SUMMARY

John Kollman and Kent Buie are requesting to go through the zone change process and create a Master Development Agreement, in lieu of changing the zone, to develop the Vizion property, with multi-family housing. The Council provided feedback to the applicants desiring lower building height and density. The applicants have prepared 3 alternatives and is requesting a determination from the Council on whether one of the 3 alternatives will provide for a workable project to move forward with the MDA discussions.

The policy questions include the following:

1. Of the 3 alternatives, is there one that the council would be willing to move forward to an MDA with?
2. Is the Council willing to continue to move forward on an MDA on the Vizion property?
3. Is the proposed development the highest and best use of the property?
4. What changes or conditions on the development would the City Council require in such an MDA?

RECOMMENDATION

Staff is recommending the City Council review the alternative plans and determine whether the council is willing to move forward with the MDA process and if one of the 3 scenarios is acceptable to draft the MDA around.

BACKGROUND

On August 4, 2020 the Council provided feedback on the plan as follows:

- No apartments
- Reduce building height
- More commercial
The applicants have prepared 3 potential development concepts and is seeking council’s input on the plans to determine a plan in which the MDA can move forward.

DISCUSSION

3 SENARIOS

Concept 1

- 192 Total Units
  - 64 Townhomes (3 Bedrooms, 2 Car Garage)
    - Starting $259K Owner Occupied Sales Price
    - $1,550 starting rent
  - 128 Apartments (1-2 Bedrooms)
    - $1,050 starting rent – 1 Bedroom
    - $1,350 starting rent – 2 Bedrooms
  - 42% Open Space
  - 17.33 Units per acre
  - 10% Deed Restricted (6 TH units, 14 Apartments)

Concept 2

- 170 Total Units
  - 82 Townhomes (3 Bedrooms, 2 Car Garage)
    - Starting $329k Owner Occupied Sales Price
    - $1,700 starting rent
  - 88 Apartments (1-2 Bedrooms)
    - $1,150 starting rent – 1 Bedroom
    - $1,475 starting rent – 2 Bedrooms
  - 43% Open Space
  - 14.16 Units per acre
  - 10% Deed Restricted (8 TH units, 9 Apartments)

Concept 3

- 164 Total Units
  - 100 Townhomes (3 Bedrooms, 2 Car Garage)
    - Starting $344k Owner Occupied Sales Price
    - $1,825 starting rent
  - 64 Apartments (1-2 Bedrooms)
    - $1,175 starting rent – 1 Bedroom
    - $1,525 starting rent – 2 Bedrooms
  - 46% Open Space
  - 13.66 Units per acre
  - 10% Deed Restricted (10 TH units, 6 Apartments)

The different scenarios make trade offs to make the concepts work. The lower the density, the less affordable the products will have to be to make the project feasible.

FISCAL IMPACT

N/A

CONCLUSION
The applicants are seeking a determination from the council on a possible project that would keep the project moving forward to an MDA with the City. Staff is requesting the council identify a project concept that the Council would further entertain.

ALTERNATIVES

Not an action item.

POTENTIAL MOTIONS

Not an action item.

ACCOUNTABILITY

Department: Planning Department
Staff Member: Jamie Baron

EXHIBITS

1. 3 Scenarios
2. August 4, 2020 Staff Report
Exhibit 1
OLD MILL VILLAGE CONCEPT
HEBER, UT

GREGORY 6-PLEX UNITS: 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
GREGORY UNITS GARAGE PARKING: 120
GREGORY UNITS OTHER PARKING: 128
GREGORY UNITS TOTAL PARKING PROVIDED: 256

MILLER 16-PLEX UNITS (NW GROUP): 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
PARKING PROVIDED: 144

MILLER 16-PLEX UNITS (SE GROUP): 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
PARKING PROVIDED: 144

CLUBHOUSE
PARKING PROVIDED: 24

LAND TOTAL = 522,833 SF = 100%
(NOT INCLUDING FUTURE ROAD OR COMMERCIAL PARCELS)

LANSCAPING = 215,732 SF = 41.3%
ASPHALT/CONCRETE = 205,833 SF = 39.4%
BUILDINGS = 101,168 SF = 19.3%
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN.

GREGORY 4, 6 and 8-FLEX UNITS: 100
REQUIRED PARKING: 275 (2.25 SPACES PER UNIT)
GREGORY UNITS GARAGE PARKING: 200
GREGORY UNITS OTHER PARKING: 200
GREGORY UNITS TOTAL PARKING PROVIDED: 400

MILLER 15-FLEX UNITS (NI GROUP): 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
PARKING PROVIDED: 144

FLATHOUSE PARKING PROVIDED: 24

LAND TOTAL = 522,833 SF = 100%
NOT INCLUDING FUTURE ROAD OR COMMERCIAL PARCELS

LANDSCAPING = 241,875 SF = 46.2%
ASPHALT/CONCRETE = 170,510 SF = 37.2%
BUILDINGS = 110,448 SF = 21.1%

GREGORY D. BROWN - OWNER/PRINCIPAL DESIGNER  CELL: 801.735.6314
295 WEST CENTER STREET  E-MAIL: greg@LegacyHomeDesign.com  WEBSITE: LegacyHomeDesign.com
Concept 1

- **192 Total Units**
  - **64 Townhomes (3 Bedrooms, 2 Car Garage)**
    - Starting $259K Owner Occupied Sales Price
    - $1,550 starting rent
  - **128 Apartments (1-2 Bedrooms)**
    - $1,050 starting rent – 1 Bedroom
    - $1,350 starting rent – 2 Bedrooms
  - **42% Open Space**
  - **17.33 Units per acre**
  - **10% Deed Restricted (6 TH units, 14 Apartments)**

