905, RECORDED 01-03-2014 & ENCROACHMENT AGREEMENT ENTRY NUMBER 9870906 RECORDED 01-03-2014.
NARRATIVE (CONTINUED):
THE OWNER OF THE PROPERTY SHOULD BE AWARE OF ANY ITEMS AFFECTING THE PROPERTY THAT MAY APPEAR IN A TITLE INSURANCE REPORT; THE SURVEYOR HAS FOUND NO OBVIOUS EVIDENCE OF EASEMENTS, ENCROACHMENTS, OR ENCUMBRANCES ON THE PROPERTY SURVEYED, EXCEPT AS SHOWN HEREON.
EVIDENCE FOR THIS SURVEY WAS TAKEN FROM RECORDED DEEDS, RECORDS OF SURVEYS, PLATS AND PHYSICAL EVIDENCE OBTAINED IN THE FIELD. ALL FOUND EVIDENCE HAS BEEN CONSIDERED IN THE ESTABLISHMENT OF THE BOUNDARY AS SHOWN HEREON.
LEGAL DESCRIPTION:
ALL OF LOTS A AMENDED, B AMENDED & C AMENDED OF 315 PARK AVENUE SUBDIVISION AMENDED, ON FILE AND OF RECORD IN THE OFFICE OF THE SUMMIT COUNTY RECORDER.
NORTH
GRAPHIC SCALE
1 INCH = 30FEET
SURVEYOR'S CERTIFICATE
I, MARTINA NELSON, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR AS PRESCRIBED BY THE LAWS OF THE STATE OF UTAH, HOLDING LICENSE NO. 8910903. I FURTHER CERTIFY I HAVE PERFORMED A SURVEY ON THE HEREON DESCRIBED PROPERTY AND THAT TO THE BEST OF MY KNOWLEDGE IT IS A CORRECT REPRESENTATION OF THE LAND SURVEYED.
MARTINA NELSON
P.L.S. 8910903
DATE
Park City Surveying
REVISIONS
DATE
BY
COMMENTS
SURVEYED BY:
SC/KR
DRAWN BY:
MN
DATE:
AUGUST 01 2016
RECORD OF SURVEY & TOPOGRAPHIC MAP
315 PARK AVENUE SUBDIVISION AMENDED
DWG: 315 PARK AVE ROS-TOPO.dwg
FOR: THAYNES CAPITAL
SHEET 1 OF 2

