

PARK CITY YEAR-ROUND ECONOMIC GENERATOR STUDY



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I. INTRODUCTION

Over the past 30 years, recreation communities in many parts of the United States have gone through cycles of diversification and integration and have evolved into complex recreation destinations. As resort communities mature, they face increasing demands from residents and business leaders for economic diversification and changing attitudes toward tourism on the part of local residents. Even those places that were created to be resort communities such as Vail and Whistler seek less dependency on the tourism economy and more year-round employment opportunities. In response to these growth issues, a variety of economic development initiatives have emerged in resort towns.



Historic Main Street – Park City, Utah

The Park City area has grown considerably over the last few decades. The growth and economic prosperity of the community presents an exciting opportunity to leverage the area's existing assets and help to stimulate and support businesses that will produce economic growth year-round, not just during peak travel seasons. In theory, pursuing strategies to create a year-round economy will help Park City lessen the impacts of tourism-based slack seasons. The community could explore opportunities to broaden industry clusters, build specialized facilities or create innovative initiatives. The challenge facing community leaders involves how to pursue the growth of year-round economic generators without harming the strengths and benefits of the existing tourism economy (aka "the golden goose"). Strategies to promote year-round economic generation should not detract from or absorb resources that help to maintain the strength of the existing tourism industry in Park City. For example, during peak seasons hotels and accommodations are nearly full, affordable housing is relatively finite and roads reach capacity. Creating year-round businesses that also utilize these assets and resources during peak tourism seasons

would in fact negatively impact the tourism economy. Park City should work carefully to ensure that new year-round industries do not compete with the tourism industry in utilizing the skier bed base. Effective strategies to promote year-round economic generation should draw from examples of other communities around the nation, including comparable mountain resort municipalities; but community leaders should be sure to carefully tailor potential strategies to the factors relevant to Park City and its local economy.

Like many resort communities, Park City experiences seasonality in its business activity, with slow periods particularly pronounced during the late spring and fall seasons. However, unlike most mountain resort communities, Park City enjoys a strategic location within 30 minutes of a major metropolitan area and an international airport. The community has the opportunity to leverage its advantages in terms of location and a high quality of life that appeals to a broad spectrum of businesses which will help to attract and develop a range of year-round economic generators.

While the overall mood for tourism and travel in America remains pessimistic due to the current state of the economy, economic activity in Park City and Summit County has remained relatively steady. According to the Economic Profile prepared by the Economic Services Department of the Park City / Summit County Chamber of Commerce and Convention & Visitors Bureau, the county’s unemployment rate of 6.3 percent is well below the state’s average of 7.1 percent (as of September 2010, on a non-seasonally adjusted basis). Much of the past and future job growth in the community is related directly or indirectly to the city’s ski industry and tourism in general. The County is accustomed to swings in employment due to the presence of a large seasonal workforce. This dynamic is changing, however, with new gains in employment positions related to education and health care, led by the opening of the Park City Medical Center in the fall of 2009. Overall, the level of economic diversity has improved dramatically.

According to the economic profile, in Summit County tourism represents the largest single component of the economic base. In 2008 it provided more than 6,061 jobs in travel and recreation-related employment, or nearly one-third of Summit County’s total employment. Visitor spending is estimated at over \$569 million annually, providing over \$54 million in general sales tax revenue locally, \$5.5 million in transient room tax revenues, nearly \$1.7 million from the restaurant tax and \$1.3 million from retail sales taxes.

MAJOR EMPLOYERS IN 2010

Company Name	Number of Employees
The Canyons Resort	500 to 999
Deer Valley Resort	500 to 999
Park City School District	500 to 999
Park City Mountain Resort	500 to 999
Park City	500 to 999
Backcountry.Com	250 to 499
Premier Resorts of Utah, Inc.	250 to 499
Stein Eriksen Lodge	250 to 499
Summit County	250 to 499
Triumph Gear Systems	100 to 249

Source: Utah Department of Workforce Services

In addition to its role as a primary economic driver, tourism and recreational opportunities also contribute to business relocation decisions and other economic development opportunities. While visitors bring revenue dollars to Summit County, they also increase the costs of local service providers for basic services such as fire, police and transportation. However, when local expenditures for visitors are compared to visitor-related revenues, there is a significant positive impact to Summit County resulting from the tourism industry. Not only do visitors contribute heavily to property and sales tax revenues and thus reduce the tax burdens of residents, but County residents also enjoy a higher standard of living — often referred to as a ‘resort style’ of living — than they could otherwise afford without the presence of the significant pool of visitors to the area.

Summit County and Park City overall enjoy an optimistic economic outlook and are in a strong position for future economic growth. Both jurisdictions boast highly educated and affluent populations compared to state averages, exceptional public schools, a myriad of recreational opportunities and an urban lifestyle located within a rural setting.



Park City in Summit County, Utah

II. ANALYSIS OF POTENTIAL YEAR-ROUND ECONOMIC GENERATORS

The purpose of this report is to research and identify year-round economic generators that would complement Park City's existing resort economy and vision. Year-round economic generators researched as part of this process include the following:

1. Innovation District
2. Business Incubator Center
3. Higher Education Institution
4. Sundance Film Festival Campus/Center
5. Convention Center
6. Museums
7. Culinary Institute
8. Location Neutral Businesses (LNBs)
9. Enhancing Complementary Businesses and Retention of Existing Business
10. Creative Class Opportunities

INNOVATION DISTRICTS

Definition:

Public and/or private sector entities in a wide range of communities have designated sub-areas or neighborhoods as innovation districts in order to help introduce new businesses or areas of technology to their respective local markets. The districts often become centers oriented around design, media and creative firms and can range in size from a corner lot to an entire city block to an entire neighborhood. Uses can vary within a given innovation district, and different communities place an emphasis on different kinds of technologies or businesses in their particular innovation district. These districts can be developed as stand alone office districts or can be integrated into an area of mixed-use urban development. Innovation districts may be formally designated by municipal governments or other governmental entities or may be marketed as innovation districts by private sector groups but not formally recognized by local or state governments.

Examples:

Boston, MA

The Innovation District is located between Boston's transportation gateways: abutting historic Boston Harbor, adjacent to Logan International Airport and at the nexus of two major interstate highways. It also contains the largest tract of underdeveloped land in the city of Boston, an area with opportunities for growth, a strong existing knowledge base and the ideal location for producing new ideas, new services and new products.

From artists in the Fort Point area to fish processors in Marine Industrial Park, from meetings at the Boston Convention and Exhibition Center to conversations on the waterfront of Fan Pier, the Innovation District includes 1,000 acres of Boston's South Boston waterfront peninsula where innovation takes place.

Aspen, CO

While not traditionally seen as an Innovation District, the Aspen Airport Business Center (ABC) has created an opportunity for businesses to locate near Aspen yet pay affordable lease rates and draw from the “creative class” talent pool that is abundant in the Roaring Fork Valley. It is located about three miles west of downtown Aspen via Highway 82 and across the highway from the airport. The central location of the ABC allows easy access to the population of over 25,000 people who live within 40 miles of Aspen. The ABC supports basic businesses which do not require or justify the maintenance of a downtown Aspen location or businesses that utilize the ABC for supporting their in-town locations (in the heart of Aspen), which generally cost at least three times as much as the ABC on a square-foot basis.



Aspen Airport Business Center – Aspen, Colorado

The ABC contains approximately 68 acres and is home to about 300 businesses and the same number of residential units. Some of the more prominent businesses include Ski.com, the largest wholesaler/retailer of ski vacations in the United States; Obermeyer Ski Wear, one of the largest ski apparel designers/manufacturers in the world; and the Aspen Skiing Company, which operates Aspen’s and Snowmass’ four ski resorts and owns and/or operates various ancillary businesses. Other types of companies at the ABC engage in catering, cabinet making, kitchen/bath remodeling, digital arts, travel agency services, computer technical services, electronics repair, and other products and services.

The ABC features office, storage, light industrial and retail locations with relatively easy and free parking that makes it a convenient place to (re)locate services and essential needs for the entire Roaring Folk Valley.

Attributes:

- Small-scale, low-rent urban environment where innovators thrive
- Permeable boundaries that connect the public and private realms, link research to economic development and encourage collaboration between passionate people with diverse interests
- Creates clusters of innovative people

Impact:

- By communicating and working together, Innovation Districts strengthen the ability of individuals and companies to solve common problems and encourage appropriate development and growth.

- People in clusters innovate at a quicker rate, sharing technologies and knowledge easier.
- Small firms are able to generate ideas and intermingle with larger firms that have better access to capital.
- There is an ability to scale and grow ideas.
- Tight location clustering leads to job creation as well as more efficient product and service design.

General Market Viability in Park City:

1. An Innovation District would be difficult to formally create in Park City, as it would require leadership from the Redevelopment Agency (if located in an RDA) and may be slow to show economic returns. Many RDAs have requirements per their statutes that require funding be utilized for redevelopment (construction) and generate revenue over time to payoff bonds. These RDAs may not be allowed to build an Innovation District and then, by providing reduced rent, cannot meet financial obligations. Information regarding the specific allowed roles and responsibilities of this RDA needs to be analyzed. If it is the responsibility of the private sector, the real estate economics have to make sense.
2. However, the role of the Aspen ABC in the success of the Aspen community cannot be underestimated. This type of function would be ideally located in the Bonanza Park district. See Section III for more information.

BUSINESS INCUBATOR CENTER

Definition:

Business incubator centers provide support to fledgling businesses in a variety of industries, either in terms of providing a physical location in which a number of businesses operate and share common area space (including items such as copiers, computers, and the like), or in terms of providing business planning assistance or mentoring to young companies. The concept of “business incubators” has been attempted in a wide range of communities all over the country, with varying levels of success. Business incubator facilities can range from a small collection of a few offices within a larger office or commercial building to a series of stand alone buildings, often integrated into a shared complex.

Examples:

Grand Junction, CO

The Business Incubator Center is a non-profit organization with 22 years of proven experience generating tangible results in expanding and diversifying Mesa County’s economy. The Center offers comprehensive services to businesses through the collaborative efforts of four programs. The Business Incubator Center provides business coaching and workshops through the Small Business Development Center (SBDC), financial support through the Business Loan Fund of Mesa County, hands-on business development through the Incubator Program, and tax credits for investment and job creation through an Enterprise Zone.



Business Incubator Center Kitchen – Grand Junction, Colorado

Founded in 1987 by a group of community leaders, the Incubator Center was one of several initiatives created after the 1982 economic bust to diversify the economy and create jobs. The program was initially funded with a \$75,000 Department of Local Affairs (DOLA) grant, which used Community Development Block Grants (CDBG) to address slum and blight issues. The original site was a 40,000 square foot Biggs Kurtz warehouse owned by Grand Junction local businessman George Wheeler. According to the Business Incubator Center website, Mr. Wheeler supported the development of the Incubator Program by offering to lease the occupied space for just \$1 per square foot, thus enabling the program to self-generate funds. The Center opened with just two tenants. It also includes approximately 60,000 square feet of light manufacturing and office space.

Today the Incubator Center continues to serve a mission to support the launch, growth, stabilization and long-term success of business enterprises. The Center now extends its reach throughout the region and into all types of industries including manufacturing, technology, agriculture, construction and retail. The Incubator Center houses 54 clients on-site and works with thousands of clients each year. The Center’s role is to provide education and coaching to business owners and leaders, thus establishing an entrepreneurial infrastructure for the

community. According to the Business Incubator Center, results include:

- The launch of more than 200 companies
- Generation of more than \$137 million in revenue by these companies
- Creation of 8,982 jobs
- Investment of \$50.6 million in capital

Aspen, CO

While not a traditional incubator, Downtown Aspen is experiencing an upswing in retail activity due to innovative commercial real estate tactics that have created an incubator atmosphere resulting in a diverse retail mix that offers visitors a distinct shopping experience. Facing empty store fronts and plummeting lease rates, local commercial brokers are embracing a concept known as “pop-ups” –landlords are signing short-term leases, some only a few months long, and giving newcomers in the retail and restaurant landscape a shot at success.



Aspen, Colorado

According to the Aspen Times, “the one-of-a-kind ‘mom-and-pop shops’” of Aspen in the ‘70s, albeit in 21st-Century form, are making a comeback, fueled by a recession-driven drop in commercial rents and, in some cases, a new concept that first gained steam last year — the “pop-up.”

Aspen native Kate Linehan operates a pop-up in the Ute City Building atrium, operating an organic juice bar after gaining a following at the Aspen Saturday Market in the summer of 2010. “I’ve been trying for eight months to pop up,” she said. The process meant securing a temporary vendor permit from the city and a lease for the free-standing juice bar, which occupies part of the common space within the atrium. Linehan said she felt the time was right to start her first business venture, named The Honeybee. “It felt like there was potential again for people at the bottom,” she said.

Incubating businesses like The Honeybee has, at times, been the focus of lengthy debate at City Hall. In the wake of the economic downturn that followed Sept. 11, 2001, city government engaged architects who came up with proposals to make the commercial core more inviting, hoping to get visitors to linger and shop. A proposal to allow start-up businesses in alleyway spaces, where rent would be cheaper, emerged but never gained traction. Subsidized business spaces to aid start-ups were even discussed, though not in earnest.

The City Council did adopt a ban on new street-level offices in the commercial core, where real estate sales offices were supplanting the restaurants and retailers that some in the community considered more desirable from a tourism perspective.

