

Midway City Council
7 May 2019
Regular Meeting

Homestead Resort /
Master Plan Amendment



CITY COUNCIL MEETING STAFF REPORT

DATE OF MEETING: May 7, 2019

NAME OF PROJECT: Homestead Resort Revitalization

NAME OF APPLICANT: Watts Enterprises

AGENDA ITEM: Master Plan Amendment

LOCATION OF ITEM: 700 North Homestead Drive

ZONING DESIGNATION: RZ

ITEM: 7

Russ Watts, agent for Watts Enterprises, is proposing to amend the Homestead Master Plan that was approved in 2008. The proposed amendment includes 290 units with 453 keys in the form of hotels, villas, estate lodges, bungalows, and glamping. The proposal is on 86.64 acres and contains 71.35 acres of open space. The property is in the Resort Zone (RZ).

BACKGROUND:

Watts Enterprises is proposing a Master Plan amendment of The Homestead Resort's master plan which was approved by the City Council on August 27, 2008 (2008 Master Plan). The 2008 Master Plan and its accompanying development agreement included hotels, commercial space, cottages, and amenities. The density of the 2008 Master Plan is 245 units with 453 keys (lockout units.) The proposed amendment includes hotels, spa and wellness center, conference center, condominium building, estates, villas, bungalows, employee housing, glamping sites, maintenance building and amenities. The amenities include the golf course, golf clubhouse, discovery barn, estates clubhouse, little white chapel event center, event pavilion, American Girl Village, tree house play area, barn

event venue, horse barn and stables, indoor driving range and golf warm-up facility. The proposed plan includes 1,003 parking stalls that will be spread throughout the master plan. The developer is proposing to amend the master plan to create a greater variety of lodging product and to create more amenities that will attract more visitors on a year-round basis.

The Homestead is a very important heritage landmark in Midway and many tourists associate the names “Midway” and “Homestead” as one. It is important that the essence of The Homestead is preserved in this proposal as it was in the 2008 Master Plan. The developer has included architecture and activities that have been historically associated with The Homestead in the proposal. The Homestead is also an important economic driver in Midway for both economic activity that has a residual impact on other businesses but also an important tax revenue source for the City which, in turn, helps keep property taxes low which is a benefit to all residents of Midway. Some of the items that should be considered are:

- Enhancement of the Homestead property and surrounding neighborhoods
- Impacts of the proposed concept plan on surrounding neighborhoods.
- Economic development
 - Transient room tax
 - Property tax
 - Sales tax
 - Resort tax
 - Residual economic impact on local businesses
- Public trail development

The 2008 Master Plan is entitled under the July 11, 2006 Midway City land use code and the entitlement is effective until August 27, 2058. The 2008 Master Plan contains a provision under section 5 that allows the master plan agreement to be amended if both the City and the developer mutually agree to amend the agreement. The developer has petitioned the City to amend the agreement which leaves vesting rights under the 2006 Midway City zoning ordinance instead of the current RZ code. The City is under no obligation to amend the agreement and should only do so if the proposed plan is more beneficial to the City than the current entitled/vested plan. Because of the nature of mutually agreeing to amend the agreement by both parties, the City and the developer can negotiate terms of the agreement. Items not listed in the 2006 zoning ordinance may be required by the City if the City deems those items necessary to mitigate impacts of the development and to promote community benefits. The City has included several requirements that will be explained in this report.

The property is 50.09 acres in size and will be developed in five phases. The applicant is proposing a Planned Unit Development (PUD) within the resort. All roads in the development will be private roads (staff recommends that all private roads will have a public access easement that will be noted on the plat). There will be 74.5% open space according to the phasing plan that has been submitted. Areas outside of buildings will be common area owned by the homeowner's association (HOA). There will also be a mix of public and private trails throughout the development.

Sensitive land area located on the property will be left undisturbed as required by the land use ordinance. These sensitive lands include the Crater, which is defined as a major geologic feature, and wetlands.

The Land Use Code requires that a Master Plan request must demonstrate that approval of the project in multiple phases can occur such that the project can still function autonomously if subsequent phases are not completed. Therefore, the Master Plan application must demonstrate that sufficient property, water rights, roads, sensitive lands protection, and open space are proposed with the first phase to allow the project to function without subsequent phases. All water rights required will be held in escrow by the City before the master plan agreement is recorded.

