

PARK CITY MUNICIPAL CORPORATION
PLANNING COMMISSION MEETING MINUTES
COUNCIL CHAMBERS
MARSAC MUNICIPAL BUILDING
FEBRUARY 8, 2012

COMMISSIONERS IN ATTENDANCE:

Chair Charlie Wintzer, Brooke Hontz, Mick Savage, Jack Thomas, Nann Worel

EX OFFICIO:

Planning Director, Thomas Eddington; Katie Cattan; Francisco Astorga; Planner;
Polly Samuels McLean, Assistant City Attorney

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REGULAR MEETING

ROLL CALL

Chair Wintzer called the meeting to order at 5:30 p.m. and noted that all Commissioners were present except Commissioners Pettit and Strachan who were excused.

ADOPTION OF MINUTES

January 11, 2012

MOTION: Commissioner Hontz moved to APPROVE the minutes of January 11, 2011 as written. Commissioner Savage seconded the motion.

VOTE: The motion passed unanimously by the Commissioners at the January 11th meeting. Commissioner Worel abstained since she was absent from that meeting.

PUBLIC INPUT

There were no comments.

STAFF/COMMISSIONER COMMUNICATIONS AND DISCLOSURES

Director Eddington reminded the Planning Commission that they were invited to a reception with the City Council the following evening from 5:30 to 7:30 p.m. at the Treasure Mountain Inn.

CONTINUATION(S) – Public Hearing and Continue to Date Specified

60 Sampson Avenue – Ratification of Findings for Conditional Use Permit
(Application #PL-11-01369)

Chair Wintzer opened the public hearing. There was no comment. Chair Wintzer closed the public hearing.

MOTION: Commissioner Hontz moved to CONTINUE 60 Sampson Avenue – Ratification of Findings for the CUP to February 22, 2012. Commissioner Savage seconded the motion.

VOTE: The motion passed unanimously.

WORK SESSION – DISCUSSION ITEMS

1. 520 Park Avenue – Discussion regarding a variance (Application #PL-11-01391)

Planner Francisco Astorga requested that the Planning Commission review the variance request and provide input and direction to Staff and the Board of Adjustment based on the specifics of character outlined in the proposed and current General Plan

Planner Astorga remarked that the parcel in question is identified as PC124-D-1. The applicants purchased the site in August 2011 and submitted a variance for Lot 43, which does not meet the minimum lot size of 1875 square feet. The lot area is 1829 as identified on the survey. The survey was attached to the Staff report as an Exhibit.

Planner Astorga stated that the issue was that in 2009, through a previous sale in 2007, the portion in question was made part of 550 Main Street, the Talisker Restaurant Building. When the subdivision was created it resulted in three lots of record that no longer comply with the minimum lot size. Planner Astorga explained that a historic addition encroached on to the back property lots. What was perceived as the configuration has existed in the area for over a hundred years.

Planner Astorga stated that if the Board of Adjustment grants a variance they would be able to build two smaller homes, which was more in character with what the City is trying to accomplish through the General Plan amendments for keeping the scale, mass and volume of structures smaller and more compatible with historic architecture.

Planner Astorga reported that Trent Timmons, the applicant, purchased Lot 44, which allows him the option to combine the two lots and have a lot of record. However, that would sacrifice the intent of smaller scale.

Commissioner Savage asked if the variance would preclude a lot combination. Assistant City Attorney McLean answered no. Mr. Timmons, the applicant, stated that it would not preclude a lot combination but he would be willing to agree it.

Planner Astorga requested input as to whether the Planning Commission would support the variance. The Staff felt they could make appropriate findings to recommend that the Board of Adjustment grant the requested variance.

Commissioner Savage was willing to support the variance if the applicant would agree to the condition regarding the lot combination. Assistant City Attorney McLean recognized that it was unusual for a variance issue to come before the Planning Commission. However, in light of the history of the property and the plat amendment, as well as General Plan discussions, it was important to hear whether the Planning Commission supported the Staff position that the variance met the goals of the General Plan.

Commissioner Thomas believed another issue regarding the variance was that the historic structure was inconsistent with the property. Planner Astorga agreed that another argument for the variance was to address the encroachment that has existed over a hundred years.