Northern Colorado Food Incubator (NCFI)

The Northern Colorado Food Incubator (NCFI) is dedicated to fostering a healthy local food system and supporting food-related businesses. NCFI is dedicated to providing support, guidance and assistance.

The Business Incubator Center serves a mission to accelerate the successful development of businesses from start-up, through the growth stages, and on to later stages of growth. The Incubator Center offers business owners, or those who are considering starting a small business, free individual consultations, low-cost workshops, sources of needed working capital and office or manufacturing space.

Lake Tahoe Basin, NV and CA

The non-profit Tahoe Prosperity Center is a virtual center established in 2011 to realize the goal of the Lake Tahoe Basin Prosperity Plan (LTBPP) to make the region — including two states, five counties, 3,000 businesses, one incorporated city and numerous residential areas — into a portrait of regional economic success and stability as expressed by the vision:

The Lake Tahoe Basin is a world class center of innovation around green tourism, green building and sustainable design, scientific research and applications for environmental resource renewal and management, renewable energies, and health and wellness. “It is the sustainability powerhouse of the nation.”

The Center was created from the LTBPP. It is a regional collaboration effort to develop a Basin-wide economic prosperity strategy. The region includes all land in California and Nevada that sheds water into the Lake Tahoe Basin. The Plan provides a framework for a competitive regional strategy that recognizes local differences; leverages the distinct attributes of all communities throughout the Basin; and enables local governments, institutions, and businesses to work as partners in revitalizing the Basin’s economy.

The Center emphasizes networking and collaboration among existing private and public entities in the region. The model behind the Prosperity Center is to minimize the duplication of economic development efforts and help to coordinate and leverage resources, especially in support of initiatives to stimulate particular economic clusters and efforts to drive economic development across different economic sectors. The intent of the Prosperity Center is also to benchmark and track outcomes, including the progress of the community in meeting various sustainability metrics, and to collaborate with partners throughout the community and Summit County to present a unified “voice” for the area’s economic future.

The primary function of the Prosperity Center involves coordinating diverse efforts launched by various organizations or individuals in the Tahoe area to help drive economic development. The Prosperity Center will coordinate and communicate the efforts of these private organizations, government and educational institutions and will promote a better means of networking similar

activities. A critical tool for the Prosperity Center is a highly functional website that provides access to informational resources and provides the ability to post bulletin board items and blogs that help businesses and partners network and connect on new ideas. The Prosperity Center helps coordinate a variety of initiatives undertaken by different organizations, including: Visitor Experience Enhancement and Marketing, Education and Workforce Training, Business Cluster Work Groups, Environmental Research, Small Business Capital and Services, and Health and Wellness initiatives.

The Incubator – Evanston, IL

One of the nation's very oldest established business incubators, The Incubator has operated as a joint venture between Northwestern University and Evanston since 1986. The facility offers flexible work space under terms that are designed to minimize cash flow pressures and facilitate rapid growth. The Technology Innovation Center, part of the incubator, makes available a pro-bono attorney and the Kellogg Incubator Support Team (a group of alumni from the Kellogg Business School available to assist companies with business planning, marketing strategy and tactics, financial planning and the like). Companies at The Incubator enjoy access to Northwestern faculty and interns as well as on-site seminars



Aero-Acoustic Levitator at the Technology Innovation Center

that address specific issues confronting the typical high-tech start-up company. The on-site Small Business Development Center (SBDC) has experienced staff and counselors available to assist with financing, securing federal grants and loans, referrals and necessary business documents. The Incubator offers flexible leasing terms designed to meet the needs of early stage companies. The facility has 37,000 square feet of office space available with individual spaces ranging from less than 200 square feet up to 1,500 square feet or more at a discounted rate.

Many of the companies at the Evanston incubator are not large enough yet to obtain angel financing or significant bank loans but instead require simple business counseling to help in launching new ventures.

Attributes:

- Talent
- Expertise, business advice. Access to professional advice is key.
- Funding, equity sources, debt resources
- Infrastructure, including high-speed data lines
- Basic office amenities, including office space and supplies at affordable rates
- Start-up and early-stage ventures – The Incubator supports business structures and provides support services such as a receptionist/secretary and access to financial advisers and marketing consultants

- Focus on a particular industry or technology
- Established and formal connections to local or regional universities

Impact:

- Creates new jobs, new ventures and supports economic development
- Cultivates entrepreneurship attributes and the discovery of prospective talents
- Minimizes the resources spent on overhead and develops a self-sustainable, efficient business operation by focusing the strength and resources of the Incubator on reliable companies

General Market Viability in Park City:

1. The key to success for any type of Business Incubator is leadership – a champion of the effort that will dedicate the time and strategy to setting up the operations and finding the funding. Park City has many of the right ingredients for this model to work such as advisors, people with money (potential investors) and a highly educated population.
2. Although there is not significant vacancy in the downtown core, the City may want to lead and work with landlords (building owners) to create flexible tenancing structures similar to what has been successful in Aspen.
3. The City should closely follow the creations and operations of the Prosperity Center in Tahoe. On the surface, this type of center seems extremely relevant for Park City. Seeing what this Center does in the next year may lead to specific conclusions about creating something similar in Park City. In order to be most effective, it would most likely need to include Summit County as well.
4. According to Jon Beutler, fiber optic capability is imminent in Park City and should be available in two years. This will be a key ingredient in the creation of a Business Incubator.

Park City Innovative Center, UT

Jon Beutler with the Park City Business Resource Center is in the initial stages of creating the Park City Innovation Center. He envisions the center as a high-profile technology accelerator that will create a new economy to complement the existing Park City business environment.

According to Beutler, traditional Incubators focus on early-stage companies in broad economic sectors. The proposed single focus of the Park City Innovation Center is the Digital Media economic cluster: including Film, Entertainment, Gaming and Medical Simulation. The cluster harnesses attributes of Utah's education environment that are impressive – the University of Utah is ranked in the Top 3 in gaming technologies and number one in technology innovation; and Brigham Young University is one of the top ranked animation training grounds in the United States (10 percent of Pixar's new hires come from BYU). In addition, Salt Lake Community College invested \$130 million into digital media and the arts.

In addition to the creation of the Park City Innovation Center, Rex Falkenrath of Westminster College indicates that both Utah State and the University of Utah (UU) have expressed interest in starting a Business Incubator in Summit County. The UU Research Park in Salt Lake County

is at capacity and the University needs additional incubator space. USU has been recognized for spinning off more start-ups than any other university nationwide, including MIT, and USU just worked to open a Business Incubator in Vernal. Weber State has a focus on outdoor products technology and could be a candidate to open an Incubator in the Park City area.

Falkenrath notes that Park City represents a good location for a Business Incubator that could help support fledgling companies before they grow and eventually move into larger spaces better suited to ongoing operations including production, such as the research park at Kimball Junction. The huge pool of consultants and advisors either living in Park City or visiting the area on a regular basis provides a distinct and successful pool of people who are prepared to invest and mentor young companies and young business leaders. Many venture capital groups operate in Park City and a sizeable angel investor network exists. The Park City school district is considered to be highly progressive and boasts a branch of the Center of Advanced Professional Studies. The center, which includes the 11th and 12th grades, immerses students for a half day at a time in a chosen field with a subject company. In addition, UU currently operates a continuing education library in Park City, and USU has space in the local eco-center in Park City. Falkenrath also notes that, like any other enterprise, a successful Incubator relies on a well-run business operation. He notes that Westminster College would have an interest in opening an Incubator in Park City, with the thought that businesses starting in an Incubator in Park City could eventually spawn manufacturing and operations centers in Salt Lake County in later stages of business growth and development.

HIGHER EDUCATION INSTITUTION

Definition:

The term “higher education” refers to the stage of learning that occurs at universities, academies, colleges, seminaries and institutes of technology. It also includes certain collegiate-level institutions, such as vocational schools, trade schools and career colleges that award academic degrees or professional certifications.

With regards to Park City, a higher education institution could locate a satellite branch or campus of a larger institution located in-state (such as Utah State or the University of Utah). While a satellite operation would certainly represent a source of year-round economic generation in the community, it is highly unlikely that an institution would launch a full-fledged campus in Park City, given the much higher capital and land requirements of such a move. A higher educational outlet in Park City could include space ranging from a series of rooms or a floor within a given building (an office building or a government building) to a series of a few stand-alone buildings in the community. A higher education institution would likely not develop a traditional multi-block campus in Park City and instead would provide its services in a small branch facility.

The role of local governments in facilitating the development of a higher education facility can range from helping to coordinate entitlements and other approvals to providing incentives and sharing in partnerships to help fund or operate such facilities.

Examples:

Raleigh-Durham, NC

Research universities worked to turn Raleigh-Durham from a sleepy backwater town into a global powerhouse of innovation and manufacturing. North Carolina State University’s “Centennial Campus” is a cross between a higher education institution and a business/creative incubator. It provides a collaborative environment for corporate, governmental and non-profit partners that want to tap into NC State's expertise in such areas as cybersecurity, comparative medicine, advanced materials, biomedical engineering, innovative education, nanofiber technology, serious gaming, distributive energy and many other fields. The campus encompasses 1,000 acres.

The Centennial Campus defines a partner as an organization or company that has a stated desire to “engage in appropriate and meaningful ways with the University.” In other words, corporate and government partners seek mutually beneficial relationships with faculty and/or students, thereby adding value for both the partner and the University.

Interactions include, but are not limited, to:

- Working with students (including hiring part-time, intern and recent graduates and those involved in senior projects)
- Working with faculty (either in a formal or informal capacity)
- Lab or equipment sharing
- Curriculum input
- Sponsored research

- Co-development of intellectual assets
- Patent licenses
- Guest speaking and adjunct faculty engagements

Sidney, NE

In Sidney, a local community college operates a training academy that has helped keep the headquarters of a growing national company (Cabela’s) in its rural hometown. According to the City of Sidney Economic Development team, Western Nebraska Community College has gained national recognition and exposure with the formation of Cabela’s University for training, serving as the flagship for the college’s business and industry training programs.

Colorado Mountain College system

Colorado Mountain College serves nine counties in north-central Colorado: Chaffee, Eagle, Garfield, Grand, Jackson, Lake, Pitkin, Routt and Summit. Each year, nearly 25,000 students take classes at the 11 locations and online. The Steamboat Springs campus started at 30,000 square feet and recently was expanded another 32,000 square feet.

Colorado Mountain College provides a two-year education. It offers a range of learning opportunities from Breckenridge to Rifle, Aspen to Vail and Steamboat Springs. The School’s leaders pride themselves in offering a blend of hands-on outdoor education, personal attention and rigorous academic preparation. Their science and liberal arts associate degrees are designed to give students a broad and solid academic foundation to transfer to four-year colleges and universities.



GIS student – Colorado Mountain College

Utah Campus Compact

Utah Campus Compact is a coalition of Utah’s college and university presidents and their campuses. It provides leadership to strengthen service-learning, co-curricular service, community-based research and other civic engagement initiatives statewide. Utah Campus Compact serves both private and public higher education institutions by researching and promoting best practices, providing networking opportunities, convening stakeholders, and offering training and other resources that help institutions advance civic-engagement on their campuses.

Higher education institutions and systems are working to become key drivers of economic development and community revitalization. They are:

- Putting their research power to work by developing new ideas that will strengthen the country’s competitive edge in the new economy — and then by helping to deploy those innovations into commercial use.
- Providing a wide range of knowledge-focused services to businesses and other employers, including customized job-training programs, technical help and management assistance.

Together, these trends suggest a new paradigm for economic development programs — one that puts higher education at the center of states' efforts to succeed in the knowledge economy.

Attributes:

- Access to educators
- Paying a livable wage and providing affordable housing, transportation and health care
- Proximity to urban areas
- Affordable shopping options are more numerous with easy access to nearby metropolitan cities
- Social services for different populations and needs
- Medical and emergency services to meet the needs of diverse populations
- Specialized health care facilities offer visitors and residents expanded services
- Public safety systems protect individuals and properties, including homes that are vacant much of the year
- Religious and spiritual congregations are available where sufficient demand and support exists
- Well-coordinated and integrated social network and delivery of services
- Access and availability of telecommunications in a range of options available in large urban centers

Impact:

- Educational systems provide high-quality schooling for all ages and income levels, and childcare systems provide high-quality care.
- Institutions and systems are advancing innovation — new technologies, new processes, new products, new ideas— in their local and regional economies. This focus on innovation sees university faculty and leaders thinking creatively about how to leverage their strengths in knowledge creation to yield economic benefits.
- Higher education institutions and systems are pursuing strategies to help employers prosper and grow. They do this by deploying their strengths in knowledge transfer— through worker training, management counseling, help for start-ups and other initiatives.
- Higher education institutions are playing a more vigorous role in community revitalization. Many represent a significant factor in the life of their home communities, and take that responsibility seriously.
- Higher education's most fundamental contribution to economic development lies in its traditional role: creating an educated population. The new economy is making the traditional academic mission more important.

General Market Viability in Park City:

1. The national attributes for this cluster (listed above) do not fit the characteristics of Park City.
2. The higher education facility in Park City would need to be a commuter program or provide housing on-site. It would have a negative economic impact for students to be living in the community, as they would occupy affordable housing that would otherwise be used by the tourism-related employees. They are not filling jobs in the City and spending in the community is limited. This has been the experience with the Colorado Community College in Steamboat Springs, Colorado.
3. Higher education tied to the Incubator Business model previously mentioned may be able to be accomplished without such negative impacts.

