

# **Sun River, South Block, & White Dome**

## **Description**

The South Block property is located within the St. George city limits and is generally described and bound by the Sun River development to the West; the Arizona border to the South; the Fort Pierce Industrial Park to the North; and the Desert Canyon development to the East. The total developable acreage for the parcel is approximately 6,800 acres. This parcel is by far the largest development parcel in Washington County; one which past and present staff have invested significant time and effort to plan, design, and implement the vision for future development of the South Block.

The topography of the South Block is unique to Southern Utah and is characterized by the White Dome to the east of the property; a large overlook mesa to the Northwest of the property, and a significant drainage basin, or flatlands, to the Southwest where three washes, the Atkinville, Mokaac, and Lizard converge to run under I-15.

Of the approximately 6,800 acres in the South Block, approximately 192 acres are located in the Sun River development. Sun River is the premier active adult retirement community in Utah and is approaching its build-out capacity. Sun River caters to an active adult lifestyle with golf, tennis, and trails as amenities along with other related activities for primary or second-home residents to take enjoy.

In addition to Sun River partnering with the Trust to develop residential homes for the development, they have also partnered to develop some of the mixed-use commercial property, including an approved land exchange parcel to lead out in defining commercial development in the area of Milepost 2.

## **Planning**

Mixed-use zoning was approved by the St. George City Council in February 2007, on approximately 516 acres around the new Milepost 2 interchange. In April 2005, Sun River received residential zoning approval for the portion of SITLA property which they have under a development lease allowing the expansion of SunRiver. The Master Land Use Plan for the entire remaining South Block parcel was adopted by the St George City Council in May 2007 as an amendment to their General Plan. Zoning will still be required on the approximately 6,300 acres for the portions of the South Block that have Master Plan approval.

Planning efforts have included multiple stakeholders with a vested interest and or/impact resulting from the development of the South Block. SITLA has and continues to work cooperatively with the stakeholders to meet the challenges encountered when implementing such a large project through seeking “win-win” solutions. SITLA’s staff is committed to the vision that the South Block be developed to its highest and best use, which includes maximizing value yields of all land available for development within the South Block parcel.

One of the major value added components of the South Block development are its access to the parcel with the completion of the Milepost 2 interchange on I-15. This access not only provides convenient ingress/egress and high visibility to commercially zoned sites at all four corners of the interchange, it is also the connection to the Southern Parkway, the major West to East arterial connector in the South Block. The

Southern Parkway generally curves to the South and parallels the Arizona border where it intersects River Road (Exit 4). River Road is the South to North arterial connector for the parcel. The Southern Parkway continues to the East and gradually curves north to the parcel's Eastern boundary (Exit 5) and continues through the Desert Canyon development, with access provided to the new St. George City Airport at Exit 7.

Outside of the Milepost 2 interchange, five additional interchanges are planned along the Southern Parkway in phases 1 and 2, which open up and give the development areas within the South Block exceptional access to major transportation routes. Additional arterials and collector routes have been planned throughout the development parcels in a cohesive way to work with existing topography while maximizing the development potential of each parcel.

Additional value added improvements to the transportation infrastructure include utilities for city services that will benefit the entire South Block development area. Four water tanks are currently planned for culinary water and will likely be expanded include additional secondary water tanks to provide pressurized irrigation for commercial and residential development. As part of the Milepost 2 Interchange and Southern Parkway construction, a main reuse permanent waterline was constructed in the right of way paralleling the Southern Parkway to Exit 4. The adjoining landowner to the east will extend the reuse waterline through its property in the future. The water from this line was used for grading of SITLA pad sites and construction of the Southern Parkway. In the future, the water will be used for irrigation of residential, commercial and public landscaping. The cost for this line has been shared by UDOT, St George City, and SITLA. This is a major benefit to the future of the development of the South Block as the cost for reuse water is approximately one third the cost of culinary water. The Washington County Water Conservancy District (WCWCD) will eventually provide a thirty-six inch secondary water line to parallel this current line for growth in the South Block and other areas, including our Warner Block parcel.

The Master Plan has been created to provide a complimentary mixture of residential housing (in varying densities), commercial/retail, schools, parks and open space, and town center sites that incorporate “sustainability” principles to produce a cohesive, balanced, and beautiful master-planned community development.

