

**MINUTES OF THE
MIDWAY CITY COUNCIL
(Meeting)**

**Tuesday, 3 June 2025, 6:00 p.m.
Midway City Office Building, Upstairs Conference Room
75 North 100 West, Midway, Utah**

Note: Notices/agendas were posted at 7-Eleven, The Market Express, the United States Post Office, the Midway City Office Building, and the Midway Community Center. Notices/agendas were provided to the Mayor, City Council, City Engineer, City Attorney, Planning Director, and The Wasatch Wave. The public notice/agenda was published on the Utah State Public Notice Website and on the City's website. A copy of the public notice/agenda is contained in the supplemental file for the meeting.

1. Call to Order

Mayor Johnson called the meeting to order at 6:00 p.m.

Members Present

Celeste Johnson, Mayor
Jeff Drury, Council Member
Lisa Orme, Council Member
Kevin Payne, Council Member
Craig Simons, Council Member
JC Simonsen, Council Member

Wes Johnson, City Engineer
Brad Wilson, City Recorder

Others Present

Mark Austin

Staff Present

Michael Henke, City Planning Director

2. Consent Agenda

- a.** Agenda for the 3 June 2025 City Council Meeting
- b.** Warrants
- c.** Minutes of the 20 May 2025 City Council Work Meeting
- d.** Minutes of the 20 May 2025 City Council Regular Meeting
- e.** Minutes of the 20 May 2025 City Council Closed Meeting

Note: Copies of items 2a, 2b, 2c, 2d, and 2e are contained in the supplemental file for the meeting.

Mayor Johnson read the consent agenda.

Motion: Council Member Simons moved to accept the consent agenda items “a” through “e” as presented.

Second: Council Member Payne seconded the motion.

Discussion: None

Vote: The motion was approved with the Council voting as follows:

Council Member Drury	Aye
Council Member Orme	Aye
Council Member Payne	Aye
Council Member Simons	Aye
Council Member Simonsen	Aye

3. Council Meetings / Discussion (Mayor Johnson – Approximately 15 minutes) – Discuss regular versus strategic planning meetings held by the City Council.

Mayor Johnson introduced the item and made the following comments:

- Suggested holding two regular council meetings each month and a strategic planning meeting each quarter.
- Monthly strategic planning meetings did not give staff enough time to complete the required work before the next meeting.

Michael Henke made the following comments:

- Strategic planning meetings were needed but once a month was a lot.
- Staff needed time to process the requests from each meeting.
- The regular meeting agendas were long.

The Council, staff, and meeting attendees discussed the following items:

- The Council wanted regular strategic planning meetings because they spent too much time reacting and not enough time planning.
- People would procrastinate for two months and then scramble to prepare for a quarterly meeting.
- Time could be allocated at each regular meeting for strategic planning then a dedicated meeting held quarterly.
- Planning meetings were not just for discussion. They needed to lead to code changes.
- Regular meeting items could wait if there were not applicable deadlines.
- Smaller items, like open space in small subdivisions, could be prepared by staff then brought to the Council.
- Items proposed by the Council should take priority.
- Strategic planning meetings should produce consensus and direction for staff.
- Large items should be considered in these meetings.
- These meetings should focus on a vision for the City.
- These meetings should lead to work meetings.
- Strategic planning items should be listed so that they could be prioritized.
- Staff only had enough time to work on day-to-day tasks.

- Was more staff needed?
- Only one item should be worked on at a time.
- Staff would prioritize council requests if they received clear direction.
- Staff had time for planning but not for zoning enforcement.
- A part-time employee or contractor should be hired for code enforcement. Law enforcement could support them.
- Heber City had a code enforcement officer who could not write tickets. Could the City contract with this person?
- The City was proactive enforcing some code requirements and reactive enforcing other requirements.

Mayor Johnson would include a part-time code enforcement officer in the FY 2026 budget. She would propose a schedule for regular meetings with work meetings at 5:00 p.m. and quarterly strategic planning meetings.

Council Member Orme reported that Heber Valley Tourism and Economic Development (HVTED) had grant money, which could be used by local businesses to comply with the Cities new sign regulations. Council Member Simons noted that existing businesses would not need to change their signs except for a-frame signs. Mayor Johnson responded that signs would be discussed at the next council meeting.

