PARK CITY COUNCIL WORK SESSION NOTES
SUMMIT COUNTY, UTAH
NOVEMBER 3, 2011

Present: **Mayor Dana Williams; Council members Alex Butwinski; Cindy Matsumoto; Dick Peek; and Liza Simpson**

Tom Bakaly, City Manager; Mark Harington, City Attorney; Jonathan Weidenhamer, Economic Development Manager; Heinrich Deters, Trails Coordinator; Diane Foster, Sustainability Manager; and Phyllis Robinson, Public Affairs Manager

Cheryl Fox, Director, Summit Lands Conservancy

Absent: **Council member Joe Kernan**

1. Council questions/comments. Alex Butwinski remarked on the architectural presentation for the Transformation Project for the Kimball Art Center. Liza Simpson congratulated the Glenwood Cemetery group for a great Halloween Event and trick-or-treating on Main Street was a huge success. She thanked organizers of the Bonanza-Comstock celebration. She relayed business discussed at the Park City Lodging Association and Fire District Board meeting this week. The Recreation Advisory Board is planning the grand opening of the MARC. Dick Peek relayed that the Historical Society received a two-year matching grant for $150,000. Mr. Butwinski reported that the art in the Bonanza Tunnel is coming along. The Mayor thanked Kayla Sintz for meeting with the five architects working with KAC regarding the City's regulations. He discussed meeting with students of the Park City Day School who wrote the resolution on PC Give Day, which is scheduled later on the agenda for adoption. The school has a great leadership program.

2. Temporary and convention business licenses. Jon Weidenhamer explained that the short-term goals are to address gifting and marketing promotion during the Sundance Film Festival, which will be finalized in an ordinance amending the Municipal Code on November 17, 2011. Longer term discussions will occur with stakeholders including the HPCA, Sundance, and the Lodging Association on unintended consequences of amending the Code. Differentiating between gifting, marketing, promoting and holding traditional conventions and trade shows should be clear. The Business Licensing section is 20 years old and requires some work. Mr. Weidenhamer noted that almost everyone is on the same page and agrees with the City's goals to recover costs, address impacts and create safe venues.

Ms. Matsumoto asked for clarification on licensing every vendor within a location and Mr. Weidenhamer explained that direction from Council was that every vendor pay but staff is proposing an umbrella license for a location where every vendor would still be listed and would pay fees. The whole venue can be held responsible for malfeasance of one vendor. Tom Bakaly clarified that each vendor would pay fees but participants would be consolidated under one umbrella license. In response to a question from Alex Butwinski, Jon Weidenhamer explained that gifting is defined as conducting business and requires an individual business license. The exact licensing procedures will be determined. Mark Harrington added that a key qualification for gifting is being physically present conducting the activity as opposed to including a product in a gift basket. The Mayor invited public input.

Alison Butz, HPCA, thanked staff for working on this prior to the Film Festival. The group felt that providing for an umbrella license is simplifying the process which is good. Businesses need to pay for their impacts and the HPCA is supportive of the direction Council is taking.

Mike Sweeney, business owner, felt that the City should make it easy for out-of-town guests to conduct business temporarily without hurting the local businesses. The paperwork and time to process temporary licenses should be minimized. If a temporary business is going into a retail space, then it should be required to cover the incremental costs of it doing business in the space. He complimented Mr. Weidenhamer for listening and working with stakeholders.

Paul Christensen believed that these amendments will create unintended consequences. Under the proposal, the Utah Education Foundation would be required to acquire permits for vendors at a convention and sales tax would be lost because those businesses would not return. He understood the intent and felt the stakeholder's group can come up with great solutions in everyone's best interests.

In response to a comment from the Mayor, Jon Weidenhamer explained that convention licensing is viewed as a long term issue. Mark Harrington pointed out that Mr. Christensen is concerned about the convention itself being licensed which is a separate discussion or limiting fees when there are circumstances like additional building or point of sale issues. The second component is the unintended consequence portion. An ordinance will return to City Council on November 17, 2011.

3. Osguthorpe conservation easement and benches. Heinrich Deters explained that the purpose of this work session is to update members on Summit Lands Conservancy's fund-raising efforts in raising funds to acquire the Osguthorpe conservation easement and selling benches to be located in public open space to use as a fund-raising tool.