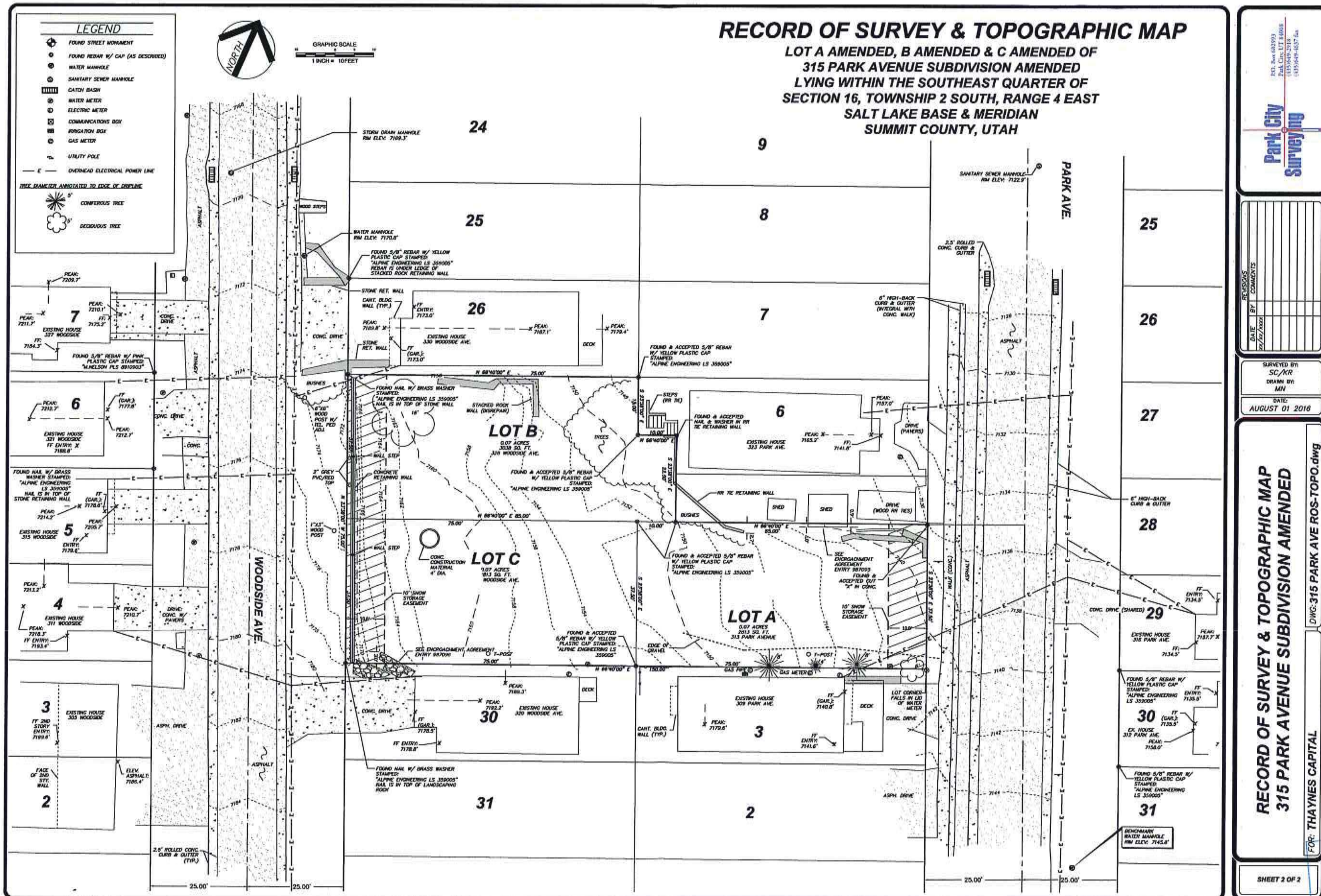

RECORD OF SURVEY & TOPOGRAPHIC MAP
LOT A AMENDED, B AMENDED & C AMENDED OF
315 PARK AVENUE SUBDIVISION AMENDED
LYING WITHIN THE SOUTHEAST QUARTER OF
SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST
SALT LAKE BASE & MERIDIAN
SUMMIT COUNTY, UTAH
LEGEND
FOUND STREET MONUMENT
FOUND REBAR W/ CAP (AS DESCRIBED)
WATER MANHOLE
SANITARY SEWER MANHOLE
CATCH BASIN
WATER METER
ELECTRIC METER
COMMUNICATIONS BOX
IRRIGATION BOX
GAS METER
UTILITY POLE
OVERHEAD ELECTRICAL POWER LINE
TREE DIAMETER ANNOTATED TO EDGE OF DRIPLINE
CONIFEROUS TREE
DECIDUOUS TREE
NORTH
GRAPHIC SCALE
1 INCH = 10FEET
WOODSIDE AVE.
PARK AVE.
LOT A
0.07 ACRES
3013 SQ. FT.
313 PARK AVENUE
LOT B
0.07 ACRES
3038 SQ. FT.
326 WOODSIDE AVE.
LOT C
0.07 ACRES
3013 SQ. FT.
WOODSIDE AVE.
EXISTING HOUSE 330 WOODSIDE AVE.
EXISTING HOUSE 323 PARK AVE.
EXISTING HOUSE 320 WOODSIDE AVE.
EXISTING HOUSE 309 PARK AVE.
EXISTING HOUSE 327 WOODSIDE
EXISTING HOUSE 321 WOODSIDE
EXISTING HOUSE 315 WOODSIDE
EXISTING HOUSE 311 WOODSIDE
EXISTING HOUSE 305 WOODSIDE
EXISTING HOUSE 318 PARK AVE.
EX. HOUSE 312 PARK AVE.
SEE ENCROACHMENT AGREEMENT ENTRY 987095
10' SNOW STORAGE EASEMENT
CONC. CONSTRUCTION MATERIAL 4' DIA.
STORM DRAIN MANHOLE RIM ELEV. 7169.3'
WATER MANHOLE RIM ELEV. 7170.8'
SANITARY SEWER MANHOLE RIM ELEV. 7122.9'
BENCHMARK WATER MANHOLE RIM ELEV. 7145.6'
N 88°40'00" E 75.00'
N 88°40'00" E 85.00'
25.00'
24 25 26 9 8 7 6 27 28 29 30 31 3 2 4 5
SURVEYED BY: SC/KR
DRAWN BY: MN
DATE: AUGUST 01 2016
Park City Surveying
RECORD OF SURVEY & TOPOGRAPHIC MAP
315 PARK AVENUE SUBDIVISION AMENDED
FOR: THAYNES CAPITAL
DWG: 315 PARK AVE ROS-TOPO.dwg
SHEET 2 OF 2

Exhibit C

315 Park Avenue Subdivision Amended

A replat of Lots A, B & C
Block 3, Park City Survey

NARRATIVE

1. Survey requested by: Thaynes Capital Park City L.L.C.
2. Basis of survey: found street monuments as shown.
3. Date of survey: September, 2012 & July, 2013.
4. Property monuments set or found as shown.
5. Located in the Southeast Quarter of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian.
6. The owners of the property should be aware of any items affecting the property that may appear in a title insurance report.
7. Based on the previous Plat of 315 Park Avenue Subdivision recorded as Entry No. 826141 in the office of the Summit County Recorder.

SURVEYOR'S CERTIFICATE

I, J.D. Gailey, a Registered Land Surveyor as prescribed by the laws of the State of Utah and holding License No. 359005, do hereby certify that I have supervised a survey of the hereon described property and that this plat is a true representation of said survey.

Jan 22 '14
Date

J.D. Gailey RLS#359005

OWNER'S DEDICATION AND CONSENT TO RECORD

Know all men by these presents that the undersigned is director of Thaynes Capital Park City L.L.C. a Delaware limited liability company, the owner of the hereon described 315 Park Avenue Subdivision, Block 3, Park City Survey, and having caused this Plat Amendment to be made, does hereby consent to the recordation of this Record of Survey Plat, on behalf of said Thaynes Capital Park City L.L.C., in the office of the County Recorder of Summit County, Utah, in accordance with Utah Law.
Also, the owner hereby irrevocably offer for dedication to the City of Park City all the streets, land for local government uses, utilities and easements shown on the plat in accordance with an irrevocable offer of dedication.
In witness whereof, the undersigned has set his hand this 27th day of January, 2014.

By: ____________________
Damon Navarro, Director
Thaynes Capital Park City L.L.C.

ACKNOWLEDGEMENT

~~STATE OF UTAH~~ South Carolina
County of ~~Summit~~: Charleston

On this 30 day of January, 2014, Damon Navarro personally appeared before me, the undersigned Notary Public in and for said State and County, who after being duly sworn, acknowledged to me that he is director of Thaynes Capital Park City, L.L.C., that he has signed the above Owner's Dedication and Consent to Record on behalf of said Thaynes Capital Park City L.L.C., and that he has executed this document in his capacity as director on behalf of Thaynes Capital Parl City L.L.C., for the purpose set forth hereon.