4. HVSSD / Will-Serve Letter (Council Member Drury – Approximately 30 minutes) – Discuss amending the Midway City Municipal Code to require a will-serve letter from the Heber Valley Special Service District (HVSSD).

Council Member Drury made the following comments:

- Created a sample ordinance requiring developers to obtain a will-serve letter from HVSSD.
- HVSSD was doing a study to determine if they had overprovisioned their sewer treatment plant.

The Council, staff, and meeting attendees discussed the following items:

- HVSSD could accept additional sewage but it did not have any additional space to put the effluent that was produced.
- Any development approvals should be conditioned upon the project being served by the required entities. A development should not be approved if it could not be served. This would protect the Council and the Planning Commission. This would include modifications to existing developments.
- Entitlement was received if an application was complete.
- What if HVSSD could not provide service to an already recorded lot?
- HVSSD received a lot of sewage from the east side of the valley. Midway City did not have any control over that sewage.
- The City could ask HVSSD to provide will-serve letters to every entity that it serviced.
- What if HVSSD did not have enough capacity for the developments that were already approved?
- HVSSD told Wasatch County that additional treatment facilities would have to be built.
- The Council could only control and do best practices in Midway.
- Could construction on recorded lots be put on hold? That was a legal question.

- HVSSD was preparing a ten-year capital facilities plan.
- Sewage treatment was Wasatch County's problem.
- HVSSD was not allowed to put effluent in the Provo River.
- Could Midway City be challenged if it required will-serve letters, but Heber City did not?
- Requiring a will-serve letter could handcuff Midway.
- A will-serve letter would protect the City. It could be liable if it approved a development that could not be served by HVSSD.
- The City could be liable if it denied a development, because HVSSD could not serve it, and Heber City would have approved the same project.
- The City could not force other local governments to require will-serve letters.
- It should not wait for other governments to require will-serve letters.
- It should be HVSSD and not the City that initiated a will-serve letter requirement.
- There were levels of entitlement.
- The City should take the proposal to HVSSD and give them two months to consider it.
- The study on capacity would be completed within a year.
- There were three items on the next council agenda that could be affected by the issue.
- The risk was greater to wait to implement the proposal.
- The City already required will-serve letters. Why was HVSSD any different?
- HVSSD would not know its treatment plants capacity until the study was completed.
- The State of Utah was aggressively facilitating development, improvement districts, and imposing new processes on local governments. How would this effect this item?
- The State determined requirements for the various types of sewage disposal.
- The Municipal Code did not require developments to connect to the sewer system.
- The City accepted all sewage disposal methods allowed by Wasatch County.
- There were disposal alternatives to a sewer system.
- Should the Municipal Code be amended to require connecting to the sewer system?
- Could the City impose acreage requirements for septic systems?
- Septic systems increased the underground nitrogen content.
- Septic systems were allowed in rural preservation subdivisions.
- Would development have to be paused if the capacity study was not completed in a year?
- It was not fair to impose a requirement on HVSSD without its input.
- If HVSSD was not willing to provide a will-serve letter, then the City should not approve developments that connected to the sewer system.
- Mayor Johnson would put the issue on the next HVSSD Board meeting agenda.
- The City Attorney's opinion was needed.
- The City would not approve a development if it did not have the required water rights. Sewage treatment was the same.
- The City should not be the enforcer for HVSSD.
- The requirement for a will-serve letter should be on the next council meeting agenda. The requirement would require changes to the land use title of the Code and had to go to the Planning Commission for a recommendation.
- The Code already allowed requiring items like a will-serve letter.
- Will-serve letters should be required from all service providers for consistency.
- The letters should be provided at the time of application. An application would be considered incomplete without the letters.
- The providers already signed the plat map. This could replace a letter.
- Confirmation of a provider's ability to serve a developer should be required at the beginning of the approval process.

5. Priorities – Discuss and possibly set priorities to be considered at future strategic planning meetings.

Mayor Johnson gave a presentation regarding affordable housing and reviewed the following items:

- Where Utah ranked nationally and takeaways.
- Why was affordable housing not being built in Midway?
- Defining affordable.
- Wages for essential local workers.
- Examples
- Decline in new houses.
- Increase in house size.
- Number of occupants per house.
- Average monthly mortgage payments.
- Effect of non-ownership
- Growth projections
- Potential tools to facilitate affordable housing.
- Limitations on federal funds for affordable housing.