Concept 2

- **170 Total Units**
  - **82 Townhomes (3 Bedrooms, 2 Car Garage)**
    - Starting $329k Owner Occupied Sales Price
    - $1,700 starting rent
  - **88 Apartments (1-2 Bedrooms)**
    - $1,150 starting rent – 1 Bedroom
    - $1,475 starting rent – 2 Bedrooms
  - **43% Open Space**
  - **14.16 Units per acre**
  - **10% Deed Restricted (8 TH units, 9 Apartments)**

Concept 3

- **164 Total Units**
  - **100 Townhomes (3 Bedrooms, 2 Car Garage)**
    - Starting $344k Owner Occupied Sales Price
    - $1,825 starting rent
  - **64 Apartments (1-2 Bedrooms)**
    - $1,175 starting rent – 1 Bedroom
    - $1,525 starting rent – 2 Bedrooms
  - **46% Open Space**
  - **13.66 Units per acre**
  - **10% Deed Restricted (10 TH units, 6 Apartments)**
Exhibit 2
City Council Staff Report

MEETING DATE: August 4, 2020
SUBJECT: Old Mill Village (Kollman Farms) MDA
RESPONSIBLE: Jamie Baron
DEPARTMENT: Planning Department
STRATEGIC RELEVANCE: Community and Economic Development

SUMMARY

John Kollman and Kent Buie are requesting to go through the zone change process and create a Master Development Agreement, in lieu of changing the zone, to develop the Vizion property, with multi-family housing. The development concept has been revised to consists of 128 apartments and 64 townhomes with a gross density of 12.66 units per acre. This is reduction in density with the removal of the 16-plex along Hwy 40.

The policy questions include the following:

1. Is the proposed development the highest and best use of the property?
2. What changes or conditions on the development would the City Council require in such an MDA?

RECOMMENDATION

Staff is recommending the City Council discuss the MDA outline and process and provide feedback to the applicant and staff in anticipation of preparing an MDA for Council review.

BACKGROUND

Kent Buie came to both the Planning Commission and City Council to discuss the idea of using a Master Development Agreement (MDA) for a mixed use development in lieu of changing the zoning. The planning commission was supportive of the MDA as long as it addressed traffic, housing density, and promoted owner occupancy. The Council indicated that they would be willing to entertain the process. The timeline of the multiple meetings is outlined in the June 16, 2020 staff report (Exhibit 3).

During those discussions, Mr. Buie indicated that with the site considerations, commercial was not the highest and best use. Mr. Buie presented the idea of a mixed use development with commercial on the highway with mixed residential tiers that would taper to the adjacent uses.
This request is for the MDA, which will include the rear portion of the property that is proposed to be multi-family residential.

On June 16, 2020 the Council discussed the request and provided the following feedback

- Commercial along the frontage of Hwy 40
- Concerns about addressing the General Plan and the Primary use of the Neighborhoods with Open Space
- Height not to exceed 3 stories
- Affordable housing

The applicant has made some changes to their plan to address commercial concerns discussed by the council and is requesting to continue the discussion with the Council.

DISCUSSION

MODIFICATIONS

The applicants have modified the concept plan and densities based on the feedback from the Council. The following shows the changes between the new concept and the previous concept.

<table>
<thead>
<tr>
<th>Item</th>
<th>New Concept</th>
<th>Previous Concept</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Density</td>
<td>12.66 (gross)*</td>
<td>14.7 (gross)*</td>
<td></td>
</tr>
<tr>
<td>Apartments</td>
<td>128 units</td>
<td>140 units</td>
<td>-12 units</td>
</tr>
<tr>
<td>Town Homes</td>
<td>64 units</td>
<td>64 units</td>
<td>None</td>
</tr>
<tr>
<td>Open Space</td>
<td>41.3% of residential</td>
<td>43.6% of residential</td>
<td>-2.3 % of residential</td>
</tr>
<tr>
<td>Commercial Land</td>
<td>2 acres</td>
<td>1.02 acres</td>
<td>0.8 acres</td>
</tr>
<tr>
<td>Height</td>
<td>3.5 Stories</td>
<td>3.5 Stories</td>
<td>None</td>
</tr>
<tr>
<td>Parking</td>
<td>568 stalls</td>
<td>591 stalls</td>
<td>-23 stalls</td>
</tr>
</tbody>
</table>

*based on total project area, including commercial and road

FISCAL IMPACT

N/A

CONCLUSION

Kent Buie and John Kollman are seeking approval on a Master Development Agreement that would allow them to develop multifamily housing in the C-2 Zone rather than a zone change. Staff and the applicant have created an MDA outline of conditions for consideration of approval. Staff and the applicant are seeking feedback from the Council in preparation of writing the MDA for Council review.

ALTERNATIVES

Not an action item.
POTENTIAL MOTIONS

Not an action item.

ACCOUNTABILITY

Department: Planning Department
Staff Member: Jamie Baron

EXHIBITS

1. Revised Site Plan
2. Applicant’s written proposal
3. June 16, 2020 Staff Report
Exhibit 1
OLD MILL VILLAGE CONCEPT
HEBER, UT

GREGORY 6-PLEX UNITS: 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
GREGORY UNITS GARAGE PARKING: 128
GREGORY UNITS OTHER PARKING: 128
GREGORY UNITS TOTAL PARKING PROVIDED: 256

MILLER 16-PLEX UNITS (NW GROUP): 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
PARKING PROVIDED: 144

MILLER 16-PLEX UNITS (SE GROUP): 64
REQUIRED PARKING: 144 (2.25 SPACES PER UNIT)
PARKING PROVIDED: 144

CLUBHOUSE
PARKING PROVIDED: 24

LAND TOTAL = 522,833 SF = 100%
(NOT INCLUDING FUTURE ROAD OR COMMERCIAL PARCELS)
LANDSCAPING = 215,732 SF = 41.3%
ASPHALT/CONCRETE = 205,933 SF = 39.4%
BUILDINGS = 101,168 SF = 19.3%
OVERVIEW