My commission expires: 02/19/19

NOTARY PUBLIC
RESIDING IN Charleston COUNTY, SC

BRIAN D. IRVING NOTARY PUBLIC COMM. EXP. FEBRUARY 19, 2019 SOUTH CAROLINA

LEGAL DESCRIPTIONS

315 Park Avenue Subdivision Amended

Beginning at the Northeasterly corner of Lot 3, Block 3, Park City Survey and the Southeasterly corner of Lot A, 315 Park Avenue Subdivision, according to the official plats thereof, on file and of record in the office of the Summit County Recorder, and running thence S 66°40' W, along the Southerly boundary of said 315 Park Avenue Subdivision, 150.00 feet to the Southwesterly corner of said 315 Park Avenue Subdivision; thence N 23°38' W, along the Westerly boundary of said 315 Park Avenue Subdivision, 75.00 feet to the Northwesterly corner of said 315 Park Avenue Subdivision; thence N 66°40' E, along the Northerly boundary of said 315 Park Avenue Subdivision, 75.00 feet to the Northeasterly corner of Lot B of said 315 Park Avenue Subdivision; thence S 23°38' E, along the Easterly boundary of said 315 Park Avenue Subdivision, 15.00 feet; thence N 66°40' E, along the Northerly boundary of said 315 Park Avenue Subdivision, 10.00 feet; thence S 23°38' E, along the Easterly boundary of said 315 Park Avenue Subdivision, 22.50 feet; thence N 66°40' E, along the Northerly boundary of said 315 Park Avenue Subdivision, 65.00 feet to the Northeasterly corner of said 315 Park Avenue Subdivision; thence S 23°38' E, along the Easterly boundary of said 315 Park Avenue Subidivision, 37.50 feet to the point of beginning; containing 8,662.6 square feet, more or less.

LOT A AMENDED

Beginning at the Northeasterly corner of Lot 3, Block 3, Park City Survey and the Southeasterly corner of Lot A, 315 Park Avenue Subdivision, according to the official plats thereof, on file and of record in the office of the Summit County Recorder, and running thence S 66°40' W, along the Southerly boundary of said 315 Park Avenue Subdivision, 75.00 feet to the Southwesterly corner of Lot A of said 315 Park Avenue Subdivision; thence N 23°38' W, 37.50 feet; thence N 66°40' E, 75.00 feet to the Northeasterly corner of said 315 Park Avenue Subdivision; thence S 23°38 E, along the Easterly boundary of said 315 Park Avenue Subdivision, 37.50 feet to the point of beginning; containing 2,812.5 square feet, more or less.

LOT B AMENDED

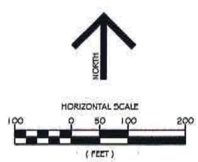
Beginning at the Southwesterly corner of Lot 26, Block 3, Park City Survey and the Northwesterly corner of Lot B, 315 Park Avenue Subdivision, according to the official plats thereof, on file and of record in the office of the Summit County Recorder, and running thence N 66°40' E, along the Northerly boundary of said 315 Park Avenue Subdivision, 75.00 feet to the Northeasterly corner of said Lot B, 315 Park Avenue Subdivision; thence along the boundary of said 315 Park Avenue Subdivision the following 3 courses: 1) S 23°38' E, 15.00 feet; thence 2) N 66°40' E, 10.00 feet; thence 3) S 23°38' E, 22.50 feet; thence S 66°40' W, 85.00 feet to the Westerly boundary of said 315 Park Avenue Subdivision; thence N 23°38' W, along the Westerly boundary of said 315 Park Avenue Subdivision, 37.50 feet to the point of beginning; containing 3,037.5 square feet, more or less.

LOT C AMENDED

Beginning at the Northwesterly corner of Lot 30, Block 3, Park City Survey and the Southwesterly corner of Lot C, 315 Park Avenue Subdivision, according to the official plats thereof, on file and of record in the office of the Summit County Recorder, and running thence N 23°38' W, along the Westerly boundary of said 315 Park Avenue Subdivision, 37.50 feet; thence N 66°40' E, 75.00 feet; thence S 23°38' E, 37.50 feet to the Southeasterly corner of said Lot C, 315 Park Avenue Subdivision; thence S 66°40' W, along the Southerly boundary of said 315 Park Avenue Subdivision, 75.00 feet to point of beginning; containing 2,812.5 square feet, more or less.

Alpine Survey, Inc. 19 Prospector Drive Park City, Utah 84060 (435) 655-8016	**SNYDERVILLE BASIN WATER RECLAMATION DISTRICT** REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS 4th DAY OF Feb, 2014. BY: ____ SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	**PLANNING COMMISSION** APPROVED BY THE PARK CITY PLANNING COMMISSION THIS 13th DAY OF FEBRUARY, 2013 A.D. BY ____ CHAIRMAN	**ENGINEER'S CERTIFICATE** I FIND THIS PLAT TO BE IN ACCORDANCE WITH INFORMATION ON FILE IN MY OFFICE THIS 17th DAY OF February, 2014 A.D. BY ____ PARK CITY ENGINEER	**APPROVAL AS TO FORM** APPROVED AS TO FORM THIS 14th DAY OF March, 2014 A.D. BY ____ PARK CITY ATTORNEY	**CERTIFICATE OF ATTEST** I CERTIFY THIS RECORD OF SURVEY MAP WAS APPROVED BY PARK CITY COUNCIL THIS 19 DAY OF March, 2014 A.D. BY Marci Heil PARK CITY RECORDER	**COUNCIL APPROVAL AND ACCEPTANCE** APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL THIS 21ST DAY OF MARCH, 2013 A.D. BY Jack Thomas MAYOR	**RECORDED** #992668 STATE OF UTAH, COUNTY OF SUMMIT, AND FILED AT THE REQUEST OF Coalition Title DATE 4-4-2014 TIME 11:05AM BOOK – PAGE – $33.00 FEE Rhonda Francis Deputy RECORDER