With the completion of the Southern Parkway to Exit 4 at River Road, and the grading package for the Southern Parkway mostly complete to Exit 7, UDOT is moving aggressively to now extend the Southern Parkway from Exit 7 (airport exit) to SR 9 in Hurricane. This aggressive construction schedule puts the Southern Parkway improvements years ahead of when they were initially anticipated and impact SITLA-owned land once again as the corridor alignments and interchanges cross SITLA lands and impact large tracts of SITLA land nearby because of the addition of major accesses by UDOT.

There are three major areas which will require the Planning and Development Group to focus its time and investment capital on for the newest phasing by UDOT (segments 3, 4, & 5) of the Southern Parkway. This focus includes planning, design, and construction of the Southern Parkway from the new airport (Exit 7) to SR 9, specifically Exit 9, which lies completely on SITLA property; Exit 10, which will provide access to the Warner Valley block (approximately 3,800 acres); and Exit 13, which will provide access to 4300 West and access to our Sand Hollow parcel. SITLA's property at and around Exit 9 will require evaluation to ensure the alignment is beneficial both vertically and horizontally and that the Southern Parkway design at this exit will not render any SITLA lands as undevelopable. In addition, to make this exit a full interchange, UDOT will require capital investment participation from SITLA and surrounding landowners for construction of a fully designed interchange. Additionally, Exits 9 and 10 will require engineering, plans, and design reviews by SITLA's consultant to evaluate utility access to SITLA lands and the appropriate placement of those utilities for simultaneous coordination as the Southern Parkway is under construction. With the current

market conditions, favorable construction pricing should provide the opportunity to construct SITLA required improvements by investing capital and participating in the construction of appropriate backbone infrastructure at these exits.

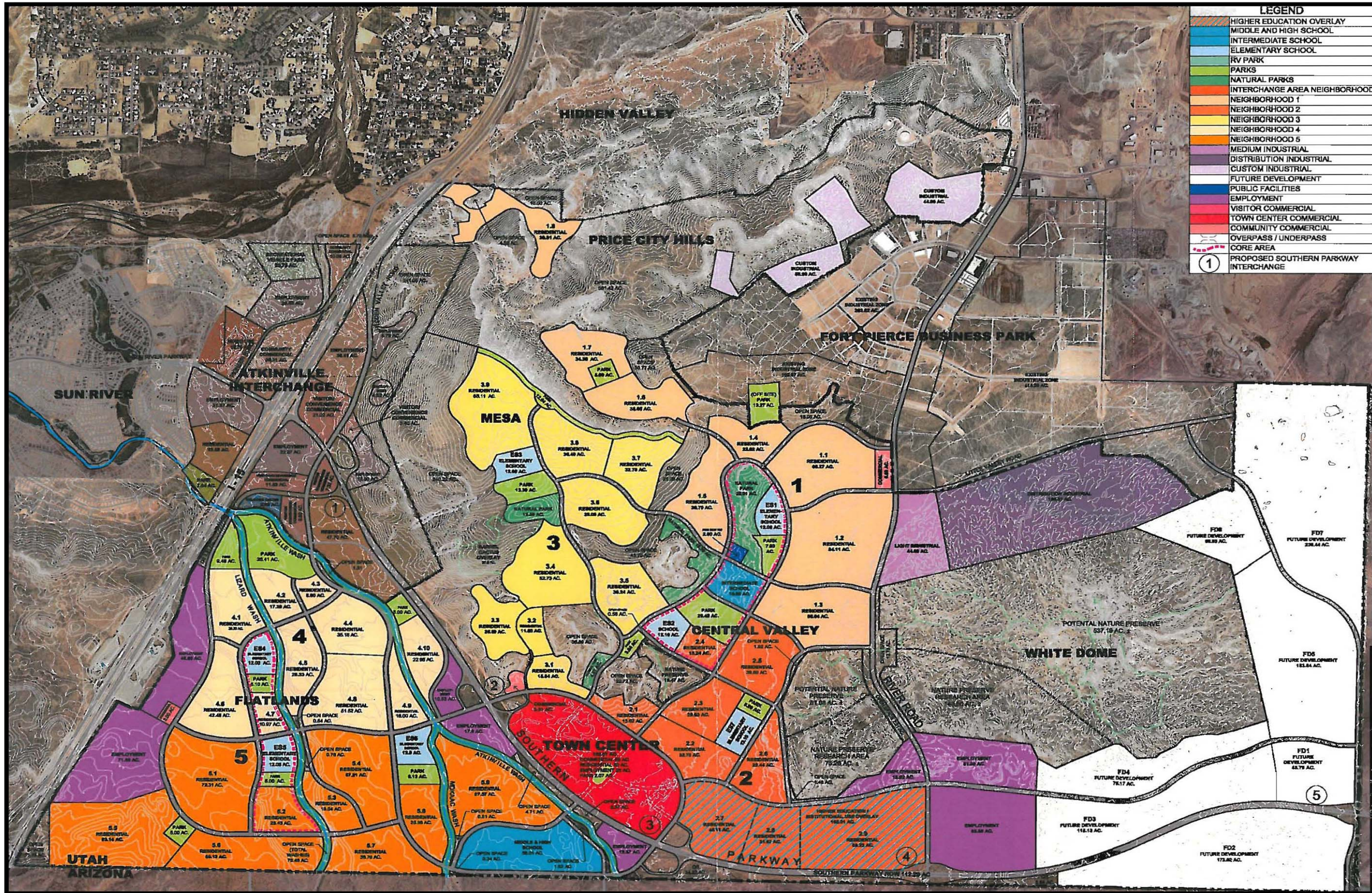
## **Current Development and Investment**