THE OLD MILL VILLAGE

AT SOUTH TOWN

HEBER, UTAH

PROPOSED

MIXED-USE PLANNED COMMUNITY

NEIGHBORHOOD COMMERCIAL

APARTMENT LIVING

LIFESTYLE TOWN HOMES

PLANNED COMMUNITY

JURA HOLDINGS, LLC

FIG DEVELOPMENT
TABLE OF CONTENTS

INTRODUCTION

SECTION 1 – LAND FORM -GEOMETRY

SECTION 2 – HIGHWAY FRONTAGE/ACREAGE

SECTION 3 – UDOT HIGHWAY 40 ACCESS NEGOTIATIONS

SECTION 4 - C-2 ZONING/HEBER CITY/COMMERCIAL DEVELOPMENT

SECTION 5 – AN ORGANIC APPROACH - COMMERCIAL DEVELOPMENT STRATEGY

SECTION 6 - CONCEPT PLAN – MIXED-USE – RESIDENTIAL + COMMERCIAL

SECTION 7 – COMMERCIAL LOTS

SECTION 8 - AFFORDABLE UNITS/AFFORDABLE PRICING

SECTION 9 – COMMON AREAS
INTRODUCTION

The best way to understand something is to begin from the ground up. To that end the Old Mill Village Overview is an attempt to lay a foundation of understanding of the divergent parts of a complex site.

The southeast quadrant of the city has a history and an image, both contribute to unique characteristics that attract and repel.

Ultimately, it will be necessary to harness the considerable assets within the Highway 40 corridor and to mitigate elements that have historically constrained the area from becoming a vibrant commercial district.

The Overview attempts to explain the differences and offer solutions.
While Highway 40 is an efficient throughway to eastern Utah and beyond, its angular alignment is at odds with the right-angled NSEW grid system that governs the road.
system and property lines of Heber City. The result of this orientation is a series of disorganized, small, irregular parcels which are difficult to properly plan and develop. Such parcels could be considered left-over land that was segregated from its original track parcel during the development of Highway 40. This is often the case with most UDOT projects, leaving residual parcels to be dealt with by others or held as surplus by the Department of Transportation.

Without a concerted effort to combine related properties into a cohesive and understandable whole, it will continue to be difficult to attract quality commercial users or attain critical mass in order to foster other essential elements required to attract a new class of user. Under current conditions the Highway 40 corridor will continue to underproduce and the desire of city planners and governing boards will not be achieved.

As depicted in EXHIBT 1, the combination of properties associated with the subject property is an example of the challenges encountered when attempting to create new developments. However, if assembled and properly reorganized, such properties may collectively combine to create a more functional parcel, as opposed to attempting to develop each parcel one property at a time.

The Wasatch County Web Map below outlines the subject property and further displays surrounding parcels consisting of the residual properties described above.

SUBJECT PROPERTY – WASATCH COUNTY WEB MAP – EXHIBIT 1
SECTION 2 - HIGHWAY FRONTAGE/ACREAGE

The subject property contains two primary properties

Acreage

- 12.9-Acres - Vizion Trust
- 2.0-Acres – KayBray
- 14.9-Acres Total

Frontage Distance
The Vizion property contains 124 feet of highway frontage

The Kaybray property contains 300 feet of highway frontage

The combined frontage equals 424 feet of highway frontage

**COMBINED SURVEY– EXHIBIT 2**

**SECTION 3 - UDOT HIGHWAY 40 ACCESS NEGOTIATIONS**

At first encounter, UDOT denied the development of an intersection along Highway 40 effectively terminating Saw Mill Blvd at its current location. After further discussion with the Heber City Engineer, UDOT consented to a right-in/right-out only intersection. While the RI/RO configuration was, at least an access to the highway, it was considerably less than the City Engineer had anticipated.

Ultimately, UDOT consented to a 3-way intersection *if* the SMB point of access was relocated westward to align with an existing drive on the south side of the highway.
Under the 3-way configuration, southbound left turns from SMB will be prohibited. A raised "pork chop" median will be constructed at the intersection to bar left turning traffic from entering the highway.

While the 3-way configuration is far superior to the no access or right-in/right-out option, it will limit the appeal for certain commercial/retail users.
HIGHWAY 40 - INTERSECTION LAND SWAP

To facilitate the 3-Way intersection at Highway 40, Saw Mill Blvd was shifted westward to vacant land commonly referred to as Strawberry Storage. This property is not under the control of the developer. Following a period of discussion, the Developer and Strawberry Storage each agreed to exchange land to accommodate the alignment.

It was further agreed that the Developer will perform the following:

- Provide Strawberry Storage a new primary access on Saw Mill Blvd along the east property line
- Construct and fund all improvements associated with constructing the SMB roadway and all required improvements on Highway 40

By relocating the access from the Developer’s property to the Strawberry Storage land, the Developer lost one commercial lot. However, Strawberry Storage gained viable commercial access creating considerable benefit and value.

In the existing triangle shape, the Strawberry Storage parcel has limited commercial potential. However, the Strawberry Storage land is now part of a cohesive plan that increases functionality and appeal. It ties together three individual residual parcels that have the potential to serve as the southern gateway to the Saw Mill project. The proposed realignment not only benefits the proposed project, it benefits all properties within the SMB and Mill Road district.