FILM FESTIVAL CAMPUS/CENTER

Definition:

A number of entities in Park City and other communities around the country have staged festivals, including performances of live theatre, music, and/or film, on an annual or otherwise regular interval. These types of festivals take place on one or more temporary locations, between clearly stated start and finish times, and can serve as significant economic generators in their host communities. In addition to operating annual or regularly scheduled festivals, the entities involved often operate permanent film centers, small campuses, or related facilities dedicated to the annual festival and spin-off activities. The size of festival facilities varies widely, from a small theater stage or one theater building to a series of temporary stages scattered around a given community. Local governments often help with the promotion of these festivals and coordinate with operators concerning issues such as traffic control, public safety, and related logistical issues.

Examples:

Sundance Film Festival – Park City, UT

The Sundance Film Festival is the industry standard. This event brings filmmakers, writers, directors, actors, media, tourists and locals together to preview films, discuss the industry and relax for the 10-day Festival. People come from all over the world to be a part of the Festival, which celebrated its 27th year in 2011. According to the Festival website, about 200 feature-length and short films were selected out of roughly 10,000 submissions. In 2011, the Festival's economic impact on the state was estimated at \$62.7 million. According to Sarah Pearce, Director of Operations,



Sundance Film Festival - Park City, Utah

the Festival has 50 year-round employees and 125 seasonal employees. Currently the Sundance Institute is located at Silver Star in Park City. They have additional space needs (two 500-seat theaters). They do not have an interest in a campus; however, some lessons can also be learned from other film societies and festivals regarding year-round programming and opportunities.

Denver Film Society (DFS) – Denver, CO

Since 1978, the DFS has worked to promote the film medium as both an art form and a civic forum, developing a program that includes year-round screenings, community outreach projects and special events. It is the only non-profit organization in Colorado dedicated to engaging both its members and the general public in a lifelong, life-altering relationship with and understanding

of film and film culture. The twin pillars it has built on the foundation of this vision are the award-winning Starz Denver Film Festival, now in its third decade, and the Denver FilmCenter.

After eight years at the Starz, the DFS celebrated the opening of its new home, the Denver FilmCenter/Colfax, in 2010. From its new home theaters, the DFS is able to present a weekly-changing calendar of first-run exclusives and arthouse revivals both domestic and foreign, narrative and documentary—over 600 per year, all shown in their original language and format, without any on-screen advertising. The Denver FilmCenter also features numerous series and symposia—including DocNight, Keith Garcia's The Watching Hour, Women + Film, Tattered Cover Free Classic and the GBLT-themed Cinema Q—as well as regularly scheduled filmmaker Q&As and receptions.

In addition, the DFS organizes annual festivals such as Film on the Rocks, a cinema/concert series held throughout the summer at Red Rocks Amphitheatre, that lead up to November's flagship event: the Starz Denver Film Festival, an 11-day roster of international screenings, red-carpet premieres and awards ceremonies—among them the prestigious Krzysztof Kieslowski Award for Best Feature Film, the Maysles Brothers Award for Best Documentary and the achievement-based John Cassavetes Award.

Tribeca Film Festival – New York, NY

Robert De Niro, Jane Rosenthal and Craig Hatkoff founded the Tribeca Film Festival in 2001 following the attacks on the World Trade Center in New York City to spur the economic and cultural revitalization of the lower Manhattan district through an annual celebration of film, music and culture.

The Festival's mission is to help filmmakers reach the broadest possible audience, enable the international film community and the general public to experience the power of cinema, and promote New York City as a major filmmaking center. Tribeca Film Festival is known for being a diverse international film festival that supports emerging and established directors. The Festival has screened over 1,200 films from over 80 countries since its first festival in 2002. Since its founding, it has attracted an international audience of more than 3.25 million attendees and has generated an estimated \$660 million in economic activity for New York City.



Tribeca Film Festival – New York City, New York

The Film Festival has expanded to include several entities and year-round programming opportunities including:

- The Tribeca Film Institute empowers filmmakers through grants and professional development and is a resource for and supporter of individual artists in the field. The Institute's educational programming leverages an extensive network of people in the film industry to help New York City students learn filmmaking and gain the media skills

- necessary to be productive citizens and creative individuals in the 21st century.
- Tribeca Flashpoint Media Arts Academy in the heart of downtown Chicago provides a two-year, career-focused alternative to traditional four-year media arts colleges.
- The Doha Film Institute (DFI) is dedicated to film appreciation, education and building a dynamic film industry in Qatar that focuses on nurturing regional storytellers while being entirely global in its scope. With culture, community, education and entertainment at its foundation, DFI serves as an all-encompassing film hub in Doha, as well as a resource for the region and the rest of the world. The Institute firmly believes in the power of film to change hearts and minds, and their motto reflects the sentiment that “Film is Life”.
- Founded in 2003, Tribeca Cinemas is used annually for special events and Tribeca Film Festival screenings. Throughout the remainder of the year, space is available for private bookings.

Attributes:

- Involvement of prominent filmmakers and talent (actors, directors). Having their names associated with the Festival provides attention and credibility.
- Venues celebrate cinema and filmmaking
- Scheduling complements the Festivals’ surroundings (i.e. running a film festival in a ski resort during winter draws more attention from Hollywood)
- Collaboration

Impact:

- Increases overnight accommodations during Festival dates
- Festival location receives name recognition
- Spending by the audiences at the festival
- Expenditure by employees of the companies which have provided goods and services to the Festival
- Expenditures by suppliers to the Festival on other companies for goods and services
- Multiplier effect on all businesses and activities

General Market Viability in Park City:

1. Park City should do everything reasonably possible to ensure the ongoing success of the Sundance Film Festival. Current challenges include unpredictability in the price of lodging related to both their visitors’ overall experience and operations cost of housing Festival staff and the inability to secure theater space on multi-year leases (versus having to negotiate with building owners every year). Spaces the Festival can count on every year are more important than a new (additional) 300-500 seat theater.
2. The Sundance Film Festival brings international recognition to Park City. This type of exposure to enhance new or return visitation is priceless.
3. The Festival has outgrown its office space and this year, 28 employees are officing in the Miners Hospital building.

EVENT/CONVENTION CENTER

Event and convention centers vary widely in size, from buildings housing a series of meeting rooms to facilities including very large arena-style exhibition and meeting spaces. Municipalities and private sector developers nationwide have explored the feasibility of launching event or convention centers in communities ranging from small resort towns to the very largest U.S. cities. Municipal governments have often teamed with private sector developers to construct convention centers, either by providing incentives of various types or by outright partnering with private entities to construct new facilities. While many communities have pursued event or convention centers as a “silver bullet” to enhance their overall economic development, the results of investment in the facilities remain mixed across the country.

Conventions Sports & Leisure (CSL) recently completed a market study for the potential development of a multi-use event facility in Park City. They looked at several measurements to determine feasibility including market conditions, financial impacts, economic spending and ancillary economic development, tax generation, return on investment, and intangible benefits for the public good.

Market conditions included such indicators as hotel occupancy trends and current event space in the area. Park City hotel occupancy trends follow typical resort patterns. Peak seasons – winter and summer months – enjoy high occupancy with January through March seeing the highest rates at 60 percent to almost 80 percent occupancy. Summer months dip slightly with July typically the busiest month at upwards to 60 percent occupancy at its peak. The shoulder seasons, especially April-May and October-November, dip below 50 percent and hover sometimes as low as 20 percent occupancy.



Basin Recreation Fieldhouse – Park City, Utah

A weakness noted in the CSL report is the limited excess capacity of hotel rooms in prime seasons. With such high occupancy rates already existing during the peak seasons, it is difficult to justify an event competing with resort visitors, especially with event coordinators attempting to lodge guests and facilitate large meetings in very limited available space.

There are several meeting facilities available in the area, generally in existing hotel and resort properties. According to CSL, there are 15 existing Park City meeting facilities, with the largest

being the Basin Recreation Fieldhouse, which is able to host an event with 28,000 square feet of sellable space. This high number of competitive event facilities in Park City and throughout Utah is pointed out as a weakness in the feasibility analysis for a convention center or multi-use event facility in Park City.

According to CSL, the key findings regarding market demand for a convention center in Park City include:

- Park City is a highly regarded destination in the convention and visitor industry
- Like all world-class resort destinations, a sophisticated set of luxury hotel/resort products have been developed – most include a modest level of upscale ballroom and meeting space
- The vast majority of the premier ski destinations in the country do not have large, flat floor event venues which are led by the public sector
- Resorts and hotels (private sector) normally are able to accommodate the small-sized convention/conference/meeting business that is the most natural fit for communities like Park City
- The events that represent the “incremental event potential” in Park City (i.e., considering what the existing hotels and sports/recreation facilities currently accommodate) are considered “modest” to “moderately small”

CSL also noted important aspects that should be considered when determining feasibility, including:

- Sundance Film Festival
- A niche segment of events that highly demand Park City
- Any event activity that could be attracted during the shoulder seasons that would represent the use of additional hotel room nights and incremental positive economic impacts
- The potential attraction of local and non-local sports tournaments
- Redevelopment synergy and opportunities with The Yard, the Park City Ice Arena or another potential site

General Market Viability in Park City:

1. Based on observations in other mountain resort communities, Design Workshop sees very little potential viability for a convention center in Park City for several reasons:
 - » Meeting planners are looking for conference/convention space within walking distance of accommodations, and the physical layout of Park City is not conducive to this arrangement
 - » Other resort communities are well established and the competition is fierce
 - » There are too many options only 30 minutes away in the Salt Lake City metropolitan area
 - » Lessons learned from other resorts show how financially difficult this type of facility is to be successful.
2. The potential benefit to the community in terms of spin-off to other businesses and the fiscal return to the city is very limited given the significant risks a convention center effort would entail

MUSEUMS

Definition:

A building, place, or institution devoted to the acquisition, conservation, study, exhibition and educational interpretation of objects having scientific, historical or artistic value. Their common denominator is making a "distinct contribution to the public by collecting, preserving and interpreting the things of this world."

Museums range widely in size, from very small exhibits housed on a given floor or room of a building to very large, multi-level museums containing widely diverse collections of exhibits. The funding and operation of museums may be coordinated by any combination of public or private sector entities, including local governments, state governments, historical or other special interest societies or organizations, universities, and other partnerships.

Examples:

National Museum of Wildlife Art, Jackson Hole, WY

In 1984, 10 founding trustees chose Jackson Hole, Wyoming as an appropriate setting for an art museum focused on wildlife images. The original museum opened as the Wildlife of the American West Art Museum on May 16, 1987 on Jackson's Town Square.



National Museum of Wildlife Art – Jackson Hole, Wyoming

By 1992, the National Museum of Wildlife Art (NMWA) had outgrown its three-gallery, 5,000 square-foot storefront. According to the NMWA website, a capital campaign was launched to raise \$10 million for a new facility and \$2 million for an operating endowment. In September 1994, the NMWA opened its new facility – a 51,000 square-foot, state-of-the-art building that allowed for expanded exhibition space, museum programs and educational programming. The Museum is comprised of 14 exhibition galleries, an interactive gallery for children, a conference

room, two full-sized classrooms, a 200-seat auditorium, the Rising Sage Café, Members' Lounge, Library & Archives and administrative space.

The Museum's permanent collection of over 5,000 cataloged items includes paintings, sculpture, and works on paper by over 100 artists ranging from early American Tribes through contemporary masters. The Museum's permanent and temporary exhibitions are augmented with educational and scholarly programs emphasizing art appreciation, art history, natural science, creative writing, and American history.

The Museum has become an important educational center and meeting place for the Jackson Hole region. In 1994, the National Museum of Wildlife Art received the Wyoming Humanities Award for exemplary efforts in fostering the humanities in Wyoming. More than 76,000 people visit every year, and over 10,000 children visit the Museum each year, often as part of their school curricula.

Aspen, CO

Arts and culture are why Aspen is so successful during the summer season. From June through August, Aspen is bustling with people who are participating in or patronizing events associated with the Aspen Music School and Festival, Anderson Ranch Arts Program, the Physics Institute, the Aspen Institute and a half dozen more. This strong cultural ethic benefits both visitors and residents. The combination of these facilities and associated events is what creates visitor interest.

Denver, CO

Denver invests heavily in its museums and other cultural institutions. The seven-county metropolitan region around Denver collects one-tenth of 1 percent from a sales tax on things like cars and movie tickets, awarding the money to culture. That one penny on every \$10 spent translates to about \$35 million annually for the region's institutions.



Clifford Still Museum – Denver, Colorado

According to a study released by the Colorado Business Committee for the Arts last year, arts and culture generated more than \$1.3 billion in statewide economic activity in 2003, including \$497 million in new revenue to the metro Denver economy. These institutions paid \$86 million to more than 9,000 employees, making culture the region's sixth-largest employer.

Museums, culture and the arts play a crucial role in the idea of "place," especially when they are part of an economic revitalization plan that includes retail, residences and other cultural offerings. Museums attract pedestrian traffic, and therefore retail and other businesses, downtown.

Seattle, WA

According to the American Association of Museums, before the Seattle Art Museum (SAM) opened downtown in 1992, the city's downtown was "dead," lacking both businesses and residences. Wendy Ceccherelli, director of the Seattle Arts Commission from 1992 to 2000, said the art museum started the downtown boom. Shortly after, the symphony concert hall was built. "There was such a synergy between these cultural institutions downtown," said Ceccherelli. "They provided a lot of stability. They provided an anchor for all of the other development."