Exhibit D



A EVIATIONS

ACP	ASPHALT CONCRETE PAVEMENT
BLDG	BUILDING
CB	CATCH BASIN
CFS	CUBIC FEET PER SECOND
CIP	CAST-IN-PLACE
CL	CENTERLINE
CMH	COMMUNICATIONS MANHOLE
CMP	CORRUGATED METAL PIPE
CMU	CONCRETE MASONRY UNIT
CO	CLEANOUT
COMM	COMMUNICATIONS
DIA	DIAMETER
DMH	DRAIN MANHOLE
EG	EXISTING GRADE
EL	ELEVATION
EMH	ELECTRIC MANHOLE
ESHGW	ESTIMATED SEASONAL HIGH GROUNDWATER
EX	EXISTING
FDN	FOUNDATION
FE	FLARED END
FG	FINISH GRADE
FRP	FIBERGLASS REINFORCED PLASTIC
GPM	GALLONS PER MINUTE
GW	GROUNDWATER
HDCI	HEAVY DUTY CAST IRON
HDPE	HIGH DENSITY POLYETHYLENE
HP	HIGH POINT
ID	INSIDE DIAMETER
INT	INTERSECTION
INV	INVERT
LD	LONGEST DIMENSION
LF	LINEAR FEET
LOD	LIMIT OF DISTURBANCE
LP	LOW POINT
MDD	MAXIMUM DRY DENSITY
MEG	MATCH EXISTING GRADE
MUTCD	MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES
OD	OUTSIDE DIAMETER
PC	POINT OF CURVATURE
PCC	PORTLAND CEMENT CONCRETE
PE	PLAIN END
PJDI	PUSH-ON JOINT DUCTILE IRON
PRC	PRECAST REINFORCED CONCRETE
PVC	POLYVINYL CHLORIDE; POINT OF VERTICAL CURVATURE
PVI	POINT OF VERTICAL INTERSECTION
PVT	POINT OF VERTICAL TANGENCY
RCP	REINFORCED CONCRETE PIPE
S	SLOPE
SBED	STREAM BED
SD	STORM DRAIN
SMH	SEWER MANHOLE
SS	SANITARY SEWER; STAINLESS STEEL
TBC	TOP BACK OF CURB
TC	TOP OF CONCRETE
TO	TOP OF
TP	TOP OF PAVEMENT
TW	TOP OF WALL
TYP	TYPICAL
UD	UNDERDRAIN
UP	UTILITY POLE
WMH	WATER MANHOLE
WS	WATER SURFACE

ABBREVIATIONS - AGENCY

COE	US ARMY CORPS OF ENGINEERS
FEMA	FEDERAL EMERGENCY MANAGEMENT AGENCY
PCMC	PARK CITY MUNICIPAL CORPORATION
RMP	ROCKY MOUNTAIN POWER
SBWRD	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT
SCEH	SUMMIT COUNTY ENVIRONMENTAL HEALTH
UDOT	UTAH DEPARTMENT OF TRANSPORTATION
WCEH	WASATCH COUNTY ENVIRONMENTAL HEALTH

REFERENCES

1. SEE PLAN ENTITLED "RECORD OF SURVEY & TOPOGRAPHIC MAP, 315 PARK AVENUE SUBDIVISION AMENDED" BY PARK CITY SURVEYING, DATED 8.1.2016.

2. AERIAL PHOTO SOURCE: GOOGLE EARTH, DATE: 7.8.16

DRAWING ISSUED FOR

☐ PLANNING ☐ CONSTRUCTION

■ PERMIT ☐ CONSTRUCTION RECORD

SEE DESIGN NOTES FOR INTENT. THIS DRAWING MAY NOT SHOW CONSTRUCTION DETAILS AND SPECIFICATIONS FOR ALL PROPOSED IMPROVEMENTS, AND MAY NOT IDENTIFY ALL CONSTRUCTION WORK ITEMS AND AREAS OF CONTRACTOR JURISDICTION.

NO.	DATE	BY	CHK	REVISION DESCRIPTION

CANYON ENGINEERING
SOLUTIONS FOR LAND
CIVIL ENGINEERING
LAND PLANNING
PERMITTING
PO BOX 982131
PARK CITY, UTAH 84098
VOICE: 435.640.7373 EMAIL: GUS@CANYONENG.COM
WWW.CANYONENG.COM

PLAT AMENDMENT

AERIAL OVERVIEW

324 & 328 WOODSIDE AVE
PARK CITY, UTAH

RECEIVED
AUG 26 2016
PARK CITY
PLANNING DEPT.

PREPARED FOR:
THAYNES CAPITAL PARK CITY, LLC
PARK CITY, UTAH

PLS GRID LOCATION:
5 T2S
SLB&M

DES. BY: AFS CHK. BY: AFS	DATE: AUGUST 2016	JOB 16011	1 OF 1

Exhibit E

THAYNES CAPITAL PARK CITY LLC
PO BOX 681849
PARK CITY, UT 84068

NOTICE OF ENCROACHMENT

THIS NOTICE is made by THAYNES CAPITAL PARK CITY LLC (TCPCLLC) TO MARION LINTNER (Owner(s)) to set forth the terms and conditions under which TCPCLLC will permit the Owner(s) to build, maintain, and use certain improvements within the TCPCLLC property located at 313 Park Ave., Park City, UT (Parcel # 315-PA-A; Lot A, 315 Park Avenue subdivision; according to the official plat on file in the Summit County Recorders office CONT 3037.5 sq. ft. or 0.07 AC 2133-658). Subject to the following terms and conditions of this notice, Owner(s) shall have the right to maintain the railroad tie and retaining wall and the larger shed (see enclosed survey map) within the TCPCLLC property.

