



**PARK CITY COUNCIL MEETING MINUTES
445 MARSAC AVENUE
PARK CITY, UTAH 84060**

September 5, 2024

The Council of Park City, Summit County, Utah, met in open meeting on September 5, 2024, at 3:15 p.m. in the City Council Chambers.

Council Member Toly moved to close the meeting to discuss property and litigation at 3:15 p.m. Council Member Dickey seconded the motion.

RESULT: APPROVED

AYES: Council Members Dickey, Rubell and Toly

EXCUSED: Council Members Ciraco and Parigian

Council Members Ciraco and Parigian arrived at 3:17 p.m.

CLOSED SESSION

Council Member Ciraco moved to adjourn from Closed Meeting at 5:20 p.m. Council Member Toly seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

REGULAR MEETING

I. ROLL CALL

Attendee Name	Status
Mayor Nann Worel Council Member Bill Ciraco Council Member Ryan Dickey Council Member Ed Parigian Council Member Jeremy Rubell Council Member Tana Toly Matt Dias, City Manager Margaret Plane, City Attorney Michelle Kellogg, City Recorder	Present

None	Excused
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II. PRESENTATIONS

1. Consideration to Adopt Resolution No. 18-2024, a Resolution Welcoming the 2024 Visiting Delegation from Courchevel, France:

Linda Jager, Communications Manager, indicated Park City welcomed a delegation from Courchevel, France, last week and they were shown the best of Park City. Penelope Harte, a senior at Park City High School, read the resolution in French.

Courchevel Mayor Pachod stated it was a pleasure being in Park City to celebrate the strong bond between the cities. He and his colleagues were welcomed to Park City and they thought the hospitality they received was amazing. He thanked Mayor Worel and staff for their work. He looked forward to the future and the experiences it would bring. He noted the International Olympic Committee (IOC) chose both Courchevel and Park City to host the Winter Olympics. As a token of his appreciation for this partnership, he presented an artwork on a helmet from an artist in Courchevel and noted it was the same gift given to the winter ski competition champions in Courchevel. This was a symbol of the deep friendship between Courchevel and Park City.

Mayor Worel opened public input.

Tina Quayle, 84098, stated she was part of the origination of the sister city relationship. She was amazed that both cities would host the Olympics for a second time.

Mayor Worel closed public input.

Council Member Parigian moved to adopt Resolution No. 18-2024, a resolution welcoming the 2024 visiting delegation from Courchevel, France. Council Member Toly seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

2. Public Financing Tools Presentation by Gilmore Bell Public Finance Law Firm:

Jed Briggs, Budget Manager, and Randy Larsen, Zions Public Finance, presented this item. Briggs stated this was a good time to look at financing tools with the upcoming developments in the City's future. He indicated the state created several new financing tools for cities. Larsen reviewed financing projects were historically funded with general obligation bonds by having an election to see if voters would pay for a bond in their property taxes. Revenue bonds were issued against future sales tax. Tax increment financing (TIF) would increase taxes in just the project area. Assessment bonds were on new growth and that growth would pay the bond.

Larsen explained Public Infrastructure Districts (PID) and indicated it was governed by a separate board. The separation was so the district would own all the debt. The PID could only be created by cities, counties, or state land development authorities. It would require the consent of 100% of property owners within the PID boundaries. This district could finance public infrastructure projects. In the PID charter, the city could mandate the function and scope. The new revenue stream could come from a limited property tax, an assessment fee, or a TIF. Larsen further explained the governance of a PID.

Larsen indicated an infrastructure financing district (IFD) was created to do an assessment. The assessment would need to be paid off before the certificate of occupancy would be issued. Benefits of IFD included a 30-year amortization, qualifying for Commercial Property Assessed Clean Energy (CPACE) authority, and could be used for private utilities. Briggs noted the bonding capacity was lower for IFDs.

Larsen explained a Community Reinvestment Agency (CRA) could be created but must have approval by the school district. Other TIF type tools included Housing and Transit Reinvestment Zones (HTRZ)-transit oriented development, First Home Investment Zone (FHIZ) – affordable housing, and Home Ownership Opportunity Zones (HOPZ) – affordable housing. The benefit of these were that they didn't need the approval of the school district.

Council Member Parigian asked if all the bonds would go through the financial institutions, to which Larsen stated banks could finance projects. For larger projects, they would benefit from a security creating competitive investment with a rating and a lower interest rate.

III. COMMUNICATIONS AND DISCLOSURES FROM COUNCIL AND STAFF

Council Questions and Comments:

Council Member Parigian indicated the Recreation Advisory Board (RAB) chose a developer for the pickleball facility. Council Member Rubell indicated the Fire District Administrative Board was doing well and they had a new fire truck. He also thanked the Transit team for the bus rodeo competition. Council Member Rubell asked what could be done to inform constituents on taxes imposed on residents. There was talk around town on tax increases and the need for affordability. He noted the City had never raised property taxes, and requested a discussion on transactional taxes and what could be done about that. He also wanted to discuss why property taxes had doubled in recent years. The Council agreed to that discussion.

Council Member Ciraco indicated he attended the bus rodeo and got to drive a bus. He attended the Utah League of Cities and Towns (ULCT) annual conference and stated it was great to meet other elected officials and listen to the presentations offered. He thanked everyone for coming out for Miners' Day. He indicated September was Suicide Prevention Month and he asked those suffering to reach out and talk to someone. Council Member Toly participated in the ribbon cuttings at Bonanza Flat and the art

piece on the Rail Trail. She also hosted the Courchevel delegation. Mayor Worel noted she attended the ribbon cuttings for the Rail Trail and Lucky Ones Coffee Shop. This Saturday another ribbon cutting was scheduled at the bike park. She noted she pushed the new fire truck into the station today and it was great.

Staff Communications Reports:

3. China Bridge Parking Structure Condition Assessment:

Council Member Rubell asked that capital investment projects in the Main Street area be looked at with the Main Street Area Plan (MSAP) in mind. John Robertson, City Engineer, indicated the China Bridge project was a maintenance project and so it was different than new capital projects. Council Member Dickey indicated Robertson was in all the MSAP meetings and he would not go in his own direction. Council Member Rubell thought the report reflected future problems. Robertson explained the report reflected direction on what needed to be done now to keep the parking structure safe and operational. Council Member Rubell asked for a revised report that laid out what needed to be done now and what would be done in the next five to 10 years.

Council Member Parigian asked why the two projects were added together to reach the total amount. Robertson stated the temporary solution was \$250,000 and the full replacement option was \$400,000. Those numbers reflected the specific wall replacement and not the extenuating work needed and contingencies. He placed a higher number to the project to allow for those contingencies. The spreadsheet in the report was erroneous though. As a result of the errors, Council Member Parigian wondered if any of the numbers were accurate. Robertson stated a third party analyzed the numbers and made a recommendation of the proposed number.