Additionally, in the process of assembling and exchanging land and redesigning the Highway 40 access the useable frontage and acreage expands as follows:

- Original frontage / acreage – 424 feet – 2.00 acres
- Combined frontage / acreage – 1,243 feet – 4.80 acres

COMMERCIAL FRONTAGE EXPANSION – COOK PROPERTY

An added benefit of the commercial realignment and the cluster of reorganized properties, the developer’s 2.0-acre commercial property is situated contiguous to the existing Cook property on its east boundary. If the Cook property is developed at a future date, this adds an additional 5.95-acres extending east to the 2400 South intersection.
LAND ASSEMBLAGE – HIGHWAY 40/SAWMILL ROAD ACCESS – EXHIBIT 5
SECTION 4 - C-2 ZONING/HEBER CITY/COMMERCIAL DEVELOPMENT

Considerable discussion within the community has occurred with respect to preserving commercially zoned land for future commercial use. The recently adopted General Plan is an attempt to guide land-use within the limits of Heber City in ways citizens and leaders deem to be in the best interest of the community up to the year 2050.

A General Plan serves as a guide that sets forth a vision for future growth and provides a set of principles and objectives that guide that growth. However, not all properties sited within the scope of the General Plan possess the right attributes to conform to all of the guiding principles or generalized land-uses.

By definition, a General Plan is a document which provides guidance in a general form. The primary function, and perhaps its genius, is the broad overview of how the authors of the plan intend to guide the future path of growth within the community. It does not, however, offer precise instruction on how any one property or development is to be planned. To achieve that goal, detailed specifications and requirements are found in zoning ordinances or by agreement between the City and an applicant.

Over the past eighteen months, the Developer has carefully evaluated the subject property by reaching out to the principles and analyst involved in producing the January 2020 Lewis Young Robertson & Burningham study to seek clarification on a number of findings contain within the study and to learn if there were subsequent updates to the since its publication. The LYR&B study provides an analysis of the commercial demand for goods and services, types of commercial users, as well as a comparison of the availability of commercial land within the total acreage currently zoned for commercial use throughout the trade area. Provided below are selected excerpts from the LYR&B Analysis.

HEBER CITY

LAND USE & MARKET ANALYSIS SALES LEAKAGE ANALYSIS

JANUARY 2019

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

SECTION 1 – EXECUTIVE SUMMARY – PAGE 3

The City currently has 282 undeveloped commercially zoned acres. Assuming 43 acres will be absorbed by the mixed- use developments over the next 10-20 years, the City will still have 238 acres of
undeveloped commercial land to meet new development needs. The current Annexation Plan contemplates the need for an additional 378 acres of commercially zoned land for a total of 616 acres. This represents almost double the supportable acreage of Scenario 2 and 11 times the supportable acreage in Scenario 1 which may suggest the City’s current and anticipated zoning exceeds the supportable acreage.

Commercial and retail development in the City must be strategic and in some cases is not best addressed by sprinkling commercial and retail into every development but rather by concentrating on clustering and co-tenancy where retailers and other commercial development is most likely to be successful long-term.

SECTION 14 – MARKET CONDITIONS – PAGE 17

Industry experts have expressed concern with selling and leasing retail in Heber. Local commercial real estate group CBRE reported retail acreage in the City’s Gateway (1200 SOUTH HWY 40 CORRIDOR) development going through two real estate cycles and taking numerous years to be sold. These difficulties persisted despite the development’s location as one of the best locations in Heber with the best visibility and the highest traffic counts in the County. By the numbers, CBRE reported that it took 10 years to absorb 25 acres in the Heber Gateway Development. Companies including Rocky Mountain Care, IHC, Tractor Supply and Best Western Hotel are among those to finally fill the available commercial space. CBRE further reported its concern that commercial property in less desirable areas of the Heber Valley may take up to 20 years to absorb based on the difficulty to fill prime locations.

The Chamber regularly visits with businesses exploring the area, and retailers have expressed a hesitancy to locate to Heber because of the high lease rates and the fear of being unsustainable. National chains that are positioned to make a long-term investment by purchasing land and buildings have come into the area but entities looking to lease currently have less of an appetite for the region. The Chamber is supportive of the City establishing a retail strategy to address the City’s overall needs and market capacity, as opposed to driving retail through rezoning and high-density developments.

To add to the LYR&B study, the article below confirms the difficulty other nearby communities experience when attempting to attract the same users referenced in the General Plan.

PARK CITY TECH CENTER – “FAILED TO MEET STANDARDS”

Excerpt from the Park Record – May 1, 2020 – “The land is governed by a 2008 development agreement that allows about 1.3 million square feet of development, though the land remains largely untouched. Most proposals in the intervening decade have failed to meet the standards outlined in the development agreement, which requires projects conform to the planned tech center use.”

In neighboring Summit County the aspirations of attracting high-tech firms to its expansive Kimball Junction project has largely failed due to the lack of interest from the tech sector to the opportunity to locate operations in the Park City/Summit County trade area.
The County is currently reviewing plans to redesign the project to market friendly uses that include affordable housing, general office and possible commercial uses.

The situation in Summit County is instructive as it provides an example of the selective nature of certain user types and narrow scope used in site selection of national and regional users, notwithstanding the abundantly favorable site and location offered at Kimball Junction.

It is an overstatement to refer to the subject property as “prime” commercial real estate. Given the complexities associated with issues of odd geometry, inadequate frontage, small angular parcels and independent ownership of small disorganized parcels, the Highway 40 corridor at and near the subject property is significantly inferior to Gateway project (which has experienced a decade of slow absorption) referred to in Lewis Young study mentioned above.

Taking these findings into consideration, along with information provided by trusted commercial real estate professionals active in the Heber City market, the conclusion is, it is highly unlikely that this particular cluster of properties will attract the type of big box, lifestyle and high-tech businesses referenced in the General Plan.

However, as an alternative to waiting for these types of users to materialize, another marketing and development strategy may combine the best attributes the south town area has to offer. This approach would capitalize on the inherent strengths of high visibility and UDOT approved access along the Highway 40 corridor.
SECTION 5 – AN ORGANIC APPROACH - COMMERCIAL DEVELOPMENT STRATEGY

Another strategy to consider could be to offer a limited number of commercial lots along the highway frontage targeted to local users capable of procuring SBA financing to construct facilities and operations.

