

Midway City Council
7 September 2021
Regular Meeting

Mountain Spa Property /
Letter of Commitment
Second Revision

Midway City Corporation



Mayor: Celeste T. Johnson
City Council Members
Lisa Christen • Jeffery Drury
J.C. Simonsen • Steve Dougherty
Kevin Payne

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July 6 September 7, 2021

Cheryl Fox
Executive Director
Summit Land Conservancy
P.O. Box 1775
Park City, UT 84060

Dear Ms. Fox:

This letter is to inform you of the action of the Midway City Council on your open space preservation proposal for the Mountain Spa area in Midway. Midway City Council voted to fund the project up to ~~\$1,400,000~~ \$1,500,000 based on the following conditions and understandings:

- Mr. Chuck Heath will purchase the 78.5-acre tract from Mountain Spa, LLC, with a closing date around the first week of December 2020.
- Mr. Heath will subdivide the property into two large farm estate lots, two smaller lots, an “historic spa area” encompassing the old Mountain Spa, and a resort area as reflected in the map you presented to the City Council at the meeting on August 18, 2020.
- The two large estate lots will each have a designated area to build a single-family residence and associated outbuildings to support the agricultural use of the property. These estate lots will be protected from further subdivision and development and will be preserved for agricultural and pasturing use by a conservation easement held by Summit Land Conservancy.
- Lots 1 and 3 will be encumbered by deed restrictions that will limit the parcels to one single family residence each and prohibit further subdivision or development.
- The historic spa area will be encumbered by a conservation easement held by Summit Land Conservancy to ensure that its designation as a sensitive geologic feature is not changed by future legislative action and that it will be available for public use that may include public amenities, including a public trail on a public trail easement across the larger tract.

Our vision for the City of Midway is to be a place where citizens, businesses and civic leaders are partners in building a city that is family-oriented, aesthetically pleasing, safe, walkable and visitor friendly. A community that proudly enhances its small town Swiss character and natural environment, as well as remaining fiscally responsible.

- Mr. Heath will sell the two large estate lots and the two smaller lots subject to the conservation easements and deed restrictions and will develop a commercial spa in the resort area of the tract.
- The conveyance of title to purchasers of the estate lots and the smaller lots must include sufficient water rights to maintain the historic irrigation on the properties and meet the City's land use regulations for culinary and irrigation for the residential sites.
- In developing the resort area, Mr. Heath will comply with the Midway City Land Use regulations and processes as well as with the additional restrictions, limitations, and provisions contained in the Memorandum of Understanding between Mr. Heath and Summit Land Conservancy. Those restrictions include, but are not limited to:
 - Reducing the density in the Resort Zone by 50% from the plan approved in 2008.
 - Limit the height of all structures in the Resort Zone to 35 feet above natural grade.
 - The aggregate building square footage of the resort shall not exceed 250,000 square feet. The determination of building coverage shall include all structures in the Resort, including all floors in each building. The buildings may be clustered together within the resort, subject to setbacks and other applicable restrictions.
 - Site all structures to reduce interference with the view sheds across the property from River Road and Burgi Lane.
 - Construct a public trail and dedicate a 20' wide public trail easement that will pass through the property from north to south that will connect with the Midway Trail system in that area and will provide access to the historic Mountain Spa.
 - Construct a public trail and dedicate a 20' wide public trail easement adjacent and parallel to the River Road right-of-way.
 - Work with The Lacy Lane HOA to secure an east west public trail connection from the River Road trail to the interior north south trail in the Mountain Spa property. If an east west connection cannot be secured through the Lacy Lane subdivision, then the trail will be required through the Mountain Spa property.
- Midway's contribution of up to ~~\$1,400,000~~ \$1,500,000 will remain in escrow and will not be disbursed until the two estate lots, the two smaller lots, and the historic spa area all have been legally encumbered by conservation easements and/or deed restrictions approved by Midway's legal counsel, bond counsel and the City Council.
- This conditional approval of funds for this project will be valid for 18 months from the date of September 8, 2020. Should the land described above not be legally encumbered by the conservation easements and/or deed restrictions set out, this approval will expire, and the City may, at its sole option, decline to provide funds.

Thank you for your support of open space and agricultural preservation in Midway.

Sincerely,

Celeste Johnson
Mayor