1. This encroachment notice shall be appurtenant to the following described property:
   323 Park Avenue, Park City, Utah (Parcel # PC-39; COM NE COR LOT 6 BLK 3 PARK CITYTOWNSITE TH W'LY 75FT; S 15FT; E 10FTS 11 FT; E 65FT; N 26FT TO BEG A PART OF LOT 5 BLK 3 PARK CITY SURVEY, DESC ASBEG 1 FT S 23*26' E ALG E LINE LOT 5 FRNE COR SD LOT 5 BLK 3, TH 11.5 FT S 23*
   26'E TH 65FT S 66*40' W; TH 11.5FT N23*26'W; TH65FT N 66*40'e TO BEG IWD-32-228 OWD-503 M55-274 M57-73-74M 7-37-38 (SEE M68-590)
   (SEE QCD 1300-352 EZEKIEL R DUMKE JR TRTO KZ INVESTMENTS TRACT 2)

   This notice is not transferable to other property or owners.

2. The improvements permitted within the TCPCLLC property shall consist of the railroad tie and retaining wall and the larger shed. Attached is a scaled drawing showing the improvements and the location of all related elements. No modifications to the improvements may be made without prior written permission from TCPCLLC. In the event of a future building permit(s) being approved to do additional work on the adjacent property (323 Park Avenue), the walls and the shed would have to be removed.

3. No permanent right, title, or interest of any kind shall vest in the Owner(s) in the TCPCLLC property by virtue of this notice. The property interest hereby created is a revocable license, and not an easement or other perpetual interest. No interest shall be perfected under the doctrines of adverse possession, prescription, or other similar doctrines of law based on adverse use, as the use hereby permitted is entirely permissive in nature.

4. The Owner(s) shall maintain the improvements in a good state of repair at all times, and upon notice from TCPCLLC, will repair any damaged, weakened, or failed sections. The Owner(s) agree(s) to hold TCPCLLC harmless and indemnify TCPCLLC for any and all claims which might arise from third parties, who are injured as a result of the Owner's use of the easement for private purposes, or from the failure of the Owner's improvements.

ENTRY NO. 00987095
01/03/2014 09:24:52 AM B: 2223 P: 0433
Notice PAGE 1/2
MARY ANN TRUSSELL, SUMMIT COUNTY RECORDER
FEE 12.00 BY THAYNES CAPITAL PARK CITY LLC

DATED this 12 day of Dec, 2013

THAYNES CAPITAL PARK CITY LLC

Damon Navarro, Managing Member

STATE OF SOUTH CAROLINA)

ss

COUNTY OF ~~CHARLESTON~~)
Berkeley

On the 12th day of Dec., 2013, ______________________
personally appeared before me Damon Navarro who, being first duly sworn and upon oath, and in full recognition of the penalty for perjury in the State of South Carolina, did acknowledge to me that she/he is the Owner(s) of the property or, if the Owner(s) is a Corporation or LLC, that she/he is an authorized representative of the Corporation or LLC, and that she/he signed the foregoing instrument on their behalf.

WITNESS my hand and official seal:

Signature of Notary Public

Rima Desai

Printed name of Notary Public

RIMA DESAI
NOTARY PUBLIC
STATE OF SOUTH CAROLINA
My Commission Expires August 30, 2020

My commission expires:

RIMA DESAI NOTARY PUBLIC SOUTH CAROLINA

THAYNES CAPITAL PARK CITY LLC
PO BOX 681849
PARK CITY, UT 84068
candice.silverii@thaynescapital.com

ENCROACHMENT AGREEMENT

THIS AGREEMENT is made by and between THAYNES CAPITAL PARK CITY LLC (TCPCLLC) AND JB TOYS LLC (Owner(s)) to set forth the terms and conditions under which TCPCLLC will permit the Owner(s) to build, maintain, and use certain improvements within the TCPCLLC property at Lot C, Park City, Utah. Subject to the following terms and conditions of this agreement, Owner(s) shall have the right to maintain the rock walls (see enclosed survey map) within the TCPCLLC property.

1. This encroachment agreement shall be appurtenant to the following described property:
320 Woodside Avenue, Park City, Utah.

This agreement is not transferable to other property.

2. The improvements permitted within the TCPCLLC property shall consist of the rock walls. Attached is a scaled drawing showing the improvements and the location of all related elements. No modifications to the improvements may be made without prior written permission from TCPCLLC.

3. No permanent right, title, or interest of any kind shall vest in the Owner(s) in the TCPCLLC property by virtue of this agreement. The property interest hereby created is a revocable license, and not an easement or other perpetual interest. No interest shall be perfected under the doctrines of adverse possession, prescription, or other similar doctrines of law based on adverse use, as the use hereby permitted is entirely permissive in nature.

4. The Owner(s) shall maintain the improvements in a good state of repair at all times, and upon notice from TCPCLLC, will repair any damaged, weakened, or failed sections. The Owner(s) agree(s) to hold TCPCLLC harmless and indemnify TCPCLLC for any and all claims which might arise from third parties, who are injured as a result of the Owner's use of the easement for private purposes, or from the failure of the Owner's improvements.