LAND USE SUMMARY:

- 86.64 acres
- 71.35 acres of open space
- Resort Zone (RZ)
- Five phases
- Project is a Planned Unit Development within a resort
- Private roads and storm drain system will be maintained by the HOA
- The lots will connect to the Midway Sanitation District sewer and to the City's culinary water line.
- An 8' paved public trail is planned to run north and south through the length of the property and east and west. Offsite trails will be built along 200 North and Homestead Drive to the southern boundary of the property and north of The Kantons at Village Green to the southern boundary of Kimball Estates.
- Sensitive lands on the property include The Crater and wetlands

ANALYSIS:

Open Space – The code requires that with each phase there is enough open space to comply with the 55% requirement of the code. If phase I has 75% open space, then phase II only needs to have 25% open space if both phases are equal in acreage. The proposed plans do comply with the open space requirements. Open space per phase is the following:

	Total Acreage	Open Space	%
Phase I	60.5	51.86	85.72%
Phase 2	6.46	4.16	64.4%
Phase 3	5.51	4.18	75.86%
Phase 4	13.11	10.99	83.82%
Phase 5	<u>1.06</u>	<u>0.16</u>	<u>16.67%</u>
	86.64	71.35	82.35%

Density – The RZ does not have a density limit. There are requirements that limit density which include required open space, parking, height restrictions, minimum size of rooms, and setbacks. The density of the 2008 Master Plan is 245 units with 453 keys (lockout units.) The density of the proposed plan is 290 units 453 keys. How the density will be distributed for each phase is unknown until there are submittals for each phase. With each submittal, code requirements will be verified to assure compliance.

Access – Each phase of the subdivision must meet the access requirement. The proposed plan does have two points of access for each unit.

The development has four points of access that will be built to City standards. There is another access to Pine Canyon Road that will be a maintenance road/public trail. Staff and the developer have discussed installing emergency access gates at the entrance to The Links and at the maintenance road from Pine Canyon Road. This will force all resort traffic to Homestead Drive, where it has traditionally been located, and will not allow the resort traffic to enter through surrounding residential neighborhoods. Per the land use code, gates are not allowed in standard subdivisions and PUDs but the RZ code does not limit them. There is also an emergency access that is in the southwest area of the proposed plan that exits onto Homestead Drive. This access will also be used to connect to the Homestead Trail for guests of the resort.

Traffic Study – The developers have submitted a traffic study to the City as part of the application. Horrocks Engineers has reviewed the study with UDOT and have determined what road improvements are required. Please see the engineering report for those improvements.

Transient Rental Requirement – The City is requiring that 90% of all units are rented on a transient basis. This will assure a tax base for the City which will benefit the general population. This will be required in the master plan agreement and also in the CCRs for the Homestead. All rental units will need to be licensed with the City and have property managers.

Geotechnical Study – The developers have submitted a geotechnical study to the City as part of the application (please see executive summary attached to this report). Horrocks Engineers has reviewed the study to determine if any special requirements are needed for construction of the roads and future structures in the development.

Public Participation Meeting – The developers held a public participation meeting on February 21, 2019 as required by the ordinance for master plan applications. This requirement is to give the developers an opportunity to present the development to the surrounding residents of the proposed development.

Sensitive Lands – The property does contain some wetlands and geologic sensitive lands that cannot be disturbed through the development process. The wetlands will become part of the open space for the development and will be preserved. If any wetlands are disturbed, approval must first be received from the Army Corp of Engineers. The Crater is defined as a major geologic feature in the sensitive lands ordinance and cannot be developed or disturbed, although the crater has been developed in several ways over the past century. The developer is proposing to make the access to the Crater safer. The amended development agreement allows some modifications to access may be made for ADA accessibility if approved by the City Council.