Director Eddington noted that the Planning Commission previously made recommendations to the City Council to amend the HR-2 Zoning District to allow some commercial to encroach into the HR-2 Zoning District as long as it was basement space that was not visible. Director Eddington pointed out that one reason for that recommendation was to also allow for the fabric to be returned to Park Avenue above ground. The Staff supports smaller houses being located along that portion of Park Avenue to recreate that fabric.

Mr. Timmons stated that over the last 10 years they have built 12 smaller homes. They believe smaller homes are more compatible with the historic character. Commissioner Worel applauded Mr. Timmons for those efforts, instead of combining lots and building larger structures.

Commissioners Hontz and Thomas supported the variance. As the liaison to the Board of Adjustment, Commissioner Hontz would relay their recommendation to the Board.

Bonanza Park Area Plan – revised supplement to General Plan - Discussion

Chair Wintzer disclosed that he owns property in the Bonanza Park area.

Planner Katie Cattan highlighted the major changes to the first draft of the General Plan for the Bonanza Park Area and noted that the second draft was available online.

Planner Cattan noted that the first item was the suggestion to add a key terms page. Commissioner Hontz pointed out that under the key terms, Area Medium Income should be Area Median Income. Commissioner Hontz thought the word “zoning” in the Base Plan and Incentivized Plan definitions was confusing. Planner Cattan believed that would be the outcome of the Form Base Code and whether or not it will be an overlay zone option. They should be able to better define that as they delve into the Form Base Code discussion.

Director Eddington stated that an RFP was sent out for both the Form Base Code and the Transportation Plan to make sure that connectivity with State Roads 248 and 224 makes sense. A number of firms would be able to address the issues and provide their recommendations under one RFP. The RFP deadline was February 28th.

Planner Cattan stated that there were three challenges in Bonanza Park. One is soils, which has been ongoing, the second is connectivity, and the third was Form Based Code.

Commissioner Hontz asked about a legal description of the Bonanza Park District. Planner Cattan referred to the image of the Bonanza Park District on page 5 of the report and noted that an entire page was created for the outlined area with a property description. Assistant City Attorney McLean stated that it would also be part of the zoning map based on Form Base Code input.

Commissioner Savage asked if the desire to adopt Form Base Code in Bonanza Park would have ramifications throughout the General Plan, or whether it could be applied on a zone specific basis. Director Eddington replied that it could be zone specific, similar to any other zoning district.

Planner Cattan reported that other changes to the initial draft included formatting, adding graphs that were clearly connected to the demographics, and other graphics and aging information.

Planner Cattan stated that once an RFP is over \$25,000 it must be approved by the City Council.

Commissioner Worel asked how the transportation component was different from the group on the walking tour. Director Eddington explained that the walking tour group was to focus on the Dan's to Jan's trails master plan in an effort to figure out the corridor along State Road 224. The walking tour primarily addressed pedestrian connections between Dan's and Jan's in conjunction with traffic flow. That organization was hired by Public Works a couple of months ago to focus on the trails system and traffic elements. Director Eddington stated that the City went above and beyond that to look at specific intersections on State Road 224, as well as the intersections proposed for Bonanza Drive, Deer Valley Drive and Kearns.

Chair Wintzer stated that his concern with the plan was the number of curb cuts on State Roads 224 and 248, Bonanza Drive and Deer Valley Drive.

Planner Cattan reported that a model was incorporated within the new Transportation Master Plan that was recently adopted through the City Engineer. Inputting information into the model should provide an accurate feel for the impacts.

Planner Cattan stated that the design team met last week and one concern was the property where the Sports Authority is located. It was evident that the Sports Authority would be greatly impacted by the proposed connections. The connection was realigned slightly to create a win-win situation for everyone.

Planner Cattan noted that the design team discussed benefits and options for the community. The 20 options were outlined on page 63 of the Staff report.

Commissioner Savage asked Planner Cattan to define the difference between the base plan and the revised plan. Planner Cattan stated that the base plan was what the developer could achieve if they decided not to utilize any of the options. It included a three-story maximum or 35 feet from existing grade, zero setbacks in right-of-way, maintain a 100 foot setback in the Frontage Protection Zone, and a pedestrian easement component to require circulation through blocks.