Attributes:

- Resort communities are desirable hosts for cultural events, as they provide an attractive setting, exposure, safe and relaxing atmosphere and complementary resort amenities.
- Cultural events or conferences are able to take advantage of the recreation and resort amenities because they provide an added incentive to their marketing.
- The resort communities also are able to attract international sponsorship opportunities due to anticipated exposure.
- In addition, philanthropic organizations are more willing to contribute to events or learning centers as their donations are subject to the added publicity.
- Many destination resort communities have world class non-profit organizations and foundations that are supported with large donations from second home owners who take an interest in the mission, success and opportunities provided in the resort community.
- The philanthropic nature of these second home owners greatly contributes to the cultural venues and community benefits.

Impact:

- A resort has many challenges in providing cultural amenities because of the fluctuating demand, funding constraints, the ability to connect appropriately with cultural values and the need to relate the museum to the resort experience.
- The seasonality of the resort makes it difficult to fund and operate cultural facilities. Because the local resident population cannot support certain amenities and events, a strong reliance on marketing to non-local markets is inherent in staging events. These markets are highly competitive and sometimes difficult to consistently capture. There is often a strong reliance on volunteers to produce events and staff facilities that can lead to the additional challenge of maintaining interest levels.
- Museums often face difficulties in maintaining viability in any given community because individuals or groups typically visit the facility once and never or very infrequently visit it again. The high rate of non-return visitors to museums creates challenges for museum ventures in any community, resort or non-resort.
- If a museum in a resort community does not bring in a material increase in overnight guests, then the benefit of a museum to a resort community is miniscule.

General Market Viability in Park City:

1. Museums are one additional activity in which a visitor may participate. They rarely create the reason for someone to visit the resort community. That has been the case with the art museum in Jackson Hole as well. There are a few aficionados of art or history that will travel to a location because it features a museum of a certain type of art or history. An example of this is railroad museums, which have a following beyond the casual visitor. The addition of a museum in Park City will not have much economic impact.
2. Museums are often started by an individual or group of people who are passionate about a particular area of art or history. An example of this is the new Crystal Bridges Museum of American Art in Bentonville, Arkansas envisioned and mostly funded by Alice Walton.
3. Cultural events that occur on a regular (annual) basis can create a draw. Aspen and Telluride both have been very successful with this. However, this would be considered an enhancement to the tourism sector and does not fill the requirements to be considered a year-round economic generator.
4. The high rate of non-returning visitors to museums translates into very limited market viability for museum concepts in Park City. Museums in resort communities face the same challenges as those located in non-resort communities.
5. The presence of a significant population base in the nearby Salt Lake City metropolitan area does not materially enhance the viability of museums in the Park City market. Visitors from the metropolitan area would not stay overnight in Park City and therefore the economic impact of their visits would be fairly limited. In addition, visitors from Salt Lake City would likely not return for follow-up visits to a museum in Park City, in line with the experience of museums nationwide.

CULINARY INSTITUTE

Definition:

Culinary programs provide students the essential skills and knowledge necessary to succeed in the modern culinary environment and prepare students for roles ranging from food preparation to culinary arts management. The programs, sometimes referred to as culinary institutes, often collaborate with local restaurants in order to provide students with hands-on training opportunities and may operate as a department of a larger institution (such as a community college or a university) or as a stand-alone enterprise. Culinary institutes have found success in resort communities elsewhere and in particular tend to flourish in cities or towns known for a “foodie” culture that appreciates the culinary arts.

Like other potential year-round economic generators, the size and scale of culinary institutes can vary widely, from programs operated within small storefront locations, to programs housed on the second floor areas of commercial buildings, to larger scale programs housed in their own stand alone buildings and facilities on somewhat larger acreages. The variability in size means that potential operators can scale the size of culinary institutes to appropriately match the size of a local market and therefore have more flexibility in creating sustainable models of operation. The role of local governments in supporting culinary institutes is often fairly limited, and may involve helping with entitlements or helping to spread the word about a given culinary program.

In the local region, culinary programs are currently offered at The Art Institute of Salt Lake City and at the Salt Lake Community College.

Associate degree programs provide fundamental skills, techniques, and cuisine studies that prepare students for a variety of food service jobs, and require approximately two years to complete.

- Degree programs include an Associate in Occupational Studies (A.O.S.) in both culinary arts and baking and pastry arts

Bachelor’s degree programs provide the same foundation plus build operational and management knowledge to prepare students for leadership in and beyond the food service kitchen, and require approximately four years to complete.

- Degree programs include Bachelor’s of Professional Studies (B.P.S.) degrees in culinary arts management and baking and pastry arts management

Any prospective culinary institute programs in Park City should be accredited by a leading regional accrediting commission for higher education. This validates the quality of the education provided, adds to the long-term value and marketability of a degree, and allows students to pursue advanced degrees at top colleges and universities.

Examples:

Colorado Mountain Culinary Institute – Keystone, CO

Students work in real kitchens rotating to a different restaurant every six months. Each rotation

gives the apprentice exposure to a variety of cuisine, food styles, operating environments, and work experiences. Students at this institute enjoy a student to staff ratio of 6:1. The partnership with Keystone Resort allows the Institute to rotate students through as many as six different restaurants during their apprenticeships.

Keystone Resort sponsors a culinary competition team which successfully competes on the national level, routinely placing in the top five. Keystone also has an ice-carving club and has hosted culinary tours in Europe.

While attending Colorado Mountain College, students work at Keystone Resort. The resort is a member of Preferred Hotels and Resorts Worldwide and Alpenglow Stube and Keystone Ranch restaurants have both won the prestigious AAA Four Diamond Award.

Pacific Institute of Culinary Arts – Vancouver, BC, Canada

Pacific Institute of Culinary Arts, founded in 1996 by Sue Singer, is located in Vancouver, British Columbia at the entrance to Granville Island (named top neighborhood in North America by U.S. City Ranking Organization’s “Project for Public Spaces”). This accredited, private and co-educational culinary institute provides students with world-class training in a world-class setting filled with both cultural and recreational opportunities.



Students at the Pacific Institute of Culinary Arts

Instruction combines practical learning and theory. Small classes, hands-on training and dedicated European Chef Instructors give the students the personal attention they need to master the “art” of cooking and baking.

Pacific Institute of Culinary Arts offers diploma programs in Culinary Arts and Baking & Pastry Arts. Ninety percent of each program is hands-on training, complemented by 10 percent theory. Students operate the restaurant and bakeshop and also participate in on- and off-site catering for private functions, all under the direction of the Chef Instructors.

Pacific Institute of Culinary Arts won the 2006, 2007, 2008 and 2009 Consumers' Choice Award in the category of Trade Schools for the province of British Columbia - the first culinary school in Canada to receive this award.

Culinary Arts Center at Burlington County College – Mt. Holly, NJ

Culinary Arts Center at Burlington County College is a state-of-the-art facility in Mt. Holly, NJ. The \$9 million center has professional kitchens, a cafe and a high-tech demonstration kitchen.

School officials tout the 19,000-square-foot center as not only a place to expand the college’s

culinary arts, hospitality and tourism offerings to students, but also as a critical piece in the economic redevelopment of downtown Mount Holly. College President Robert Messina Jr. envisioned the project several years ago in response to the rapid growth of food service and hospitality industries and the need for a facility that would help Mount Holly's revitalization efforts. The center occupies the space of the old Farmers Trust Company Bank, which is on the New Jersey State and National Historic registries and dates from 1814.

Chef Elizabeth Dinice is the new director of the center and guides its new and expanded culinary arts program. "This is a phenomenal opportunity for our students to work in a world-class kitchen, to be able to have experience and training that will allow them to compete successfully for jobs with world-class organizations like Ritz-Carlton and Carnival Cruise Lines," she said, noting that students also will get hands-on training and internship and job opportunities with local establishments.

The center features a tiered, 80-seat demonstration/teaching kitchen equipped with flat screens and state-of-the-art video transmission capability. The theater will host classes, special events and guest lectures from signature chefs.



Culinary Arts Center grand opening – Burlington County College, Pemberton, New Jersey

A private dining room with two fireplaces will be used for college and government functions and by local restaurateurs. The center includes a full-service professional-quality production and teaching kitchen with windows that overlook Mill Street, the 47-seat cafe, and an arts and cooking supplies store that will be open to the public. College officials anticipate their culinary arts program will enroll about 350 students annually. Currently, students in the program use various facilities spread over the college's Pemberton Township and Mount Laurel campuses and kitchen facilities at BCIT.

General Market Viability in Park City:

1. The concept of a Culinary Arts Institute in Park City has some viable elements. Their regular break would normally occur during the peak tourist weeks. The students could work in the local restaurants and reduce the number of seasonal employees and the amount of training those businesses may otherwise conduct. It could be operated year-round and it could offer one-, three- or five-day classes to visitors. Doing this in non-winter months

- could improve hotel occupancy rates.
2. One of the challenges is the same affordable housing issue raised in the Higher Education section. Students would occupy housing otherwise used by tourism-related employees, unless they lived elsewhere in the region.
 3. Additionally, Park City is known as having some great restaurants but Utah as whole is not seen as a culinary (i.e., “foodie”) destination. Establishing the brand and reputation early will be important to its success.
 4. Competition:
Utah State Colleges, Community and Technical Colleges Offering Culinary, Restaurant Management, and/or Hospitality Degrees
 - » Bridgerland Applied Technology College – Logan
 - » Brigham Young University – Provo
 - » Davis Applied Technology College – Kaysville
 - » Dixie College - St George
 - » Odgen-Weber Applied Technology Center – Ogden
 - » Salt Lake Community College - Salt Lake City
 - » Snow College – Ephraim
 - » Utah State University – Logan
 - » Utah Valley University – Orem

LOCATION-NEUTRAL BUSINESSES (LNBS)

Definition:

LNBS are typically defined as sole proprietors (or in rare cases also businesses with employees) whose business volume is gained from activities outside the local market. These LNBS are therefore a subset of sole proprietors who are able to live and work in the resort town by choice through communications technology, travel, and by the nature of their work. Location-Neutral Employees (LNEs) is a second category of the location neutral workforce, essentially telecommuting employees on the payroll of a firm located outside the County.

Examples:

Steamboat Springs

Location-neutral businesses and location-neutral employees in Routt County are creating an industry that is rapidly joining traditional mining, agricultural, and recreational economies in importance. A 2005 survey of location neutral-businesses (where the owner resides here) and location-neutral employees (who live here but work for employers outside the county), conducted by a consortium of civic, economic and social organizations serving Routt County, Colorado, suggests that there may be as many as 700 households (10 percent of all households in Routt County) either wholly or in part, engaged in “remote working.”



Steamboat Springs, Colorado

According to Routt County, it is estimated that the expanding scope and nature of location-neutral businesses is contributing an annual \$35 million to the local economy, generates \$600,000 in sales-tax revenue, and will continue to grow. The study indicates that these entrepreneurs are attracted by “a sense of community,” that intend to stay in the community, and that their presence is made possible by broadband and air service. It underlines the benefit for Routt County to position itself as an attractive place for the location-neutral industry because this industry will diversify and expand the local economy and as Charles Grantham of Work Design, LLC in Prescott, Arizona, predicts, 40 percent of the workforce will be location-neutral in 2012.

General Market Viability in Park City:

1. Park City would benefit from conducting a similar study as Routt County’s. It is likely that there is already a portion of the population that works as a LNB or LNE. The survey could also be used to learn more about what these types of businesses and employees need that is not in Park City today. Encouraging these groups to live in Park City has beneficial results.

ENHANCING COMPLEMENTARY BUSINESSES AND RETENTION OF EXISTING BUSINESS

Rather than merely focusing on attracting new businesses and ventures to Park City, typically the least costly and time-intensive economic development strategy that would help to support the year-round economy in the community involves retaining and expanding existing businesses. Businesses in resort towns are often ill-prepared to deal with the finances, staffing and operations in a location with significant seasonal swings. Access to short-term lending (i.e, line of credit) can be important, but difficult to obtain. Park City may consider the following steps in helping to retain existing businesses in the community. The existing Park City Business Resource Center could pursue many or take the lead on many of the strategies outlined below.

Step 1: Establishment of a Business Retention and Expansion Team (BRET)

A team dedicated to meeting the needs of existing businesses would help coordinate responses to individual business concerns, or warning flags, and would develop strategies to improve the local business climate. This team or committee should include four or five individuals from Park City with the skills and abilities to help businesses with common business challenges such as marketing, accounting or finance, as well as regulatory issues. Potential team members may include city officials or economic development professionals. Credibility is key, as businesses must trust members of this team to handle issues competently and confidentially.

Step 2: Identify Warning Signs

Warning signs or “red flags” are issues that individual businesses may see as a cause of concern and a potential reason to depart a particular community. The red flags warrant targeted responses from a Business Retention and Expansion Team. The Park City community and this team may identify warning flags based upon the findings of business surveys. Key questions that address some of the most important warning flags related to moving or expanding a business include the following:

- How satisfied are you with the present location of your business?
- Do you have plans to expand or reduce operations for your business in the foreseeable future?

Additional questions may survey the interest of business owners in receiving informational resources or business incentive programs and ask business owners about the challenges they face. Surveys may also ask business owners to rate community assets or issues encountered with restrictive regulations.