June 30, 2009 marked an end of a very busy fiscal year in the development of the South Block property around the new UDOT interchange at Milepost 2. A combination of events have both helped and hindered the Planning and Development team in the significant amount of activity that has taken place on the South Block. First is UDOT's rapid progression and changing design of the Southern Parkway through phases 1 and 2. The ability of the Planning and Development group to adapt to the changes in order to benefit and add value to the South Block within UDOT's time frame was key to the work completed and value added. The second is the significant decrease of construction costs resulting from the market downturn. The decreased construction costs (40% to 50% from two years ago) coordinated with material management (earth work) and utilities among SITLA, UDOT and other stakeholders created a milestone opportunity to add significant value to the South Block with backbone infrastructure and stakeholders investment. The value added will return to the beneficiaries for many years to come.

In preparation for commercial development at the Milepost 2 interchange and a coordinated planning process to balance the mass grading of material and installation of backbone infrastructure, the Trust completed the final grading of nearly 327 acres. To better illustrate and visualize the work completed, an exhibit titled "Graded Areas for SITLA-Exit 2 South Block" has been included. Each project is not described here but a listing of the highlights and key elements is briefly described:

- **Atkinville, Mokaac, and Lizard Wash Realignment and Grading:** This project is one of the key elements to the future success and value of the South Block. Two Conditional Letters of Map Revision (CLOMR) and two Letters of Map Revision (LOMR) have been obtained through the Federal Emergency Management Agency (FEMA) to realign and alter the 100 year flood plain for these washes. This project allowed SITLA to reclaim more than 54 acres of developable land, obtain necessary materials for construction of transportation routes, and provide future amenities to the area. Much of this work was completed at no cost to SITLA. Future bridge design and permitting was also included in the current CLOMR and LOMR. This will allow development to move forward when ready and not be held up in the federal permitting process in the future.
- **Atkinville Sewer Trunk Line:** The sewer trunk line for land surrounding the Milepost 2 interchange was redesigned as design for the super pads finalized. The redesign eliminated the need for a lift station and will now service most of the South Block development from the Milepost 2 interchange at I-15 to Exit 2 on the Southern Parkway.
- **Arizona River Road:** The connection from the new River Road constructed through the White Dome and Ft. Pierce Industrial Park area and its continued extension into Arizona to tie into the existing alignment within Arizona was the better part of a three year process, recently finalized in September 2009. Without this critical link from new River Road, incorporating Exit 4 at River Road and River Road would only function partially. Much of the Southern Parkway completion and access as designed would have had to been altered to accommodate traffic flow that continually travels to and from the Arizona side of River Road.