1. Main Street Area Plan Meeting Recap - August 14, 2024:

Council Member Rubell asked for another update with a succinct timeline with the key activities combined with what was listed on the website. Many people wanted to be involved but couldn't attend everything. He also asked how the process would work moving forward so people would know what to expect. Council Member Dickey felt that was a good request and noted the committee would come to Council and seek direction on what the Council wanted to see moving forward. Diersen added that they would know the next steps after the next committee meeting and would have a sense on whether additional committee meetings were needed or if they could launch into the public outreach phase. Council Member Rubell stated the resorts weren't represented on the committee and asked if they were involved. Council Member Dickey indicated the resorts weren't involved but the Chamber and HPCA were part of the committee. Diersen added the resorts would be part of the outreach portion of the project. As the committee developed concepts, they would approach the resorts for feedback. Council Member Dickey stated there were a lot of interests missing in the committee due to the fast track of the process, but they would be reaching out to touch all groups.

2. 2024 Fitch Rating:

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

Mayor Worel opened the meeting for any who wished to speak or submit comments on items not on the agenda.

Tracy Harden 84060 expressed concern about the corner of Park Avenue and Kearns, and the lack of progress being made with the Yarrow Hotel project. The team was sent back to revamp the plan for the fourth or fifth time. The developers wanted to make this area more walkable and functional. They wanted to improve the property, but they were going around in circles with the Planning Commission. The Planning Commission was focused on code. This had been going on for two and a half years. She asked that the Council step forward and bring the Planning Commission and development team together to discuss this. She felt the project needed leadership, collaboration, and compromise.

Mayor Worel closed the public input portion of the meeting.

V. CONSIDERATION OF MINUTES

1. Consideration to Approve the City Council Meeting Minutes from August 15 and 22, 2024:

Council Member Rubell moved to approve the City Council meeting minutes from August 15 and 22, 2024. Council Member Toly seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

VI. CONSENT AGENDA

1. Request to Authorize the City Manager to Execute a Contract with ClearCompany, LLC, a Human Resources Management System Provider, in a Form Approved by the City Attorney's Office, Not to Exceed \$119,840 for Three Years with the Option to Renew for an Additional Two Years:

2. Consideration to Approve the Acquisition of 44 Artworks for Phase 3 of the EmPOWERment Project in a Form Approved by the City Attorney:

Council Member Rubell moved to approve the Consent Agenda. Council Member Toly seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

VII. OLD BUSINESS

1. Discuss Ranked Choice Voting (RCV) as a Possible Voting Method for the 2025 Mayoral and City Council Election:

Michelle Kellogg, City Recorder/Election Official, and Kelleen Potter and Josh Daniels, Utah Ranked Choice Voting, were present for this item. Kellogg reviewed the last time RCV was discussed, the Council had requested public outreach before discussing the item further. The outreach was held throughout the month of May and efforts included creating an RCV webpage on the City website, having a table at the Spring Projects Open House, articles in KPCW and The Park Record, website links, and invitations for the public to go to the website to take a survey and participate in a mock RCV election in all social media publications, including the newsletter, City e-Briefs, and other communications. Kellogg noted that in spite of these efforts, there was minimal public participation with the survey and mock election.

Of the responses to questions in the survey, Kellogg reviewed that many of those in favor of trying RCV liked it because candidates would need to appeal to a broader base of voters, multiple choices represent voter preferences, a ranked system seemed fairer, and no primary election would be required. Many of those who were opposed to RCV expressed concern that RCV had additional complexity, there was a lack of trust for this method, and they preferred traditional voting methods.

Kellogg displayed a possible election timeline for 2025 if the Council chose to move forward with the RCV voting method. She recommended a higher level of outreach in January and February, passage of a resolution authorizing the use of RCV in March, followed by additional outreach to notify the public of the change, which would include no primary, the change in dates for candidate filing from June to August, and to explain and promote the RCV ballot.

Council Member Rubell asked if proportional voting method was considered by the legislature and voted down. Daniels indicated there was some interest, but the bill didn't get drafted in time so it didn't receive full consideration. Council Member Rubell asked if it would be considered in the next session, to which Daniels stated anything could happen but there hadn't been a modification to the options to add that option at this time. Council Member Parigian noted the House wanted to kill the pilot program, but failed, although the pilot was scheduled to end in 2026. He asked if the 2025 RCV election would just be a one-off. Potter stated they were working with the sponsor to end the sunset date or extend the pilot since there were cities using RCV.

Daniels stated any decision made would have tradeoffs. He thought the tradeoff of eliminating the primary election would be more engagement from voters since there was a lower primary election voter turnout than in the general election. He also thought in a multi-winner race, people could bullet vote and waste their other votes. With RCV, there was not an incentive to vote for only one name. He thought up to 25% of voters strategized when using the traditional voting method.

Potter indicated a group of professors at Utah Valley University had been studying RCV and they observed that voters in cities using RCV had 15% more votes counted, due to bullet voting by non-RCV city voters. They were also working on a study showing the take aways from the past four election cycles where RCV had been used.

Council Member Parigian asked how the votes were redistributed in the RCV method, to which Daniels stated it worked as if there were three elections and the ballots would be counted three times in sequence. Council Member Dickey asked if there was evidence that RCV benefited incumbents. Daniels stated there was less time for campaigning, but incumbents had the advantage no matter what method of voting was used. Potter added that usually people researched candidates right before they cast their ballots and they didn't spend months researching them. Council Member Parigian asked if RCV promoted additional candidates running for office. Daniels stated some cities did RCV because they wanted to eliminate the primary. The number of candidates filing usually was an outcome of issues going on in the city.

Mayor Worel opened public input.

Aaron Davidson, Utah County Clerk, ran RCV elections for five cities within Utah County. Lehi had an RCV primary because there were 17 candidates. Davidson tallied their general election ballots for three open seats as if they used the traditional voting method. The results showed the first place RCV winner not winning any seat under the traditional method and the fourth-place candidate who was eliminated received the most votes of any candidate and would have won a seat if the traditional voting method was used. He said RCV was a nice idea but there were complexities that people couldn't figure out. He noted in 2022, a new law was passed by the legislature saying an entity couldn't use funds to run an election if they were donated by anyone other than a government entity. The dilemma was that the "free" RCV software was a donation from RCV. He sent an email to the State Election Director in the Lt. Governor's Office pointing out the conflict. He got a response that said Utah County got the software before the law went into effect. But if another county used the software, they would be in violation of the law.

Megan McKenna knew there were pluses and minuses to any process, but she supported RCV. She remembered the last City election and many voters struggled with how to vote. She thought RCV would bring a more representative voice for the community.

Mayor Worel closed public input.

Council Dickey noted many people in the last election told him they only voted for him, and he didn't want to see the gaming in elections. He also thought the campaign season lasted for months, whereas candidates in France and other countries campaigned for a couple of weeks. Council Member Toly stated it cost a lot to run for office in Park City and that was a barrier to entry for candidates. She wanted to bring down barriers by

having a shorter campaign season and not having a primary election was part of that. She also noted the Council didn't normally make big decisions in an election year because of election pressure. She supported moving forward with RCV.

Council Member Ciraco studied RCV to find what the compelling reason would be to change the voting method. People could vote their ballot however they chose, whether for one candidate or three candidates. He thought whatever the method, voters would find ways to game the system. He asked for data on the City's last four elections to see what the bullet vote was. He didn't think there was much difference filing for office in June or August. He didn't spend any advertising money until the primary was over. He supported continuing the conversation and fact-finding.