Cheryl Fox expressed that saving the Farm has been very popular among a variety of users because it has almost every conservation value including recreation, agriculture, wildlife and removal of density. She emphasized that her Board has taken raising the remaining $1 million very seriously. SLC's total budget is $1,050,000 and $50,000 is designated for stewardship and the legal defense fund. The neighborhood has been generous, the George S and Dolores Eccles Foundation awarded $75,000, the Utah Quality Growth Commission has committed to a $36,500 grant and other grants include funding from local businesses. In response to a question from the Mayor, Ms. Fox explained that the original budget was $1.1 million but it was scaled back but the Board is concerned about funding the stewardship and legal defense fund. Of the $612,000 raised to date, at least $40,000 will be allocated to the stewardship and legal defense. Mayor Williams stated that the original agreement does not specify a stewardship fund and he has a problem with this getting added on. Diane Foster stated that staff knew that SLC wanted to raise $1,050,000 but did not know the full intent. Staff will be returning in January with a discussion of endowments and other issues relating to conservation easements. Ms. Foster explained that the City is still under contract with SLC through June 2012 to manage easements.

Liza Simpson stated that she is okay with it as a fund-raising goal. Mayor Williams believed that contributions should go toward the purchase of the property first and felt that the rules have changed. Ms. Foster clarified that staff had no intention for the City to fund the endowment because there has been no policy discussion among Council members but staff was aware that the stewardship and defense fund was a fund-raising goal of SLC. Ms. Fox expressed that it only becomes an issue if the full amount is not raised. Alex Butwinski agreed that it was not part of the initial agreement and should be discussed. Ms. Simpson felt it is part of a broader conservation discussion. The Mayor reiterated his understanding of the agreement and Ms. Fox discussed the expenses and challenges involved with fund-raising which is forcing SLC to grow. Holding a gala is often less productive than the smaller quieter gatherings. She asked members for their help in providing names of people committed to open space and their advocacy toward the effort.

Heinrich Deters referred to the adoption of the donation policy and staff is asking Council to approve a program identified as auctioning benches and placing them throughout Round Valley. Staff feels this is a good fund-raising tool for raising funds for the acquisition of the easement. Alex Butwinski asked if the City would own donated benches and Mark Harrington indicated that the donation would typically become City property but it depends upon the agreement with the other party. However, the reality is that once integrated into City property, it is best to have control in the long term. Standards for plaques were discussed as well as appeals. Mr. Harrington clarified that Council can overturn any administrative decisions identified in the policy. Liza Simpson pointed out that the policy specifies that the location of the donation on City-owned open space be formally approved by the City Council. Dick Peek asked if bench designs will be standardized. Mr. Deters expressed that staff first wanted to assess Council's feeling about auctioning benches before deciding on designs.

Ms. Fox felt there are very few locations for benches in Round Valley because too many may ruin the experience. The number should be very limited and maybe nine at the most because there already are three or four and maybe they should be offered every couple of years. The Mayor countered that by selling all of them now, more money will be raised for the purchase of the easement. Cheryl Fox believed they should sell for $75,000 to $100,000. Liza Simpson pointed out that the benefit in getting them sold now may better accommodate the planning of their placement and she preferred that they not be cookie-cutter because all sites are different. Ms. Fox stated that they have already mapped out some locations and there should be some design review.

The Mayor asked members if money raised should be applied to the Osguthorpe easement first. Members agreed except for Cindy Matsumoto who was open to funding the stewardship. She also felt that the benches should be placed at the entrance of trails. Ms. Fox interjected that the trailheads could be named after donors as well and felt five benches is a reasonable number. Ms. Matsumoto suggested moving the Boy Scout benches, which were installed as a community service project, to accommodate more donated benches.

4. Offer to buy the City's 50% interest in the PC Heights Project. Phyllis Robinson introduced Patrick Moffat of The Boyer Company and Chris Kimball of Ivory Homes. The City acquired 50% interest in the property two years ago and is a co-tenant in an undivided interest of the 200 acres at PC Heights. The total project is 239 units. Over the last couple of years, the property has been annexed, the MPD approved, and the development agreement and plat have been recently approved by the Planning Commission. Ivory Homes is interested in acquiring the co-tenancy interests of both the City and The Boyer Company.