This more organic approach to absorption allows tenants and users to come to the property as population growth continues and demand for the goods and services offered by local businesses in the area builds. Under this scheme the holding period for the developer is considerably longer and the risks are higher due to reasons mentioned previously.

It is important to understand attempting to develop commercial property beyond roughly 200 – 250 feet of depth from the highway frontage will carry considerable risk resulting from:

- Relatively low visibility and insufficient traffic
- Reduced quality of the tenant/user
- Lower lease rates/per square foot land values
- High infrastructure costs associated with constructing Saw Mill Blvd and Mill Road improvement
- Difficulty in obtaining commercial bank financing
- Extended multi-year absorption period necessary to close out the investment
- Access limitations resulting from UDOT approved 3-way intersection on Highway 40

TARGET USER

With the proposed access alignment along the highway established locally oriented commercial users may have interest in smaller parcels to expand operations and sales. These users are generally more price sensitive than larger national and regional operators However, they are often not a good fit for developers considering developing small projects due to the tenants restrained budgets, lack of liquidity and operational
history. As mentioned previously, a combination of these factors creates impediments to obtaining financing from commercial banks at favorable rates.

Regardless, communities with expanding populations will ultimately see organic growth from within as the community grows.
SECTION 6 - CONCEPT PLAN – MIXED-USE – RESIDENTIAL + COMMERCIAL

OLD MILL VILLAGE MIXED-USE CONCEPT PLAN – EXHIBIT 6

RESIDENTIAL UNIT MIX

- **64 Townhomes** - 3 Bedroom: Square footage: 1,470 SQ. FT. living space + 410 SQ. FT. 2 Car Garage

- **For Sale Townhomes Estimated Pricing**: 42 Units (3 Beds w/2 Car Garage) - $249,900 (Base) - $319,000 (Maximum Upgraded)

- **Townhome Rental Unit Estimated Pricing**: 22 (3 Beds w/2 Car Garage) - $1,450 (Base) - $1,550/month (Max Upgraded)
128 Apartments – 1 & 2 Bedroom Apartments - Square footage: 850 SQ FT. (1 Bedroom) - 1,079 SQ FT. (2 Bedroom)

Rental Units Estimated Pricing:

- 22 Units (3 Beds w/Garage) - $1,450 - $1,550/month
- 100 Units (2 Beds): $1,150 - $1,300/month
- 28 Units (1 Beds): $995 - $1,149/month
The proposed Old Mill Village concept plan contemplates the development of commercial property along the highway frontage in three categories:

- **PRIMARY FRONTAGE** – 2.00-acres on the east corner of Highway 40/Saw Mill Blvd. developed as part of the mixed-use concept of the Old Mill Village project (two parcel assemblage) – 424 frontage feet

- **SECONDARY FRONTAGE** – 2.50-ACRES located on the west corner of Highway 40/Saw Mill Blvd. referred to as the Strawberry Storage parcel. This is *not* a part of the Old Mill Village Concept Plan – 500 frontage feet
- **TERTIARY FRONTAGE** – 3.00-ACRES contiguous to the east boundary of the PRIMARY FRONTAGE referred to as the Cook Parcel extending east to 2400 South intersection – 600 frontage feet.

**EXTENDED FRONTAGE – KEYSER COMMERCIAL** – While not within the immediate sphere of the subject property, the Keyser 5.95-ACRES extending east on the highway substantially increases commercial frontage between two UDOT proposed signalized intersections at 2400 South and Mill Road. While this property is not directly associated with the subject property and contiguous secondary parcels, it adds to the critical mass of commercial offerings within the South Town District.

**AGGRAGATED COMMERCIAL FRONTAGE – EXHIBIT 8**
100% AFFORDABILITY

In an effort to meet the demand of the increasing cost of housing within Heber City, Old Mill Village is dedicated to allocating 100% of the proposed project to affordably priced rents and sales price.

Deed restricting 10% of all units to 80% of the Average Median Income of Wasatch County

- Offering lease rates for all apartments and townhomes on unrestricted units at 80% of the AMI

- Pricing Town Homes starting at $249,000 – 1,470 SF – 3 BD – 2 BATH – 2 CAR ENCLOSED GARAGE
Qualifying Incomes - Average Median Income: Per the 2017 Wasatch County Study
- Wasatch County Median Income: $71,337
- Heber City Median Income: $60,171
- 80% Heber Median Income: $48,137
- 80% - 90% AMI Affordable Housing Allocation: $1,203 - $1,554/month.
- 80% - 90% AMI Affordable Home Price Range: $200,186 - $255,275
SECTION 9 – COMMON AREAS

In addition to providing affordable units across all residential offerings at Old Mill Village, an impressive array of amenities will be provided.

COMMON AREA PLANNED FACILITIES

- FULL SIZE SWIMMING POOL + HOT TUB
- FULLY FURNISHED CLUB HOUSE
- CHILDREN’S PLAYGROUND
- LANDSCAPED STREETSCAPE – SAW MILL BLVD
SECTION 10 – BUILDING HEIGHTS COMPARISON

SAMPLE 2-STORY HOME COMPARISON – EXHIBIT 10
SECTION 11 - GENERAL PLAN – SECTION 10 – QUALITY NEIGHBORHOODS

MIXED-USE + OPEN SPACE + UNIT MIX

- 2.00-ACRES COMMERCIAL
- 7.50-ACRES APARTMENTS - 128 UNITS (SEE RENT SCHEDULE BELOW)
- 6.50-ACRES TOWN HOMES - 64 UNITS (SEE PRICE SCHEDULE BELOW)
- 4.95-ACRES OPEN SPACE – 41.3%

(NOTE: ACRES CALCULATED ON GROSS ACREAGE)