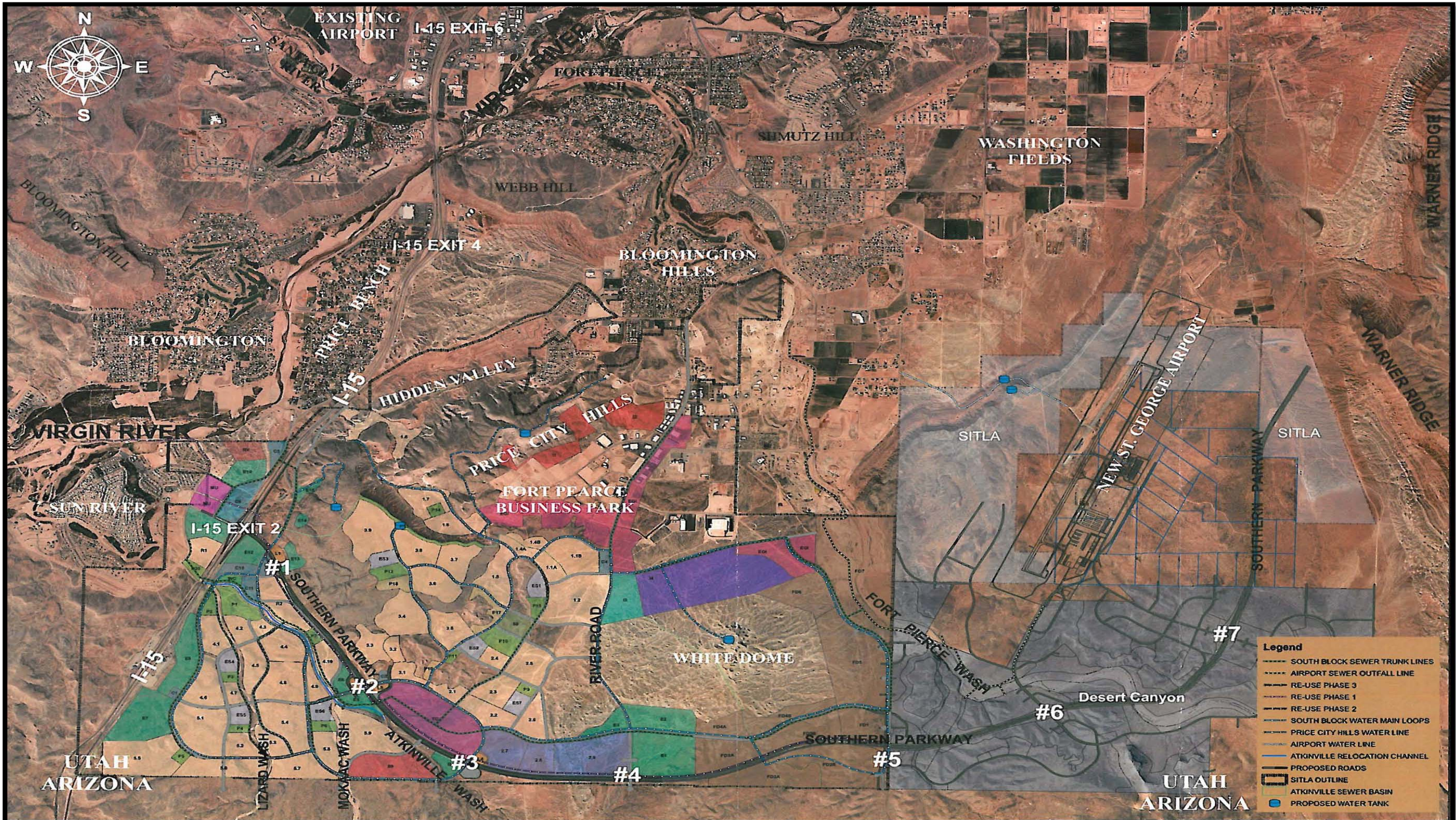
- Mass Grading: Numerous areas have been graded as construction pricing has been very favorable. In addition, the balance of the material in the mass grading has been crucial. This has allowed SITLA to develop some parcels for no cost and provide materials onsite for all of SITLAs needs. No material has been imported since most was processed onsite from the cut and fill material. Although only 327 acres were graded during this fiscal year, in order to ensure the mass balance of material not only positively impacts the South Block, but also that infrastructure and access do not negate SITLA lands, over 1,200 additional acres of land were evaluated in the grading design.



LEGEND	
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[Pattern]	MIDDLE AND HIGH SCHOOL
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[Pattern]	ELEMENTARY SCHOOL
[Pattern]	RV PARK
[Pattern]	PARKS
[Pattern]	NATURAL PARKS
[Pattern]	INTERCHANGE AREA NEIGHBORHOOD
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[Pattern]	COMMUNITY COMMERCIAL
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[Pattern]	CORE AREA
[Symbol]	PROPOSED SOUTHERN PARKWAY INTERCHANGE

Exhibit 4.2 - Master Plan

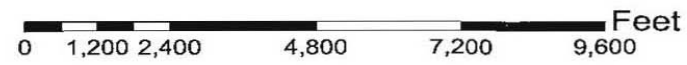
February 2007  
EDAW, Inc. / P&D Consultants

