

## Land Development Quick Facts

### What is unincorporated land?

Not all land falls within a city or town's boundaries. Land that is with a county but not within a city's boundaries is considered unincorporated.

### Who can approve or deny land development?

Within a city's boundaries, the city council has the ability to approve zoning and master development agreements (contracts between the city and a land developer, generally used for large planned development areas). Within unincorporated county areas, the county council has that same zoning and agreement approval power.

Property owners have rights to develop their land as long as it complies with the area's laws and zoning rules.

### Can the City stop development from happening?

Yes and no. The city council has the ability to adjust zoning rules for all the areas within their city's boundaries. Zoning allows and restricts different development patterns within the zone area, depending on land uses—residential, agricultural, commercial, industrial, and so forth.

When a property owner proposes developing their land, it must comply with the zoning restrictions for the area. When the development is within the zoning rules, the city cannot stop the development.

### What is annexation?

If a piece of land is not within a city's boundaries and the property owner wishes their land to become part of that city, they may apply for annexation. Annexation happens when a property owner and a city agree to add the piece of land into the city's boundaries. The city's boundary line is then officially changed to reflect the annexation. The annexed piece of land is then subject to the laws and ordinances of that city.

### How does the City pay for new roads and water lines?

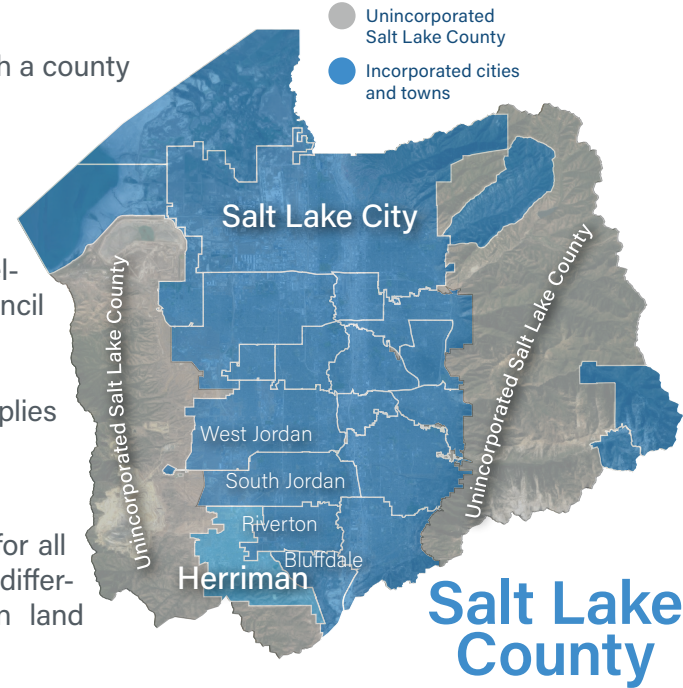
New infrastructure is primarily paid for by impact fees from the developer. When new development happens, the City charges the developer impact fees that help offset the required cost of new roads, water lines, parks, public safety, etc. that will service the new area. The City can only charge impact fees to property that is within the city's boundaries. The idea of impact fees is that existing residents shouldn't have to pay a substantial amount of the costs for new infrastructure when it is being constructed due to new development.

If a new development is not annexed into a city's boundaries but still heavily impacts the city, the city has no mechanism to pay for its increased infrastructure needs.

### How does this relate to Olympia?

Olympia was approved by the Salt Lake County Council in 2020 as a development on land in unincorporated property next to (but not in) Herriman. At that time, Herriman City had no authority to approve or deny the development even though Olympia will have significant impacts on Herriman City. New traffic will use Herriman roads and other infrastructure. However, because the land is currently outside the city boundaries, the City would not be able to collect impact fees to help offset the new, significant costs. If the property was to annex into Herriman, the City could collect fees to help fund infrastructure expansion and improvement to provide for the new growth. Additionally, the City could then have a say in visual and practical design standards that would assist the new community in blending well with the existing parts of Herriman.

City Council members and City staff have been meeting with the Olympia development team to explore potential annexation and how to best blend the project with existing Herriman, accounting for infrastructure needs, finances, and other factors. On May 24th, the development team filed an official notice of intent to annex, which officially started a public process for the City, its residents, and the property owner to decide if the development should ultimately be inside or outside Herriman boundaries. The process is ongoing, and more information can be found at [www.herriman.org/olympiahills](http://www.herriman.org/olympiahills). Regardless if the development is annexed into Herriman, it has been approved in Salt Lake County and could be constructed outside Herriman City limits.