Main Street – Park City, Utah

Members of a potential BRET in Park City should actively engage businesses expressing warning flags or red flags to identify key problems and address them or suggest solutions or tools that may help to solve the problem and in the process help to prevent the loss of the subject business.

Step 3: Offer Individual Business Assistance

Using data from market analyses or studies of the local community and armed with data from business surveys, members of the Business Retention and Expansion Team can help tailor their advice and assistance to individual businesses in the Park City community.

The members of the BRET should offer the findings of any market studies completed for the community to existing businesses for reference and their use in business planning. The existing businesses may use market data for the following reasons:

- Redesigning marketing plans to attract more customers;
- Opening a complementary new business;
- Motivating existing customers to spend more money;
- Identifying new markets for current product lines;
- Adding new product lines or services to capture a wider market range;
- Opening boutique shops with niche product lines inside other businesses;
- Identifying and adapting to business and marketing trends;
- Repositioning and differentiating the business by changing its image and product mix;
- Expanding existing space or relocating within the district; and
- Opening under one-ownership companion shops that support each other.

Beyond supplying market data and helping business owners apply this data to make business decisions, members of the BRET team may offer the following areas of assistance:

- Store presentation and window display;
- Succession planning and business transition;
- Merchandise presentation;
- Merchandise selection;
- Locating buying groups;
- Customer service;
- Developing / updating business plans;
- Accounting and record keeping;
- Compliance with local, state and federal regulations;
- Inventory control;
- Computer use;
- Website development;
- Personnel management and training;
- Financial incentives;
- Local code enforcement and public policy;
- Improving advertising and promotion; and
- Identifying and capturing new markets and planning for business expansion.

Members of a BRET team should pay particular attention to signals from any business owner who plans to sell, close or retire from business. Members of the team could help retain the existing business by pursuing one of the following strategies:

- Serving as a liaison between the business owner and potential buyers or brokers;
- Identifying potential buyers;
- Developing a financial incentive package;
- Helping set up an employee buy-in program;
- Providing information and resources on succession planning;
- Helping business owners prepare marketing materials; and
- Working with the media on advertising and public relations during the transition process for the particular business.

CREATIVE CLASS OPPORTUNITIES

Definition:

The Creative Class as defined by professor and author Richard Florida is a key driving force for economic development of post-industrial cities in the United States. Florida describes the Creative Class as comprising 40 million workers—30 percent of the U.S. workforce—and breaks the class into two broad sections, derived from Standard Occupational Classification System codes:

- **Super-Creative Core:** This group comprises about 12 percent of all U.S. jobs. It includes a wide range of occupations (e.g. science, engineering, education, computer programming, research), with arts, design and media workers forming a small subset. Florida considers those belonging to this group to “fully engage in the creative process.” The Super-Creative Core is considered innovative, creating commercial products and consumer goods. The primary job function of its members is to be creative and innovative. Florida says, “Along with problem solving, their work may entail problem finding.”
- **Creative Professionals:** These professionals are the classic knowledge-based workers and include those working in health care, business and finance, the legal sector, and education. They “draw on complex bodies of knowledge to solve specific problems,” using higher degrees of education to do so.

Florida concludes that the Creative Class will be the leading force of growth in the economy, and is expected to grow by over 10 million jobs in the next decade. Florida believes that the creative class is a part of what makes a city great. With the rise of the creative economy, there is a new understanding that the creative sector is not simply an attractive amenity of city living; it is indispensable to a city’s economic development and quality of life. In order to better attract younger generations (Gen Y, Millennials) that choose communities based upon cultural considerations and how the cultural amenities are integrated into the entire fabric of a community. Communities such as Park City are now actively pursuing economic development strategies to entice the Creative Class in order to ensure their economic growth over the next several decades. Successful communities of the future are investing in cultural assets and leveraging these assets to create economic opportunities for Gen X and Y.

Examples of Creative Class-Related Economic Development:

Tacoma, WA

Arts Business Ecosystem (Arts Incubator): A long-term project to build a multi-use, art-business incubation campus that houses live/work studio space, shared support resources, classrooms and related space.

Dayton, OH

Dayton Creative Incubator: The Dayton Creative Incubator Initiative is conceived as a project to bring life back to one or several vacant downtown spaces by working with building owners to allow local artists to use the spaces for creating and displaying art as well as by providing community spaces where artists, musicians and other creatives can hang out, network and simply exchange creative ideas.

Arts, Entertainment and Cultural Districts – Multiple States

According to a national trends study by the Louisiana Cultural Districts program, at least 11 states have created cultural economic development strategies designed to stimulate the creative economy. Rhode Island has designated nine tax-free arts districts since establishing its program in 1998, which originally started with just one district in Providence. Maryland was the first state in the country to designate Arts and Entertainment Districts on a statewide basis, with 12 designated since 2001. Iowa has designated 19 cultural districts in the first two years of its program and hopes to invest \$40 million in historic preservation tax credits over the next 10 years in these districts, along with other incentives to create live/work spaces for artists and other spaces for arts and entertainment uses. Legislation has been proposed in New York to implement a similar program.



Visual Art Display at the Creative Incubator Initiative

Michigan

The Michigan Cultural Redevelopment District Act, under consideration, sets up a special authority made up of arts and culture advocates and economic development experts to designate Cultural Redevelopment Districts throughout the state. Local governments, nonprofit organizations and other entities can create an arts and culture-centered economic redevelopment plan for a specific area with the support of the local municipality. The economic redevelopment plans will show how arts and cultural activities can be leveraged to create long-term economic revitalization through the rehabilitation of some vacant buildings into housing for artists or new gallery space or through the collaboration with a non-profit arts organization to relocate and expand their activities in the district.

Attributes:

- Members of the creative class consider recreation, culture and ethnic diversity as central to where they live.
- Cities that attract gays, bohemians and ethnic minorities are the new economic powerhouses because they are also the places where creative workers—the kind who start and staff innovative, fast-growing companies—want to live.
- Young knowledge workers say that they are drawn to places “known for diversity of thought and open-mindedness.”
- The presence of young people, a tremendous amount to do, a thriving music scene, ethnic and cultural diversity, outdoor recreation, and great nightlife represent key drivers of economic activity.
- Lifestyle options, cultural diversity and tolerant attitudes
- Relaxed dress codes, flexible schedules and new work rules
- Members engage in work whose function is to “create meaningful new forms”
- “Plug-and-play” communities where anyone can fit in quickly

Impact:

- A thriving cultural life generates a direct economic benefit to income, jobs and tax revenue, and creates visibility. For example, the Colorado Business Committee for the Arts 2008 Economic Activity Study of Metro Denver (CBCA Study) reports \$1.69 billion in economic activity in the Denver Metro area in 2007– up 19 percent from 2005. In 2007, over \$5 billion in wages and benefits were paid to Coloradans working in the creative sector (Alliance for Creative Advantage, Regional Technology Strategies, and Mt Auburn Associates, Inc., 2008). Denver metro area jobs attributable to arts, cultural and scientific nonprofits increased 76 percent, with a corresponding 49 percent increase in payroll, over the 10- year period from 1997 to 2007. Over 16.4 million Coloradans and other visitors attended cultural events in 2007, and nearly \$331 million was generated from cultural tourism at area arts, cultural and scientific institutions. Total cultural economic activity and attendance at events more than doubled from 1997 to 2007 (Colorado Business Committee for the Arts, 2008).

General Market Viability in Park City:

1. Attributes of Park City appeal to the Cultural Creative cohort such as recreation, casual atmosphere and informal places to gather and share ideas.
2. This group is naturally drawn to places like Park City.
3. It is important that Park City stays relevant to younger people.
 - » Side Note: In 2002, Aspen stated that the age of their visitor was their biggest concern for their future. They proceeded to secure a multi-year contract for the Winter X Games, and change the international perception of Aspen from that of a high-end resort town geared to an older and wealthier demographic to that of a resort town that is also a young, fun, rad, and awesome place to be. The X Games have helped provide an overall fiscal impact to Aspen since arriving in town. ESPN, which runs the event, customarily fills the town's hotels and lodges with over 300 people about a month in advance of the event and about 1,000 during the two-week period surrounding the games. The Games bring 70,000 to 80,000 fans into Aspen / Snowmass each year, helping the community to sell out its rooms during a period of the season when occupancy usually remains around 70 percent. In 2004, the community estimated the direct and indirect benefits of the X Games to be \$60 million annually. Perhaps just as important, the X Games has helped to refresh Aspen's brand image. The community had gained a reputation over the years as ski town destination for an older, wealthier set, and the X Games helped to strengthen Aspen's appeal to the younger generation of snowboarders and skiers. Officials with the Aspen Ski Company say the X Games have helped introduce the area to new customers and this has led to an increase in repeat visits and repeat business. Some even have claimed that the X Games, at least for a few weeks, has helped Aspen return to its roots during the 1960s and 1970s as an edgy, hip ski town for young people.
4. The Cultural Creatives are not a business type but a group of people who share common values and may be attracted by year-round opportunities in Park City.
5. Technology needs include fiber optic capability.

III. DEVELOPMENT SCENARIOS FOR EACH DISTRICT

Each business district within Park City has different attributes and serves different needs of residents and visitors. Combining findings of the Park City Retail Market Study completed in July 2011, the carrying capacity analysis completed in July 2011, the community metrics analysis completed in July 2011, and this analysis of potential year-round economic generators helps to produce development scenarios for the Main Street, Bonanza Park, Prospector and Park Avenue districts (including PCMR) as described below.

Potential development scenarios for this district, outlined as follows, may integrate other land uses along with a culinary institute or a museum as year-round economic generators. Development projects could integrate these uses as part of new construction or as part of the re-use or re-leasing of existing space in the downtown area.

Main Street / Historic Downtown District

Taking into consideration the potential year-round economic generators, the following types of businesses would most likely locate in the Main Street district as part of a new development, or as part of the re-use or re-leasing of existing space in the downtown area.

Culinary Institute

A Culinary Institute could have a visitor interface in the form of a retail store or small market furnished with foods created at the school. If it was determined that a small space was needed for a culinary institute, the culinary institute is a potential fit for the Main Street area. It is a good tenant for 2nd and 3rd story spaces that often struggle to keep other retail or restaurant businesses. If more space was required, it could be located as part of the PCMR redevelopment. Bonanza Park would be the third option.



Historic Downtown – Park City, Utah

Museums

Park City already has a successful Mining Museum in the Main Street district. An additional museum could locate within the Main Street district and draw from the area's historic roots in order to drive increased visitation and economic activity. Museums traditionally attract pedestrian traffic and therefore would logically help to support the existing retail in the downtown area. The challenge with this location is that the architectural styles of museums represent art in and of themselves. A museum with an overly modern or contemporary theme would not fit in this district.

Retail Opportunities

The analysis of existing retail space in the Main Street district in the July 2011 retail market study revealed several key points, including:

- While the Main Street district is essentially built-out and reports low vacancy, the district has generally not performed as well in terms of sales per square foot metrics compared to peer resort districts in similar communities.

- A significant number of art galleries and fairly similar gift stores in close proximity along Main Street. While galleries can command higher sales per square foot, the presence of a significant block of galleries in the downtown area may be crowding out opportunities for newer retailers or more active ground level tenants who could introduce new product offerings to Main Street and therefore improve the district's overall retail health through diversification.

Furthermore, the market study concluded that since the Main Street district has a focus on resort retail (including various gifts and clothing items) and restaurant/bar uses, the district may never exactly match the prototypical recommended mix of tenants for a resort development. However, the July 2011 study suggested that the Park City community and Main Street leaders and merchants should work to continue diversifying the existing tenant mix along Main Street to complement existing lodging and retail uses. The study suggested adding more services to the tenant mix as well as additional hotel-related retail and food and beverage uses to complement the existing retail and restaurant mix within the district.

The market study concluded that, barring significant change in the current policies of Park City, the Main Street district currently does not have much opportunity for new development and is essentially "built-out". While the projected retail demand analysis indicates that the supportable square footage of retail in the Main Street district will increase over the next 10 years, the local development community will likely be unable to add significant additional retail square footage to the Main Street market. Therefore, as supply remains fixed and demand increases, rental rates may increase over the next 10 years. Development activity in the Main Street area over the next decade would likely involve the redevelopment or repositioning of existing storefronts or parcels, rather than the vertical or horizontal addition of new square footage. The City may also explore developing certain surface parking lots along Swede Alley into mixed-use development, which would increase the overall inventory of retail square footage.

Based upon the findings from the retail market study, the following outlines some potentially viable development or redevelopment scenarios for the Main Street district.

- Conversion of existing second or third floor space along Main Street (above restaurants or retail) to space for a culinary school that includes 5,000 to 15,000 square feet of space.
- Integrating a small culinary school (of a few thousand square feet) with an existing restaurant building or parcel. This integration would provide a logical tie-in for the culinary school with a Park City restaurant and could increase the marketability of the given restaurant in the local market.
- Redevelopment of an existing parcel into a mixed-use project that incorporates a small museum or culinary school concept. This redevelopment, based upon the size of the parcel, could range from 1,000 to 5,000 square feet.

Bonanza Park

Potential development scenarios for this district, outlined below, may integrate other land uses along with the following uses as year-round economic generators.