DATED this 4th day of Dec 2013

THAYNES CAPITAL PARK CITY LLC

Damon Navarro, Managing Member

Attest:
GREGORY S PETTEN

Owner(s) Signature(s)

JOHN BULL / JBS TOYS LLC
Owner(s) Name(s) (Printed)

3999 LA PLAYA LANE
Mailing Address
ORCHARD LAKE, MI. 48324

JOHNBULL@SEIAUTO.COM
Email Address or Phone #

ENTRY NO. 00987096
01/03/2014 09:24:52 AM B: 2223 P: 0435
Encroachment PAGE 1/5
MARY ANN TRUSSELL, SUMMIT COUNTY RECORDER
FEE 19.00 BY THAYNES CAPITAL PARK CITY LLC

Property Descriptions:

Thaynes Capital Park City LLC property: 324 Woodside Ave, Park City, UT

Parcel #: 315-PA-C

Description: LOT C, 315 Park Avenue subdivision; according to the official plat on file in the Summit County Recorders office CONT 3750 sq ft or 0.09 AC 2133-658

JB Toys LLC property: 320 Woodside Ave, Park City, UT

Parcel #: PC-50

Description: Lot 30 Blk 3 Park City Survey IQC-389 1950-9 M60-79 285-518 501-447 1300-352 1377-366 1737-1025 2139-1548 2151-1676

STATE OF Michigan)
ss
COUNTY OF Oakland)

On the 30th day of Oct, 2013, JOHN BULL (JBS TOYS LLC) personally appeared before me GREG FEITEN who, being first duly sworn and upon oath, and in full recognition of the penalty for perjury in the State of Michigan, did acknowledge to me that she/he is the Owner(s) of the property or, if the Owner(s) is a Corporation, that she/he is an authorized representative of the Corporation, and that she/he signed the foregoing instrument on their behalf.

Notary Public

GREGORY L. FEITEN NOTARY PUBLIC

STATE OF South Carolina)
ss
COUNTY OF Charleston)

On the 4th day of Dec, 2013, Damon Nacco (Thaynes Capital Park City) personally appeared before me Bernadette E Dewitt who, being first duly sworn and upon oath, and in full recognition of the penalty for perjury in the State of South Carolina, did acknowledge to me that she/he is the Owner(s) of the property or, if the Owner(s) is a Corporation or LLC, that she/he is an authorized representative of the Corporation or LLC, and that she/he signed the foregoing instrument on their behalf.

BERNADETTE E DEWITT NOTARY PUBLIC SOUTH CAROLINA COMM. EXP. AUGUST 12, 2020

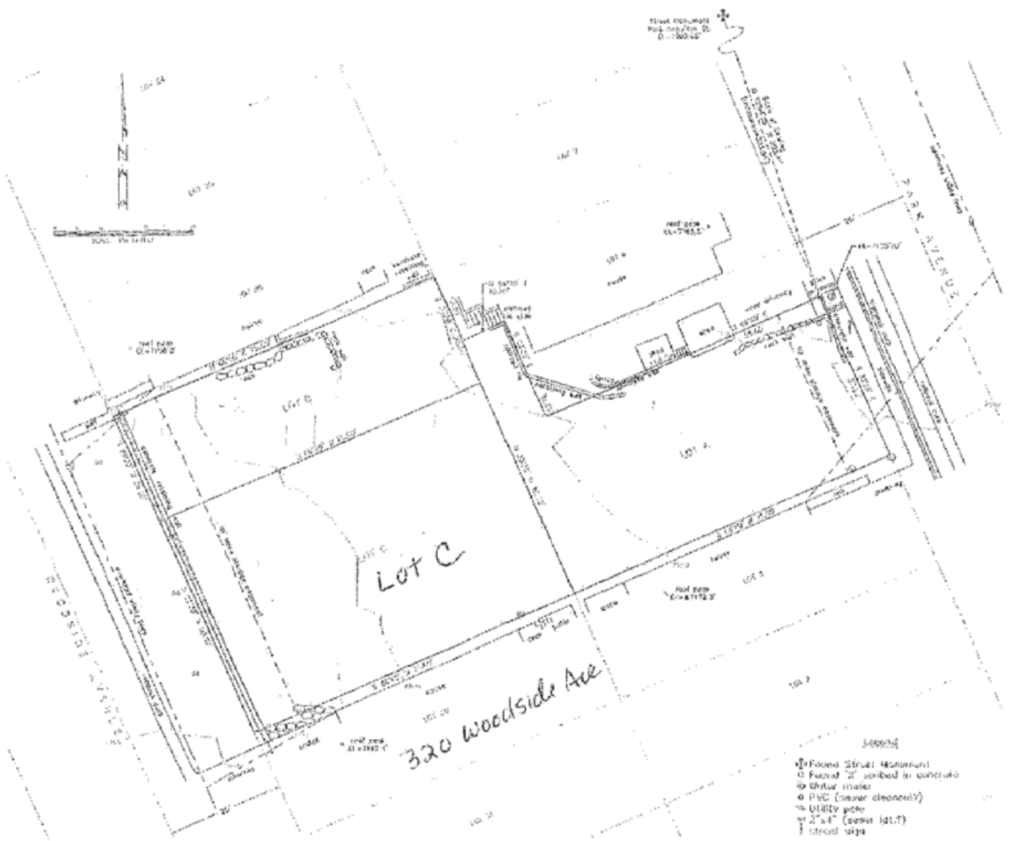
WITNESS my hand and official seal:

Bernadette E Dewitt
Signature of Notary Public

Bernadette E Dewitt
Printed name of Notary Public

My commission expires: 12 August 2020

315 Park Avenue Subdivision
A Portion of Block 3,
Park City Survey



NARRATIVE

1. Survey requested by Damon Navarro.
2. Purpose of survey: locate the topographic relief
3. Basis of survey: found Street Monuments as shown. Block dimensions are from the Park City Monument Control Map by Bush & Gudgell, Inc. Recorded as Entry No. 199887 in the Office of the Summit County Recorder. Subdivision of Block 3 were the Map of Park City by Caldwell & Richards Engineers, traced from the original map July, 1927.
4. Date of survey: July 25, 2012; and points added December 20, 2012
5. Property monuments found as shown.
6. Located in the Southeast Quarter of Section 16, Township 2 South, Range 4 East, Salt Lake Base & Meridian.
7. The owners of the property should be aware of any items affecting the property that may appear in a title insurance report.
8. Elevations are based on an elevation of 7099.68 feet at the Street Monument found at the intersection of Park Avenue and 4th Street, from the Park City Monument Control Map.

DEED DESCRIPTIONS

Lots A, B & C, 315 Park Avenue Subdivision, according to the official plat thereof, on file and of record in the Summit County Recorder's Office.

SURVEYOR'S CERTIFICATE

I, J.D. Gelley, a Registered Land Surveyor as prescribed by the laws of the State of Utah and holding License No. 359005, do hereby certify that I have supervised a survey of the hereon described property and that this plat is a true representation of said survey.

Date

J.D. Gelley 359005

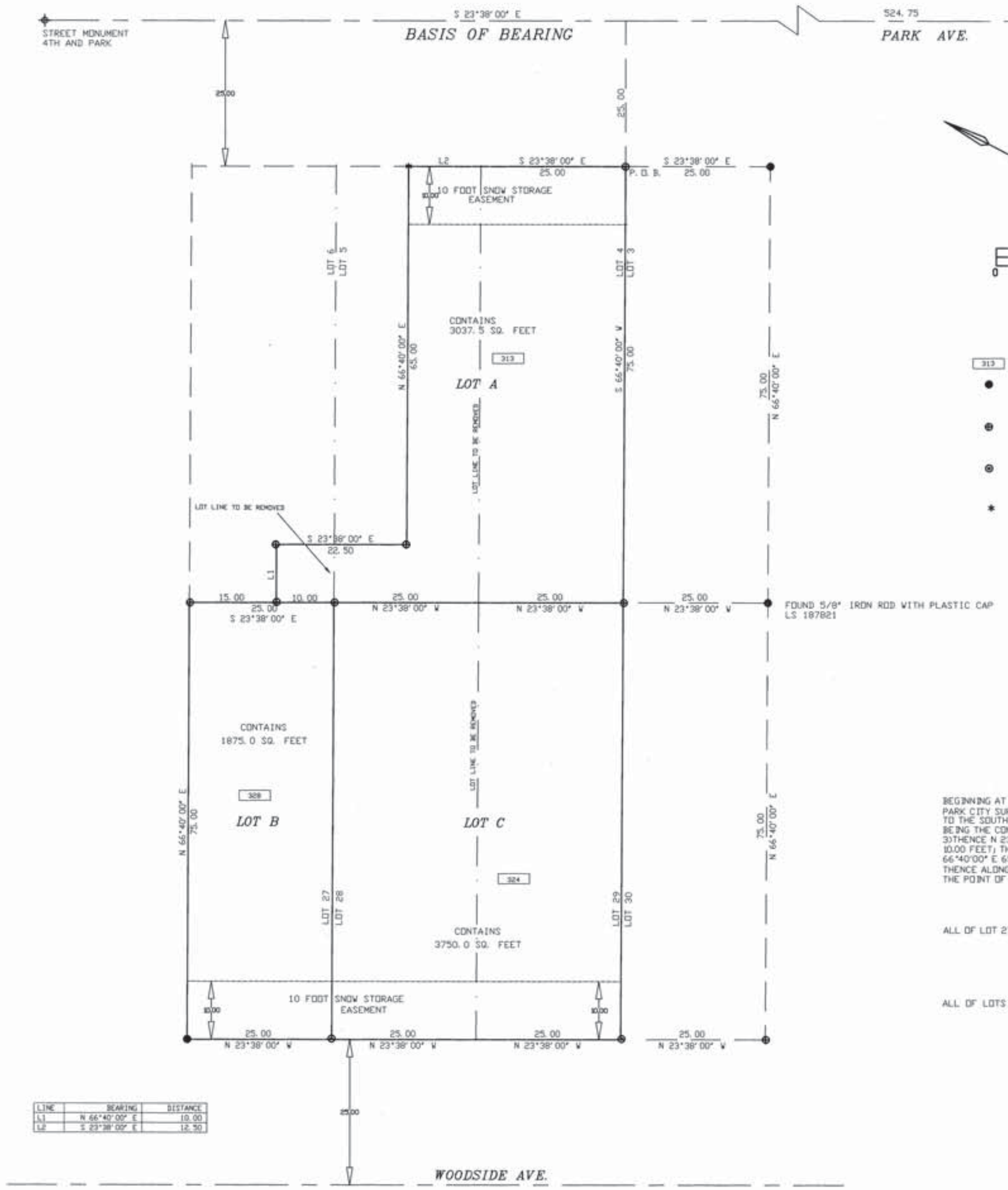
Alpine Survey, Inc

Exhibit F

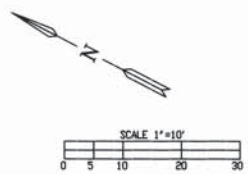
315 PARK AVENUE SUBDIVISION

AN AMENDMENT TO LOTS 4,5,6,27,28,29 BLOCK 3, PARK CITY SURVEY AMENDED PLAT

LOCATED WITHIN THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 2 SOUTH, RANGE 4 EAST SALT LAKE BASE & MERIDIAN SUMMIT COUNTY, UTAH