Council Member Rubell liked diversity of thought and wanted different opinions on a council. This form of RCV was too easy to stack the deck. If the pilot expired in 2026 he didn't want to go through all the work to change the method in 2025. He favored the proportional voting method, so he would defer support to see if the pilot was extended or if other methods were introduced. Council Member Parigian felt Council was an important position and he worked hard to win a seat. He knocked on doors and needed the time to talk to people. He spent very little money on his campaign. He didn't want to use RCV as a one-off. Council Member Toly saw spending great amounts of time as another barrier to entry to be on Council. She wanted to make the process easy. Council Member Dickey stated the way for the law not to expire would be to do it. He felt using RCV at the local level would pave the way for it to grow to national elections.

Mayor Worel appreciated having a primary and noted it was a good tool to see where her support was and where she needed to focus her efforts. It was a very long process, so she could see the advantage of not having a primary election. There was time for the Council to authorize RCV if they chose. They could wait to see what the state legislature did and then bring the topic back for discussion in March, 2025. Council Member Dickey thought March would be too late to introduce this to the community since the election would be a few months away.

Council Member Toly suggested reviewing the UVU study once it was published. Council Member Ciraco wanted to hear from RCV opposers so the discussion would be more balanced. Council Member Rubell didn't want to put time and effort into RCV if it was going to be short-lived. Council Member Ciraco did not want to implement the RCV method with it sunseting. The majority of Council asked for another discussion in a couple of months after reviewing the study. Mayor Worel asked for a presentation on the study at that time.

2. Consideration to Authorize the City Manager to Execute a Construction Agreement, in a Form Approved by the City Attorney's Office, with Silver Spur Construction to Construct the Main Street Water Line Replacement Project Phases II & III, Not to Exceed \$3,689,058.90; and Approve a Request from the Historic Park City Alliance for Proposed Mitigation Plans:

Griffin Lloyd, Public Utilities Engineer, presented this item and reviewed the Main Street waterlines were being replaced beginning this spring and he noted there had been four waterline breaks this year from areas that hadn't yet been replaced. The first phase had been completed. During construction they met with the Historic Park City Alliance (HPCA) and from the conversations they learned businesses wanted the project schedule to be accelerated and for the sidewalks not to be impacted in the month of June. There was a proposal to do some more work this fall by replacing main lines. Then in early spring they would work on laterals to the sidewalks, so those would be completed by June. The following spring they would come back for any follow-up. HPCA approved of the proposal with a similar parking mitigation, which allowed parking throughout the historic district as well as parking within the construction area at night. The businesses with dining decks supported the proposal. Lloyd reviewed the public outreach for the project. They would pave every Friday and the project would end when colder weather set in.

Mayor Worel opened public input. No comments were given. Mayor Worel closed public input.

Council Member Parigian stated covering the hole and then opening it up created waste. Lloyd stated they were trying to mitigate dust. This fall, they would pave four inches deep for the winter instead of six inches. Then in the spring it would be replaced. Council Member Toly asked if the project would stop with bad weather in October. Lloyd stated paving every Friday would allow minimal cleanup for the events in October and it would be easy for the project to stop if they saw bad weather. Council Member Dickey stated he received feedback from HPCA and other organizations and they all complimented the City and noted how easy it was to communicate with staff about the construction process. Council Member Ciraco agreed. Council Member Parigian thought it was great to expedite the project.

Council Member Dickey moved to authorize the City Manager to execute a construction agreement, in a form approved by the City Attorney's Office, with Silver Spur Construction to construct the Main Street Water Line Replacement Project Phases II & III, not to exceed \$3,689,058.90; and approve a request from the Historic Park City Alliance for proposed mitigation plans. Council Member Ciraco seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

3. Consideration to Approve Ordinance No. 2024-16, an Ordinance Enacting Title 2, Chapter 7, and Moving and Amending Sections 2-4-13, 2-4-14, and 2-4-15 of the Municipal Code of Park City to Create a Consolidated Code Chapter Governing Park City's Boards, Committees, and Commissions:

Luke Henry, Assistant City Attorney, presented this item and reviewed this would create a consolidated code chapter that would create uniformity among boards and commissions. He noted land use bodies would be exempt from this ordinance. He also

asked that the ordinance be amended to replace 2-7-19(B)4 with “There should be priority for members who have experience with nonprofit organizations or who have experience delivering or accessing nonprofit services.”

Henry indicated the removal from office section would mirror the appointment process. They defined “cause” as willful misconduct or intentional failure to perform stated duties. Council Member Parigian asked what would happen if people applied for more than one board at the same time. Downard stated there was no rule to address that, but amendments could be made later. It was indicated some boards were not active and those members might want to serve on another board as well. Council Member Parigian noted the “cause” definition used the word “includes” which implied more. Plane stated this was a nonexclusive list, but it would be similar types of behavior. The code used words like this so other reasons could be incorporated into the concept. Council Member Ciraco asked if there was a provision in the code for prohibiting people who were related from serving together, to which Henry stated there was not.

Mayor Worel opened the public hearing. No comments were given. Mayor Worel closed the public hearing.

Council Member Parigian asked that “includes” be excluded from the section. Plane noted the Summit County code dictated that any or all board members could be removed with cause. Mayor Worel asked if the Council had issue with keeping “includes” in the code. Council Member Dickey deferred to the attorney. The majority of the Council agreed to keep that phrase as it was written.

Council Member Parigian referred to the amendment in the Nonprofit Advisory Board section. Jasperson stated the language clarified who could be on the committee, but this part was the experience they were looking for. This would communicate to applicants who could serve on board as well as who benefited from them. Council Member Ciraco clarified that this language helped generate interest in the community. Council Member Parigian asked if it needed to be in the code since applicants would submit a resume that would show their experience. Jasperson indicated the intent was to clarify who preference would be given to. He noted some other boards put that in their language and some didn't.

Council Member Toly moved to approve Ordinance No. 2024-16, an ordinance enacting Title 2, Chapter 7, and moving and amending Sections 2-4-13, 2-4-14, and 2-4-15 of the Municipal Code of Park City to create a consolidated code chapter governing Park City's Boards, Committees, and Commissions as amended. Council Member Ciraco seconded the motion.

RESULT: APPROVED AS AMENDED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

4. Consideration to Waive an Impact Fee and a Development Fee for the Voluntary Affordable Housing Portions of the Studio Crossing Development, Not to Exceed \$1,913,012, in Accordance with Municipal Code Section 11-12-15:

J.J. Trussell, Deputy Building Official, and Justin Keyes, representing the developer, presented this item. Keyes reviewed the staff report which highlighted the help the City gave for affordable housing. He reviewed the history of the project and asserted there were over 300 units in various stages of construction in the City because of the Council's priority of affordable housing. For Studio Crossing's 208 units, this fee waiver would amount to approximately \$9,000 per unit, which was below the fee waiver per unit for other affordable housing developments.

Council Member Dickey asked about the 23 additional units above the original 185 from the original plan. Keyes stated the plan had the same amount of square footage but more units. When the plans were finalized, there was room to add more units. Council Member Dickey stated an average unit equivalent (AUE) was the measurement for affordable housing and asked if there were more AUEs with the additional units. Keyes stated the AUE square footage was the same, but the actual unit number was higher. He noted adding units was more expensive to construct. They didn't add density per the agreement, but they added units within the density.

