

# LOI & Alternatives

- Park City (PCMC) and Treasure Owners entered into an Letter of Intent (LOI) with the following three tenets:
  - Pursue a a complete buyout or transfer of 100% of the density;
  - Consider moving approximately 50% of the density off of Treasure Hill, while keeping a compatibly redesigned hotel and residential project with ski and pedestrian connections to PCMR and Main Street;
  - Participate in a redesign process with the goals of creating a project compatible with Old Town that addresses the impacts of development including height, visual mass and scale, traffic, excavation, etc.

# 100% Density Removal Option

## \$48,000,000

- There has been no agreement between parties on cost or value of a 100% purchase.
- Park City put forth a \$48 Million proposal, which reflects a potential conservation value, not a market value.
- That value or purchase price has not been agreed to by Treasure Owners. The parties are comfortable taking this number to the public for their input.
- The Treasure Owners perceived value for the 100% density reduction includes a series of items beyond just the land and entitlement, including: the open space dedicated in 1986, forgone revenues, and costs of site improvements and other cash expenditures.
- The City has not agreed that these ancillary items have value.

# 50% Density Removal Option

- 100,000 net sf retired for \$15,000,000;
- 100,000 net sf transferred to new receiving zone.
- 213,000 net sf at Treasure (redesigned hotel & condo);

413,000 net square feet (sf) total vested right

- Net square footage reflects residential and commercial entitlement only;
- Gross square footage (back of house) will include items such as affordable housing, parking, support commercial, fire protection, hallways, mechanical, etc.
- Parties will agree to a hard limit on gross square feet, based on current market data.
- Lengthy discussions have occurred over the “appropriate” amount of back of house – considering efficiency vs. design as well as service level provided by hotel.

# Potential cost of Public bonds

Bond Amount (millions)	Annual cost to primary resident per \$100k assessed value	Annual cost to primary resident per \$800k assessed value
\$5	\$4	\$34
\$10	\$9	\$68
<b>\$15</b>	<b>\$13</b>	<b>\$102</b>
\$20	\$17	\$136
\$25	\$21	\$170
<b>\$50</b>	<b>\$43</b>	<b>\$340</b>
\$75	\$64	\$510
\$100	\$85	\$680
\$125	\$106	\$850

15 year pay off @ 3.5 %