Commissioner Savage understood that the base plan would apply to all of Bonanza Park. Director Eddington replied that this was correct, as long as no options were used to go into the incentivized plan. Chair Wintzer asked for the difference between the base plan and the existing zoning. Planner Cattan presented an image of the current LMC. Under the current zoning there are setbacks requirements along the property line. She presented an image under the base plan and identified the building pad within the base plan. Director Eddington stated that a major difference was that the base plan had zero lot lines to work within, which allows more flexibility in laying out the building footprint.

Planner Cattan presented an image of the incentivized plan showing the expanded buildable area. The incentivized plan also allows a fourth story up to 75% of the footprint and a fifth story up to 25% of the footprint. Within the SLO area, building is limited to two stories.

Chair Wintzer asked if affordable housing was currently required on the site. Planner Cattan replied that affordable housing was not part of the density calculation on the site. The City recommends putting the affordable housing on-site, but it is not required by the LMC. Chair Wintzer thought that issue should be revisited because a major fight erupts over affordable housing when someone tries to put it in another neighborhood.

Planner Cattan provided examples of building scenarios to explain the difference between building under the base plan or the incentivized plan. Chair Wintzer asked for additional examples on other pieces of property throughout the neighborhood to see how it would affect Rite-Aid, Fresh Market and other properties in Bonanza Park.

Mike Sweeney wanted to know how they would determine whether the incentivized plan was enough to encourage developers to build what the community wants. Director Eddington stated that when they started the Bonanza Park Plan, one of the most important elements was to make a place for locals. The 20 options for the incentivized plan were things the community, the Planning Commission and the City Council wanted to see. Director Eddington believed that some of the options offer benefits to the developer as well as the community. If it does not work, the developer would not exercise that option and could either build the base plan or utilize another option.

Chair Wintzer felt it was important to understand that the options outlined were what the community wanted. If the developer is building something to sell to the community and he chooses to build what the community wants, the incentivized plan helps the developer achieve that goal.

Mr. Sweeney was unsure if the incentivized plan would achieve what the community in general wants the developer to do. At this point that was still an unknown and he questioned the merit of specifying numbers and caps. Director Eddington remarked that they originally started with seven or eight options and increased that number to 20 to give more variety and opportunity to developers and property owners. Director Eddington did not believe the General Plan document would remain stagnant for 20 years. As Bonanza Park continues to develop and if the needs of the community change, the document would ultimately be changed.

Chair Wintzer asked if there was a mechanism to incentivize the developer if he wanted to build something more favorable to the community, but the cost would be higher than building under the base plan. Commissioner Hontz believed that concern was addressed in Option 20.

Commissioner Hontz thought the proposed options were good; however Option 20 basically states that the developer could approach the City Council to request an additional option for anything he might want. She preferred to reduce the number of options to three or four and keep Option 20. Commissioner Hontz stated that the ratio was important in making this work. People should have the ability to propose to the City what works for them and negotiate that option. The alternative would be to eliminate Option 20 and add five or six additional options to the remaining 19. Commissioner Hontz personally thought the options were too specific to apply to every development, with the exception of Option 6, which needed more specificity.

Assistant City Attorney McLean understood that the options were a rough draft and they had not been reviewed from a legal perspective. She believed some of the options as written may be difficult to enforce. Ms. McLean advised that options should not be a negotiation tool because it needs to be a regulatory framework. Based on Ms. McLean's advice, Commissioner Hontz thought Option 20 should be eliminated.

Craig Elliott liked all the options listed and believed they had a lot of value. Mr. Elliott stated that if they leave in some type of mechanism that allows for dialogue, it would benefit the City, the developer and everyone involved. Chair Wintzer agreed that it was important to create a document that could change with growth.

Planner Cattan noted that in addition to conditional and allowed uses, the Form Base Code allows for similar or compatible uses on approval by the Planning Director.

Director Eddington thought that adding more parameters would balance the legal recommendation to keep it more regulatory with the need to have options. The Staff would work on appropriate language and bring it back to the Planning Commission for review. If they were still not satisfied, Option 20 could be revised or removed.

Chair Wintzer clarified that anyone could request a Code or document change. Assistant City Attorney McLean replied that all the documents from the LMC are living documents. She suggested that the process be explained within the Code for clarity.