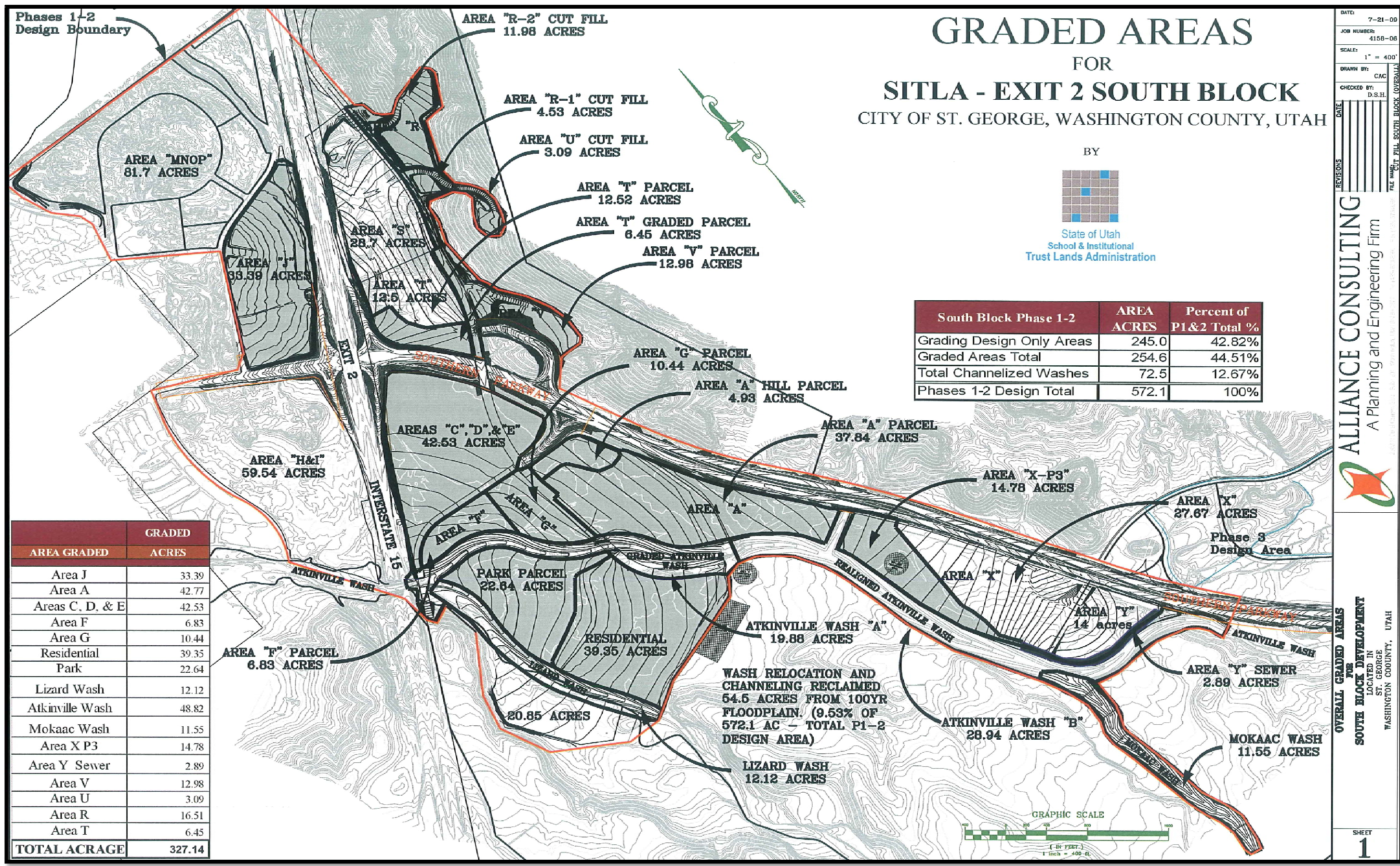


State of Utah  
 School & Institutional  
 Trust Lands Administration

# South Block Area Map

DATE: 4/4/08





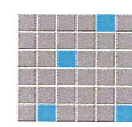
# GRADED AREAS

FOR

## SITLA - EXIT 2 SOUTH BLOCK

CITY OF ST. GEORGE, WASHINGTON COUNTY, UTAH

BY



State of Utah  
School & Institutional  
Trust Lands Administration

South Block Phase 1-2	AREA ACRES	Percent of P1&2 Total %
Grading Design Only Areas	245.0	42.82%
Graded Areas Total	254.6	44.51%
Total Channelized Washes	72.5	12.67%
Phases 1-2 Design Total	572.1	100%