Council Member Parigian asked if the Planning Commission gave this development any concessions during the planning process. Keyes stated Commissioner Kenworthy told them they had to get units below 80% AMI or he wouldn't vote for the project, so they added some units below 80% AMI. Council Member Parigian asked if there was bias in choosing people for the units that were 80% AMI and the units that were 120% AMI. Keyes explained their housing mitigation plan dictated how tenants would be selected, and noted it was based geographically. He asserted the tenants with income that was closer to 120% AMI would still be charged 80% AMI rent.

Council Member Toly stated 77 units were under 80% AMI. Keyes reviewed those units were studio apartments and they were between 60%-70% AMI. Everything else was set at 80% AMI. Council Member Dickey asked if the 77 units under 80% AMI were required per the 2022 amendment to the annexation agreement. Keyes stated it was in the housing mitigation agreement. Council Member Rubell indicated 42 units were ineligible for a waiver and stated the fees that applied were the permit fees, impact fees for water, trails, and police. He asked if those fees were charged for affordable projects that weren't required by the City's housing ordinance and indicated he hoped to see consistency amongst projects. Trussell responded that projects like EngineHouse were not charged these fees. Dave Thacker, Chief Building Official, stated the impact fees were based on a per unit cost and noted the funds were used to build and maintain the trails. Council Member Rubell indicated trails built in neighborhoods didn't result in the neighbors receiving a bill to pay for them. Margaret Plane, City Attorney, stated impact fees funded new growth and they weren't charged for current needs. Thacker stated water impact fees were calculated differently than parks and open space impact fees.

Council Member Rubell thought it was hard to incentivize affordable housing if the City charged for that development. Thacker stated that was the reason for fee waivers.

Council Member Ciraco asked if the Crandall's were financing the project. Keyes stated there was financing but it was not LITEC funding. Council Member Ciraco asked if the value of the land was greater with the current zoning. Keyes didn't know if the other zoning was more or less valuable than the current zoning. Council Member Ciraco asked what AMI the affordable housing units were set at other than the studios, to which Keyes stated it was all 80%. Council Member Rubell asked if the fee waiver application included the building permit, water fees, parks/open space and police, to which Trussell affirmed. Council Member Rubell stated the staff recommendation was based on the total units minus the required affordable units.

Mayor Worel opened the public hearing. No comments were given. Mayor Worel closed the public hearing.

Council Member Dickey thought the fee waiver was not justified. Fee waivers were for public or nonprofit projects for projects that would otherwise not happen. This development was a deal. The developer wanted residential density and the City negotiated an agreement where affordable housing would be part of the development. Specific AUEs were discussed and the incentive to build the affordable housing was that the developer could include market rate units. There were no fee waivers negotiated at that time. He felt that was not fiduciarily wise to award the development \$2 million in fee waivers. Keyes clarified he sent emails in 2020 and 2021 asking about fee waivers and staff told them they needed to apply for waivers when the building permit was applied for. He thought it was a disincentive for private developers to build affordable housing if the City denied them fee waivers. Council Member Dickey stated the incentive for affordable housing was the market rate density, which would not have been given without the affordable housing element. The only difference was that there wouldn't be a hotel, which would have generated less traffic. He felt \$2 million to a private developer didn't make sense.

Council Member Ciraco asked if the process for the fee waiver application was different for EngineHouse than what was just described for this applicant. Plane couldn't give an answer at this time. Council Member Ciraco wanted to be consistent with giving a private developer the same treatment as a City developed property. Council Member Rubell stated this was a better project for the community than a hotel and commercial in that area. He supported the fee waiver. Council Member Parigian asked that they lower the AMI from 80% on the affordable units. He supported the fee waiver. Council Member Toly indicated the developer received some of the benefits of an affordable master planned development (AMPD) even though they had a master planned development (MPD). She didn't think 80% AMI rent was affordable, and she wanted to give the fee waivers on the 77 units that were under 80% AMI. Another option would be to only give the fee waivers to one building of 104 units. Council Member Parigian asked if Toly had

contemplated a partial waiver for the units that were designated for 80% AMI. Toly stated one building was half of the units so the fee would essentially be cut in half.

Council Member Ciraco felt there was a public benefit conversation prior to this process, and he thought waiving the \$1.9 million would skew the public benefit. He suggested minimizing the upfront financial impact on the tenants, such as putting the \$2 million towards lowering the AMI for a certain period of time. Council Member Dickey liked that suggestion. Keyes re-stated he was told not to ask for fee waivers when the deal was negotiated, and he didn't think this was a re-negotiation. He noted EngineHouse was being developed by a private developer and they were getting \$100,000 per unit to lower the AMI. This request was \$9,100 per unit. Council Member Dickey stated this project didn't qualify for fee waivers per the standard. EngineHouse was a completely different project which was 80% affordable and was a public/private partnership. Other projects weren't allowed nightly rentals and other bonuses like this development.

Council Member Ciraco asked if the fee waiver request was a function of the market. He thought interest rates would come down and they would refinance their loans. He asked if the AMI for the project could be lowered. Keyes stated he was not authorized to promise to lower AMIs. All the AMIs were negotiated and now those documents would have to be reopened. He cautioned the Council against setting precedent to deny fee waivers to private developers for affordable housing.

Matthew Crandall stated everything they get they would be reinvested into the project to make it better. If they didn't get the fee waivers, some things would not be improved. They had given the City \$75,000 to make improvements to the Rail Trail connection, so they were investing a lot of money in the community. The City returned the money and asked the developer to make the improvements and they would be doing that.

Council Member Rubell moved to waive an impact fee and a development fee for the voluntary affordable housing portions of the Studio Crossing Development, not to exceed \$1,913,012, in accordance with Municipal Code Section 11-12-15. The motion died for lack of a second.

Council Member Dickey moved to deny waiving an impact fee and a development fee for the voluntary affordable housing portions of the Studio Crossing Development, not to exceed \$1,913,012, in accordance with Municipal Code Section 11-12-15. The motion died for lack of a second.

Council Member Ciraco asked to hear from Gary Crandall to discuss AMIs. Matt Dias, City Manager, stated Council Member Ciraco wanted to continue to work with the applicant on this. Council Member Ciraco wanted a value for value conversation. He would accept a public benefit if the City was not out of pocket in the long run. Plane asked if Council wanted staff to work with the developer. Council Member Ciraco wanted the developer to give the City a number. Dias stated there was a desire for rejection of the waiver in that amount and also a discussion on the development

agreement and housing mitigation which had already been negotiated. Ciraco wanted to adjust the fee waiver from \$0-\$2 million. Council Member Toly thought the developer contributing to the Rail Trail was something that could be taken into consideration. Council Member Toly suggested an impact fee discussion since they were complicated and varied from fee to fee. Council Member Rubell stated the Council's job was to set policy and understand how the policy applied to the situation.

Council Member Parigian moved to approve the original \$1,666.45 fee waiver proposed on August 15. Council Member Rubell seconded the motion.

RESULT: FAILED

AYES: Council Members Parigian and Rubell

NAYS: Council Members Ciraco, Dickey, and Toly

Council Member Ciraco moved to continue consideration to waive an impact fee and a development fee for the voluntary affordable housing portions of the Studio Crossing Development, not to exceed \$1,913,012, in accordance with Municipal Code Section 11-12-15 to a date uncertain. Council Member Dickey seconded the motion.