She explained that when the City purchased the property in 2009, it did so with specific municipal purposes one of which was reducing the overall density on the site which was 303 and reduced to 239 and of the 239 units, there are 160 market units and 79 affordable housing units. Under the MPD requirements for the CT Zone, a maximum of 200 market units are allowed. Another goal was addressing affordable housing needs and integrating them within the project; approximately one-third of the project is designated as affordable units. The property is located in the City's entry corridor and should there have been an appeal of the MPD approval, etc. it would go to an appeal authority rather than the City Council. The required IHC affordable housing units were transferred to the property. Ms. Robinson stated that under the proposed terms of the sale, the City would fully recover its $5.5 million investment and the staff report outlines the general terms of the sale with a purchase price of $15.5 million. The project will be built consistent with the MPD approval by the Planning Commission and the City will pursue a special assessment bond for infrastructure. The targeted closing date is November 22, 2011 and Ivory has expressed that it needs to close on the property by mid-December for tax purposes. Mark Harrington emphasized that the note is non-recourse to the buyer but Ivory is the parent and has a separate guarantee because some of the land value will be used for some of the bonding. This is beyond a traditional trust deed to a guarantee in addition to the LLC that will hold the property. Ms. Robinson continued that of the $15.5 million, $5 million will be paid at closing and the balance would be paid in annual payments of $3.5 million. The City and Boyer would be splitting each payment and anything remaining estimated at $3.8 million would be returned to Boyer as its equivalent density return on the project. The City previously elected to receive any potential return in the form of additional density reduction on the site. Staff is recommending that the Council review the terms of the proposal and direct the City Manager to continue to move forward in finalizing the terms and conditions of the sale. The property has been noticed for a public hearing on November 17, 2011.

Liza Simpson asked the timeline for building the IHC affordable housing and Ms. Robinson stated that those units will be the first ones constructed the beginning of next year. Pat Moffat explained that 29 of the 32 units will be IHC affordable housing and a part of Phase 1 which has recently been approved by the Planning Commission. Cindy Matsumoto asked for clarification on the bonding. Ms. Robinson explained that the City would issue a special assessment district bond tied to the property and the bond would be repaid to the City through Ivory's sale proceeds. In response to a question from Ms. Simpson, she explained that the affordable housing units will be for-sale and criteria for sales will return to Council serving as the Housing Authority. In response to questions from Alex Butwinski, Ms. Robinson explained that for each phase bonded for, there is a 36 month clock that begins ticking for that phase. This has no impact on the principal payment for the land and the City would not be doing any vertical construction. The conditions of the MPD must be met. The Mayor invited the public to comment; there was no input.

Prepared by Janet M. Scott, City Recorder

PARK CITY COUNCIL MEETING
SUMMIT COUNTY, UTAH,
NOVEMBER 3, 2011

I ROLL CALL

Mayor Dana Williams called the regular meeting of the City Council to order at approximately 6 p.m. at the Marsac Municipal Building on Thursday, November 3, 2011. Members in attendance were Dana Williams, Alex Butwinski, Cindy Matsumoto, Dick Peek, and Liza Simpson. Joe Kernan was absent and excused. Staff present was Tom Bakaly, City Manager; Max Paap, Special Events Manager; Tommy Youngblood, Special Events Coordinator; Kayla Sintz, Planner; and Mark Harrington, City Attorney;

II COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

None.

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

None.

IV WORK SESSION NOTES AND MINUTES OF MEETING OF OCTOBER 13, 2011

Alex Butwinski, "I move to approve the work session notes and minutes". Liza Simpson seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

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

1. Consideration of a Resolution declaring an official day of giving in Park City and proclaiming November 11, 2011 as Park City's "Day of Giving" – The Mayor acknowledged students, parents and teachers from the Park City Day School in attendance. Student Leena Farrar read the resolution into the record. The Mayor presented signed resolutions to the PC Foundation and Day School. Liza Simpson, "I mover we approve a resolution declaring an Official Day of Giving in Park City and proclaiming November 11, 2011 as Park City's Day of Giving". Dick Peek seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

2. Consideration of a Resolution declaring the month of November as Pancreatic Cancer Awareness Month in Park City, Utah – The Mayor recognized Gibbie Whelehan who requested

that the resolution be considered. Alex Butwinski, "I move we adopt the Resolution declaring the month of November as Pancreatic Cancer Awareness in Park City, Utah". Liza Simpson seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

3. Consideration of a Master Festival License for the PCHS Girls Basketball Fund-raiser to be held November 12, 2011 – Max Paap introduced Coach Sam White who described the details of the fund-raiser related to the 5K. Proceeds will be allocated toward building the girls' basketball program. This program attracts low income players and is one of the few sports at the high school that reaches out to these kids. The Mayor opened the public hearing, and hearing no input, closed the public hearing. Liza Simpson, "I move we approve a Master Festival License for the Park City High School Girls Basketball Fund-raiser Turkey Trot". Alex Butwinski seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

4. Consideration of a Master Festival License for the Egyptian Theater Snow Dance Party to be held November 5, 2011 – Tommy Youngblood explained that the event involves a beer garden and music stage at the Brew Pub lot from 10:30 a.m. to 1:30 p.m. with a parade from the top of Main Street and 4th Street at 11:15 a.m. Staff has met with the applicant and recommends approval. Mr. Butwinski spoke about organizers meeting application deadlines and suggested that this be addressed in a work session. The Mayor opened the public hearing and with no input, closed the public hearing. Alex Butwinski, "I move we approve the Master Festival License for the Snow Dance Parade, as conditioned, on November 5th at the Brew Pub Lot and a parade from Main and Swede Alley to 4th Street". Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