Commissioner Savage asked Director Eddington to comment on the exchange ratio. Director Eddington stated that in discussing the incentivized ratios they started looking at rough pro formas, rough real estate proposals and other research to see what things cost and the benefits. Commissioner Savage wanted to know when they would need to codify the deed restrictions associated with each of the development incentives. Director Eddington replied that it would need to be worked out with the Legal Department on an individual basis because each one is unique. He assumed it would be codified in a development agreement at the time of the MPD.

Commissioner Thomas thought it was important to address the five-story limit. Planner Cattan explained how the third, fourth and fifth stories were determined. She asked for input on allowing five-stories in the Bonanza Park District and whether it was appropriate. She noted that the fifth-story could be 25% of the building pad. Planner Cattan stated that the numbers were determined from reading books on design standards and an understanding of towns similar to Park City. She remarked that every Friday Jack Thomas would meet with her, Director Eddington and Kayla Sintz and they had very good conversations about the fourth and fifth story. They had reservations about having a fifth story, but they needed area in which the options could be exercised.

Director Eddington named a few of the sources and architects that were researched in making their decision. He noted that the challenge in saying that four or five stories was the average maximum for the pedestrian experience was that fact that they could end up with everyone exercising the same option. If that occurred, all of the lots would have a fourth story at 100% and a fifth story at 25%. Director Eddington pointed out that the Form Base Code would still create the undulation that they want for an area.

Commissioner Savage asked how much the 25% limitation on the fifth story would mitigate the impact of size. Commissioner Thomas replied that it would depend on the design. Stepping back the façade and the building makes a significant difference. He believed the design would unfold out of Form Base Code.

The Planning Commission discussed the affordable housing requirements for development. Craig Elliott stated that there was an interesting dilemma in the affordable housing component, as well as the housing component in general in Park City. The requirements for affordable housing had pushed all development into four and five star quality products. Mr. Elliott explained that developers can afford to build the affordable housing because of the income generated from the high quality expensive product. If someone wants to build something for the average person who does not qualify for affordable but cannot afford a Deer Valley quality home, there may be a reason for being able to build it somewhere else and move it to Park City to get the additional value. Mr. Elliott stated that he would like to build other things, but the requirements push him into building a more expensive product in order to build the required product. Chair Wintzer believed it was a matter of changing the mindset. If developers only look at the bottom line of their project it will never work.

Mr. Elliott noted that Mark Fischer built 20 units of affordable housing when construction costs were lower. He believes a project is driven by the financial models and the lenders rather than the

developer. Mr. Elliott thought that this matter should be discussed in depth because it is a reoccurring problem in building a market rate product.

Commissioner Savage commented on a nucleation event. He remarked that a creative strategy around the idea of affordable housing in Bonanza Park would be to allow something to happen that had enough mass, momentum and attraction that would cause people to want to move there. They could then begin to create other things around that. In his opinion, the best way to do that would be to provide a service to the community by adding a way to create affordable housing in that location, and in order to do that, they must be able to provide economic incentives. Commissioner Savage thought there were several things to think about as it relates to in-lieu of and affordable housing transition. He used the affordable housing units at the Montage as examples. He believed the people in those units could have a much nicer living style with the right kind of affordable housing product in Bonanza Park. Commissioner Savage remarked that sometimes it is important to think about the objectives rather than the policies.

Mary Wintzer stated that as a property owner and a citizen, if she were building a hotel she would do whatever affordable housing was required in her project, but it would be her responsibility to put nice affordable housing in the project. Ms. Wintzer thought it was wrong to make Bonanza Park the place where all the workers live or turn it into an affordable housing village. She understood that the intent was to make Bonanza Park multi-generational with multi-economic groups.

Commissioner Savage clarified that his intent was to do something important that attracts the community as a way to get things started. He was not suggesting that affordable housing represent a higher percentage of the intended use of Bonanza Park. His idea was to use Form Base Code to create something that sets the stage for how great Bonanza Park could be.

Chair Wintzer thought they were off subject. The discussion was not whether there should be more affordable housing in Bonanza Park, but whether a developer could be incentivized for transferring the affordable housing off the project. Chair Wintzer agreed with Commissioner Savage that affordable housing should be clustered near the amenities to avoid creating traffic and other problems. However, he would not want to give the Montage a bonus for sending their affordable housing to Bonanza Park. Chair Wintzer pointed out that there is a large range of people outside of the affordable housing price range who do not have housing choices. He suggested that the Bonanza Park neighborhood may be a place where people can live with the ability to move up. Incentives could be given for building a variety of price range units.