GENERAL PLAN - INCLUSIONARY HOUSING – MIHP

- 100% AFFORDABLE PRICED UNITS – 80% AMI – 192 UNITS
- 10% DEED RESTRICTED UNITS – 80% AMI – 19 UNITS – 13.8% MIHP 5-YR

AFFORDABLE HOUSING MUNICIPAL INCENTIVES

The applicant will not request FINANCIAL ASSISTANCE from general fund expenditures to waive or reduce construction related fees that are otherwise generally imposed by the City for relief, including the items listed below:

- BUILDING PERMIT FEES
- IMPACT FEES
- MUNICIPAL BONDS
- PROPERTY TAX ABATEMENT
- OTHER FEES COMMONLY ASSOCIATED WITH SIMILAR TYPE PROJECTS

The City will not be required to enter into partnerships with non-profit organizations and developer to obtain new funding sources to implement its affordable housing policies on this development.
SECTION 11 – COMPATIBILITY – GENERAL PLAN - FUTURE LAND USE CATEGORIES

NOS - NEW NEIGHBORHOODS WITH OPEN SPACE

PRIMARY USE – SINGLE-FAMILY DWELLINGS

On the Exhibit above, the General Plan identifies a triangular parcel notating the line between the NOS and ST as designated areas that stretches across the northeast corner of the subject property. While the line marks the separation of the NOS and ST designations, it also marks the transition in land use of neighboring properties from purely residential and agricultural land use, similar to the Saw Mill project, to quasi-commercial uses; primarily storage units located on the Cummings property and a new storage unit development currently under construction on a neighboring parcel to the southeast.

Since home ownership generally fosters a higher sense of pride in ownership it is not the general practice to place single family neighborhoods adjacent to storage units and light industrial facilities.
Also, the NOS line runs at an angle on a southeasterly tangent, creating another odd shaped triangular residual parcel that is characteristic of many of the Highway 40 parcel types referred to earlier in Section 1 – LAND FORM – GEOMETRY. The irregular shape of this area will create similar planning and development challenges.

That said, the General Plan does contemplate that its guidelines are not designed as a one-size-fits-all proposition. And wisely, the authors of the plan contemplated there would be variances in the application of land use due to a wide range of variables on the ground. It is for this purpose that SECONDARY uses were proscribed within in the plan.

**TOWNHOMES, SMALL LOT AND ATTACHED HOUSING – SECONDARY USE**

As a SECONDARY application, the proposed plan consists of attached housing with six 6-plex buildings consisting of three-bedroom units with double car garages containing 1,470 square feet of living area.

Townhomes are more adaptable to surrounding land uses and seems to be a better fit in the NOS area at this location.

**Given the conditions existing at this location it is proposed that the inclusion of townhomes and considerable open space as a secondary use is justified.**
The NOS area designated within the proposed concept plan consists of approximately 3.8-acres containing 38 townhomes.

- Area – 3.8-Acres
- Units – 38-Townhomes
- Density – 10 units per acre

Ten units per acre appears to conform to the recommended density range of 3-20 units per acre in the DENSITY/RANGE section of the General Plan.
TOWNHOMES

All Sixty-four (64) townhome units are configured as follows.

- Total Building Height to Ridgeline 28’ 10”
- Total Building Height to the Square 17’ 6”

SAMPLE SINGLE FAMILY DWELLING (AS DEPICTED IN EXHIBIT 00)

- Total Building Height to Ridgeline 28’ 0”
- Total Building Height to the Square 17’ 6”

NOTE: Heber City Code allows maximum building height to 38’ at the ridgeline

APARTMENTS - FLATS
Where many apartment buildings rise two or more levels, they generally take the shape of a rectangle lying on the long side. This configuration tends to draw the eye to its height and mass similar to the recently completed buildings on 1200 South in Heber.

In an attempt to mitigate the impact of a fully proportional angular elevation, the developer, architect and members of the Heber Planning Commission collaborated to refine several iterations of the building by dropping the edges, or shoulders, of the building to eliminate the squared off appearance. Suggestions were then offered to reduce the ridgeline effect by converting a squared off roof line to a hip roof; shortening the ridgeline at the highest point to 15 feet of length. The architect then reconfigured the unit mix per floor by placing one-bedroom units on the upper level reducing the overall floor area, thereby dropping building ends by one floor.

Along with other suggested refinements, including material selection and color combinations, the building now displays a stepped-down look that reduces mass and overall height. The building reads more like a smaller structure while achieving a pleasing and attractive appearance.

<table>
<thead>
<tr>
<th>Total Building Height at Ridgeline (15” ridgeline length)</th>
<th>46’ 6” – 3.5 Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Building Height at Building End Cap</td>
<td>28’ 6” - 2.5 Levels</td>
</tr>
<tr>
<td>Total Building Height Average (Less than SF allowed – 38’)</td>
<td>36’ 8” - 2.8 Levels</td>
</tr>
</tbody>
</table>

The proposed apartment buildings substantially conform to the SCALE recommendations of the General Plan.
OPEN SPACE

The open space allocation on the NOS designated property:

Area – 3.8-acres
Open Space – 1.6-acres
Ratio – 34%

There appears to be significant open space within the NOS designated property under the proposed plan. The plan conforms to the General Plan Key Characteristics recommendation with respect to open space.

ST – SOUTH TOWN - SUMMARY

The primary uses in the Future Land Use Categories Section of the General Plan under the South Town designation are as follows:

PRIMARY –

- Regional Commercial
- Office
- Health Services
- Light Manufacturing
- Tech Businesses

Exhibits contained within the Envision 2050 General Plan depict the general areas designated within the South Town District. The overall reach of the ST District extends east to include most of the lands west of the Saw Mill district and south of the Gateway development extending into the industrial area of the City of Heber.
The Lewis Young Roberts & Burningham, January 2019 Study considers the Gateway District to be “one of the best locations in Heber with the best visibility and the highest traffic counts in the County”, and yet, “CBRE reported that it took 10 years to absorb 25 acres in the Heber Gateway Development.”