VI OLD BUSINESS *(Continued business)*

Consideration of an Ordinance amending the Land Management Code adding Historic Preservation Board review and approval for historic reconstruction and disassembly processes in Park City, Utah - Planner Kayla Sintz explained that this proposal was discussed during the February 2011 Visioning Session between City Council, Planning Commission, and the Historic Preservation Board and interest was heightened with the issues regarding the 657 Park Avenue

Project. The Planning Commission heard the amendment on August 10, 2011 and forwarded a negative recommendation to the City Council. Council members heard the item on September 15, 2011 and continued it so that they could hear input from the Historic Preservation Board as well as conduct a site visit at 1450 and 1460 Park Avenue. On October 5, 2011, the HPB heard this item and made two recommendations, the first being that they not give a formal recommendation until they had received a staff presentation during a work session after an approved reconstruction project had occurred so that they could analyze and learn how staff applied the Guidelines to that type of application. The second recommendation was to expand the noticing distance to 300 feet. Currently all HDDR applications are noticed 100 feet. The HPB wants staff to notify it of all final actions that occurred with reconstructions and disassemblies and wants staff to set up an eNotify link specific to final actions for reconstructions and disassemblies. Further, all final actions would be published in the Park Record.

Ms. Sintz referred to the table illustrating the timeframe reflecting the addition of the HPB in the review process. The criteria would not change whether staff or the HPB reviewed it. At the Planning Commission meeting, the public and a majority of the Commissioners' comments related to whether adding this review would be cumbersome to applicants, whether the HPB was professionally qualified to evaluate the information, and finally whether the HPB is more valuable as an appeals board or review board. She stated that the HPB had a very lively discussion which is included in the packet. Staff recommends opening a public hearing and considering the amendments and alternatives as outlined in the staff report. There were different noticing practices for 657 Park Avenue under the old Guidelines. The Mayor opened the public hearing.

Ruth Meisma, resident, commented on disassembly, describing it as imperative and part of the process because it provides wisdom for reconstructions. She spoke about antique furniture losing its value by simply changing the finish. Ms. Meisma explained that as a dressmaker she likes to turn a vintage piece into a wearable garment but in its pristine state, it is not wearable and compared this to a historic house. In its pristine state, it may not be livable. She stated that when she disassembles a garment, she fully documents and archives the piece in its original condition. It is photographed, the materials are described and she learns about the construction of the piece in reverse. When she reassembles she refers to the documentation. The history is saved on a CD which is kept with the garment. Disassembly of a historic house is critical. Noticing up to 300 feet is imperative and Ms. Meisma discussed almost missing an important public hearing by just meeting the 100 foot requirement. The property notice sign has been improved significantly but she hoped that they could be moved to the street because there are some locations where the signs are not very visible.

Sara Werbelow, HPB member, stated that if Council chooses not to amend the Code perhaps the HPB would still have the opportunity to review an application during a work session and if the group felt that it wanted to make a definitive recommendation with regard to the change, it could be brought back to Council at that time.

Sandra Morrison, Historical Society, urged members to amend the LMC so that the HPB will review disassemblies and reconstructions. The Historic District is a precious jewel and the process of tearing down historic buildings and constructing replicas isn't an accepted form of historic preservation. A replica is not eligible to be on the National Register of Historic Places.

Every time this is done, we lose one more structure and this process is the biggest threat for the Historic District. In response to a comment from Liza Simpson, she explained that Park City has two listings on the Historic Register, one is Main Street and the other is the thematic nomination for the miners' cottages. Ms. Simpson pointed out that the City has lots of buildings considered landmark and significant that don't qualify for the National Register.

Ms. Morrison noted that there are replicas on Park City's inventory and questioned how they can be listed if it's a new replicated structure. Kayla Sintz stated that the City's landmark and significant status is a Park City drafted document. Some landmark structures are eligible for National Historic Register status but are not the basis for our Historic Sites Inventory as they are two different things. Dick Peek interjected that there could be more structures on the Historic Register if the owners chose to do so. Ms. Morrison pointed out that the LMC specifies that a house must be 50 years old to be historic but if it is all brand new, how can it qualify as being 50 years old. Mark Harrington stated that the policy incorporates the expressed reconstruction as a preservation method. Even though there may be no saved material, it is a policy decision of allowing it as a last resort. National Historic Register standards were discussed.