RESULT: CONTINUED TO A DATE UNCERTAIN

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

Council Member Rubell asked what the continuation would do to the project. Crandall stated they would be moving forward with infrastructure, so they had time for the building permit. Thacker stated the building permit and impact fees were bundled together, but this was not being held up. He noted they could pay the fees to get the permit, and the fees could be refunded with Council direction. Council Member Toly asked if they wanted a Council member to discuss this outside a Council meeting with the developer, to which Keyes affirmed.

VIII. NEW BUSINESS

1. Consideration to Adopt Resolution 19-2024, a Resolution Approving the Cable Television Utility Franchise Agreement between All West/Utah, Inc. and Park City Municipal Corporation and to Authorize the City Manager to Execute the Agreement in a Form Approved by the City Attorney's Office:

Becky Gutknecht and John Robertson, Engineering Department, presented this item. Gutknecht reviewed many historical franchise agreements were reaching expiration and needed to be renegotiated. All West specifically was a cable television provider, and they wanted a nonexclusive agreement for 15 years. They would pay the City 5% of gross revenues per year and they would put their lines underground on City right-of-way.

Mayor Worel asked if a section could be added to the agreement to coordinate with other projects, so the ground wouldn't be opened up repeatedly for each franchise.

Gutknecht stated there was a section stating if a trench was open, they needed to coordinate joint trenching and negotiate fees for that. Council Member Parigian asked if the current agreement was expired, to which Luke Henry, Assistant City Attorney, stated this agreement expired two years ago. Council Member Parigian didn't understand the revenue. Henry stated the revenue came from cable subscriptions. He explained the lines could not be shared by providers but there were only two providers in town, All West and Comcast.

Mayor Worel opened public input. No comments were given. Mayor Worel closed public input.

Council Member Dickey moved to adopt Resolution 19-2024, a resolution approving the Cable Television Utility Franchise Agreement between All West/Utah, Inc. and Park City Municipal Corporation and to authorize the City Manager to execute the agreement in a form approved by the City Attorney's Office. Council Member Toly seconded the motion.

RESULT: APPROVED

AYES: Council Members Ciraco, Dickey, Parigian, Rubell and Toly

IX. ADJOURNMENT

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder

INNOVATIVE PUBLIC FINANCE SOLUTIONS



2024 ULCT FALL
CONFERENCE:
FINANCING TOOLS
SUMMARY (PIDS, IFDs,
CRA, HTRZS, HOPZ,
FHIZ, anything else?!)

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Historically, there have been four key financing tools for local governments:

1. **General Obligation Bonds** (election to create new property taxes across entire jurisdiction)
2. **Revenue Bonds** (monetizing government wide existing revenues such as sales taxes, net revenues from enterprise systems (utilities), lease revenue bonds (LBAs))
3. Applying increased tax revenues from a project area to an approved project—**Tax Increment Financing (TIF)**
4. New growth pays for itself with fees/revenues imposed on a subset area of the local government (**Assessment Areas & Bonds**)

PUBLIC INFRASTRUCTURE DISTRICTS (PIDs)

- Governed by separate board and are intentionally an independent political subdivision
- PID debt is not a liability or a balance sheet item of the Creating Entity.
- Defaults not enforced by Creating Entity.
- No land use authority, solely a capital financing tool (also no O&M revenues).
- No collateralization of, nor lien permitted on, the financed public improvements.



PID Creation

- Created at the discretion of the Creating Entity (only cities, counties or state land development authorities).
- Requires consent of 100% of property owners and voters within the PID boundaries. Cannot be forced upon any unwilling property owner.
- Costs of Creating Entity (e.g., counsel) in evaluating PID to be paid by the property owner

PID Powers and Bonds

PID Powers

- Powers to finance public infrastructure of many types, generally including any improvement that will be owned by a state or local government, including the PID
- Powers may be limited by the Creating Entity in the governing document entered into at creation
- Solely a capital financing tool (Bonds) for public infrastructure.
- Bonds and CPACE financing conduit

Creation Consent includes the imposition of a new revenue stream (new growth financing itself):

- Limited property tax (up to 1.5%), and/or
- Assessment fee (minimum 3x appraised value coverage)
- Can include pledge of TIF or other revenues

PID Bonds

Creation Consent includes the imposition of a new revenue stream (new growth financing itself):

PIDs
may
issue:

- Special Assessment Bonds
- Limited Tax Bonds
- Bonds repayable through fees
- CPACE

In addition, other revenues from public or private sources (TIF, public Infrastructure Fee (PIF), etc.,) may be pledged to repay PID Bonds

PID Governance

- PIDs are governed by a board with members initially appointed by the Creating Entity (initially comprised of property owners or their agents)
- Board must transition to an elected board
- Board authority constrained by the limitations established in the Governing Document (create comfortable sandbox)
- Again, solely a capital financing tool for public infrastructure.





Black Desert PID – Ivins, UT

- 447 hotel rooms, 46,000 sq. ft. restaurant and retail, 751 condos, 32 single family homes
- Will host PGA and LPGA tour tournaments
- Reduced Environmental Impact, used to finance underground parking structure, desert boardwalk feature, pedestrian bridge, roads, utilities
- PID was able to issue 30-year tax-exempt \$106,000,000 in limited tax bonds in 2021 and \$180,000,000 in special assessment bonds in 2024

Medical School Campus PID – Provo, Utah

- Provo City and Noorda College had been working together for years to bring new medical school to the City
- Noorda purchased a portion of the East Bay Golf Course from the City to construct the campus, but infrastructure costs were very high (\$37,500,000) because it was the site of a former landfill
- Provo City and Noorda worked together to form the Medical School Campus PID
- The PID was able to issue \$42,754,000 in 30-year tax-exempt limited tax bonds



