

Agenda



**State of Utah
School and Institutional
Trust Lands Administration**

Board of Trustees Meeting Agenda

June 12, 2019

9 a.m.

Location: SITLA Building, 6th Floor Boardroom
675 East 500 South, SLC UT 84102

1. Welcome

2. Approval of Board Meeting Minutes

- May 8, 2019

3. Confirmation of Upcoming Meeting Dates

- July – No meeting scheduled
- August 14th Regular Meeting
- September 10th - 11th Board Tour – Richfield
- October 9th Regular Meeting
- November 13th Regular Meeting
- December – No meeting scheduled

4. County Advisory Committee, Utah Tribes, and Public Comment Period

5. Chair's Report

6. Advocate Report

- Justin Atwater, Advocacy Director, Trust Lands Protection & Advocacy Office

7. Notification and Discussion Items

- a. Notice of Minor Development Transaction—Sale of 0.14 Acre Parcel in Hurricane City
 - Kyle Pasley, Deputy Assistant Director, Planning & Development—St. George
- b. Update on Water Rights Purchase
 - Bryan Torgerson, Resource Specialist, Surface—Moab
 - Chris Fausett, Deputy Assistant Director, Surface
- c. County Recreation Master Plans
 - Tyson Todd, Assistant to the Director—Uintah Basin

8. Director's Report

- a. Notification of Current Events
 - Dave Ure, Director
- b. Request to Enter Into Development Agreement—Sand Hollow Block
 - Kyle Pasley, Deputy Assistant Director, Planning & Development—St. George

9. Closed Session

Pursuant to §52-4-205(1)(d), Strategy sessions to discuss the purchase, exchange, or lease of real property, including any form of a water right or water shares regarding the Northwest Quadrant property.

10. Adjourn

Items may be heard in any order, at any time, at the Board's discretion. Board members may participate in the meeting via electronic means.

Please be aware that the public portions of this meeting may be broadcast live over the Internet. Also, be aware that an audio recording of the public portions of this meeting, along with any materials presented or distributed in the public portions of this meeting, will be posted on Utah's public notice website. Witnesses with questions, concerns, or handouts should contact staff.

In accordance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact Lisa Jones at 801-538-5110, or by email at lsjones@utah.gov, three (3) days in advance.

I, Lisa S. Jones, SITLA Board of Trustees' Executive Assistant, hereby certify the foregoing agenda was emailed to the Salt Lake Tribune, was posted on the Utah State Public Notice website, <http://pmn.utah.gov>, SITLA's website at <https://trustlands.utah.gov/>, the SITLA app, and was posted at SITLA's Offices, 675 East 500 South, Suite 500, Salt Lake City, Utah 84102. *Posted and dated on the 30th day of May, 2019.*

7a

Notice of Minor
Development
Transaction—
Sale of .14 Acre
Hurricane Parcel

Memorandum

TO: Board of Trustees, School and Institutional Trust Lands Administration
FROM: Aaron Langston, P&DG Utah South
DATE: April 30, 2019
BENE: Schools
RE: *Notice of Minor Development Transaction—Sale of 0.14 Acre Parcel in the Hurricane City Area of Washington County*

Introduction

Since 1893, the Hurricane Canal Company constructed and maintained a canal system to bring irrigation water to Hurricane City, Utah. Apparently, a small portion of the canal crossed onto School Trust Lands. In 2017, the City moved from an open water canal system to pressurized irrigation. Since then, maintenance on the old canal, which is mostly situated on a steep hillside, has completely stopped.

Bruce Ballard's 1 acre property backs to a portion of the canal that is situated on Trust Lands. That portion of the canal is located high on a steep slope. Since periodic maintenance of the canal ceased in 2017, portions of the hillside have been sloughing down into Ballard's property. Ballard fortified the hillside by planting some trees and bushes, but subsequently learned that it was not the City, but the Trust Lands Administration that owned the subject land. As such, he reached out to Staff to ask if he could purchase the hillside behind his property (from the edge of his property line up to where the canal is). He hopes in this manner he can continue fortifying and maintaining the hill to prevent damage to his landscaped property.