# Why are we talking about Olympia Hills?



- Background information
- Potential annexation into Herriman

- Commissioned study
- Impact on infrastructure and finances

### What is Olympia Hills?

Olympia Hills, now called Olympia, has been a hot topic in Herriman for a few years. It is a Salt Lake County-approved, master-planned development of land outside and west of Herriman City boundaries. The approved project covers 933 acres and will include a maximum of 6,330 units, including residential, commercial, and mixed-use units, area reserved for a Utah State University satellite campus, and public schools. It was approved by the Salt Lake County Council on March 3, 2020.

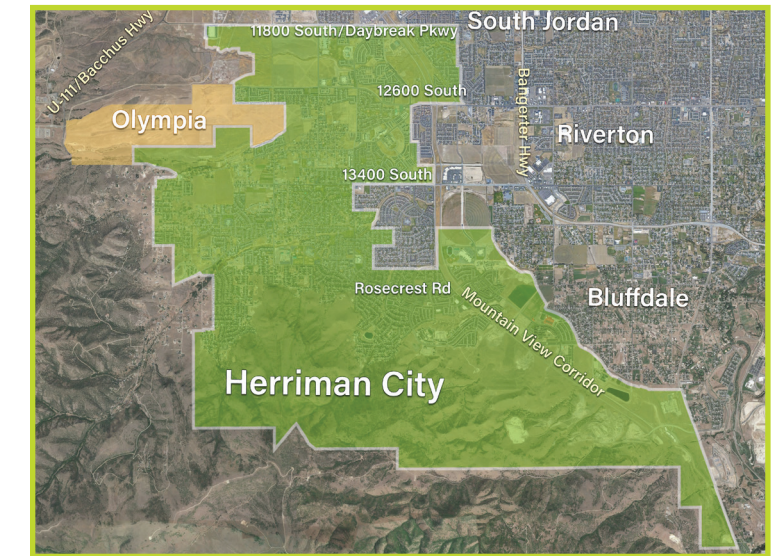
### Historical context

In 2018, the Olympia development proposed to the Salt Lake County Council was approved by a 7-1 vote. It was faced with opposition by elected officials from Herriman and neighboring cities. Then-county mayor Ben McAdams then vetoed the approval, citing widely-held concerns about its density. Local and state elected officials (including those from Herriman) and residents continued to oppose the development through its reapplication process. The County Council gave final approval of the project in March 2020 by a 6-3 vote; however, through collaboration with residents and stakeholders, the developer has enhanced the project to a better product, including reducing the overall density from 9,876 to a maximum of 6,330 total units.

Now that the project has been approved by the County, its effect on Herriman City is inevitable. The City Council and staff members are now engaging with the developer to examine the details of these impacts—including those on City finances, transportation and water infrastructure, school capacity, public safety, and other services. Included in these discussions is the exploration of potential annexation, which is a property owner-initiated application to absorb property into a municipality's boundaries.

By state law, annexation can only happen each year effective January 1 or July 1. If the development is to be annexed, the developer is aiming for January 1, 2022, to take effect.

### Location



### Why are the developer and the City engaging in conversation?

#### Developer

- Requirement in master development agreement with Salt Lake County to explore annexation, but the developer also stated that regardless, "it's the right thing to do"

- Lower costs of connecting infrastructure than if installed by SL County or other municipality

- Consistency in design and flow of land uses

- Connectivity with Herriman trails and open space

#### Herriman City

- Offset financial impacts to the City due to necessary infrastructure improvements and maintenance through development fees and other revenue sources