Innovation Districts

Given the location of Bonanza Park at the junction of Park City's main transportation corridors and

its connectivity to I-80 and US 40, this district is the logical location for a potential innovation district in the community. Similar to the location of the Aspen Airport Business Center (ABC) relative to the core of Aspen, locating the innovation district at Bonanza Park would allow the community to provide a home for new businesses in close proximity to the heart of Park City while enjoying more affordable lease rates. The size of the Bonanza Park district provides ample room for developers to arrange an innovation district either separate from a mixed-use core area of retail and residential uses, or integrated into a development program that includes various retail and residential offerings.

Business Incubator Center

A potential business incubator center in Park City would most logically locate in Bonanza Park given the district's connectivity to the larger Summit County area and the region and the lower real estate costs in the district relative to Main Street and the PCMR area. Because business incubators can involve a variety of types of companies, including manufacturing, technology, construction and retail, the greater land area and potential for mixing of various land uses in Bonanza Park presents the best opportunity area for a business incubator in Park City.

Higher Education Institution

Again, given the potential land area available in Bonanza Park and the connectivity to the rest of the region from SR 248 and SR 224, this district provides the most logical location for development scenarios involving an area higher education institution. Potential exists to link a higher educational institution, including a small campus area, with a mixed-use development at Bonanza Park that includes offices, retail, and residential uses the complement the program of the higher educational institution.

Event/Convention Center

If it were to be determined that Park City could and was willing to financially support an event/convention center, Bonanza Park would be the logical location. It has access to bus transportation and enough land that could be redeveloped for this use. Although located at a further distance than what most attendees would find acceptable, users lodged in hotels in PCMR, Prospector and lower Main Street, could walk to a prospective convention center in the Bonanza Park district.

Culinary Institute

While a culinary institute could locate in the Main Street district in order to take advantage of proximity to local restaurants and the core area of tourism traffic, a cooking school or institute could alternatively locate in Bonanza Park in order to take advantage of lower lease or purchase costs for real estate and applicable space. The culinary institute could also locate strategically within a mixed-use development in Bonanza Park including retail, entertainment, and residential uses in order to take advantage of synergies with restaurants and stores in the district.

Sundance Film Festival Campus / Center

Given the presence of several theater and performance-related venues in the Park City area and the additional space for new development or redevelopment in the Bonanza Park district, locating a potential film festival campus or center within the district creates potential synergies. The location could leverage the relatively close location to the Main Street district, where many Sundance events occur, and at the same time provide more room for parking for visitors to Sundance events.

Retail Opportunities

The analysis of existing retail space in the Bonanza Park district in the July 2011 retail market study

revealed several key points, including:

The Bonanza Park district clearly caters to general residents as well as visitors to Park City, who may frequent the area to purchase groceries or complete more day to day business. An analysis of the existing tenant mix revealed that the district contains a variety of retailers and uses traditionally included in suburban or non-resort retail districts and communities.

While restaurants and drinking establishments account for a relatively small share of total tax receipts in the Bonanza Park district, they account for a sizable portion of the total number of businesses in the area. Service oriented businesses (including dental offices, nail and hair salons, banks, and insurance and real estate agencies) account for nearly half of the businesses in Bonanza Park. A small number of larger format retailers including Freshmarkets, Rite Aid, and Sports Authority, produce very large portions of the total sales in the Bonanza Park district. In general, besides the significant number of service businesses and individual eateries / drinking establishments, the Bonanza Park district exhibits a diversified roster of businesses, including groceries, pharmacies, liquor stores, and a range of support, in-line retail at two or three main shopping plazas located in the vicinity of Park Avenue and Kearns Boulevard.

The July 2011 market study noted that the Bonanza Park district represents the largest retail concentration within Park City, and given anticipated growth in incomes and in the population size of Park City residents, second homeowners, visitors to Park City, and county residents living outside of the Park City boundaries, the district should continue to grow over the next 10 years.

Although the retail demand analysis indicated the potential for additional retail space within the Bonanza Park district over the next 10 years, the general orientation of the district supports more of a mixed-use orientation. While the various businesses currently located in business park or flex space in the eastern portion of the district, toward Bonanza Drive, do not in many cases provide sales tax revenue to the City, experience in other resort communities supports maintaining the Bonanza Park area (or a similar area within the community) as a base for businesses needed for the town to function.

The Aspen Airport Business Center (ABC) on the outskirts of Aspen, Colorado, provides an instructive example. The ABC is located about three miles from the heart of Aspen on Highway 82, the main route connecting the resort to Glenwood Springs and Interstate 70 in western Colorado. It supports basic businesses which do not require or justify being in a downtown Aspen location, as well as companies that use the ABC as a base for supporting their in-town location (which generally costs as much as three times as the ABC on a square foot basis). The ABC features office, storage, light industrial and retail businesses with relatively easy and free parking. Several restaurants are open at the ABC, including a French bakery. It also includes several health clubs and yoga studios, a gas station, and convenience stores.

In many ways, the Bonanza Park district has the potential to emulate the ABC in the Park City market. Bonanza Park could provide a well-designed and executed mix of retailers and services geared to everyday needs, including supermarkets and pharmacies, as well as flex or business park space for companies that simply require a presence in Park City.

The presence of a mixed-use center similar to the ABC would help ensure that Park City has companies present within its borders to service residents and day to day business. Examples of companies that

would likely remain in this type of district over time include shipping companies (FedEx), grocery stores, and restaurants or larger companies operating in downtown Park City that require a nearby “back office” space.

Given its orientation in the larger Park City market and the presence of significant regional retail at Kimball Junction and elsewhere in Summit County, this study recommends that the Bonanza Park district concentrate on maximizing the opportunity to provide space for essential businesses in Park City, coupled with space for day to day retailers such as grocery outlets and pharmacies.

Based upon the findings from the retail market study, the following outlines some potentially viable development scenarios for the Bonanza Park district.

- Mixed-use developments combining a small to mid size grocery or pharmacy outlet with associated retail, office, and residential space. The size of these developments could vary widely, but generally could range from 50,000 to 100,000 square feet in total, depending upon the number of uses and tenants integrated into the final site plan.
- A brewery restaurant, combined with a smaller scale brewery production facility in the rear of the restaurant, developed as an anchor tenant for the Bonanza Park district. This combination of restaurant / pub and production facility could emulate some of the tourism-related breweries in other communities in the West (including O’Dells and New Belgium breweries in Fort Collins, Colorado and similar popular breweries in the Pacific Northwest). This development could attract tourists to Park City who wish to take brewery tours and would likely attract a significant number of both day skiers and destination skiers in the Park City market. The larger acreages available for potential redevelopment in the Bonanza Park district make this area the logical location in town for a brewery that includes a somewhat larger production facility coupled with a restaurant and gift shop. This concept could include from 20,000 to 40,000 square feet of total space.
- An Innovation District that includes office space as well as adjacent retail, service and residential uses within the Bonanza Park district. The retail components could complement the office and employment uses within the district and include restaurants, coffee shops, and service retail (such as dry cleaners, copy shops, etc.). Associated service uses could include offices for FedEx, banks, and other uses that support nearby businesses. Nearby residential uses could include apartments, condominiums, and live-work units that combine residential space with areas for small businesses. As noted, the size of potential Innovation Districts can vary significantly, from a few acres to several hundred acres. The exact size of a potential district within Bonanza Park would depend upon the ability of a particular developer to assemble various parcels and the demonstrated need for incubator space in the future.
- A Business Incubator facility, perhaps integrated with adjacent retail or residential properties. As noted, a business incubator could range from space within an existing office building to an area that spans more than a few blocks. A potential development scenario for Bonanza Park would combine a business incubator facility with retail including small restaurants or service retail, or a range of residential properties including multi-family units.
- A branch or satellite facility for a higher educational institution, integrated within or adjacent to retail, office, or residential uses. A potential higher educational facility could be housed within a potential mixed-use development within Bonanza Park that includes these varying uses. The size of the overall mixed-use development could vary significantly, from a few acres up to several dozen acres.
- A culinary school coupled with an adjacent restaurant (5,000 – 10,000 square feet)

- A campus for a performing arts festival that integrates office and potential retail uses (including a gift shop and food and beverage) along with space for theatrical or musical practice and exhibition. This space could be used to provide additional performance space during the Sundance festival and could serve as space for year-round education and development of new film or theatrical productions. The size for such a campus could vary widely, from 5,000 to 10,000 square feet on the low end to as much as 40,000 square feet on the high end).
- A conference facility coupled with retail and office uses serving convention or meeting attendees or companies that provide services for meetings or conferences. As noted, the size for convention or conference facilities could vary widely, and the exact size of this development scenario would depend on the ability of a particular developer to secure various parcels and integrate additional uses (such as retail or office) along with meeting space.

Prospector District

Potential development scenarios for this district, outlined below, may integrate other land uses along with an innovation district, a business incubator, or a culinary institute as year-round economic generators.

Innovation Districts

Similar to Bonanza Park, the location of the Prospector district near the junction of Park City's main transportation corridors and its connectivity to I-80 and US 40 would provide suitable sites for the development of an innovation district. Like Bonanza, the Prospector district would provide lower cost space for the development of start-up companies compared to the Main Street district while simultaneously offering proximity to the amenities of Main Street and the core area of Park City. While the Prospector district is smaller than the Bonanza Park district and therefore would offer fewer development sites for a prospective innovation district, sufficient space exists along Kearns Boulevard and the side streets within Prospector to develop a small innovation district.

Business Incubator Center

Similar to Bonanza Park, a potential business incubator center in Park City could locate in the Prospector district given the district's connectivity to the larger Summit County area and the region and the lower real estate costs in the district relative to Main Street and the PCMR area.

Culinary Institute

While a culinary institute could locate in the Main Street district in order to take advantage of proximity to local restaurants and the core area of tourism traffic, a cooking school or institute could alternatively locate in the Prospector district in order to take advantage of lower lease or purchase costs for real estate and applicable space.

Retail Opportunities

The analysis of existing retail space in the Prospector district in the July 2011 retail market study revealed several key points, including:

- Prospector is a much smaller business district compared to Bonanza Park, Lower Park Avenue, and Main Street, but includes a varied mix of tenants. Restaurants and drinking establishments have a strong street-level presence in the district. The roster of restaurants in Prospector includes a few Mexican and pizza outlets, an Italian restaurant, and a few fast food-oriented eateries. Small hardware stores and auto parts stores account for three of the four general merchandise stores

noted in the market study.

- The Bonanza Park district accounts for the vast majority retail located outside of Main Street, PCMR, and Deer Valley, and dominates the smaller Prospector district. Bonanza Park, given its size, tends to reflect a more diversified tenant mix than Prospector. Currently, the Prospector district appears to include a good mix of restaurants and drinking establishments and other retail outlets but could further diversify the mix of businesses to include more convenience goods stores.

Given its relatively small size and orientation toward retailers and restaurants serving both locals and visitors, the overall approach to retail in the Prospector district will likely not change in the next few decades. The Main Street district, coupled with the Lower Park Avenue district to a certain extent, will attract the lion's share of resort-oriented retail going forward. The Bonanza Park district appears primed to maintain its position as the home of larger format retailers such as groceries and pharmacy outlets. Given this competitive orientation, the July 2011 market study suggested that property owners, business owners, and civic leaders work to improve the quality of tenants and the appearance of the district over the next few decades in order to maintain and strengthen its retail viability in the local market.

Overall, the analysis in the market study found that the Prospector district lacked identity compared to the other districts in Park City. The district lacks organization and a central theme. The market study recommended that the city work with property owners to develop a more tangible and marketable theme for the Prospector area in order to drive increased activity. It may be possible, for example, to brand the district as Park City's primary office-serving retail area, by providing goods and services geared to the employment center to the west, in the Bonanza Park district (including various offices and businesses).

Based upon the findings from the retail market study, the following outlines some potentially viable development scenarios for the Prospector district.

- Given the smaller size of the Prospector district relative to the Bonanza Park area, the district could include a smaller innovation district, coupled with potential retail and office uses. The tenants in the innovation district would benefit from their adjacency to the Bonanza Park area, assuming that the Bonanza Park area retains the business-serving uses (such as shipping facilities, office supply stores, and the like) that are vital to retaining local businesses in Park City. A potential innovation district in Prospector could include only one or two blocks, for example, and include space for fledgling businesses as well as small retail uses (such as smaller format restaurants, coffee shops, etc.) that would serve the office population in the district.
- A business incubator (ranging from a few rooms within an existing or new office building to one or more stand-alone buildings) could integrate with surrounding retail and hospitality uses in the district (including new or existing restaurants, convenience retail, and new or existing lodging facilities). Again, the business incubator may be able to leverage its adjacency to the Bonanza Park district in order to enhance its marketability.
- A culinary institute, either operating in a stand-alone space or building, or integrated with a restaurant within the Prospector district. The total size of the culinary institute could range from 5,000 to 10,000 square feet.

Park Avenue District (including PCMR)

Potential development scenarios for this district, outlined below, may integrate other land uses along with a culinary institute or a museum as year-round economic generators.

Culinary Institute

The redevelopment of the Park Avenue district could include this use. It would have some visitor interface and could locate strategically within a mixed-use development in the Park Avenue district including retail, entertainment, and residential uses in order to take advantage of synergies with restaurants and stores in the district.