The study also mentions the concerns of industry professionals active in the Heber market, along with members of the Chamber of Commerce over the long-term growth of significant commercial development in Heber City. To add to these opinions is the fact, as pointed out by LYR&B the City is over allocated by 200% by one measure and 1,100% by another. Sections 3-6 herein more fully detail the factors leading to this concern.

Ultimately, the overall trade area will expand and, with that growth, will come demand for the goods and services required to support the population of the area. However, only the best properties will benefit from the expected increase in population. LYR&B noted sprinkling commercial development throughout the community is not a formula for success. Rather, strategic and careful planning of commercial centers with suitable co-tenancy, high visibility and ease of access will appeal to shoppers, business owners and quality retailers. A significant number of inferior locations will not succeed.

It will be difficult for experienced investors, developers and commercial users to act contrary to the findings and recommendations contained within the LYR&B Study.

However, this is not to say all of the subject property is unsuitable for some of the Primary uses referred to in the FUTURE LAND USE CATEGORIES. In fact, the highway frontage could well be a catalyst for a scaled-down commercial corridor targeted at local businesses seeking locations to grow operations.

Again, by assembling inefficient parcels and combining access to the highway, the South Town District, at and near, the proposed property significantly increases the appeal to users.

It is the opinion of Economic Development and Business Recruitment professionals that the location of the subject property is not an attractive option for the recruitment of regional commercial and office users. But, it is believed that there are users within a range of commercial users that find success in time if the right product is offered.
Exhibit 3
SUMMARY

John Kollman and Kent Buie are requesting to go through the zone change process and create a Master Development Agreement, in lieu of changing the zone, to develop the Vizion property, with multi-family housing. The development consists of 140 apartments and 64 townhomes with a density of 14.7 units per acre.

The policy questions include the following:

1. Is the proposed development the highest and best use of the property?
2. What changes or conditions on the development would the City Council require in such an MDA?

RECOMMENDATION

Staff is recommending the City Council discuss the MDA outline and process and provide feedback to the applicant and staff in anticipation of preparing an MDA for Council review.

BACKGROUND

Kent Buie came to both the Planning Commission and City Council to discuss the idea of using a Master Development Agreement (MDA) for a mixed use development in lieu of changing the zoning. The planning commission was supportive of the MDA as long as it addressed traffic, housing density, and promoted owner occupancy. The Council indicated that they would be willing to entertain the process. The timeline of the multiple meetings is outlined in Exhibit 1.

During those discussions, Mr. Buie indicated that with the site considerations, commercial was not the highest and best use. Mr. Buie presented the idea of a mixed use development with commercial on the highway with mixed residential tiers that would taper to the adjacent uses.

This request is for the MDA, which will include the rear portion of the property that is proposed to be multi-family residential.
DISCUSSION

DENSITY

The overall property is 15.17 acres (including the portion of road in the plat), with 1.02 acres in the commercial development. The residential site plan contains 14.19 acres (including the road). With 204 total units, the net density of residential portion is 15.7 units per acre, with a gross density of 14.38.

USES

Stacked Flats – 140 units of stacked flats within 8 – 3.5 story buildings and 1 – 2.5 story building. These units are proposed to be rentals, including the affordable housing. They include 3.2 parking stalls per unit, including some for rent garages. 3 of the 4 buildings are adjacent to a club house and central open space area. The 4th building does have adjacent open space.

Town Homes – 64 units of two story town homes. Each unit has a two car garage. The units are alley loaded and front on open space areas.

There are no commercial uses as Lot 1 is provided for commercial to ensure the commercial space is not just used for residential.

Neighboring Uses – On the west side of Sawmill Blvd are Townhomes. On the east side of Sawmill Blvd are Live/Work Town homes, twin homes, and cottage lots as you get closer to Mill Road.

LAYOUT

The City and petitioners have been working with UDOT on the location where Sawmill Blvd could intersect Hwy 40. This has pushed the intersection further up Hwy 40 to preserve a ¾ access, which will allow a right and left in and a right out only. The site plan is shown in Exhibit 2.

ELEVATIONS

The applicants initially proposed a 4 story apartment building. The Planning Commission has been working with the applicants to bring the height down to a 3.5 story buildings and placing the 2 bedroom units on top to decrease the massing of the top floor of the building and to create better architecture. Elevations are shown in Exhibit 3.

GENERAL PLAN

The Council adopted the Envision Heber 2050 Vision and General plan on March 17, 2020. The majority of this property is identified as South Town with the NE corner as Neighborhoods with Open Space.

The land use designations are as follows:
<table>
<thead>
<tr>
<th>District Type</th>
<th>Uses</th>
<th>Density Range / Scale (gross acreage)</th>
<th>Key Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Town Center (ST)</td>
<td><strong>Primary:</strong> regional commercial/office uses, health services, light manufacturing and tech businesses <strong>Secondary:</strong> medium to high density residential</td>
<td>14 to 20 units per acre Up to 3 story heights</td>
<td>A mix of businesses catering to the regional larger scale needs of Wasatch County. Includes big box retail opportunities.</td>
</tr>
<tr>
<td>New Neighborhoods with Open Space (NOS)</td>
<td><strong>Primary:</strong> SFDs <strong>Secondary:</strong> townhomes, small lot and attached housing</td>
<td>3 to 20 units per acre Overall property base densities, established by the North Village Overlay Zone may be transferred to adjacent Villages to create open space. 2-3 story height limit</td>
<td>Small lot clusters, townhomes and open space achieved through clustering and generally located adjacent to centers</td>
</tr>
</tbody>
</table>

**PROCESS**

**Section 18.12.190** outlines the process for the amending of Title 18 and the Zoning Map. Per **Section 18.12.190**, text amendments to the code require a public hearing at the Planning Commission, Planning Commission recommendation, and approval by the City Council.