AREA GRADED	GRADED ACRES
Area J	33.39
Area A	42.77
Areas C, D, & E	42.53
Area F	6.83
Area G	10.44
Residential	39.35
Park	22.64
Lizard Wash	12.12
Atkinville Wash	48.82
Mokaac Wash	11.55
Area X P3	14.78
Area Y Sewer	2.89
Area V	12.98
Area U	3.09
Area R	16.51
Area T	6.45
<b>TOTAL ACRAGE</b>	<b>327.14</b>

DATE:	7-21-09
JOB NUMBER:	4158-06
SCALE:	1" = 400'
DRAWN BY:	CAC
CHECKED BY:	D.S.H.
DATE:	
REVISIONS:	
FILE #:	SITLA - EXIT 2 SOUTH BLOCK (OVERALL)

**ALLIANCE CONSULTING**  
A Planning and Engineering Firm



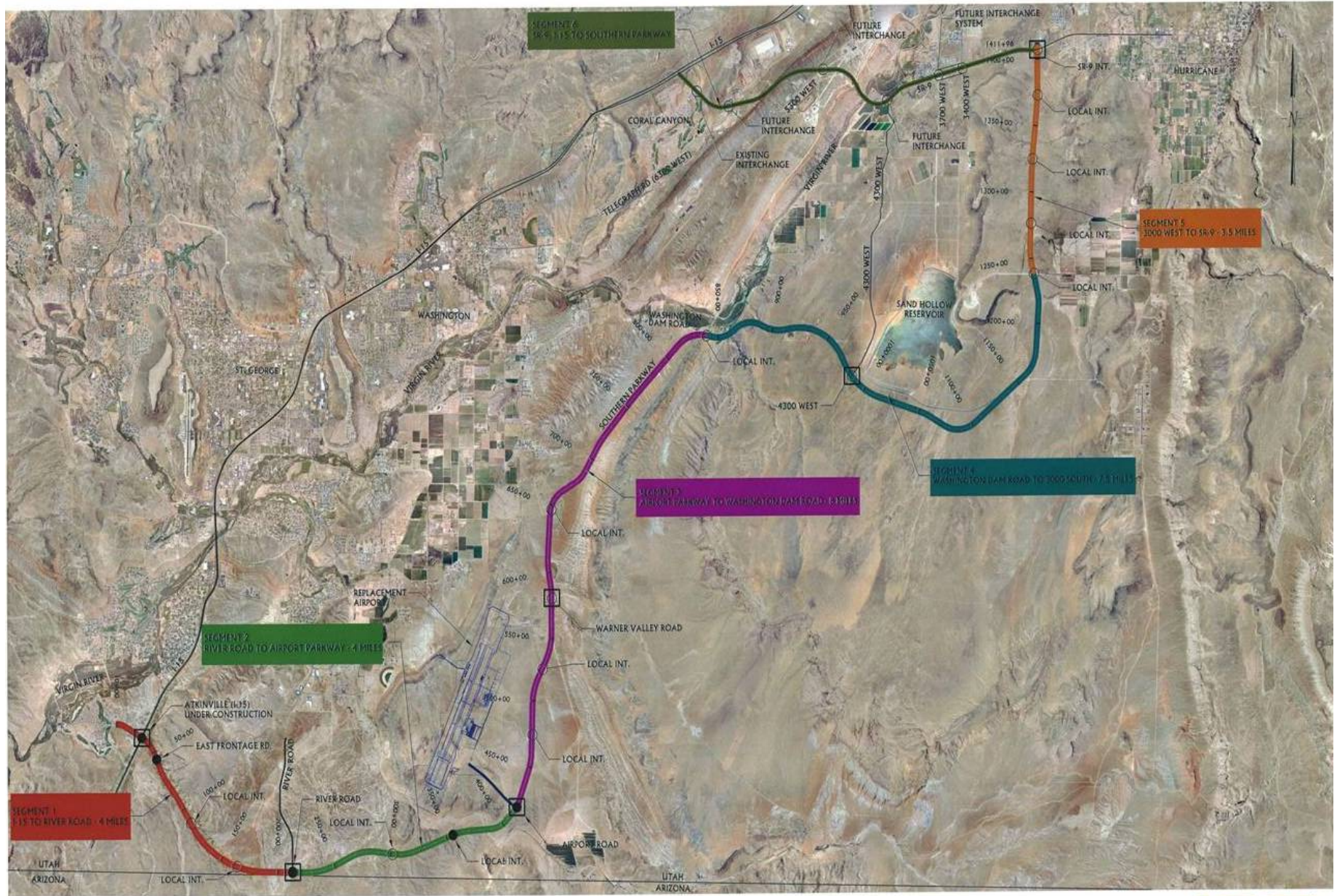
OVERALL GRADED AREAS FOR SOUTH BLOCK DEVELOPMENT LOCATED IN ST. GEORGE, WASHINGTON COUNTY, UTAH