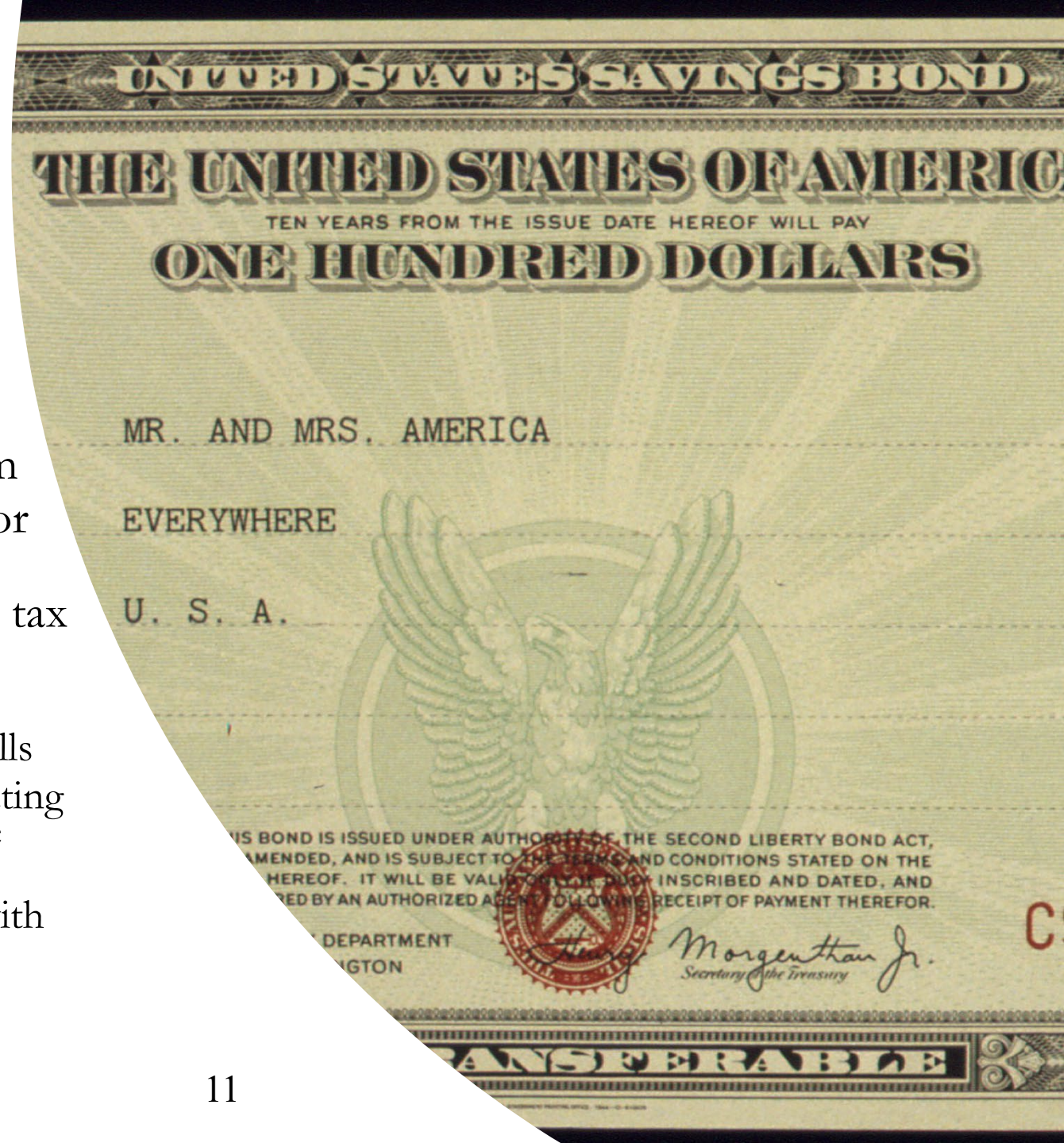
Downtown East Streetcar Sewer PID – South Salt Lake

- South Salt Lake City lacked sewer capacity along S-Line area, halted issuance of building permits
- Collection of 15 developers representing 3,500 apartment units and 30k commercial SF worked with the City to form a PID
- PID issued approximately \$33,000,000 of bonds to finance sewer improvements
- City will now begin issuing building permits to PID property owners
- Future property owners wishing to connect must either annex into PID or pay impact fee to City that will be remitted to PID



Limited Tax Bonds

- ✓ Fixed rate bonds, generally for 30-year term
- ✓ Not subject to a fair market value ratio prior to issuance
- ✓ Repaid from a limited ad valorem property tax
 - ✓ Tax payment pegged to taxable value of property
 - ✓ Statutorily, this rate may not to exceed 15 mills
 - ✓ A lower limit may be established by the Creating Entity in the Governing Document or in the bond documents
 - ✓ New revenue source, no need to negotiate with school district, RDA, etc.



Limited Tax Bonds, *continued*

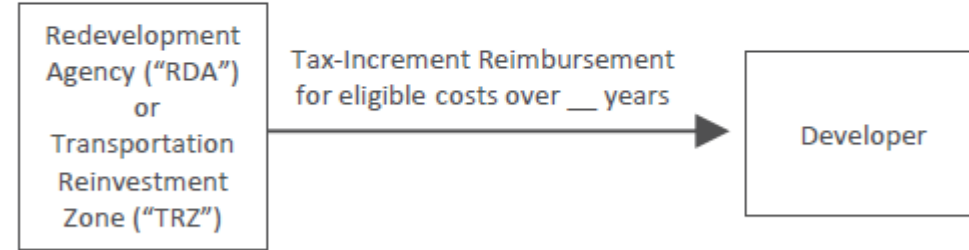
- In the event the proceeds of the limited tax are insufficient to meet annual debt service as it comes due:
 - ✓ Not an event of default
 - ✓ Bondholder has no statutory remedy to require additional taxes or fees of the PID
 - ✓ No statutory recourse to the property or the property owner
- Because of these unique features, the statute limits sale of limited tax bonds to qualified institutional buyers or to be sold in denominations of \$500,000



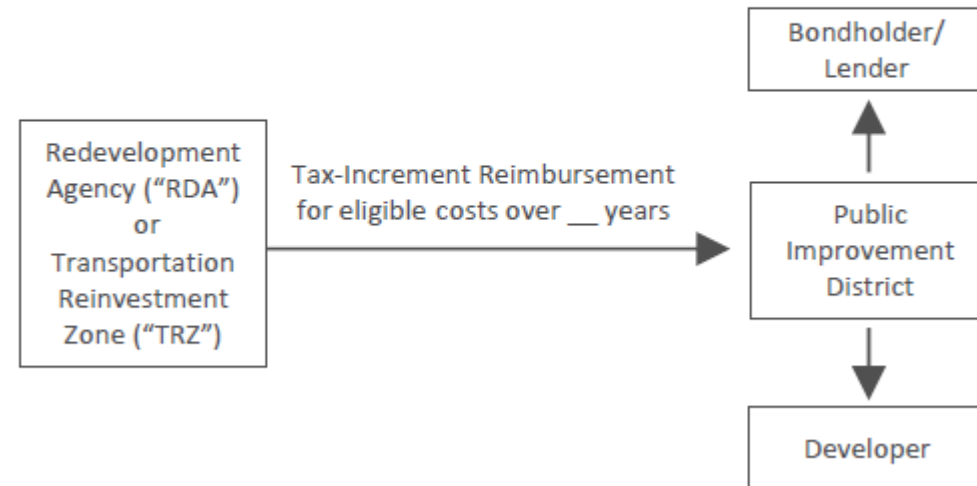
PID Interaction with Tax Increment Finance

- PIDs can act as the counterparty to RDA revenues, thereby creating a tax-exempt borrower to capitalize the increment without having 3rd party debt on RDA balance sheet
- PIDs bring additional revenues to the project from benefitted property owners whereas TIF involves reallocating tax revenue from other entities

Current/Traditional Plan



Public Infrastructure District involvement in Tax-Increment Finance





Considerations for the Creating Entity in Drafting the Governing Document

- The statute only establishes the outer limits of what a PID can do, greater limitations or requirements may be imposed by the Creating Entity
- Engage bond counsel to ensure proper legal and tax analysis over negotiations to ensure:
 - ✓ eligibility for tax-exempt financing
 - ✓ that the PID will constitute a “separate political subdivision” for tax purposes
- Creating Entity will want to adopt standard policies for evaluating all PID requests in light of its objectives

Considerations for the Creating Entity in Drafting the Governing Document, *continued*

- Consider what types of infrastructure the Creating Entity wants to allow the PID to finance
- Establish a mill rate limit appropriate to accomplish financing of approved improvements
- Establish Standards for:
 - ✓ Procurement
 - ✓ Transition to elected Board
 - ✓ PID lifespan and dissolution
 - ✓ Transparency and Notice to future property owners



INFRASTRUCTURE FINANCING DISTRICTS (IFDs)

IFDs are a legislative compromise--cousin financing tool to PIDs for public infrastructure and improvements without requiring city or county consent.