**Staff Finding: Consistent.** *The Planning Commission held a public hearing on May 12, 2020 and unanimously forwarded a positive recommendation to the Council on May 26, 2020. This item has been placed on the Council agenda for discussion with consideration of approval at a future Council meeting.*

Planning Commission received the following public comments:

- The building height and density should be decreasing as you get further from town. The adjacent COSZ development is 1 story.
- The Timpanogos irrigation area does not have enough water for all the existing developments and this development.
- Irrigation on the Cummings property cannot be altered during the irrigation season.
- How tall and what type of fence/wall will be done?
- Cummings needs driveways to storage sheds and field access.
- Power will need to be relocated to provide power and a light to the Cummings storage sheds.
- How tall are the buildings?
- Does the City hold developers to their commitments?
• Kollman Farms was not approved last year at Hwy 40 and Airport Road.
• The increases density further away from town, which is not consistent with the new general plan.
• 3.5 stories should not be allowed this far from town.
• Concern about traffic and infrastructure.
• There isn’t a school site for another elementary school that will be required as Daniels Canyon is full and sawmill and Heber Meadows North have not been constructed yet.
• This development is a step in the wrong direction, and is not consistent with the new general plan.

Section 18.12.190 outlines the criteria for code or map amendments. The criteria are as follows:

The governing body may amend, change or modify any provision of this title or the zoning map provided:

1. The proposed amendment or amendments have been submitted to the Planning Commission for its recommendations. The Planning Commission shall prepare and recommend amendments following a public hearing reasonably noticed for at least ten (10) calendar days. Unless the Planning Commission submits its recommendations within sixty days from receipt of the proposed amendment, the governing body may assume an affirmative recommendation;

Staff Finding: Consistent. The Planning Commission held a public hearing on May 12, 2020 and unanimously forwarded a positive recommendation to the Council on May 26, 2020. This item has been placed on the Council agenda for discussion with consideration of approval at a future Council meeting.

2. The governing body has held a public meeting on the proposed amendment reasonably noticed for 24 hours;

Staff Finding: Consistent. City Council meetings are public meetings and are noticed more than 24 hrs. in advance.

3. The amendment will not be contrary to the Comprehensive Plan;

4. The amendment will more fully carry out the intent and purpose of the Comprehensive Plan and this Title.

The Council should discuss the proposed amendment, make changes if desired, and address the criteria outlined above, specifically 3 and 4.

FISCAL IMPACT

N/A

CONCLUSION
Kent Buie and John Kollman are seeking approval on a Master Development Agreement that would allow them to develop multifamily housing in the C-2 Zone rather than a zone change. Staff and the applicant have created an MDA outline of conditions for consideration of approval. Staff and the applicant are seeking feedback from the Council in preparation of writing the MDA for Council review.

ALTERNATIVES

Not an action item.

POTENTIAL MOTIONS

Not an action item.

ACCOUNTABILITY

Department: Planning Department
Staff Member: Jamie Baron

EXHIBITS

1. Timeline
2. Proposed Plans
3. Proposed Elevations
4. MDA Outline
5. Site Photos
Exhibit 1
<table>
<thead>
<tr>
<th>TASK ID</th>
<th>TASK TITLE</th>
<th>PCT OF TASK COMPLETE</th>
<th>PHASE ONE</th>
<th>PHASE TWO</th>
<th>PHASE THREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Council Approval of Process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.1 Project Introduction</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2 Process Approval</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Commercial Subdivision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.1 Application for Commercial Lots</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2 Review</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2.1 Review Process</td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2.2 Location of Sawmill Blvd (UDOT)</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.3 Approval of Subdivision</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Planning Commission Recommendation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.1 Introduction to Planning Commission</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2 Discussion with Planning Commission</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2.1 Density, Height, Use</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.2.2 Site Design and Architecture</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.3 Public Hearing</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.4 Planning Commission Recommendation</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Council Decision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.1 Introduction to new Council</td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.1.1 Overview of Project and History</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.1.2 Approval of process by new Council</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.2 Discussion with Council</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.2.1 Density, Height, Use</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.2.2 Site Design and Architecture</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.3 Council Review of MDA</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.4 Council Decision</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Exhibit 2
Exhibit 3
Exhibit 4
Old Mill Village MDA – 204 Units (Combination of 1, 2, & 3 bedroom units)

Architectural/Parking Requirements
3.5 Story Maximum Building Height
3.5 Walkup style apartment buildings with ADA friendly access on main level.
2 Story townhomes
1 Bedroom – 2.00 Parking Spaces per Unit (Apartment, 1 assigned covered space per unit)
2 Bedroom – 2.25 Parking Spaces per Unit (Apartment, 1 assigned covered space per unit)
3 Bedroom – 2.25 Parking Spaces per Unit (Townhome w/2 car garage)
10% Deed Restricted Affordable Housing – with an option for an affordable housing buyout by the future owner.

Landscape/Amenities
30% Open Space Required Minimum
Community Clubhouse/Pool
Commercial Quality Playground
Basketball/Sport Court
Gazebo/Sail Shade with BBQ Pits
Dog Park
6’ Tan Vinyl Fence - bordering all adjacent properties
Entry Monument Sign on US 40.

Misc.
Master HOA to cover all maintenance of building exteriors, private street and parking lots, landscape/open space and amenities.
Heber City to own and maintain 66’ ROW known as Sawmill Blvd.
Developer to provide curb cut access to Paul Sweat Property.
Developer to provide two curb cut accesses to Jay Cummings property for storage unit access, provide a curb cut to field from Mill road if frontage if required, as well as accommodate power relocations necessary, provide light pole at south end of storage units, Cummings irrigation line will not be
disturbed during the irrigation season, and provide a 6’ Tan Vinyl Fence to create a barrier between the new development and the existing storage units and housing.
Exhibit 5