Trails – The Trails Master Plan contains two trails that cross the property. One is the Homestead Trail and the other is a trail connection from Pine Canyon Road to Homestead Drive. The developer will build both trails and dedicate a public easement on the plat. Both will be 8' paved trails. Further, the developer has agreed to connect the Homestead Trail to the City trail that ends at about 500 East Homestead Drive at his expense. This will allow members of the community to safely access the area around Homestead Drive where a trail is greatly needed. This trail will also allow tourists to safely travel from the resort to Main Street and those tourists may support other businesses in town. The developer has also agreed, at his expense, to construct a trail from the north end of The Kantons to Kimball Estates across the golf course parallel Homestead Drive. This section will also help complete the Master Trail plan that will benefit residents and tourists alike.

Architecture Theme – The developer is petitioning that all structures in the proposal follow the traditional architectural design of The Homestead and not the Swiss and Old European theme the City has adopted. The developer has explained that he would rather follow the historic and traditional Homestead design of the current structures. The Visual and Architectural Committee (VAC) reviewed the proposed theme in their meeting on February 26, 2019 and recommended that the developer be allowed to

receive an exception from the required architectural theme. The current City code does allow for an exception in Section 16.15.4 (G)(3) which states:

Building Design Guidelines. Building design guidelines shall reflect: The community's architectural character choices emphasizing Swiss/European Alpine themes (or other themes as approved by the City Council after a recommendation from the VAC and Planning Commission).

Also, the 2008 Master Plan states the following:

Building materials and colors that are compatible with the natural environment and the existing buildings in The Homestead are encouraged.

Setbacks – The proposed development is designed with the setbacks from the 2006 code in which the current master plan is vested. There is a required 100' setback along Homestead Drive. There are 30' setbacks on the north, south and east boundaries. The one exception is area where units are adjacent to areas of platted and dedicated open space the will never be developed. This includes the open space for The Links along the driving range. Because of the dedicated open space and lack of future development the setback is less than 30'.

Height of structures – The height of all structures in the development are required to be no higher than an elevation of 5680', two feet lower than the highest elevation of the Crater. The only structures that will exceed 35' in height are the proposed hotels. All other structures such as the townhomes and the estates homes will be 35' or less in height as required by Section 16.13.10 of the City Code. The applicant will need to submit a contour and elevation information of the property with the preliminary and final plan submittals. All future elevation certificates will need to be based on that information.

Building Area Dimensional Limitations – The 2006 code requires that building coverage not exceed 12,000 square feet per acre or greater than 27.5% of an acre. The applicant has submitted a plan that states that the average building coverage is 14.6% per acre.

Phase 1 Environmental Study – The developer has submitted the required Environmental Study. Horrocks Engineers has reviewed the submitted study (please see attached report).

All five phases will be one HOA – The five phases of the master plan will all be one Home Owners' Association and this will be memorialized in the amended master plan.

Public accessibility – The developer has stated the certain amenities will open to the public and not exclusive to resort guests, only a user fee will be required. These amenities include a pool (#12 on the Benchmark Resort #13 Master Plan, please see

attached), splash pad (#13), discover barn (#14), varying temperature mineral pools (#25), family pool (#34), splash pad (#35), and slide (#36). Public accessibility should be included in the master plan amendment so that future HOAs of the resort cannot limit or discontinue public access.

VISUAL AND ARCHITECTURAL COMMITTEE RECOMMENDATION:

The Visual and Architectural Committee (VAC) reviewed the proposed theme in their meeting on February 26, 2019. They recommended approval of the applicant’s proposed theme which is not Swiss and Old European design but the historic theme of The Homestead Resort. The VAC will review individual building architecture in their future meetings for all buildings shown on the master plan.

PLANNING COMMISSION RECOMMENDATION:

Motion: Commissioner Streeter: I motion that we approve the proposed master plan amendment and that Watts Enterprises will take this matter to the water board. We will use the Key” unit and that we will be limited to a maximum of 453 keys in the form of hotels, estate lodges, villas, cottages and glamping. This proposal is on 50.09 acres and contains 35 acres of open space. The property is in Resort Zone. We accept findings of staff and the conditions of the staff report. We add the additional conditions that the developer takes this to the Water Board and get their recommendation, are that the 7.23 acres of golf course to be put into conservation easement, the dark sky compliant on the parking lots and homes so the light does not go away from the property, that the berm and draining issues on the south side of the project between the Homestead and The Links be drawn up and included in the final plan, and the condition to looking at the setbacks and building heights along the south side of the development to be evaluated and adjusted if needed.