An IFD is authorized to impose an assessment on property within the district and to issue assessment bonds to finance infrastructure benefitting the district.

Components of the Compromise

1. Only authorized to issue assessment bonds (no property tax authorization).
2. The assessments on any residential properties must be paid in full before a certificate of occupancy can be issued (no burden remaining on residential properties).

Some Collateral Benefits:

1. New benefit of 30 year amortization (instead of 20 year max) for 100% consent assessment areas (like IFDs)
2. CPACE authority can similarly be granted to IFDs
3. Private utilities such as natural gas and electricity are ok

COMMUNITY REINVESTMENT AREAS (CRAS)

A Tax Increment Financing (TIF) tool—
redistribution of increase in existing tax revenues
related to the Project/Development

Depending upon creation, also called
Redevelopment Agencies (RDAs) or Community
Development and Renewal Agencies (CDRAs)

CRA's are political subdivisions of the state, created by the legislative body of a county or municipality for the purpose of stimulating redevelopment (usually with TIF).

- The governing board of a CRA is the current members of the legislative body that created the CRA—alter ego of the City
- CRA's create project areas to stimulate targeted economic growth/development with TIF revenues
- CRA's can partner with PIDs or IFDs to increase revenues available to a project.
- **TIF typically approved by each taxing entity (School District, County, etc.)**

OTHER TIF Economic Development Tools for Targeted Development Objectives

- HTRZ Transit Oriented Development
- FHIZ (Affordable Housing)
- HOPZ (Affordable Housing)



Housing and Transit Reinvestment Zones (HTRZs)

- Cousin to CRAs, allow use of TIF around Transit Oriented Developments (TODs) to enhance affordable housing and targeted development—in practice often multi-family rental housing focus
- Limited resource, competitive application program

HTRZ Updates

- Updated HTRZ statute to provide for affordable housing component
- 12% of residential use in zone to be affordable
 - 9% at 80% AMI
 - 3% at 60% AMI
- Affordability requirement runs through the life of the HTRZ
- Requires an HTRZ to be a minimum of 10 acres
- Increases admin expense from 1% to 2%
- Adds two more members to the HTRZ committee, appointed by House Speaker and Senate President
- Updates and enhances the “but for” analysis
- Five-year TIF period start dates

First Home Investment Zone (FHIZ) and Home Ownership Opportunity Zones (HOPZ)

FHIZ

The First Home Investment Act allows a municipality to create a zone (“FHIZ”) to:

- provide affordable, owner-occupied housing;
- encourage mixed use development;
- encourage strategic and efficient land use planning;
- improve access to opportunities; and
- increase opportunities for home ownership;

HOPZ

Gives City ability to upzone an area of 10 acres or less and to collect 60% of the TIF to pay for infrastructure for a term of 15 years

- Affordability = 80% or less of median county home price for 60% of proposed housing units
- Must be an area originally less than six units per acre and re-zoned for at least six units per acre
- Deed restricted to require owner occupation for at least five years

Much, much
more details
avaialble upon
request!

Questions?



THANK YOU



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AARON WADE

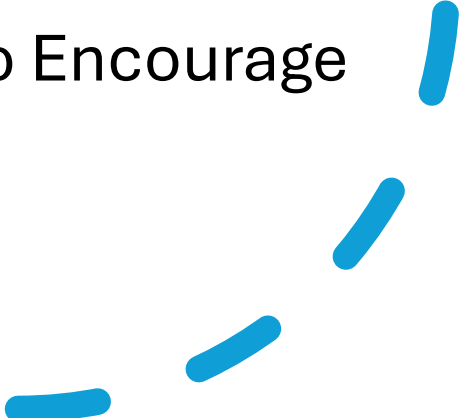
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Ranked Choice Voting



Public Outreach Efforts

- **May 7:** RCV Outreach Kickoff at Spring Projects Open House
 - **May 1-28:** RCV Info Page, Mock Election, and Survey on Website
 - **May 13 and 15:** RCV Articles on KPCW and *The Park Record*
 - **Month of May:** Engage Park City, City Briefs, Newsletter Item, E-Blast, and FaceBook
 - **August:** Additional Media Posts to Encourage Feedback
- 

Positive Survey Feedback

- Candidates would need to appeal to a broader base of voters;
- Multiple choices better represent voter preferences;
- A ranked system seems fairer; and
- No primary election is required.



Survey Concerns for RCV

- Additional complexity involved in RCV;
- Lack of trust in the system; and
- A preference for traditional voting methods.



Next Steps to Implement RCV

- RCV outreach promoting education and comments during Council meeting
- Adopt Resolution Authorizing RCV as the City's Voting Method prior to May 1, 2025
- Notify the Lt. Governor's Office prior to May 1, 2025
- Contract with Summit County Clerk's Office to Administer the RCV Ballot Counting Process prior to May 1, 2025
- Major educational outreach
- Candidate Filing Period Changed to August 12-19, 2025
- General Municipal Election November 4, 2025

Main Street Water Replacement

Phase II & III



Main Street Water Infrastructure

Background

- Current piping installed in 1980
- In the last 5 years Main Street has had 26 water breaks
 - 3 breaks from 5th Street to Swede in 2024 (Egyptian last week)
 - Phase 1 was replaced in April to July of 2024 from Heber Ave to 5th Street
 - Most breaks on smaller diameter lines
 - Resulting breaks have caused substantial damage and costly repairs



Schedule and Mitigation

Schedule

- Main line replacement September 30 – November 20, 2024 (Street only work)
- Service line replacement March 24 – June 1, 2024 (Sidewalk work)
 - Paving and road work June 1 – July 1, 2024
- Service line replacement April 1- June 1, 2025 (Sidewalk work)

Parking

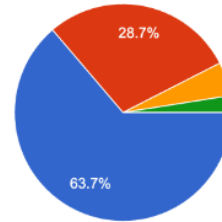
- Free parking in the Historic District as well as China Bridge during construction timelines
- Parking allowed at night after construction was completed for the day in the work zone
 - No parking in the work zone during working hours

Dining Decks

- Dining decks in the work zone will be removed by September 30 for work this fall
- Dining decks can be reinstalled on June 1, 2025



Option #2 - Maximized Timeline: With this option, Phase II of the Waterline Project would take place from September 30, 2024, to November 20, 2024. Thi... (downhill) of 5th Street would not be impacted.
80 responses



- Yes, I prefer Option #2
- No, I support Option #1 (above)
- Either Option - No Opinion
- Yes, I support Option #2



Detours

Work Zone 5th to 4th Street

- Traffic will be directed from 5th Street down Main to Heber Ave
- Traffic will be directed from Swede Alley down Main to 4th St

Work Zone 4th To Swede

- Traffic will be directed up Main Street to 4th Street

Public Outreach

Main Street Replacement

- Stakeholder/outreach contact list in collaboration with HPCA
- Working alongside HPCA for notifications, updates, newsletters
- Project website, email, phone number for information, questions, and concerns;
- Boots on the ground initial outreach and bi-weekly check-ins
- Regular project update communication and Social Media updates, as appropriate
- Project informational signs and flyers
- VMS boards for construction alerts
- Business Coordination
 - Water disruption
 - Sidewalk closures and temporary walking surfaces