Staff made a site visit on 4/29/2019 and confirmed the subject property is far too steep and rocky for development. With concerns of sloughing and no development utility, disposing of the property appears to be in the best interest of the Trust.

Intended Action

Recent appraisals in Washington County have put open space values in the \$3,000 - \$6,000 per acre range. Wherein this land is on a steep hillside, does not have access, and is causing sloughing issues for the homeowner below, Staff thinks that the lower values of \$3,000 - \$3,500 per acre would be appropriate. At 0.14 acres, the total land values would equal \$490. Staff also recommends a \$1,000 administration fee to help cover Staff time to draft the documents for disposal.

Compliance with Rule

This memorandum informs the Board of Trustees about a proposed minor transaction, for which Board approval is not required pursuant to Utah Admin. Rule 850-140-500. The Real Estate subcommittee reviewed this transaction in their meeting May 14, 2019 and recommends approval to the full Board of Trustees.

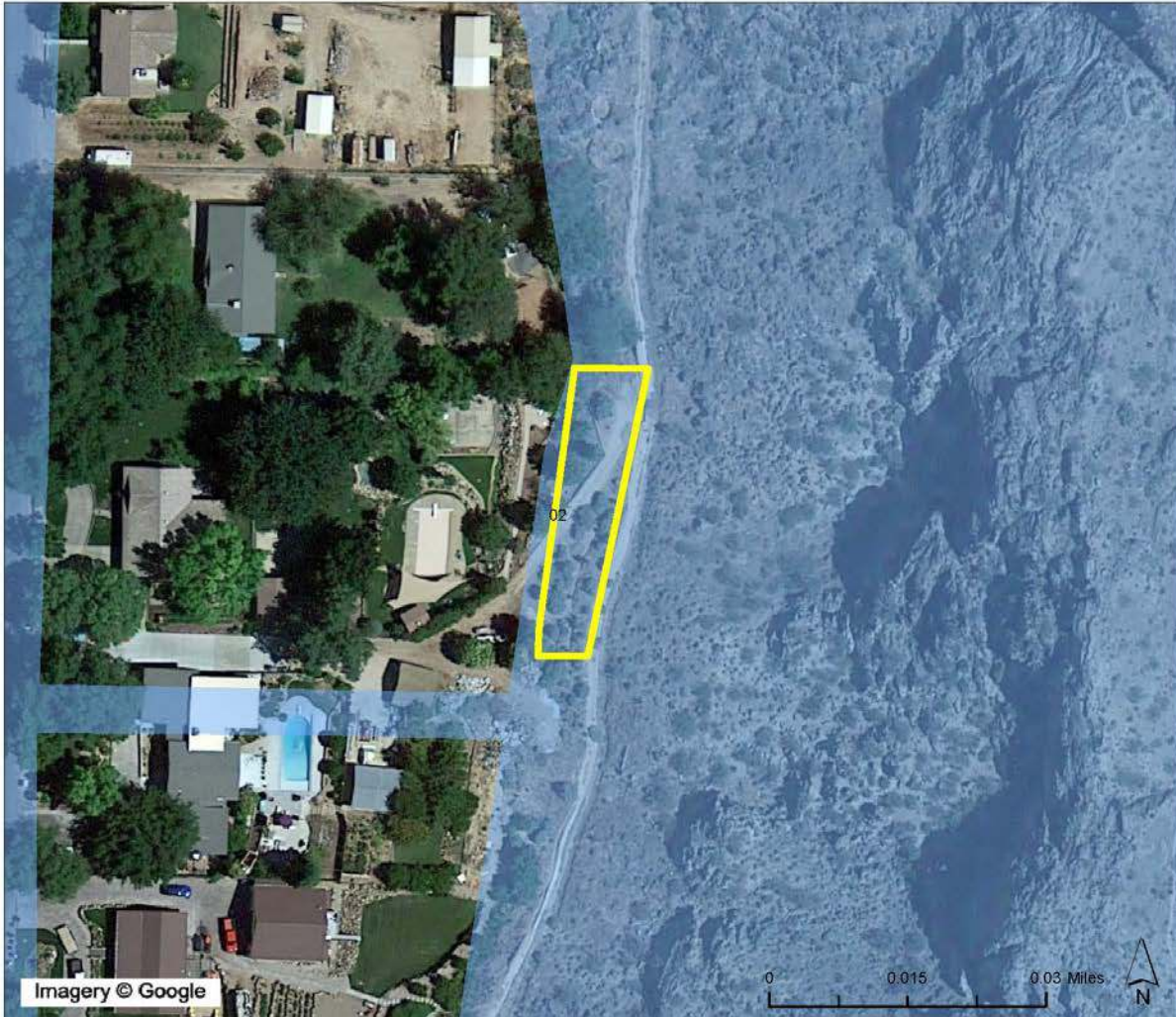
Exhibit A

Depiction of Subject Property



C 26833 - Ballard .14 Acre

T42S R13W within Sec. 2, SLB&M
Washington County




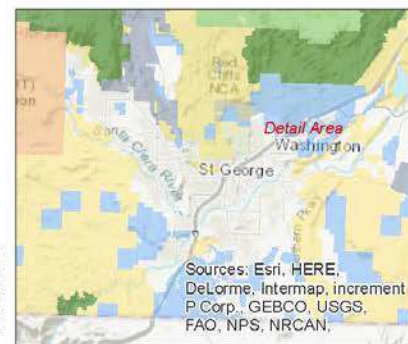
Imagery © Google

 C 26833 (.14 acres)

Land Ownership and Administration

Private

 State Trust Lands



Data represented on this map is for REFERENCE USE ONLY and is not suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. SITLA provides this data in good faith and shall in no event be liable for any incorrect results, or any special, indirect or consequential damages to any party, arising out of or in connection with the use or the inability to use the data herein. Land parcels, lease boundaries and associated SITLA data layers may have been adjusted to allow for visual "best fit." The Surface Ownership Land Status data (if present) are maintained by SITLA to reflect