Planner Cattan stated that as a solution to the conversation of transferring Montage units to Bonanza Park, they could treat it the same as the TDRs. Within Bonanza Park, TDR development credits may be built within the incentivized area, but there would be additional bonus.

Commissioner Thomas liked Commissioner Savage's comments about a nucleation event. However, he did not think it could be accomplished by one thing in the community. Commissioner Thomas believed the nucleation event was transportation and how the community operates as a transportation hub for accessing the resorts, Main Street, and the rest of the community for both

vehicles and pedestrians. Commissioner Thomas stated that historical townscapes grew out of the intersection of two roads for a train station. That was the hub and how towns evolved.

Chair Wintzer asked if there was an incentive for providing a transportation hub on the property. Director Eddington remarked that it could be added as an incentive. Commissioner Thomas thought it should be the number one incentive. Chair Wintzer felt it was important to consider.

Director Eddington liked an earlier suggestion by Chair Wintzer to capture the \$250,000-\$475,000 housing units. There may be an incentive for that type of housing. It is better for the developer because it produces a higher return on investment, but it is also good for the City because middle income housing is where they are most deficient, with the exception of affordable housing.

Chair Wintzer stated that the cost of parking in a parking structure can make affordable housing unaffordable. He suggested finding a way to work in parking requirements. Chair Wintzer was unsure how that could be accomplished, but he thought it was an important element. Planner Astorga remarked that Form Base Code helps with the parking issue because it focuses on the mixed use component where the parking is shared by residents who use it at night and the commercial businesses who use it during the day.

Planner Cattan asked for input on the Zero Carbon option, whereby if a developer opts to build a zero carbon building, they may build to the maximum of the incentivized plan. Planner Cattan explained that a zero carbon building means that the building produces the energy it consumes on-site in a sustainable manner.

Mike Sweeney thought it was a ridiculous idea. Craig Elliott disagreed. He thought it was a good incentive to include in the plan because they have no way of knowing what would be possible in the future. He pointed out that zero carbon buildings are currently being built. Mr. Sweeney argued that whether you use solar energy or wind, it is expensive to get to the point of being able to capture the energy, and it is a net loss. Mr. Elliott pointed out that there may be enough value in the increase in density to cover the additional cost. He thought it was a great challenge for the future.

Commissioner Thomas stated that in terms of volumetrics and percentages, it would be interesting to put the numbers into the Form Base Code to see how it affects the volumetrics. Director Eddington provided examples of what could occur with the Form Base Code and suggested that they might want the variation it creates.

Mike Sweeney had issues with the five-story limit. When he looks around the City and looks at the history, he could not understand why they were singling out Bonanza Park for the fifth story limitation. Planner Cattan replied that in their research, the Staff found several studies that concluded that five stories was the maximum height that still allows a village/neighborhood feel. She explained that the reasoning came from visioning and the desire to maintain a small town feel. Director Eddington stated that height on the Montage or St. Regis was appropriate for their location. However, in a local neighborhood four and five stories cross the line of small town feel. Every

study talks about a sense of disconnect and they do not want that for the Bonanza Park area. The direction that came from the joint meetings with the Planning Commission and City Council was to keep the area local and connected.

Chair Wintzer remarked that Bonanza Park is the view corridor coming into town and defines the first impression of character. Mary Wintzer recalled that during the stakeholders meeting in November, three property owners felt strongly about keeping the height down in order to be successful.

Mark Fischer stated that he and Craig Elliott were very comfortable with the height. He pointed out that it would take a dramatic economic rebound to absorb the density. Mr. Fischer suggested leaving open latitude on types of architectural feature for flexibility. He was comfortable with the suggestions in the proposal. Mr. Fischer had spoken with a number of people, including appraisers, and they believe that splitting the difference between 20- 30% overnight rentals was the right answer. Mr. Fischer suggested that they split the difference and agree on 25%. He was comfortable with the idea that a neighborhood stops being a neighbor where there is too much in and out activity. Mr. Fischer stated that the issue of tenant mix has bubbled to the top could be controversial. In talking to appraisers and financial people, he found that he would be unable to get good financing on his current type of tenant mix because they are not credit tenants. A national chain type tenant has a good balance sheet and is a credit tenant. Mr. Fischer explained that he was not pushing for national chains, but it was important to have a realistic project that could be financed. He commented that a number of tenants along Bonanza Drive were not paying their rent or they were making partial payments. It is impossible to get a loan with those types of leases.