SHEET 1

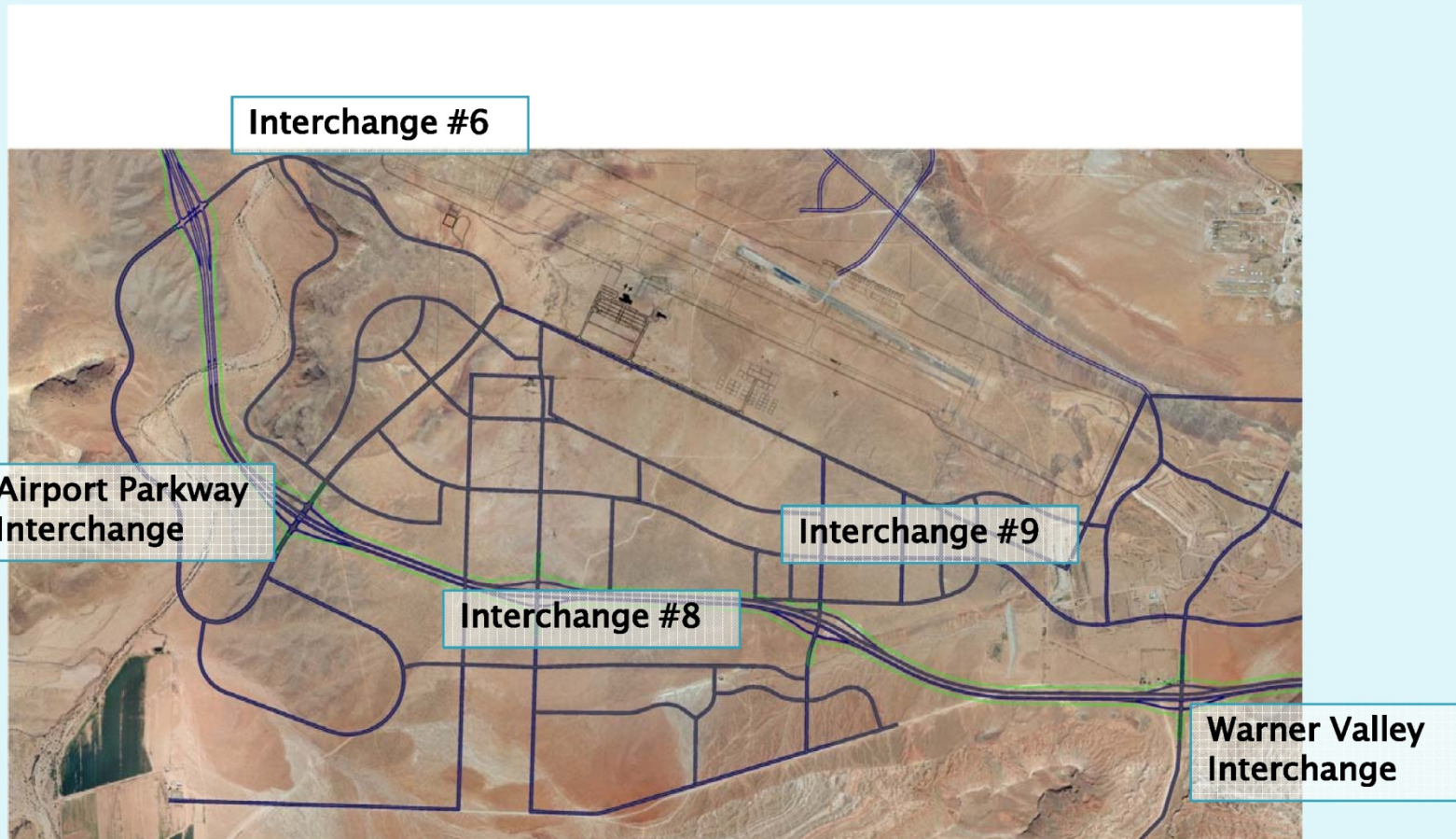


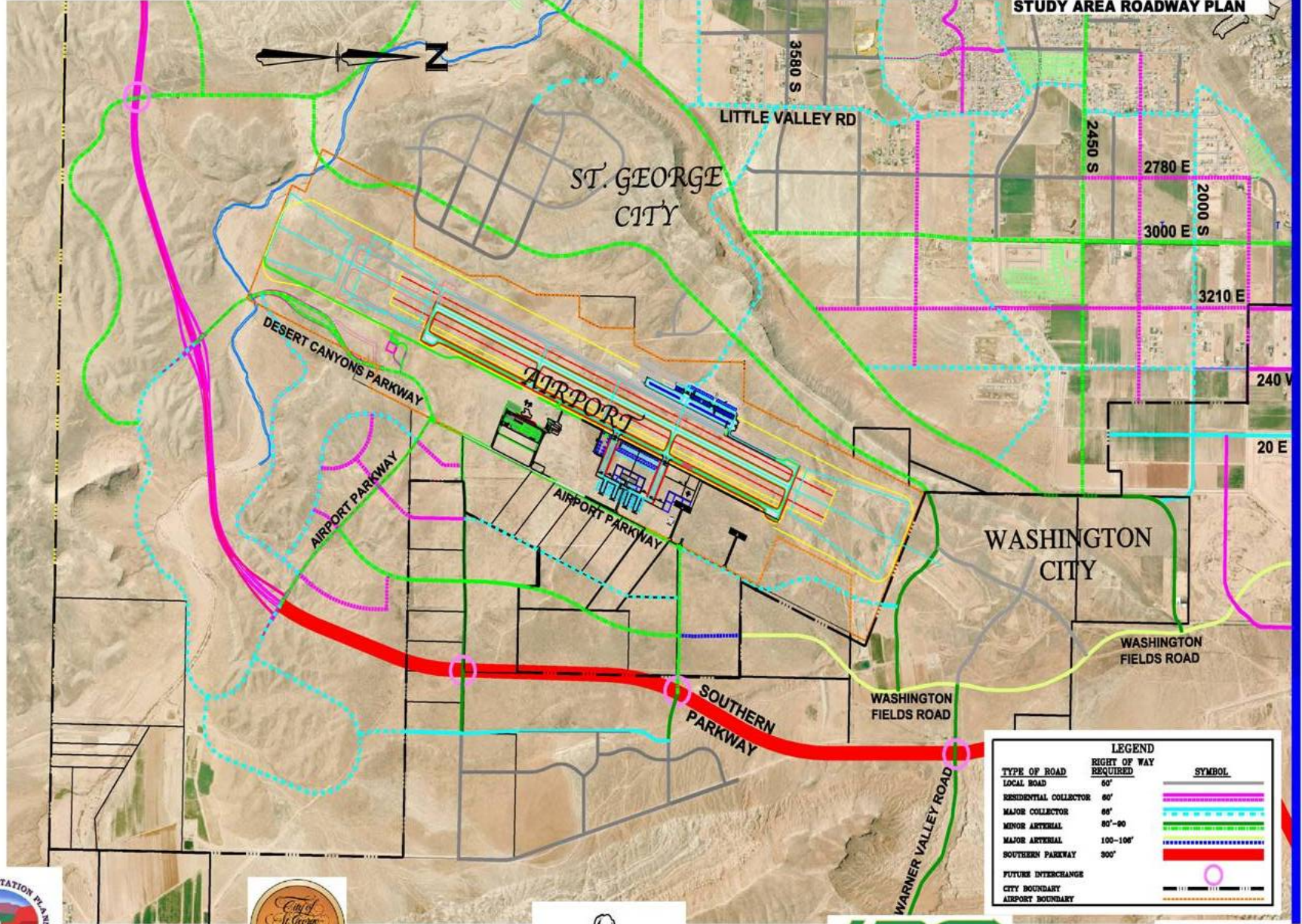


# SOUTHERN PARKWAY



# Segment 3 Interchanges Adjacent to Replacement Airport





# Land Use Summary – SITLA