Seconded: Commissioner O’Toole:

Chairman Kohler: Any discussion on the motion?

Chairman Kohler: All in favor.

Ayes: Commissioners: Payne, Nicholas, O’Toole, McKeon, Whitney and Streeter

Nays: None

Motion: Passed

WATER BOARD RECOMMENDATION:

The Water Board has reviewed the conceptual master plan. The developer is required to return to the Water Board to receive a recommendation with a final calculation for water use before the master plan is reviewed by the City Council.

POSSIBLE FINDINGS:

- The proposal will benefit the City financially by creating a greater tax base.
- The proposal will help the City better comply with State requirements regarding the ability to collect resort tax.
- The public trail system in the development will benefit the entire community by creating public trails along Homestead Drive and from Homestead Drive to Pine Canyon Road.
- Amenities will be created that will be accessible year-round which will invite more tourists to visit the resort in all seasons.
- 36 acres of currently developable golf course area will be preserved as permanent open space in perpetuity.
- Traffic will increase as compared to current traffic counts, but traffic counts will not increase from the currently vested 2008 master plan
- The proposed plan will not increase density from the vested 2008 master plan
- The public will have access to certain amenities including the geothermal pools

ALTERNATIVE ACTIONS:

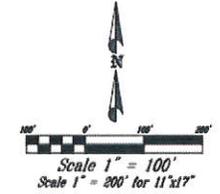
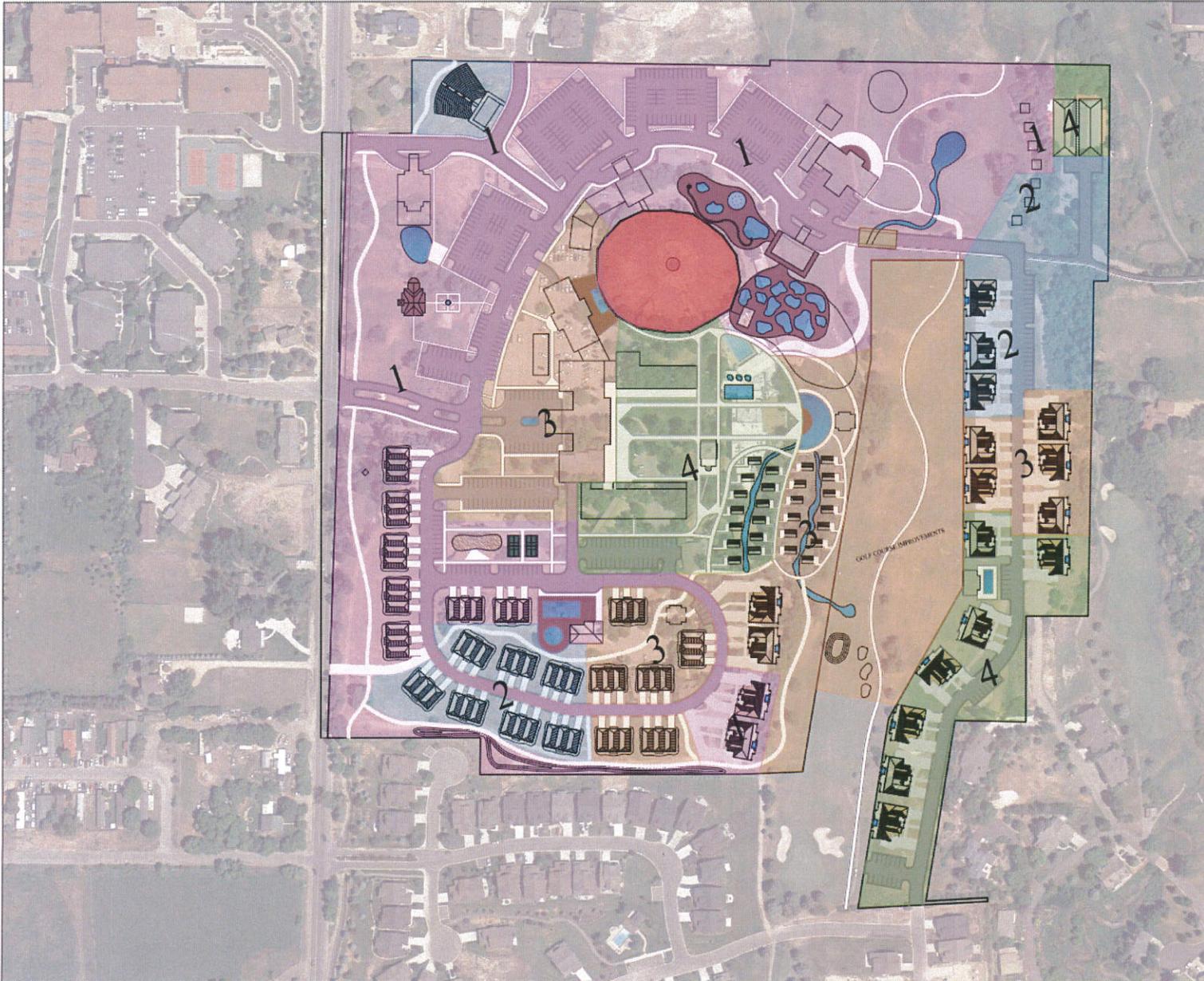
1. Approval (conditional). This action can be taken if the City Council feels the proposal complies with the requirements of the Land Use Code.
 - a. Accept staff report
 - b. List accepted findings
 - c. Place condition(s) if needed