Katherine Matsumoto-Gray, HPB, stated that the Board discussed having more eyes on an application and holding a public hearing acknowledging that the staff can handle reviews and the new Guidelines are going to work. She felt maintaining the appeals status is important. She suggested not deciding on this ordinance right now because there aren't any pending disassembly or reconstruction applications and we could wait until one has gone through under the new Guidelines and evaluate the process.

Gary Kimball, Old Town resident, believed that Old Town is rapidly vanishing.

Sherrie Harding stated that she supports Sandra Morrison's comments and felt it important to maintain Historic Register status.

Alex Butwinski referred to Planning Commission minutes where appeal authority was discussed, specifically if the HPB could review an application but retain appeal authority for others. Mark Harrington explained that if a board is involved in the underlying decision it can't also be the appeal authority. Having a formal process for the HPB by which it reviews applications and still retains appeal authority is not recommended.

Cindy Matsumoto believes the Council has heard about the importance of preservation and it would be an asset if the Code is amended for an extra set of eyes whether it is done now or later. The Mayor acknowledged the risk of the HPB providing input on a project while maintaining appeal authority. The City Attorney advised that it is likely appeals would then go to the Board of Adjustment but the Council can designate a different appeal authority.

Liza Simpson stated that this is not the first time the HPB has had this conversation and each time, the majority has strongly felt that reserving appeal authority is more important. She read through the minutes carefully and it is obvious that there is a difference of opinion. She felt that members have crafted the perfect middle of the road solution by seeing how the first application goes. Ms. Sintz stated that staff is suggesting that 300 feet be followed for all HDDR applications, not just disassemblies and reconstructions. Dick Peek agreed that extending noticing is a good idea as well as eNotice. Including a definition of disassembly and having staff review disassembly is more appropriate, but reconstructions should rise to a higher level of review. Ms. Matsumoto pointed out that in cases of disassemblies, only a few boards may be saved. The Mayor asked Ms. Matsumoto-Gray if appeal authority was important to HPB members and she replied that it was split at 4:3. The minority felt that it was more important to have a higher level of review and the Board of Adjustment could handle appeals. Cindy Matsumoto felt that owners should be encouraged to save more materials and disassemblies should have an extra set of eyes.

The Mayor expressed his preference to have a test project processed and agreed with Mr. Peek to get one done and review the process with the HPB afterward. He is very concerned about the board losing its appeal status. Mr. Peek clarified his comments that disassemblies could be reviewed by staff but reconstructions should be reviewed by the HPB. Dick Peek, "I move we continue this until the first meeting following the first reconstruction". Comments from members followed and Mark Harrington summarized that Mr. Peek accepts the HPB majority recommendation to review this at the first opportunity after one project has gone through the full process and the Ordinance is continued to a date uncertain. Ms. Simpson asked if the other LMC changes like the noticing to 300 feet, notifying the HPB of all disassembly and reconstruction final action determinations, and setting up the City's website to eNotify decisions on all of the HDDR applications are included. The Mayor explained that staff is being asked to amend the LMC for the 300 foot noticing requirement. Reconsideration of the Ordinance would happen after the full process of the first application for reconstruction or disassembly and after the HPB has reviewed how the process went. Cindy Matsumoto seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Nay

VII ADDITIONAL DISCUSSION – AGENDA ITEMS

VIII ADJOURNMENT

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

MEMORANDUM OF CLOSED SESSION

The City Council met in closed session at approximately 2 p.m. Members in attendance were Mayor Dana Williams, Alex Butwinski, Cindy Matsumoto, Dick Peek, and Liza Simpson. Joe Kernan was excused. Staff present was Tom Bakaly, City Manager; Michael Kovacs, Assistant City Manager; Joan Card, Environmental Regulatory Manager; Jason Christensen, Environmental Regulatory Counsel, Jim Blankenau, Environmental Regulatory Analyst; Phyllis Robinson, Public Affairs Manager; Brooks Robinson, Transportation Planner, Jon Weidenhamer, Economic Development Manager; Tom Daley, Deputy City Attorney; and Mark Harrington, City Attorney. Alex Butwinski, "I move to close the meeting to discuss litigation, property and personnel". Dick Peek seconded. Motion carried. The meeting opened at approximately 4 p.m. Liza Simpson, "I move to open the meeting". Alex Butwinski seconded. Motion carried.

Alex Butwinski	Aye
Joe Kernan	Absent
Cindy Matsumoto	Aye
Dick Peek	Aye
Liza Simpson	Aye

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

Prepared by Janet M. Scott, City Recorder