current trust land status and surface ownership. Lakes, rivers, streams, highways, roads, county and state boundaries are distributed by the Utah Automated Geographic Reference Center and/or other sources as specified. Contour lines (if present) were generated from USGS 10 meter DEM. Please Note: While SITLA seeks to verify data for accuracy and content, discrepancies may exist within the data. Acquiring the most updated SITLA ownership GIS data may require contacting the GIS staff directly 801-538-6100 or TLA-GIS@utah.gov. The SITLA GIS department welcomes your comments and concerns regarding the data and will attempt to resolve issues as they are brought to our attention. Produced: April 23, 2019 - bradyjohnson

Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN,

Exhibit B
Photos of Subject Property



Pictured is the steep slope going up to the canal and the rocky hillside behind the canal.



Pictured here is the Ballard property fence line on the right, the old access road to the canal (no record of an access easement), and then the hill going up to the canal.

8b

Request to
Enter Into
Development
Agreement—
Sand Hollow

Memorandum

TO: Board of Trustees, School and Institutional Trust Lands Administration

FROM: Aaron Langston, Project Manager, P&DG Utah South

DATE: May 21, 2019

RE: *Request to enter into development agreement –Sand Hollow block*

BENEFICIARY: Multi and Miners Hospital

Purpose of Memorandum

The purpose of this memorandum is to define the contract terms with Quality Development for possible approval from the Board of Trustees to move forward with a development lease.

Background

Sand Hollow Resort, Brennan Holdings, and Quality Development all submitted offers and proformas for the Sand Hollow RFP late last year. Earlier this year, the Board of Trustees approved Quality Development's proposal and requested that Staff define the contract terms in order to move forward with a development lease.