LINE	BEARING	DISTANCE
L1	N 66°40'00" E	10.00
L2	S 23°38'00" E	12.50



LEGEND

313 INDICATES STREET ADDRESS

● SET 5/8" IRON ROD WITH PLASTIC CAP LS 187821 (UNLESS NOTED)

FOUND 5/8" IRON ROD WITH PLASTIC CAP LS 6164

CORNERS TO BE SET AFTER REPLAT APPROVAL

* SCRIBED "X" IN CONCRETE

LEGAL DESCRIPTION

LOT A

BEGINNING AT THE SOUTHEASTERLY CORNER OF LOT 4, BLOCK 3, PARK CITY SURVEY AND RUNNING THENCE S 66°40'00" W 75.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4; (SAID POINT ALSO BEING THE COMMON CORNER OF LOTS 4,29,30 & 3, SAID BLOCK 3)THENCE N 23°38'00" W 60.00 FEET; THENCE N 66°40'00" E 10.00 FEET; THENCE S 23°38'00" E 22.50 FEET; THENCE N 66°40'00" E 65.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 3; THENCE ALONG SAID EASTERLY LINE S 23°38'00" E 37.50 FEET TO THE POINT OF BEGINNING.

LOT B

ALL OF LOT 27, BLOCK 3, PARK CITY SURVEY AMENDED PLAT

LOT C

ALL OF LOTS 28 AND 29, PARK CITY SURVEY AMENDED PLAT

OWNER'S DEDICATION AND CONSENT TO RECORD

Know all men by these presents that, Silver Spur Deviopment, LLC, owner of the hereon described tract of land, to be known hereafter as the 315 PARK AVE. SUBDIVISION, having caused this Lot Line Amendment Plat to be prepared, does hereby consent to the recordation of this Record of Survey Map in accordance with Utah Law. Also, the owner, hereby irrevocably offers for dedication to the City of Park City all the streets, land for local government uses, easements, parks and required utilities and easements shown on the Plat in accordance with an irrevocable offer of dedication.

In witness whereof, the undersigned set his hand this 5 day of July, 2006 7

By: [signature]
Peter C. Belford
Silver Spur Development, a LLC.

ACKNOWLEDGEMENT

STATE OF UTAH
County of Summit:

On this 5 day of July, 2006 7, Peter C. Belford personally appeared before me, the undersigned Notary Public, in and for said State & County. Having been duly sworn, Peter C. Belford acknowledged to me that he is the managing member of Silver Spur Development LLC., and in behalf of said company for the uses and purposes stated therein and that he signed the above Owner's Dedication and Consent to Record freely and voluntarily.

My commission expires: 5-27-09 [signature]
NOTARY PUBLIC

RESIDING IN Heber COUNTY, Wasatch

SURVEYOR'S CERTIFICATE

I, JACK M. HARMON, CERTIFY THAT I AM A REGISTERED LAND SURVEYOR AND THAT I HOLD LICENSE No. 176966 AS PRESCRIBED BY THE LAWS OF THE STATE OF UTAH, AND THAT THIS LOT LINE AMENDMENT PLAT WAS PREPARED UNDER MY DIRECTION IN ACCORDANCE WITH THE REQUIREMENTS OF THE PARK CITY MUNICIPAL CORPORATION. I FURTHER CERTIFY THAT THIS PLAT ACCURATELY REPRESENTS THE PROPERTY.

[signature] 10-13-06

REGISTERED LAND SURVEYOR No. 176966 JACK M. HARMON State of Utah 10/06

NARRATIVE:

SURVEY REQUESTED BY SILVER SPUR DEVELOPMENT LLC.

JACK HARMON LAND SURVEYING	ENGINEERS CERTIFICATE	COUNCIL APPROVAL AND ACCEPTANCE	SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	APPROVAL AS TO FORM	CERTIFICATE OF ATTEST	PLANNING COMMISSION	#826141 RECORDED
725 EAST REDDEN ROAD PARK CITY, UTAH 84098 (435) 649-6511	I FIND THIS PLAT TO BE IN ACCORDANCE WITH INFORMATION ON FILE IN MY OFFICE THIS 1st DAY OF AUGUST 2006 2007 A.D. BY Eric W. DeHaan PE PARK CITY ENGINEER	APPROVAL AND ACCEPTANCE BY THE PARK CITY COUNCIL THIS 28th DAY OF JUNE 2007 2006 A.D. BY [signature] MAYOR	REVIEWED FOR CONFORMANCE TO SNYDERVILLE BASIN WATER RECLAMATION DISTRICT STANDARDS ON THIS 2nd DAY OF July 2007 BY: [signature] SNYDERVILLE BASIN WATER RECLAMATION DISTRICT	APPROVED AS TO FORM THIS 10th DAY OF August 2006 2007 A.D. BY [signature] PARK CITY ATTORNEY	I CERTIFY THIS RECORD OF SURVEY MAP WAS APPROVED BY PARK CITY COUNCIL THIS 28th DAY OF JUNE 2006 2007 A.D. BY [signature] PARK CITY RECORDER	APPROVED BY THE PARK CITY PLANNING COMMISSION THIS 1st DAY OF MARCH BY [signature] CHAIRMAN	STATE OF UTAH COUNTY OF SUMMIT AND FILED AT THE REQUEST OF High Country Title DATE 9-24-07 TIME 9:10 Am BOOK ___ PAGE ___ FEE $33.00 RECORDER [signature], Deputy