Waiver

Contract

- Procurement Manager has issued a waiver for contracting with Phase I contractor
 - The Main Street Water Line replacement project presents significant risk to the City, businesses, and people walking and driving on the street. Risks include, among other things, risk of financial loss, property damage, and risk of injury. In addition, the complexity and sensitivity of the work presents many variables that can affect the project causing delays and increased costs which further increase the risk of the project. Under the very competent management and supervision of Public Utilities, the proposed contractor was the contractor for Phase 1 water line replacement and proved to be a trusted partner in this project. Contractor has completed 5 projects for the city in recent years and understands the unique challenges of working in Park City, especially on Main Street. Contractor is available and is willing to hold their phase 1 bid prices, which were substantially lower than others in the public bid held on February 22, 2023. Keeping the current contractor for the next phases would convenience and be beneficial to the public, area businesses, and the city because of their familiarity of the project as well as their proven ability to deliver projects in this area within critical timelines. The contractor has also shown an ability and willingness to work with the public, city, and businesses to lessen the impact of construction.
- Waiver was posted on the website for 7 days – No comments were received

Questions?

Staff recommends that council authorize the City Manager to execute a Construction Agreement, in a form approved by the City Attorney's Office, with Silver Spur Construction to construct the Main Street Water Line Replacement Project Phases II and III in an amount not to exceed \$3,689,058.90. Additionally, the City Council should consider approving a request from the Historic Park City Alliance (HPCA) for proposed mitigation plans.



BOARDS & COMMISSIONS

CONSOLIDATED CODE CHAPTER



EXISTING

Public Bodies

Board of Appeals

Citizens Open Space Advisory Committee
(COSAC)

Deed Restriction Advisory Committee

Library Board

Neighborhoods First – Streets Committee

Nonprofit Services Advisory Committee

Police Complaint Review Committee

Public Art Advisory Board

Recreation Advisory Board

Special Event Advisory Committee

Land-Use Public Bodies

(not included)

Appeal Panel

Board of Adjustment

Historic Preservation Board

Planning Commission



Nonprofit Services Advisory Committee

Proposed amendment to what was in the packet to match the resolution that was adopted.

2-7-19 Nonprofit Services Advisory Committee

....

B. Organization.

1. The Nonprofit Services Advisory Committee will consist of not less than five members and not more than seven members.
2. All members must live, work, volunteer, own property, or own a business within Park City municipal boundaries.
3. A majority of members must have their primary residence within Park City municipal boundaries.
4. There should be priority for members who have experience with nonprofit organizations or who have experience ~~delivering or accessing nonprofit services with essential services including medical, mental health, housing, and senior services.~~



CONSOLIDATED CODE CHAPTER

Updated the proposed language for removal of members.

2-7-9 Removal from Office

- A. Any City board member may be removed from office by the Mayor **with the advice and consent of Council** for cause prior to the expiration of the term for which the member was appointed. **For the purposes of this section, “cause” includes willful misconduct or intentional failure to perform stated duties.**
- B. Any **City board** member failing to attend two board meetings without advance notice or four total meetings in one calendar year may be removed by the Mayor **with the advice and consent of Council prior to the expiration of the term for which the member was appointed.**
- C. If another section of the Park City Code conflicts with the procedures in this section, this section will control for board members.

All West and Other General Franchise Agreements



— FRANCHISE AGREEMENTS —

- Why are we bringing this up?
 - Many historic franchise agreements are due to be renegotiated
- What are franchise agreements?
 - They govern company's use of the right-of-way.
 - They ensure compliance with applicable laws and regulations.
 - They negotiate the terms upon which infrastructure may be installed in the City's right-of-way.
 - They define a fee structure.

– AGREEMENT WITH



- All West is a cable television provider
- This agreement has some of the following key provisions:
 - This is a non-exclusive agreement
 - The term of the agreement is 15 years.
 - All West agrees to pay the City a sum equal to 5% of the Gross Revenues per annum which is the maximum amount permissible under federal law.
 - All West agrees to comply with the policy of the City to have lines and cables placed underground to the greatest extent reasonably practicable.

———— **Questions?** ————



INFRASTRUCTURE FINANCING DISTRICTS (IFDs)

IFDs are a legislative compromise--cousin financing tool to PIDs for public infrastructure and improvements. An IFD is authorized to impose an assessment on property within the district and to issue assessment bonds to finance infrastructure benefitting the district (even if located outside district boundaries). It was a legislative initiative to not require City/County approval so long as:

1. Only authorized to issue assessment bonds (no property tax authorization).
2. The assessments on any residential properties must be paid in full before a certificate of occupancy can be issued (no burden remaining on residential properties).

Collateral Benefits:

1. New benefit of 30 year amortization (instead of 20 year max) for 100% consent assessment areas (like IFDs)
2. CPACE authority can be granted to IFDs

Community Reinvestment Areas (CRAs)

(Depending upon creation, also called Redevelopment Agencies (RDAs) or Community Development and Renewal Agencies (CDRAs))

- CRAs are political subdivisions of the state, created by the legislative body of a county or municipality for the purpose of stimulating redevelopment usually with Tax increment Financing (TIF)
- The governing board of a CRA is the current members of the legislative body that created the CRA
- CRAs create project areas to stimulate targeted economic growth/development with TIF revenues
- CRAs can partner with PIDs or IFDs to increase revenues available to a project.
- TIF typically approved by each taxing entity

Housing and Transit Reinvestment Zones (HTRZs)

- Cousin to CRAs, allow use of TIF around Transit Oriented Developments (TODs) to enhance affordable housing and targeted development
- Limited resource, competitive application program

First Home Investment Zone (FHIZ) and Home Ownership Opportunity Zones (HOPZ)

- TIF application to projects catering to affordable housing, details available upon request

PUBLIC INFRASTRUCTURE DISTRICTS (PIDs)

Historically, there have been two key economic development financing tools for local governments:

- General Obligation Bonds (election to create new property taxes across entire jurisdiction)
- Revenue Bonds (monetizing government wide existing revenues such as sales taxes, net revenues from enterprise systems (utilities), lease revenue bonds (LBAs))
- Applying increased tax revenues from a project area to an approved project—Tax Increment Financing (TIF)
- New fees/revenues imposed on a subset area of the local government (Assessment Areas & Bonds)

Public Infrastructure Districts are intended to compliment these tools as well as address some of their shortcomings.

Public Infrastructure Districts

- Governed by own board and are intentionally an Independent political subdivision.
- PID debt is not a liability or a balance sheet item of the Creating Entity
- Defaults not enforced by Creating Entity

PID Creation

- At the discretion of the Creating Entity (can only be cities, counties or state land development authorities)
- Requires consent of 100% of property owners and voters within the PID boundaries
- Consent includes the imposition of a new revenue stream
- Limited property tax (up to 1.5%)
- Assessment fee (minimum 3x appraised value coverage)

PID Powers

- Broad powers to finance public infrastructure of many types
- Powers may be limited by the Creating Entity (only in the governing document entered into at creation)

PID Bonds

- Limited Tax Revenue Bonds
- Assessment Bonds
- Conduit issuer with pledge of TIF or other revenues from other local government or private revenues such as a public Infrastructure Fee (PIF)
- CPACE