- Understand and plan for the effects on public services

- Design consistency and logical flow

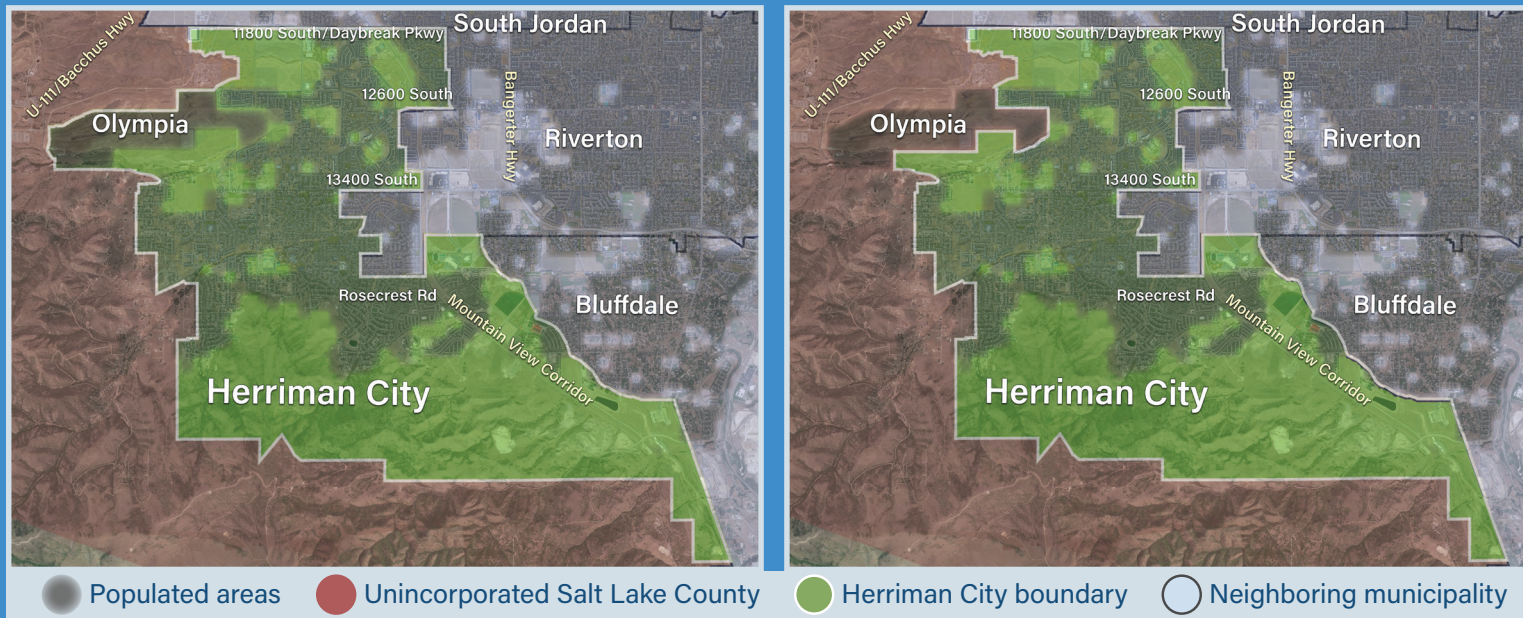
## What would annexation mean?

Annexation is a process by which a property owner petitions an adjacent municipality to be absorbed into its boundaries. The state of Utah requires a thorough, public process with opportunities for residents to support or oppose the change. The City received an initial notice of intent from the development team to annex the property on May 24th, 2021, and a petition to annex on June 15, 2021. The Herriman City Council accepted the petition for further consideration on July 14, 2021 (note this is only to further consider the petition and is not a final acceptance of annexation). Alternative options exist for the developer, as they can remain in unincorporated Salt Lake County (shown in the map below). Regardless if the property is annexed into Herriman or remains in unincorporated Salt Lake County, the development is already approved and will impact Herriman City significantly.

If Olympia is annexed into Herriman, the City would have a say in how it is constructed and connected to the existing community, and would be able to collect development fees to help offset the major costs of infrastructure needed to support the new community.

**If Olympia is annexed into Herriman**

**If Olympia remains in Salt Lake County**

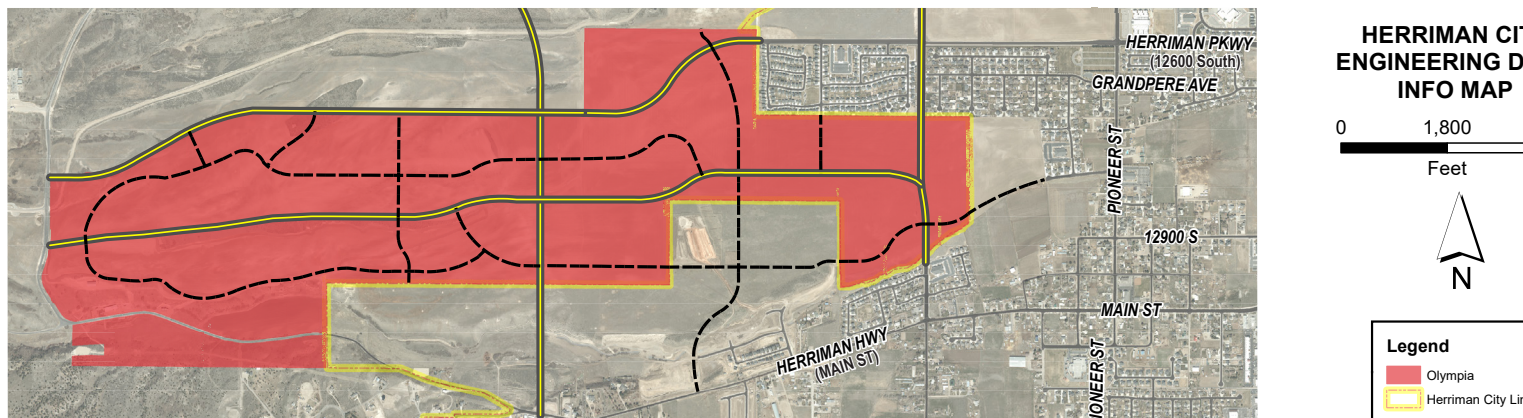


## Transportation and water impact on the City

In a March 2021 City Council meeting, the Herriman City Director of Community Development presented the transportation impacts projected from the Olympia development. The development will have a significant impact on Herriman infrastructure as the project is built out over several years. Significant strain will be added to Main Street, 13400 South, 12600 South, the U-111 state highway, 6400 West, 6000 West, and others. Some of those roads are already experiencing traffic over their capacities and Olympia will worsen that load significantly. Mitigation measures include provid-

ing new road connections, adding traffic signals, or adding new lanes to existing roads. Measures for mitigating road congestion are being analyzed and planned.