Proposed Terms, Quality Development

- For residential neighborhoods, minimum lot pricing shall be established according to product type. Minimum single family lots to be sold for \$70,000. Minimum lot pricing for attached and multi-family product is \$50,000 per lot. Depending on market conditions, Staff can negotiate an up or down swing of 10% on the minimum prices. SITLA is to receive 28% of the gross selling price of the lots. If Lessee builds their own homes on any of the lots, SITLA gets 10% of the gross selling price of the home in lieu of any lot pricing consideration.
- Developer is to purchase commercial and open space parcels. Commercial property is to be sold at \$3.50 per square foot and open space is to be sold at \$2,500 per acre, both with a 3% annual escalator. Both types are to be sold proportionately so that SITLA is not left with all of the open space until the end of the project.
- Developer is responsible to put in all the infrastructure and may not subordinate.
- Developer proposed a 10 year absorption, plus one year of entitlements, so contract term should run from May 2019 to May 2030 with options for additional 12 month extensions, depending on market conditions.

Intended Action

With Board of Trustees approval, Staff wishes to draft the development lease according to the terms outlined above.

The Real Estate sub-committee reviewed this transaction in the meeting held May 14, 2019 and recommends approval to the full Board of Trustees.

Exhibit A
Beneficiary Map

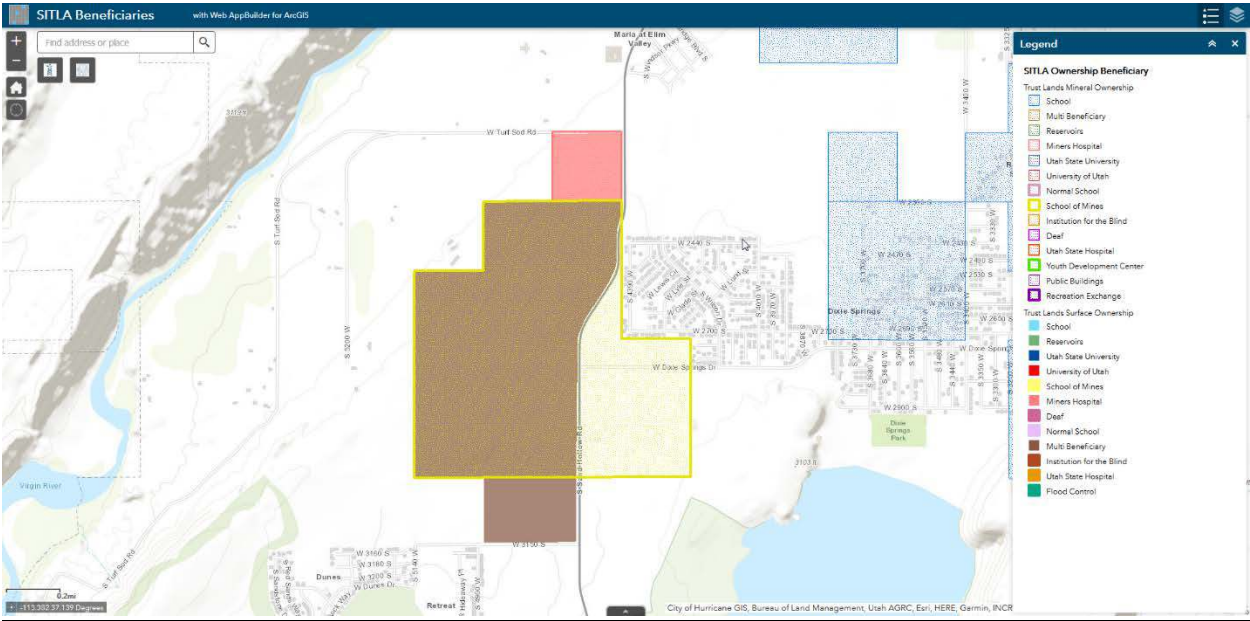
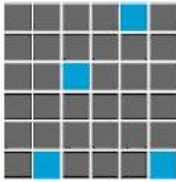
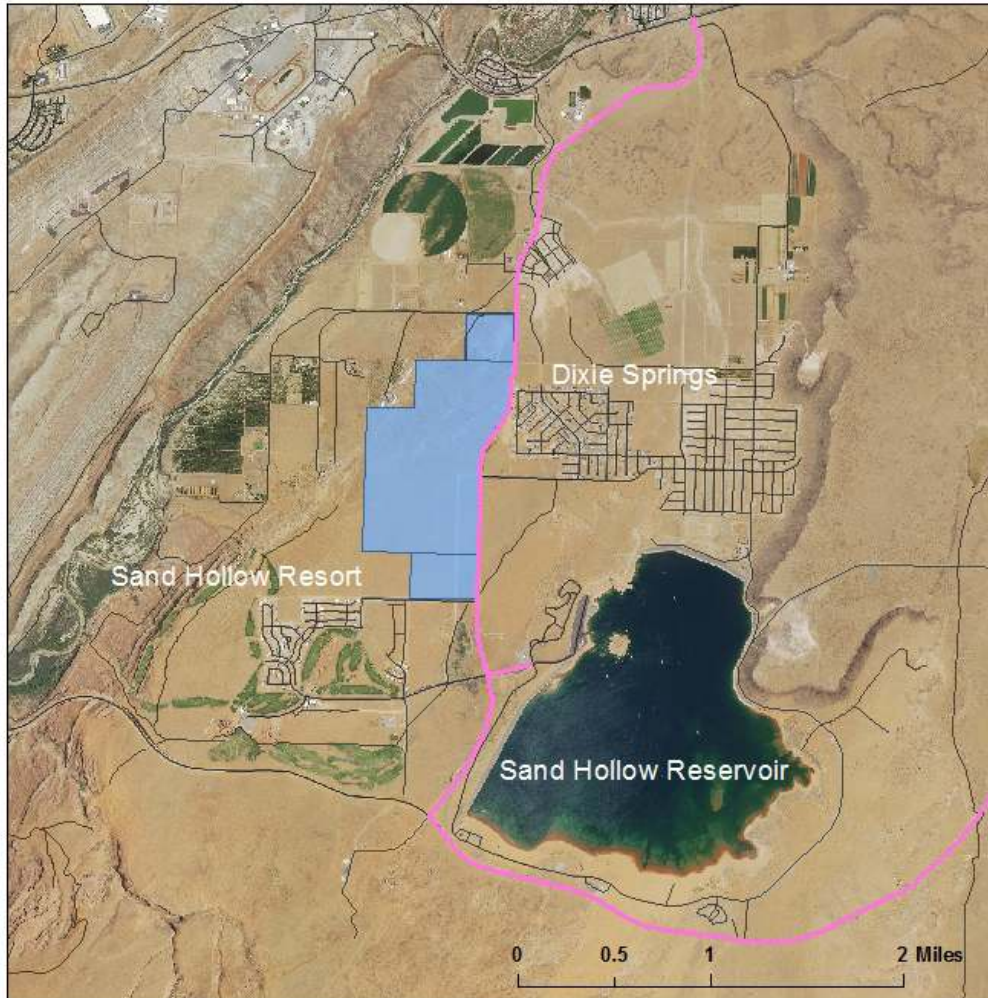


Exhibit B



Sand Hollow Development Block

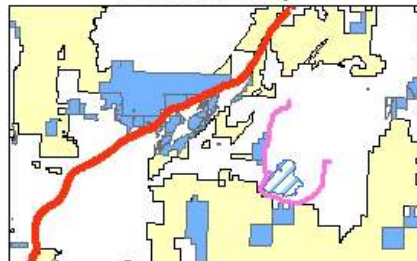
T42S R14W within Sections 11, 14, 23, SLBM
Washington County



Legend

-  Sand Hollow Block
-  Sand Hollow Rd
-  I-15
-  Reservoir
-  School Trust Lands
-  Federal Lands

Locator Map



Map is for reference purposes only. Created on 8/27/2018 by Aaron Langston. All data provided by SITLA.

Exhibit C

Select Project Photos



Photo looking south with Sand Mountain and the sand dunes in the background.

Photo looking southeast showing Dixie Springs in the background.



Photo looking northwest showing some of the unique natural landscapes within the Project.