Museums

Given that the PCMR district is likely to redevelop into a mixture of retail and lodging products, a museum could locate in the vicinity of PCMR and attract significant numbers of visitors. In addition, the Park Avenue district is located closer to the main transportation routes serving Park City to the north and east (SR 224 and SR 248), thereby enhancing the viability of the district for a potential museum. Museums traditionally attract pedestrian traffic and therefore would logically help to support potential new retail developments in the vicinity of PCMR.



Park City Museum

Retail Opportunities

The analysis of existing retail space in the Lower Park Avenue district in the July 2011 retail market study revealed several key points, including:

- While few vacancies exist within the Lower Park Avenue district, sales per square foot generally lag those reported in the Main Street district and other districts within Park City.
- Ski rental and ski apparel shops dominate the retail program at the base of PCMR. While these establishments logically cater to the skier and snowboarder market at PCMR, there is an opportunity to create a more diverse retail program when the base of PCMR redevelops.
- Most of the food and beverage outlets at the base of PCMR offer fairly similar fare, primarily oriented around casual “bar food” and snack bar-like offerings, such as pizza and burgers. The addition of new types of restaurants with a diversified range of menus would likely strengthen the overall marketability and retail position of the PCMR area and the larger Lower Park Avenue district.

The retail market analysis completed in July 2011 suggested an opportunity for the Lower Park Avenue district to add more resort-oriented retail around the base of PCMR, as well as additional restaurants and entertainment options. While the area around PCMR has appealed mainly to day skiers in the past, property owners in the district have the opportunity to add businesses that would attract a wider audience, including some resort-oriented retail. Developers should carefully consider tenancing strategies going forward, to avoid competing directly with the retail program in the Main Street district.

Given the availability of additional space for development in the Lower Park Avenue area versus Main Street, property owners in the district may have the opportunity to provide resort-serving retail that

requires larger footprints than would be possible in the Main Street district. In addition, new retail in the Lower Park Avenue area may in particular be able to absorb retail demand from the neighborhoods in this part of Park City. The district could include coffee shops, bookstores, and related neighborhood-serving retail in order to complement the tourism market.

Whereas the Main Street district primarily attracts a higher scale resort market, including retirees, single people, and wealthier families, the area around PCMR has traditionally catered more to middle income segments of the population, including families. The redevelopment of the area around PCMR and the Lower Park Avenue district has the opportunity to improve its marketability to the family segment, including children and young adults in the Millennials and Gen Y segments (and, in particular, children and young adults in the age 10 to 17 segment), by promoting development concepts that would appeal to families and younger adults. In general, while Main Street targets higher income groups, the PCMR area will continue to primarily cater to a broader, family-oriented segments in terms of affluency and amenities.

The area around PCMR should consider future development opportunities, including potential integration with year round economic generators, that involve après skiing activities (including dining, entertainment, and shopping), in order to enhance synergies with the ski area.

Based upon the findings from the retail market study, the following outlines some potentially viable development scenarios for the Lower Park Avenue district, including the area around the base of PCMR.

- Mid to large size family restaurants, integrated with adjacent retail such as a bookstore of 1,000 square feet, resort-themed clothing or other resort-related retail shops of 2,000 to 4,000 square feet (for a total square footage of 9,000 – 15,000 square feet)
- A brewery restaurant geared to a wide range of clientele who visit PCMR (6,000 – 10,000 square feet)
- A small to mid size performing venue (such as a dinner theater), perhaps integrated with an adjacent coffee shop or dessert-oriented retail eatery of less than 1,000 square feet (8,000 – 15,000 square feet total)
- Wider variety of clothing retailers (including higher end clothiers) (2,000 – 4,000 square feet each)
- A culinary school coupled with an adjacent higher end restaurant (5,000 – 10,000 square feet)
- If a museum were developed around PCMR or within the Lower Park Avenue district, the facility should be located adjacent to a restaurant serving families and a wider range of clientele, and a dessert-oriented eatery or a gift store. (5,000 – 12,000 square feet)
- Night club or similar entertainment venue (5,000 – 12,000 square feet)
- A family oriented entertainment venue (a facility that integrates food along with, perhaps, games or an arcade of 1,000 square feet) (5,000 – 12,000 square feet total)
- A family oriented adventure center geared to young adults and teenagers that would provide activities for children as an alternative to skiing or snowboarding. The activity center could include climbing areas, areas geared to extreme sports, multimedia-oriented games and activities, and activities and technologies involving the latest online applications. The activity center could be integrated along with food and beverage areas. (5,000 – 12,000 square feet)
- A mixture of higher end restaurants to complement casual and family oriented restaurants (3,000 – 6,000 square feet)
- Neighborhood-oriented retail (of 1,000 to 3,000 square feet each), to serve both local residents in the Lower Park Avenue district and second home residents staying in the PCMR vicinity for

extended periods of time, including:

- » Nail Salons
- » Hair Salons
- » Dry Cleaning
- » Small scale or convenience retail store
- » Travel agency
- A movie theater, perhaps paired with a restaurant (many movie theaters nationwide have integrated full-service restaurants along with movie theaters). Depending on the number of screens, this development could range from 5,000 square feet to 15,000 square feet.
- Food and beverage and retail tied to hotel properties in the PCMR area (anywhere from a few hundred square feet to 2,000 square feet)

All of these scenarios could integrate with appropriate year-round economic generators in the Lower Park Avenue district, including a potential culinary school or museum. Any development scenarios for the Lower Park Avenue district should also integrate land uses that align with the community's long range goals for the area (including providing additional affordable housing units, and promoting walkable streets and multi-modal development).

IV – TOOLS AND STRATEGIES

Park City has policies, regulations and resources to support the development and redevelopment of areas within the city. It can, however, consider other tools and strategies to help implement the suggested development scenarios. The following items comprise a “tool kit” the community can leverage to help support and guide the growth of various year-round economic generators.

Shared Parking and Parking Management Districts

Whereas communities such as Park City in the past have encouraged development applications to demonstrate how sharing parking between complementary uses would reduce the overall number of parking spaces required in a given project (and thereby free up additional area for open space and other uses), communities such as Pensacola, Florida have gone further and implemented parking management districts in order to satisfy many of their Smart Growth goals. By instituting parking management districts at Bonanza Park, PCMR, or in the Main Street District, the City could actively encourage that developments share parking between uses in order to help create the types of projects that fit better with the goals of the community related to Smart Growth and sustainability. Several communities in the West, including Placer County, California, Truckee, California, Corvallis, Oregon, and Jackson, Wyoming, have instituted parking management or parking improvement districts over the last couple of decades.

In a parking management district, the city levies a fee on each property, based upon the assessed value of the property, in order to support the functions of the district. The district is responsible for parking-related maintenance, security, taxes, enforcement, utilities, and signage. An oversight committee elected by the members of each district typically governs the operation of the parking management district and responds to the concerns of members. The various properties share the burden of maintaining and providing parking in the district and in return all parking is shared between various businesses. Parking management districts are particularly viable in compact, mixed-use, and pedestrian-oriented commercial nodes where parking is in short supply. They are well-suited to locations with multiple small property owners located in a compact, pedestrian-oriented setting that is conducive to walking, which encourages visitors to “park once” and then travel on foot to other nearby businesses and destinations.

Park City could provide incentives to property owners to participate in parking management districts and shared parking arrangements. For example, by agreeing to a shared parking strategy, a developer could receive approval to construct additional units above the density requirements in a given zoning district. By working with the community to introduce or encourage the growth of a particular year-round economic generator, a developer could also receive approval to provide fewer parking spaces than required under a given zoning classification.

Expedited Entitlement Approvals

Development and planning studies around the country have suggested that communities utilize expedited approval processes to help incentivize certain types of development or the growth of particular kinds of businesses. However, a number of communities have encountered difficulties in designing processes that encourage the right kinds of development without simultaneously encouraging less desirable kinds of development.

The use of a “scorecard” or a more quantitative measurement of the achievement of particular developments in attracting the right kind of year-round economic generators or in executing design

strategies in line with those of the overall vision of the community can help in determining whether a project is worthy of enjoying expedited entitlement approval schedules. For example, the City of Oceanside, California has established the “Green Tape” expedited entitlement and building permit processing program in an effort to attract targeted land uses and attain the kind of higher quality “smart growth” design solutions advocated in community plans such as its Coast Highway Vision and Strategic Plan.

Oceanside uses the “Coast Highway Smart Growth Criteria Scorecard” as a means of establishing objective metrics for determining the consistency of a particular project with the vision for the area. The scorecard includes 30 questions about land use, proximity to transit, accessibility, design and aesthetics and other smart growth / livable community characteristics. Projects that achieve a total score of 85 percent or greater on the scorecard are eligible for “Green-Tape” expedited processing of entitlements. Once “Green Tape” status is granted a project is prioritized for both development entitlement and building permit processing.

Similar to Oceanside, the City of Austin, Texas provides expedited entitlement approval schedules for projects that meet the City’s Smart Growth objectives or provide affordable housing.

Development Fee Waivers

Communities often waive development fees, such as fees paid upfront to support municipal services such as police, fire / rescue, and recreational services or for water or sewer infrastructure, for certain types of development in order to encourage the growth of certain land uses. The cities of Austin, Texas, Fort Collins, Colorado, and Sacramento, California, for example, waive certain development fees for projects that meet affordable housing goals established by the communities. Fort Collins also allows qualified developers meeting affordable housing provisions to obtain waivers of development review fees as well as construction fees including construction inspection fees, development construction permit fees, right-of-way construction license fees, and street cut fees.

Low Interest Loans / Grants for Façade Improvements

In order to encourage developers and property owners to maintain or restore the visual appearance of buildings in particular districts, Park City may wish to provide low interest loans and/or matching grants to qualifying projects. Some communities provide a base level of matching for façade improvements conducted by individual property owners (50% of total costs, for example) and increase the matching percentage based upon the share of property owners in a given area participating in the program. For example, if all property owners in a given area participate in the façade improvement program, the subject municipality may increase the matching percentage to nearly 100 percent.

Placer County, California in the Lake Tahoe region provides loans for façade improvements as well. The County’s Business Improvement Program (BIP) is designed to assist business and property owners with financing for projects that help to beautify property within the county’s designated redevelopment areas, including zones around Lake Tahoe. BIP forgivable façade improvement loans provide up to 50 percent of a project’s total cost requirements, in amounts ranging from \$500 to \$15,000, with available terms of 5 and 10 years. Qualified expenditures include real property rehabilitation, development fees, remodeling, expansion, architectural and engineering services, and other site improvements on a case-by-case basis.

CDBG Programs for Economic Revitalization and Job Assistance

The federally-funded Community Development Block Grant (CDBG) program provides communities

with resources to address a wide range of unique community development needs and goals. Park City could use its CDBG funds to help encourage companies that create new jobs and produce economic benefits year-round to locate in the community. CDBG funds are often utilized to provide loans to qualified applicants that create new job positions in a community.

As an example, the City of South Lake Tahoe, California has provided a Microenterprise Loan Program funded through CDBG funds to help provide funding for new businesses in the community. The Town of Breckenridge used CDBG funds provided by the Colorado Division of Housing to finance infrastructure improvements in the Valley Brook Neighborhood in recent years.

Design Guidelines or Form-Based Code for Each District

In order to ensure that each district reaches its full potential in terms of encouraging the types of developments envisioned by the community, Park City could consider creating and instituting specific design guidelines for each of the key districts (Bonanza Park, Prospector, Park Avenue, Main Street). Rather than specifying requirements for development requirements such as building setbacks and density separately, comprehensive design guidelines for a given district would help ensure that a consistent look or feel remains consistent over time, as different developments proceed. Carefully crafted design guidelines carefully consider the placement and design of each building, plaza, and storefront, so that each detail supports the whole. These documents create and maintain a standard of development quality that helps to sustain real estate values, promote a cohesive development pattern while allowing for diversity and variety in the design and construction of individual projects, and provide clear guidance to the processes of design review and public approvals.

Specifically, design guidelines outline the expectations of the community for each particular district with regard to the following:

- Streetscape design
- Landscape design
- Vehicular circulation and access
- Blocks and Zone Lots
- Setbacks and Build-To Lines
- Architectural Scaling Elements
- Fenestration
- Building Materials
- Building Entries
- Arcades
- Roofs
- Parking Garages
- Signage

While Park City currently does have design guidelines in place for historic structures in the community, adopting design standards for each of the distinct districts throughout the city would ensure that each district retains its own distinct, high quality character and therefore would develop in a higher quality manner compared to traditional code guidelines created for the entire city. Prospective developers as well as current property owners would have the opportunity to shape the recommendations of the design guidelines as they are completed in order to ensure that the document helps support the viability of their individual properties.

A number of communities around the country have instituted design guidelines for particular redevelopment districts. Steamboat Springs, Colorado, for example, has created design standards and an associated Pattern Book for the Base Area redevelopment zone. The design standards provide guidance concerning building massing and form, building and roof materials, building orientation, lighting, landscaping, and public spaces. The city notes that the design standards are not intended to provide prescriptive guidance to new development but instead help the area grow in a way to create a more unifying appearance for this portion of the community over time. The Pattern Book clarifies the approach, intent, and general character of public space improvements at the base area and strives to illustrate a level of finish and materiality appropriate for the various public spaces. Steamboat Springs is also considering instituting a Form Based Code for the Steamboat 700 development project within the community. Form based codes differ from traditional zoning regulations in that they place greater emphasis on building form, placement and street layout than use. One advantage of a form based code is the combination of the flexibility it provides the developer with the predictability it provides the community.