2. Continuance. This action can be taken if the City Council feels that there are unresolved issues.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for continuance
 - i. Unresolved issues that must be addressed
 - d. Date when the item will be heard again

3. Denial. This action can be taken if the City Council feels that the request does not meet the requirements of the ordinance and the 2008 master plan.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for denial

PROPOSED CONDITIONS:

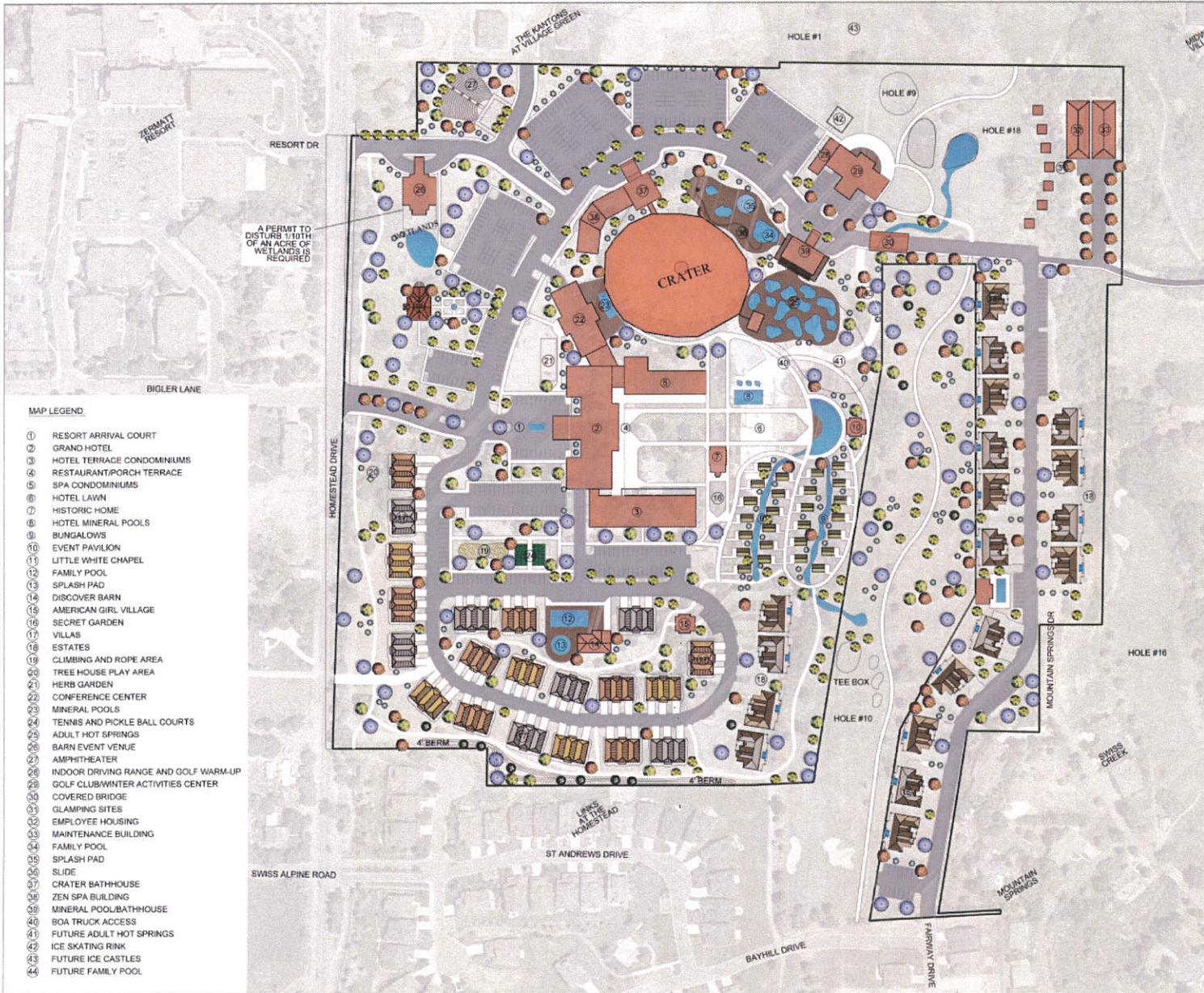
1. A traffic study must be reviewed and accepted by both Midway City and UDOT.
2. All five phases of the Master Plan will be part of one HOA as described in the Master Plan agreement.
3. Landscaping plan must be addressed regarding native grass and wildflower mix.
4. Landscaping along the south southside of the development along the boundary of the links is installed with phase 1 to allow the landscaping to mature before nearby future structures are built.
5. Specific amenities, as stated in the staff report, are accessible to the public and cannot be limited or discontinued by the HOA or future owners.
6. A plan is created that assures the 90% of the units are in a rental pool and a maximum 10% are primary dwellings.
7. The Homestead Trail from Creek Place to the south side of Kimball Estates is built in its entirety with phase 1.