Mr. Fischer requested a discussion on the tenant mix issue. On the undesirable page of must-not-have, national chains were listed. He suggested that the concern could be addressed by limiting the size of the box they are allowed to occupy. Mr. Fischer emphasized the need for credit tenants and if that means national chains, he would like to hear that discussion.

Commissioner Thomas was concerned about scale and size, but also the idea of formulaic design. He believed the national stores were beginning to understand that they have to integrate into the community and respond to the local vernacular and character of the community. He was less concerned about the national chain itself that he was with the actual results of the façade of the building and how it integrates to the community. Commissioner Thomas thought they could be flexible in that regard.

Chair Wintzer agreed with the design issues, but he felt that size was equally important. He commented on a number of national chains that have contributed to the town. Planner Astorga stated that chain stores would work as long as they control the corporate architecture.

Chair Wintzer commented on timing and asked the Staff to look at incremental development so it would not take years to complete a project. He referred to the 20-30% rental issue and suggested that some uses be taken out of that number. He suggested making bed and breakfasts or hotels separate items outside of the 20-30%. Mr. Fischer clarified that the 25% he suggested would apply to homes or condos. A boutique hotel would not be in that calculation. Chair Wintzer pointed out

that currently everything was included in the calculation, which is why he requested that the Staff remove some of the uses.

Mary Wintzer understood the economic issue for national chains, but she thought the community needed to decide their commitment to small business. She would not want a big box chain that would hurt the existing small businesses. Smaller scale chains such as the fly shop and Roots would not impact the small business owner.

Director Eddington stated that the national chain issue could be controlled by restrictions on size, scale and parameters. Planner Cattan remarked that Form Base Code is a solution because it presents itself differently. It has more of an interface of people and connectivity.

Commissioner Thomas thought they should consider an incentive for locally owned businesses. Planner Cattan pointed out that the Bonanza Park Plan does not incentivize big box chains, but it does incentivize a local entrepreneur or the business incubator.

Commissioner Savage asked if there were incentives for hiding the parking. As an example, allowing an extra story to accommodate underground parking. He noted that a visible parking can destroy livability and the village feel.

Mr. Fischer stated that under the current ordinance, anything you dig has to stay within the Soils Ordinance District. He pointed out that once you dig down 18", there is perfectly good topsoil. Chair Wintzer understood that if the soil is tested, it could be removed. Mr. Fischer had received a letter from the City and he believed the requirement needed to be changed. Assistant City Attorney McLean believed the issue was more complicated because it involved the EPA and other things that she was not versed on well enough to discuss.

Mr. Fischer clarified that he would like to over-excavate the garages, put the bad soil under the garages and take the good soil out to the County somewhere. Under the current ordinance that is not possible, but it is done every day because the ordinance has never been enforced. He was certain that it would be enforced on a project this large.

Director Eddington stated that the Staff was working with environmental people to see if there was another solution. The issue was addressed in the Plan in terms of meeting the LMC standards, but the issue needs to be resolved with the environmental group. Director Eddington explained that it would require a change to the Municipal Code.

Director Eddington stated that the Staff would consider the input heard this evening and come back with answers to their questions. Chair Wintzer clarified that the issues for the Staff were timing, percentages, and national chains.

Commissioner Thomas thought it was important to have the Form Base Code and the culmination of their input evaluated carefully. Director Eddington replied that the Staff would not recommend adopting the Plan until the Planning Commission has the opportunity to see how the plan and the form base code interrelate. If everything stays on schedule, he hoped to have it all adopted by the end of June.

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Planner Cattan stated that they were also trying to figure out the issues with Rocky Mountain Power. Director Eddington stated that they met with Rocky Mountain Power earlier in the week and everything was going well. Rocky Mountain Power offered to provide the next piece of information by early to mid-March.

The Park City Planning Commission meeting adjourned at 7:30 p.m.

Approved by Planning Commission: _____