Historic Character of Park City, Utah

The Town of Jackson, Wyoming's Design Guidelines provide articulation of the design intent for public spaces, composition, massing, structures, and materials.

Benchmarking

As part of Park City's ongoing efforts to track its progress related to a variety of sustainability metrics, the community could benchmark or track its progress in attracting year-round economic generator companies and projects. Benchmarking and tracking progress over time helps provide community leaders with information regarding how well efforts to attract year-round economic generators are progressing, where mid-course corrections need to be made, and what is succeeding so that progress can be replicated or accelerated. Benchmarking informs decision-making about strategic planning priorities and investments and provides a systematic mechanism for education and information sharing about initiatives to promote year-round economic generators and community dialogue. Finally, benchmarking provides an opportunity for community leaders and businesses to celebrate the success of efforts to

promote year-round economic generators and to foster commitment to the principles of regional collaboration and stewardship. Potential indicators that Park City may use in benchmarking the success of year-round economic generator efforts may include the following:

- Payroll job growth in companies or industries supporting year-round economic generation
- Business to business leakages
- Unemployment rates (by month)
- Subsidized school lunches (a poverty measure)
- Overall population growth / decline
- Housing affordability
- Second home ownership
- Identify examples of environmental innovations like solar lighting systems that can offer new business opportunities. Different counties around the West have different incentives and there is a lack of awareness about innovation and investment opportunities. Park City could consider marketing environmental innovations to businesses in the community and in the larger Summit County area.
- Park City should create a business attraction and development strategy to address business to business leakages. Like attracts like (for instance, thriving businesses tend to attract other thriving businesses).

Several comparable mountain resort communities have implemented various types of benchmarking efforts in order to track their progress relative to a variety of key indicators. The Resort Municipality of Whistler, Canada provides one of the best examples of benchmarking or performance monitoring. The community routinely evaluates its progress relative to dozens of individual metrics tied to 17 key strategies, ranging from Arts, Culture, and Heritage, to Finance, Resident Affordability, Transportation, the Visitor Experience, Water, and the Built Environment. Whistler's performance relative to these strategies supports the overall priorities of the community, defined as: "Enriching Community Life", "Enhancing the Resort Experience", "Ensuring Economic Viability", "Protecting the Environment", and "Partnering for Success".

In 2008 the Town of Breckenridge completed the SustainableBreck plan to further the goals of the Town Vision Plan through developing recommendations for environmental, economic, and social responsibility. An integral part of the SustainableBreck plan is the community's Monitoring System. Monitoring indicators or measurements for a series of 12 topic headings measure progress on a particular issue (for example, monthly occupancy and average daily rate of lodging properties) and then uses colors and arrows to describe if conditions are improving or getting worse. The Town staff regularly updates these measurements and provide them on the sustainablebreck.com website. The public is thus able to track progress toward sustainability on a variety of issues by checking the website. In addition, once a year an annual report card identifies the progress that Breckenridge has made with each sustainability topic.

PROMOTING ECONOMIC CLUSTERS

The concept of industry or sector "clusters" organize stakeholders connected to an industry in order to develop plans for growing that industry, with a particular focus on building new workforce pipelines and transforming the ways existing workers are utilized. These partnerships have long been recognized as key strategic elements within some of the most successful state and local workforce development efforts in the country. Park City may consider working with the state's economic development agency, edcUTAH, to target clusters that may represent sources of year-round economic generation in the community.

Cluster theory holds that manufacturers and suppliers often want to locate in proximity to each other to collaborate on product design (for example). Companies want to be near universities to benefit from the latest innovations, and bigger clusters attract still more companies that seek access to a large pool of skilled workers.

According to edcUTAH, Utah's Economic Cluster Initiative is designed around proven economic principles where collaboration among organizations offers sustainable advantages to local economies. Based on successful economic models, Utah is capitalizing on its core strengths and facilitating the development of clustered business environments where these key strengths will result in a thriving economy and an increased standard of living.

Strong economic clusters translate directly into tangible benefits for Utah's businesses, citizens and educational institutions. Ten key economic clusters have been identified by the edcUTAH and the Governor's Economic Cluster Initiative. The following may be relevant to Park City:

Life Sciences

Comprises all fields of science that involve the scientific study of living organisms, like plants, animals, and human beings.

- Personalized/predictive medicine
 - » Genetics and biomarker development
 - » Pharma research & Clinical services
 - » Neuroscience
- Medical devices and products
- Microbe biotechnology
- Environmental and agricultural technology and remediation
- Cellular systems

Energy and Natural Resources

The state's varied energy resources include large reserves of conventional fossil fuels, renewable energy resource expansion and large quantities of unconventional fossil fuel energy sources.

- Energy independence
- Mining and mineral technology
- Water management

Outdoor Products and Recreation

After hosting the world during the 2002 Winter Olympics, Utah operates many world-class, energy-efficient sporting facilities. The state of Utah offers endless mountain ranges, rivers, lakes and wildlife statewide, creating the ultimate product testing facility.

Software Development and IT

There are over 5,700 Information Technology and Life Sciences companies in Utah, creating nearly 76,000 high-paying jobs.

- Systems management and security
- Web services and software applications
- Wireless technologies
- Technical/business processing centers

- Digital media and entertainment technology
- High-performance computing applications (i.e. Simulation, imaging, modeling and algorithms)
- GIS mapping and imaging

Financial Services

With 118 state-chartered institutions and a combined total of \$326 billion in total asset distribution, the State of Utah has become a major player in the financial services industry.

- Industrial banks

The federal government is also promoting the concept of economic development through the nurturing of particular industry clusters. The 2012 fiscal budget proposes a competition to identify 20 potential clusters throughout the U.S. that would receive a share of \$2.5 billion in financial incentives. The U.S. Economic Development Administration recently created the Jobs and Innovation Accelerator Challenge. This is an initiative of 16 federal agencies and bureaus to accelerate innovation-fueled job creation and economic prosperity through public-private partnerships. It offers a combination of funding from three agencies and bureaus and technical assistance resources from 13 additional agencies and bureaus to support customized solutions for approximately 20 competitively selected industry clusters in urban and rural regions across the nation and across all sectors. Emerging industry centers include electric-car batteries in Michigan, clean energy in Colorado and robotics in Pittsburgh.

Incentives provided by the edcUTAH

Park City should consider teaming with the edcUtah organization to provide incentives specifically targeted to year-round businesses, including those identified by the key target clusters by the state. The following state incentives are of particular note because they are available for businesses looking to expand or relocate in Park City.

- EDTIF (Economic Development Tax Increment Financing): EDTIF provides a post-performance, refundable tax credit of up to 30 percent of new state revenues (i.e. sales taxes, corporate taxes and withholding taxes paid to the state) over the life of the project (typically 5 to 10 years). It is available for companies seeking relocation and expansion of operations to Utah.
- Industrial Assistance Fund. Provides a post-performance grant for the creation of high-paying jobs in the state- any type of job. Participants must enter into an incentive agreement with the Governor's Office of Economic Development (GOED) and create new high-paying jobs in Utah. Companies must demonstrate stability and profitability and demonstrate competition with other locations outside of Utah.
- Research Tax Credits. Companies doing qualified research in Utah may be eligible for a non-refundable income tax credit of up to 5 percent of qualified research activities and 6 percent of qualified investments in research machinery and equipment.
- Custom Fit Training. Custom Fit Training provides specialized training for companies to train employees. Training is administered through the Utah College of Applied Technology centers. Training may be conducted at Salt Lake Community College campuses, Applied Technology Centers, or a business location. This incentive subsidizes up to \$250 per trainee for professional training and requires a company match.

V. CONCLUSIONS AND RECOMMENDATIONS

Park City has weathered the economic downturn better than most communities around the nation and better than many of the peer mountain resort communities. It has positioned itself to be able to leverage the inherent strengths of the community – its business owners, residents and visitors – to drive increased economic activity throughout the year. Mountain resort communities regularly field suggestions for new ideas that would help fill the gap in economic activity during shoulder seasons and the summer months. The desire is to create more stability in the community with more year-round employment and diversifying the economic base beyond tourism. However, Park City should carefully pursue only those opportunities that would not unduly absorb resources (in the form of transportation, housing, overnight accommodations, and other key resort amenities) that help support the existing base of economic activity during peak seasons. In addition, given the significant presence of highly educated, talented and connected individuals living or visiting Park City each year, the community should draw from this talent pool to help create homegrown sources of year-round economic activity.

The overall conclusion is that Park City should nurture its internal economic advantages and help preserve its existing base of year-round businesses first, and then should pursue additional ideas for year-round economic generation only if these ventures do not harm the city’s “golden goose” of resort activity tied to the three ski areas and the Sundance festival. The primary role of the Park City Municipal Corporation (PCMC) is that of advocate, acting as economic development strategist. Specifically, this report provides the overall recommendations:

BUSINESS INCUBATOR

The significant pool of connected and highly educated entrepreneurs and professionals in Park City, coupled with proximity to Salt Lake City and interest by Utah colleges and universities in fostering the growth of startups, creates significant opportunity to launch a successful business incubator in the community to help nurture new businesses. Significant potential exists in particular to grow businesses tied to particular areas of technology developed at area colleges and universities (Utah State, University of Utah, Weber State, and Westminster College, among others). The pool of experienced entrepreneurs and investors living in or visiting Park City can help these businesses progress through initial stages of business formation and prepare them to eventually grow and move into larger business parks or office space, either in the new research park at Kimball Junction or elsewhere in the local area, either within Summit County or various locations within the Salt Lake metropolitan area that feature more affordable space better suited to manufacturing and ongoing operations. A Park City business incubator could provide an attractive environment to continue research and development efforts while evolving their business operations in preparation for further expansion.

Role of Park City Municipal Corp (PCMC):

The role of PCMC is mostly indirect support. However, if implementing the Grand Junction model, the city could establish an Enterprise Zone with tax credits. In the startup phase, the city could provide staff time to assist with leadership for the non-profit organization. In the downtown Aspen model, the city could provide flexible business licenses to make pop-up retail easier.

Responsibility of Others:

The primary responsibility of the Incubator Center is a non-profit organization that would provide the facility, connect entrepreneurs to investors, and provide business resources.

INNOVATION DISTRICT

Many communities couple a new business incubator with the formation of an “innovation district”, but our research from around the country indicates that the formation of such a district in Park City could prove difficult. The community may be better suited by focusing on developing a strong business incubator program instead.

SUPPORT SUNDANCE FILM FESTIVAL

Given space constraints encountered by the Sundance Festival and its associated businesses and the continued growth and popularity of the festival, significant potential exists to locate these uses in the development and redevelopment of the Bonanza Park and Prospector districts. Developers in these districts could help Sundance consolidate and grow operations within Park City and in the process help stimulate adjacent mixed-use development, including retail and residential properties.

Role of the PCMC:

Continue to emphasize and communicate the importance of the Film Festival to all sectors of the community.

Responsibility of Others:

Private sector developers and building owners are primarily responsible for working with the Sundance Festival to build/lease space needed.

CULINARY INSTITUTE

The creation of a culinary institute could help support greater levels of economic activity year-round and may be viable in Park City, but community leaders should work carefully with potential partners to ensure that the institute and its pool of students would not unduly absorb affordable housing units that are critical in supporting the existing resort economy and its operations.

Role of PSMC:

Nothing beyond advocate, unless helping to facilitate a zoning change

Responsibility of Others:

Find operator. Build and lease space.

HIGHER EDUCATION

Our experience from other resort communities indicates that creating a higher education campus in Park City would not help support the year-round economy and may detract from existing resort operations. A campus in Park City would likely attract commuter students who would not contribute any material growth to the community (in terms of taxes or retail spending) and the campus and its associated traffic could further detract from the resort experience during peak periods.

EVENT/CONVENTION CENTER

Given regional competition for conventions, the fact that smaller groups tend to visit Park City as opposed to larger organizations, and the difficult financial requirements of these ventures, Park City should steer away from developing a larger convention center in the community.

MUSEUMS

Museums likely do not represent a key source of year-round economic growth.

GROW EXISTING BUSINESSES

Research with local business contacts and experience from other communities indicates that Park City should in particular focus on retaining the year-round businesses that currently exist and helping them grow. Pursuing a well-orchestrated strategy or retaining and growing existing businesses would draw from the existing strengths of the community and deliver a higher return on investment. Efforts can then be expanded to pursue complementary businesses to relocate to Park City.

KEY LOCATIONS AND DEVELOPMENT SCENARIOS

Given space considerations and proximity to key transportation corridors, the Bonanza Park district could accommodate all of the suggested scenarios for year-round economic growth. If Park City were to pursue a higher education campus or a convention center, this district represents the only logical location for these ventures. The Prospector district also represents a logical location for a business incubator, a small innovation district, or a culinary institute. Given limited space, the Main Street and Park Avenue districts could likely only accommodate a culinary institute or a museum.

IMPLEMENTATION TOOLBOX

As described in Part III, communities nationwide, including a number of resort municipalities, have offered various incentives and strategies as part of a tool-box to support and incentivize economic growth for particular types of development. Park City could leverage many of these tools to help support the growth of year-round economic generators, either alone or as part of development scenarios for the various districts. The community should in particular examine and consider implementing design guidelines and strategies and incentives to ensure that development scenarios and projects that involve year-round economic generators contribute to the sense of place and help support the unique character and brand of Park City. These guidelines would help ensure that new economic development projects help support the community's overall mission to support the resort economy.

