



CITY COUNCIL MEETING STAFF REPORT

DATE OF MEETING: October 6, 2026

NAME OF PROJECT: Alcohol Dispensing Establishments

NAME OF APPLICANT: Hector Moreno

OWNER: Alpenhaus Management LLC owned by Mark Harris

BUSINESS NAMES: Zermatt Resort and Spa
Fat Jacks Burger Emporium
Christopher's Prime

AGENDA ITEM: Conditional Use Permit and Local Consent

LOCATION OF ITEM: 784 Resort Drive, Midway, Utah

ZONING DESIGNATION: RZ

ITEM: 9

Conditional Use Permit (CUP): Hector Moreno, agent for Alpenhaus Management LLC, owned by Mark Harris, is applying for a Conditional Use Permit (CUP) and Local Consent for an alcohol dispensing establishment. The CUP is required because of an ownership change but the alcohol licensing for the Zermatt Resort will stay the same. The Zermatt Resort currently has bar, restaurant, and banquet licenses. Zermatt is located at 784 West Resort Drive and is in the Resort Zone.

BACKGROUND:

Previous conditional use permits and local consents have been granted by the City to allow the Zermatt to apply for state licensing to serve alcohol at its restaurants/bar.

According to the application, there is a change in ownership from the current ownership (Randy Krantz and Dennis Webb) to Alpenhaus Resort LLC, which triggers the need for local and State licensing for the establishment under new ownership. The application includes Zermatt Resort and Spa (on-premises Banquet), Fat Jacks Burger Emporium (sublicense), and Christopher's Prime (sublicense).

Per the application,

“Change of ownership to Alpenhaus Management LLC and need to new application of liquor license”.

The property is in the RZ zone. Restaurants are permitted uses in that zone although alcohol dispensing establishments must be approved for a conditional use permit to serve alcohol. If they receive City local consent, the applicant will apply for a Hotel Liquor License from the Utah Department of Alcohol Beverage Services (UDABS), with sublicenses for its restaurants.

The approval of a CUP is an administrative act but, per State Code, the approval of the ability to sell alcohol is a legislative act and the City has broad discretion in that decision. Tourism does generate business and taxes and some might argue that limiting alcohol licenses could inhibit tourism in the City.

Currently the City has approved the following alcohol licenses:

Café Galleria
Zermatt Resort
Homestead Resort
7-11
Market at Midway
Market Express (convenience store)
Blue Boar Inn
Midway Mercantile
Lola's
Harvest

CUPs granted by Midway, including prior CUPs for the Zermatt, generally contain the following condition:

- No alcohol related signage would be visible on the exterior of the building or on the inside, visible from the outside, including from Resort Drive and Homestead Drive.

Signage must comply with Midway Code.

This item has been noticed on the State's website for the City Council meeting. Mailed notices will be sent out to all property owners within 600' before the City Council public hearing.

ANALYSIS:

Section 16.26.120 of the Midway Municipal Code governs Conditional Use Approvals and Regulations. This provision provides that the City Council shall:

“ . . . recommend the granting or denying of the conditional use permit based upon the standards set forth in this Section. The Planning Commission may also recommend conditions to be imposed on the use if the permit is granted.”

The comments in italics represent Planning Staff's comments pertaining to compliance or lack of compliance with the findings the City Council must make in considering this request. Section 16.26.120 requires specifically the City Council to find that:

1. The proposed use is conditionally permitted within the Land Use Title and would not impair the integrity and character of the intended purpose of the subject zoning district and complies with all of the applicable provisions of this Code; *planning staff believes that the proposal will not have a significant impact on the neighborhood as long as special events comply with Midway City Code and are held with the proper permitting.*
2. The proposed use is consistent with the General Plan; *no issues have been identified.*
3. The approval of the conditional use or special exception permit for the proposed use is in compliance with the requirements of state, federal and Midway City or other local regulations; *the applicant shall obtain approval of the CUP, Local Consent, and obtain and comply with all applicable state licensing requirements of the UDABS.*
4. There will be no potential, significant negative effects upon the environmental quality and natural resources that could not be properly mitigated and monitored; *no issues have been identified.*

5. The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses with the general area in which the proposed use is to be located and will not create significant noise, traffic, or other conditions or situations that may be objectionable or detrimental to other permitted uses in the vicinity or adverse to the public interest, health, safety, convenience, or welfare to the City; *the proposed use and associated traffic appears unchanged from its current use and is consistent with uses in the resort zone of the City.*
6. The subject site is physically suitable for the type and density/intensity of the proposed use; *it appears that the proposal is suitable based on the existing approved use.*
7. There are adequate provisions for public access, including internal and surrounding traffic flow, water, sanitation, and public utilities, and services to ensure that the proposed use would not be detrimental to public health and safety; *no detrimental impacts have been identified.*

PLANNING COMMISSION RECOMMENDATION:

Motion by Commissioner Nokes: “I move that we recommend approval for the conditional use permit for Hector Moreno, agent for Alpenhaus Management LLC, owned by Mark Harris, for the conditional use permit. Local consent for an alcohol dispensing establishment (CUP) will be required because of an ownership change. The Zermatt Resort currently has bar, restaurant, and banquet licenses, so recommend approval with the proposed conditions from staff.”

Second: Commissioner Winegar

Ayes: Commissioners Nokes, Facer, Winegar, Dougherty, Farrell

Nays: None

Motion: Passed

POSSIBLE FINDINGS:

- The proposed use is conditionally permitted within the Land Use Title and would not impair the integrity and character of the intended purpose of the subject zoning districts;
- The proposed use is consistent with the General Plan. No issues to the contrary have been identified;

- The approval of the conditional use permit for the proposed use complies with the requirements of state, federal and Midway City regulations. The applicant shall obtain approval of the CUP, Local Consent, Business License, Alcohol License, and obtain and comply with all applicable state licensing requirements of the UDABS;
- There will be no potential, significant negative effects upon the environmental quality and natural resources that could not be properly mitigated and monitored. No issues have been identified;
- The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses with the general area in which the proposed use is to be located and will not create significant noise, traffic, or other conditions or situations that may be objectionable or detrimental to other permitted uses in the vicinity or adverse to the public interest, health, safety, convenience, or welfare to the City. The proposed use and associated traffic are consistent with current use and used in the resort zone;
- The subject site is physically suitable for the type and density/intensity of the proposed use and has been used for a comparable use in the past;
- There are adequate provisions for public access, including internal and surrounding traffic flow, water, sanitation, and public utilities, and services to ensure that the proposed use would not be detrimental to public health and safety. No detrimental impacts have been identified;
- The proposed license would allow the sale of alcohol at the Zermatt Resort.
- The State does regulate this type of alcohol license.
- Special events on site would be required to comply with Midway City Code.

POSSIBLE ACTIONS

1. Approval (conditional). This action can be taken if the City Code finds that conditions placed on the approval can resolve any outstanding issues.
 - a. Accept staff report
 - b. List accepted findings
 - c. Place condition(s)

2. Continuance. This action can be taken if the City Code finds 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 Code finds that the request does not meet the intent of the ordinance.
 - a. Accept staff report
 - b. List accepted findings
 - c. Reasons for denial

PROPOSED CONDITIONS:

1. No alcohol-related signage would be visible on the exterior of the building or on the inside, visible from the outside, including from Resort Drive and Homestead Drive.
2. Signage must comply with Midway City Code.