

WORK SESSION – February 18, 2021
Huntsville Town Planning Commission & Town Council

Minutes of the joint Huntsville Town Planning Commission and Huntsville Town Council Work Session held at Town Hall 7309 East 200 South, Huntsville, Utah at 6:00 PM. The meeting was joined by Zoom Calls. The topic of the meeting is Phase II of the Compass Rose Lodge.

Attending at Town Hall: PC Chairman Doug Allen, Mayor Truett, TCM Max Ferre', TCM Blake Bingham, Jeff Hyde, Dakota Hyde, Beckki Endicott - Recorder

Attending on Zoom: TCM Richard Sorensen, PCM Larel Parkinson, PCM Liz Poulter, Rex Harris, Ron Gault, PCM Sandy Hunter, TCM Wendy McKay, PCM Steve Songer

Chairman Allen roll called all in attendance at Town Hall and on Zoom. Chairman Allen turned the time over to Rex Harris to summarize the purpose of the work session. Rex Harris recounted the Hyde's purchased property in the center of Town from Huntsville Town. They built the Hotel that stands currently. After they built the Hotel, the Town changed the Allowable Use Table to prohibit Hotels. During the time the plans were being made for the Hotel, the Town Administration was aware there was going to be a phase two of development on the lot. The Hotel was the first phase of commercial development. The specifics of the plan was not known by the Hyde's or the Town, but everyone had planned for additional square footage. Since the specifics were not known for phase II, they were not outlined in any kind of plan. The additions of phase two have always been talked about generally.

Rex stated the Hyde's came to him a few weeks ago with specific plans for phase II. Because of the changes to the Allowable Use Table, Rex has suggested a rezone, or overlay zone that would be able to allow what they are proposing tonight. He stated the Town has always been aware that there would be an expansion of the lodge and development. The septic tank and drain field were designed for this expansion. He turned the time over to the Hyde's to present their proposal for phase two.

Dakota prepared a short presentation to help the Planning Commission and Town Council visualize the proposal for the development.

Dakota stated in 2016 they submitted a Conditional Use Permit for a commercial style village that would provide for a variety of amenities and uses under Huntsville's Allowable Use Table. The Use Table was highlighted with desires for use and was submitted as part of the Conditional Use Permit Application. At the time, the hotel with less than 16 rooms was allowed. Also allowed was a hotel with more than 16 rooms. This is no longer the case. Dakota showed a picture of the site plan submitted in 2015 and there are three buildings. The first building with the Lodge, First Lift Coffee and Observatory, was built. The application that was approved included 2 additional mixed-use units yet to be built. Today, they are proposing a building number two. Dakota pointed out in the updated General Plan for Huntsville, updated December 2020, the plan refers to an additional building that would be built next to the Hotel by the same developer.

The Hyde's are applying for an SDP Overlay Zone because the current Allowable Use Table does not include hotel rooms. Dakota stated on their application for the SDP Overlay Zone they are applying for a condominium project that would allow mixed use. The development would need to allow for both commercial and transient lodging units. All units will be managed by the Compass Rose Lodge.

Dakota went on to describe the easement that was placed around the lot where the Hyde's have development. This reduced their ability to have four facades, they now have three facades. The building they are proposing faces South. There are three units on the bottom of the building. They are proposing the first room for a hot tub, massage, and exercise area. This type of area is highly requested by their guests. The additional two rooms on the bottom would be commercial units. Some of the possibilities for the space are pizza shop, small sundry and grocery shop, bistro to go, etc. The space would be for small businesses. All these uses mentioned are on the current Allowable Use Table. They would not need an additional zoning.

The second level of the proposed building is seeking six additional "hotel rooms." Mayor Truett asked if the rooms will have kitchens. Dakota said the rooms will have a sink, microwave, and fridge. The rooms would be more of a hotel suite.

Chairman Allen was wondering why, if this was in the original zoning, would they need to form an overlay zone. Ron Gault, who was the planning commission chair in 2016 said the Hyde's did not know the specifics of this part of the development. They have had a couple of years being open and now know their customers needs. In his opinion, what they are proposing today is much in line with what they proposed in 2016. The Planning Commission in 2016 wanted to see additional small commercial development that would also meet the Town resident needs.

Dakota also wanted to add that he spoke with the State's property rights ombudsman. The ombudsman suggested that the Hyde's were already vested to the Allowable Use Table in 2016 and that Allowable Use Table allowed for additional hotel rooms. He stated the Conditional Use Permit was still active. He suggested the Town ask for an opinion from Attorney Morris on whether the Conditional Use Permit was still in effect. The only detrimental effect in the agreement that they mitigated was "sound."

Chairman Allen wanted to ask the Hyde's about the parcel descriptions. The Hyde's parcel was split into two parcels. Dakota stated this was done for loan purposes. The Hyde's do not want to combine the parcels. Dakota stated the two parcels are separated because phase one and phase two are separate loans. They do not want the phase two project to be collateralized by phase one. Rex commented the Town did not know the parcel had been divided. He is suggesting the overlay zone be over both current lots because Huntsville Town does not recognize those lots as two lots. The County accepted the subdivision of the Hyde's without approval from the Town. Both PCM Sandy Hunter and Chairman Allen agree.

Rex is concerned about parcels or pieces being broken up and sold off to other ownerships that might not be subject to agreements the Town made with one ownership. Dakota stated

they were not advised by the Town leadership at the time that they needed to go through the process to subdivide. He would like the members here tonight to know that they have abided by the Development Agreement made with the Town. He believes that multiple ownerships would not have been allowed by their Development Agreement.

Mayor Truett asked what the timeline looks like. Jeff Hyde responded they would like to start construction by June 1st this year. TCM Richard Sorensen is concerned about the citizen response. He also expressed concern regarding the mechanics of the overlay zone. He stated in his recent experience with the overlay zone, the residents did not support it and the development did not go through. TCM Wendy McKay agreed with TCM Sorensen.

Mayor Truett asked Dakota about the definition of condominiums. Dakota stated he recognized there had been previously failed attempts at the overlay zone. He also stated he believed that referendums are not supported by the US Constitution. Dakota stated the condominiums is a legal term. It is a model that allows the Hyde's to have private owners of the units, whether private or commercial for each space. To clarify, he stated the units are not "decked out" like a residence. They will not have full kitchens and the rooms are not suited for full time living. Dakota wanted to state "for the record," their hotel is a condo hotel. There are several models of these "condo hotels." There is one 20 room inn in McCall, Idaho and there is one in Park City as well. Some rooms have private owners. Dakota stated they recognized that no one is going to stop the purchasing of second homes in the Valley. What they are offering is the opportunity for affordable second home ownership and then to have responsible management of the space by the hotel. The day-to-day transactions will look like hotel rental. The Compass Rose will be in charge of managing the space. In practicality, it is six additional rooms. Legally, it allows for a variety of ownership options.

TCM McKay wanted to know if this would be considered a time-share. She stated in the original proposal, the Hyde's included condos/residences that allowed those that wanted to live in Town without a yard. The community came out against the project and the Hyde's decided on a Hotel. TCM McKay wanted to know if this could still be in the plan. Dakota responded they really liked that idea, but the parcel size constraints do not allow for it on their parcel. The Hyde's would like see this kind of development on other commercial space in Town.

Meeting was adjourned at 6:58 p.m.


Beckki Endicott, Recorder