



**Blue Ribbon Housing Commission  
City Hall, 445 Marsac Avenue, Park City  
February 17, 2016  
Meeting Minutes**

- I. Meeting called to Order by Rhoda Stauffer at 4:37pm**
  - A. Rhoda introduced Kim Clark, Facilitator
  - B. Presenting to City Council on March 31<sup>st</sup> at a study session. There will be a full report from EPS with a companion report from BRHC. Materials for the staff report will be due by March 15.
  - C. Ms. Clark introduced the process and suggested going through each of the eight recommendations made by EPS and then opening up the broader conversation.
  
- II. Recommendation 1: Adding Financial Incentives**
  - A. The group agreed unanimously
  - B. Recommended that EPS add the following information to the recommendation:
    - i. Financial modeling of all proposed incentives to determine level of benefit.
    - ii. More detail regarding the impact of each method and sort by high/medium/low impact
  - C. Recommended that the planning/building permitting processes be expedited for development/construction of affordable housing and institute within LMC to codify speed of process.
  
- III. Recommendation 2: Commercial Component**
  - A. Adjust slightly based on survey of employers (ours is already pretty close).
  - B. Mitigation factor: stay with 20%, increase to 34% or some other formula similar to some resort communities that have much higher rates (45 to 60%).
  - C. What is the ideal goal for workers living in town? Currently the percentage stands at 20% within City Limits (43% if you count all living within the PC School District boundaries). See the attached memo prepared for City Council in October of 2014.
  - D. The group decided to come back to this discussion after reviewing the remaining recommendations.
  
- IV. Recommendation 3: Fee In-Lieu Alternatives**

***Should we propose changing the way we calculate?***

  - A. There was consensus that the best method would be to calculate Fee In-Lieu as a percentage of current construction costs. This way, the calculation is not complicated and it moves with market changes.
  
- V. Recommendation 4: Modify Housing Resolution to Apply to All**
  - A. The group was in consensus that the trigger mechanism needs to be changed from what it is today (associated only with MPDs and Annexations) to be applied to all development including: new commercial and residential; remodels that increase square footage or are a change in use; also including CUPs, MPDs and Annexations.
  - B. Exemptions:

- i. The only exemptions would be for projects that are deed-restricted affordable housing in accordance with the current Housing Resolution.

**VI. Recommendation 5: Shared Equity versus Capped Appreciation**

- A. There was consensus that the method for maintaining affordability be changed from capping appreciation of units to a shared equity model.
- B. The Shared Equity model would mean that the City maintains an interest (silent/soft second) in the property equal to the difference between price paid for the unit and market value of the unit. Upon sale of the unit, the city receives a percentage of the profit equal to the percentage of the original interest in the property.
  - i. Example: House valued at \$500,000 is sold to a qualified buyer for \$350,000. The City holds a soft/silent second note on the property for \$150,000 or 30% of the original value. Five years later the house sells for \$650,000 and the seller gets 70% of the profit (\$105,000) and the city gets 30% (\$45,000).
  - ii. Administration of this program can be accomplished in several ways:
    - a. Partner with a nonprofit
    - b. Partner with a lending institution
    - c. Staff the housing authority or
    - d. Hire staff within the housing program at the City.

**VII. Recommendation #6: Temporary Ordinance**

- A. The group was in consensus that these recommendations be considered as the new-amended ordinance upon City Council's approval. Staff will bring a proposed new Housing Resolution to the session in which the recommendations are discussed.

**VIII. Recommendation #7: Expand Density Bonus for Affordable Housing**

- A. After urging from Mr. Stewart, the group agreed that increasing the density bonus requires more analysis. The group recommends that EPS conduct a more thorough analysis of cost/benefit for a higher density bonus and the likely consequences on the ground here in Park City. Park City has a limited land supply so density bonuses might be affective.
- B. Mr. Wright suggested applying it only to areas that are on transit lines. The group also agreed that it should be only on larger developments such as in BoPA as well as the PCMR and DV parking lots.
- C. Also, should parking requirements be reduced for affordable housing?
- D. Use it in a way that incentivizes developers to put housing where we want it (by transit, etc.) This solves several city priorities at once (within a quarter-mile of transit). Incentive should be a reduction in parking.
- E. Perhaps tie increased density to really low-income populations. Lower income targets could allow for more density.
- F. The commission asked EPS to clarify this recommendation to come up with a very targeted solution. Also, evaluate this as potentially a part of Recommendation #1.

**IX. Recommendation #8: Establish Priorities for the \$40M Affordable Housing Allocation**

- A. Need a presentation from Nate Rockwood (City budgets office) to understand how municipal resources can be spent – scheduled for February 29;
- B. Priorities should match list of incentives.

- C. What projects are underway and what will be spent?
- D. Council Visioning projections
- E. Preservation of existing affordable units
- F. Presentation of what is currently in the works.
- G. What is biggest bang for buck and immediate?
- H. City-owned land easiest to develop or sell to get additional resources – need to review the property overlay
- I. Sponsor nonprofits to develop units.
- J. RDA funds can be used for staffing as well as development.

**X. Parking Lot or further discussion notes:**

A. Further Discussion list:

- i. Continue discussion on #2 recommendation regarding formula for calculating impact of commercial development and housing obligation.
- ii. Continue discussion on #8 recommendation to prioritize the way in which the \$40M commitment to affordable housing is spent.

B. Additional topics needing further discussion:

- i. Development feeds pot or source of funds.
- ii. Who do we house and by whom?
- iii. Deed Restrictions can cause sales issues – 100% affordable but not deed restricted?
- iv. Front-end/back-end issue
- v. Should the housing resolution address seasonal housing needs/issues?
- vi. Framing a regional approach.
- vii. Group should speak with one voice.
- viii. Is there a need/place/role for a political advocacy group to keep housing issues in front of Council.
- ix. Does the Blue Ribbon Commission need a media spokes-person?

**XI. Final three meetings were scheduled for**

- A. February 29
- B. March 7
- C. March 14

**XII. Meeting Adjourned 6:17 pm**