Some water infrastructure, including a storage tank, is already planned to serve the surrounding area, and some additional infrastructure will need to be constructed to serve the development if it is annexed. The Jordan Valley Water Conservancy District, from where Herriman gets a significant portion of its water, has stated it has the capacity to serve the Olympia area.



## Financial impact on the City

In a February 2021 City Council meeting, the Herriman City Director of Finance gave a presentation to demonstrate preliminary projected financial impacts of the Salt Lake County-approved future Olympia development, comparing projects if Olympia ultimately resides inside or outside Herriman's boundaries.

It was concluded that annexing Olympia is financially sustainable for Herriman City. It is projected that the development could generate as much as \$116 million over the life of the project's construction in one-time fees paid to the City. The revenue from those fees would help offset costs of critical infrastructure and other growth-related needs like public safety and water. Additionally, nearly \$3 million per

year could be added to City revenue to help offset the costs of ongoing operational expenses for City services.

Without annexation, Herriman City would need to pay for some major infrastructure upgrades to handle the Olympia community, but would not have the ability to collect development impact fees.

- Over \$30 million in infrastructure costs on existing (not new) Herriman roads
- If annexed, over \$100 million in one-time fee revenue to help offset one-time infrastructure and service facilities costs
- If annexed, nearly \$3 million per year in revenue to offset ongoing costs

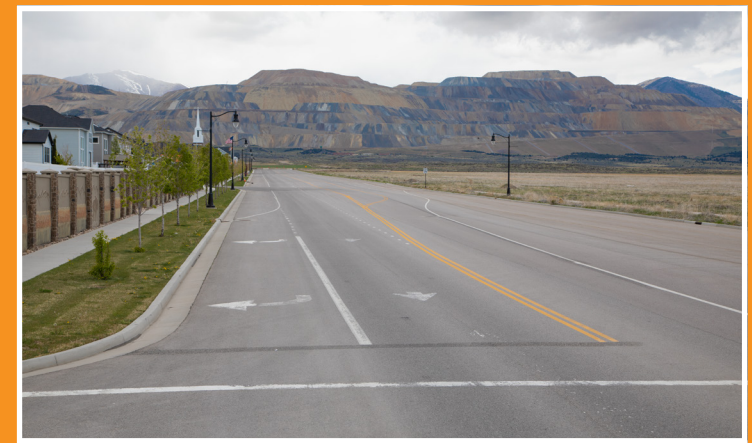


In 2018, Herriman City contracted with Bonneville Research to study the then-proposed Olympia development. The study noted many concerns with the project in unincorporated county land and the City's ability to mitigate its impacts.

Since then, the project was reduced in its density (from 9,876 units to 6,330) and underwent other improvements based on public feedback. Bonneville Research updated its findings in 2021 and presented at a May 2021 City Council meeting.

The consultant noted key conclusions from the updated study, including that, with annexation, Herriman will have sufficient revenues to construct needed infrastructure improvements and cover ongoing operational expenses. They also believe Herriman City can maintain its high

quality of life with enough revenue for additional transportation, recreation, and community gathering spaces. The consultant reviewed and confirmed the existing report by the City's finance director given in February. They concluded that the City cannot afford to not annex Olympia based on the impacts, and that only by annexation can the City have 1) a voice in the development and 2) the revenues needed to mitigate impacts on transportation, public facilities, and public services.



## What's happening now?

The City and developer have been meeting regularly over the last few months in various working groups that cover different aspects of Olympia: planning/design guidelines, finance, infrastructure, and the master development agreement. In these meetings, discussions are taking place about how to best blend Olympia with the existing Herriman community if the project is to be annexed. There is a thorough public process to take place before the City and developer decide what is best for both parties.

You can find summaries of all those working group meeting discussions and City Council meeting conversations by scanning the QR code or by visiting the website

[www.herriman.org/olympiahills](http://www.herriman.org/olympiahills). Additionally, the City will continue frequently publishing all available information to make this a transparent process.

**Details and updated information:**  
[www.herriman.org/olympiahills](http://www.herriman.org/olympiahills)



- Timeline and public hearings
- Maps, plans, and documents
- Research
- Meeting summaries
- Feedback comment form

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