Mayor Johnson also made the following comments:

- She and Council Member Payne attended a meeting with Governor Cox regarding affordable housing.
- Developed a list of actions to encourage affordable housing.
- The State defined affordability as 30% of the area median income.
- Many essential workers had to commute into the valley.
- Utah house prices were rising faster than the national average.
- A lot of former residents were returning to Utah.
- Incomes were not increasing as fast as the cost of housing.
- Homeownership was a key to wealth building.
- Met with owners who purchased property when it was cheaper. They came to the City with a proposal for 170 rental units on 11 acres. 20 would have rent restrictions. The owners would receive a 6% return on investment. They usually wanted 17%.

Note: A copy of Mayor Johnson's presentation is contained in the supplemental file for the meeting.

The Council, staff, and meeting attendees discussed the following items:

- Lower interest rates facilitated more houses.
- Utah was promoting itself too much.
- Many people buying houses in Utah did so with cash.
- People were moving from urban to rural areas.
- Overlay zones were preferred because changing the underlying zoning did not create affordable housing.
- Additional units could be allowed with houses.

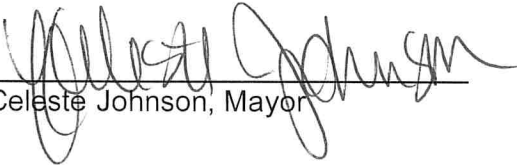
- Subsidies were needed to build affordable housing even if the land was free. These subsidies would need to be \$200,000 to \$300,000.
- Raw land was usually 25% of the sale price. Improved land was 33% of the price.
- The trailers in a trailer park could legally be replaced.
- The most affordable housing like apartments required the greatest subsidies. They required millions of dollars which only the federal government could provide.
- Federal grants had fair housing requirements. This prohibited giving priority to essential workers.
- States could add more requirements to federal funds when they were the administrators.
- Federal subsidies would not work in Midway.
- The resorts could have worker housing on their property, but the City could not require it.
- The City could require certain things with an annexation.
- The City should not encourage McMansions that were not affordable.
- Park City bought land and then sold it to developers with conditions. This required the City to have a lot of money up front.
- Rental units served a need but did not build wealth.
- The City should have the right to review a developer's finances if it subsidized their development.
- Deed restrictions were needed to maintain affordable housing.
- There were groups that built tiny houses to provide affordable housing.
- The City wanted affordable housing but also issued bonds to protect available land as open space.
- It would be difficult to approve a 170-unit development.
- Most time should be spent determining the problem.
- There were not a lot of subsidies available for essential worker housing.
- Every resident of Midway contributed to the need for affordable housing. They ate at restaurants, shopped at stores, and needed emergency services.
- Asking taxpayers to provide affordable housing was not a good solution.
- How many affordable units did the City want to create? Ten?
- The State would start mandating that local governments provide affordable housing.
- A single affordable housing solution did not work well for all parts of Utah.
- A mandate was meaningless if capital was not available.
- Accessory dwelling units and other options should be considered.
- Some developments that the City worked to approve took away land for affordable housing.
- The developer of Southhill talked about affordable housing but that did not happen even with increased density.
- The market would maximize density for profit.
- Should the City set aside money each year for affordable housing?
- ADUs should be deed restricted if they were allowed.
- Was the housing system so broken that it required tax subsidies?
- The City should only approve affordable housing that was deed restricted.
- Density should be reduced in all zones. Additional density should only be allowed with deed restricted or price locked affordable housing.
- How could the value of property be controlled?
- Deed restrictions on the sale value of a house could be enforced, but how could restrictions on rent be monitored? Regulations would be needed like those for transient rentals.
- How would the City prevent an ADU from becoming a guest house instead of affordable housing?

- The easiest first steps would be ADUs and restricting rent to 60% of AMI.
- The State would require ADUs like they required interior accessory dwelling units. The City needed to prepare for this eventuality.
- Code changes for affordable housing could be ready in two months.
- The City Attorney needed to determine how far the City could go before its regulations were considered a taking.

6. Adjournment

Motion: Council Member Drury moved to adjourn the meeting. Council Member Payne seconded the motion. The motion passed unanimously.

The meeting was adjourned at 8:23 p.m.



Celeste Johnson, Mayor



Brad Wilson, Recorder