- LEGEND
- PHASE 1
 - PHASE 2
 - PHASE 3
 - PHASE 4

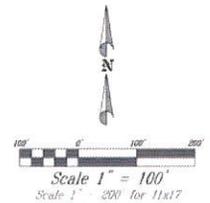
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 DATE: 2 MAY 2019

WATTS ENTERPRISES THE HOMESTEAD	
PHASING PLAN	
	ENGINEERING Resource Group P.C. 330 E. Main St. Suite 204 Midway, UT 84019 PH: (435) 667-9249
DESIGN BY: PERI DRAWN BY: DMG	DATE: 2 MAY 2019 REV: 3



MAP LEGEND

- ① RESORT ARRIVAL COURT
- ② GRAND HOTEL
- ③ HOTEL TERRACE CONDOMINIUMS
- ④ RESTAURANT/PORCH TERRACE
- ⑤ SPA CONDOMINIUMS
- ⑥ HOTEL LAWN
- ⑦ HISTORIC HOME
- ⑧ HOTEL MINERAL POOLS
- ⑨ BUNGALOWS
- ⑩ EVENT PAVILION
- ⑪ LITTLE WHITE CHAPEL
- ⑫ FAMILY POOL
- ⑬ SPLASH PAD
- ⑭ DISCOVER BARN
- ⑮ AMERICAN GIRL VILLAGE
- ⑯ SECRET GARDEN
- ⑰ VILLAS
- ⑱ ESTATES
- ⑲ CLIMBING AND ROPE AREA
- ⑳ TREE HOUSE PLAY AREA
- ㉑ HERB GARDEN
- ㉒ CONFERENCE CENTER
- ㉓ MINERAL POOLS
- ㉔ TENNIS AND PICKLE BALL COURTS
- ㉕ ADULT HOT SPRINGS
- ㉖ BARN EVENT VENUE
- ㉗ AMPHITHEATER
- ㉘ INDOOR DRIVING RANGE AND GOLF WARM-UP
- ㉙ GOLF CLUB/WINTER ACTIVITIES CENTER
- ㉚ COVERED BRIDGE
- ㉛ GLAMPING SITES
- ㉜ EMPLOYEE HOUSING
- ㉝ MAINTENANCE BUILDING
- ㉞ FAMILY POOL
- ㉟ SPLASH PAD
- ㊱ SLIDE
- ㊲ CRATER BATHHOUSE
- ㊳ ZEN SPA BUILDING
- ㊴ MINERAL POOL/BATHHOUSE
- ㊵ BOA TRUCK ACCESS
- ㊶ FUTURE ADULT HOT SPRINGS
- ㊷ FUTURE ICE CASTLES
- ㊸ FUTURE SKATING RINK
- ㊹ FUTURE ICE CASTLES
- ㊺ FUTURE FAMILY POOL



EXISTING CONDITIONS

EXISTING BUILDING FOOTPRINT	116,196 SF
EXISTING PARKING SPACES	558 SPACES
EXISTING ASPHALT	7.20 ACRES

LEGEND

	WETLANDS
	SENSITIVE LANDS AROUND CRATER

LAND USE TABLE

RESORT AND GOLF COURSE OWNED OR LEASED	194.14 AC
LAND OWNED BY THE HOMESTEAD	96.32 AC
TOTAL PROPERTY IN RESORT MASTER PLAN	97.23 AC (100%)
NON RESORT CORE GOLF COURSE OPEN SPACE	36.94 AC (42.0%)
RESORT CORE OPEN SPACE & AMENITIES	34.71 AC
PER 2008 CODE	23.20 AC
PER 2019 CODE	23.20 AC
TOTAL RESORT OPEN SPACE AND AMENITIES	71.35 AC (81.8%)
PER 2008 CODE	59.84 AC (89.0%)
PER 2019 CODE	59.84 AC (89.0%)

ROADS AND PARKING

ROADS AND PARKING	369,822 SF	8.49 AC (9.7%)
BUILDING AREA	274,575 SF	6.42 AC (10.2%)
BUILDING AREA	274,575 SF	100.00%
HOTELS		
GRAND HOTEL	25,370 SF	9.24%
HOTEL TERRACE UNITS	15,130 SF	5.51%
CONFERENCE CENTER	11,111 SF	4.05%
SPA & WELLNESS CENTER	11,708 SF	4.26%
ESTATES	65,797 SF	23.96%
VILLAS	11,893 SF	4.33%
BUNGALOWS	11,180 SF	4.07%
COMMERCIAL AMENITIES		
GOLF CLUB HOUSE	8,518 SF	3.10%
HISTORIC BUILDING	2,242 SF	0.74%
DISCOVERY BARN	3,080 SF	1.12%
ESTATES CLUBHOUSE	1,840 SF	0.67%
LITTLE WHITE CHAPEL	4,840 SF	1.76%
EVENT PAVILION	1,467 SF	0.53%
AMERICAN GIRL VILLAGE	1,210 SF	0.44%
TREE HOUSE PLAY AREA	130 SF	0.05%
BARN EVENT VENUE	5,631 SF	2.05%
INDOOR DRIVING RANGE & GOLF WARM-UP	2,000 SF	0.73%
GLAMPING SITES	2,800 SF	1.02%
EMPLOYEE HOUSING	5,835 SF	2.13%
MAINTENANCE BUILDING	5,835 SF	2.13%
MINERAL POOL BUILDING	4,700 SF	1.71%
ZEN SPA	7,456 SF	2.72%
CRATER EXPERIENCE BUILDING	4,876 SF	1.78%

PARKING

PARKING LOTS	488 STALLS
ESTATES GARAGE AND DRIVEWAY	223 SPOTS
VILLAS GARAGE AND DRIVEWAY	252 SPOTS
TOTAL PARKING SPACES	963 TOTAL

WATTS ENTERPRISES
THE HOMESTEAD
 HOMESTEAD RESORT
 MASTER PLAN

BERG ENGINEERING
 380 E Main St. Suite 204
 Midway, UT 84049
 PH 435-657-9749

DESIGN BY: CNB DATE: 2 MAY 2019
 DRAWN BY: CNB REV: 2

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PAUL S. BERG P.E.
 SERIAL NO. 28858A
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