

Special City Council Work Meeting – September 15, 2021

The City Council and the Olympia developer met in a special work session to discuss the Olympia master development agreement (MDA), which coincides with the Olympia development’s annexation into Herriman City, should the annexation be approved.

After expressing several concerns and questions, the City Council negotiated several outcomes for the City, including:

- Further restriction of residential building height and density across densest uses in western region of the property
- Protection of 20 acres of commercial land near main planned retail hub at intersection of 12600 South/U-111 (realigned)
- Established minimum square footage of general leasable commercial space across the project (approximately 350,000 sq ft if developed within 15 years, and 200,000 if undeveloped after 15 years. Proposed minimums will be further analyzed in coming days)
- Increased size of 6400 West park from 5 acres to 7 acres to allow for increased amount of programmable playing field space (approximately three game fields), responding to a common request from park users and sports teams. Increased size also helps intercept more stormwater in the area
- Written commitment to work with Olympia team to lobby for state funding for major roadways and east-west corridor preservation along 12600 South (to allow for possibility of an east-west expressway to Bangerter Highway)
- Dedication of Olympia-owned land to City to construct section of 6400 West roadway southward from 12600 South through Creek Ridge
- If the planned County trailhead on western boundary does not occur, the developer will instead install a city park (even though the designated land use is Town Center, which is the highest-intensity use)
- Secondary water line installation will be required for the project in water pressure zones 3 and 4, per standard City requirements

Greater detail about these items is provided in the following table and in the following related paragraphs.

Main discussion points	Discussed resolutions
Composition and general placement of the 6,330 County-entitled residential units	<ul style="list-style-type: none"> ▪ Restrict residential buildings west of 8200 West to five stories above ground and a maximum of 20 units per acre ▪ Mixed-use (commercial on lower level, residential above) would allow for five stories above ground and up to two parking levels beneath the ground ▪ Allow the Town Center use in the heart of the project to exist as written (no

	<p>maximum density; buildings up to 10 stories) to best encourage quality commercial use in the center of the project near transportation corridors</p>
Commercial land use requirements	<ul style="list-style-type: none"> ▪ 20 acres reserved for commercial at intersection of U-111/12600 South for 15 years. If area not fully developed after 10 years, decreases to 15 acres. Decreases 5 acres every 5 years ▪ Permanent minimum of 200,000 square feet of general leasable area across whole project (based on recommendations from third party commercial brokers and consultants) ▪ Minimum of 350,000 square feet of general leasable area for 15 years. After 15 years, minimum decreases to 200,000 sq ft ▪ Far west area (“West Bench”) minimum 10,000 sq ft of general leasable area. Mid-western section (“Foothills”) minimum 8,000 sq ft of general leasable area
Open space and programmable fields	<ul style="list-style-type: none"> ▪ Increase size of 6400 West park from approximately 5 to 7 acres to increase capacity for programmable playing field space ▪ If the County trailhead does not occur as projected, the developer will instead install a city park, even though the area is indicated to be high-intensity usage
Right of way preservation and road funding	<ul style="list-style-type: none"> ▪ MDA clause to include that the developer and the City will work together to lobby state funding for: <ul style="list-style-type: none"> ○ Intersection of U-111 (realigned) and 12600 South to occur on the project as planned ○ Corridor preservation for right-of-way to allow potential of east-west expressway along 12600 South toward Bangerter Highway ○ Major roadway construction
6400 West construction and funding	<ul style="list-style-type: none"> ▪ Olympia will dedicate its owned land in the right-of-way to the City to help facilitate

	<p>construction and will front construction costs</p> <ul style="list-style-type: none"> ▪ City agrees to reimburse/credit-offset construction of 6400 West southward from 12600 South through the Creek Ridge development. Obligation already exists in Creek Ridge MDA for the City to construct the road to Heritage Hill Drive
Secondary water	<ul style="list-style-type: none"> ▪ Secondary water lines will be installed on the project in pressure zones 4 and lower, per standard City requirements

Composition and general placement of the 6,330 County-entitled residential units

The developer indicated they are not interested in negotiating that number and that doing so would have a major ripple effect on other studies and analysis already completed for the project. The draft MDA includes that at least 30% of the 6,330 units must be single-family, detached homes, and no more than 37% can be apartment units. The Council expressed concern that because the “Town Center” land use type (which allows the densest uses) does not have a density maximum, and that the only restriction is a maximum of 10 stories per building. The project will generally be built from east to west. The concern was that if a large share of the units are not built in earlier stages, then the Town Center area on the far west end by the existing U-111 road would not have a restriction to prevent very large structures and very high-intensity uses. After a discussion, the developer and Council agreed to note the following in the MDA:

- Allow the Town Center use in the middle of the project to exist as written (no maximum density; buildings up to 10 stories) to best encourage quality commercial use in the heart of the project near transportation corridors
- Restrict residential buildings west of 8200 West to five stories above ground and a maximum of 20 units per acre
- Mixed-use (commercial on lower level, residential above) would allow for five stories above ground and two parking levels beneath the ground

Commercial land use requirements

A repeated concern of the City Council is ensuring that the Olympia project fulfills its plans for commercial land uses. Several members expressed a concern that commercial locations may not be preserved properly and instead be eventually replaced by residential units. The developer noted that the project needs commercial uses to be a quality community. The City and developer each reached out to third-party commercial consultants or brokers to determine an estimate of feasible commercial area within Olympia. The estimates came back between 150,000-250,000 square feet of general leasable space.

The Council said it wants to ensure that adequate commercial space is reserved as the project is built out to allow for a thriving community with enough services, job centers, and a contributing sales tax base. The developer acknowledged and agreed with those items, but wants to retain flexibility if the market does not demand traditional commercial space in future years and decades.

A discussion resulted in a proposed approach meant to balance the concerns:

- Preserving a large space (20 acres) for a retail and employment center at the U-111/12600 South intersection for a long enough time to determine if it's feasible (minimum 10 years) and if so, to allow construction.
 - After 10 years, that minimum acreage would decrease by 5 acres every 5 years to allow for flexibility in case the commercial demand is lower than anticipated.
- Additionally, a minimum square footage of commercial space across all of Olympia was proposed—350,000 square feet of general leasable space, a requirement to be in place for 15 years.
 - After 15 years, the requirement would decrease to an absolute/permanent minimum of 200,000 square feet.
- Two other areas—the “West Bench” and “Foothills” commercial nodes—would have an absolute/permanent minimum of 10,000 and 8,000 square feet of general leasable commercial area, respectively.

The Council and developer agreed on the general concept of this layout, while the exact numbers will continue to be examined in coming days.

Open space and programmable fields

The City Council echoed recent public feedback with concern that programmable field space is properly considered. The topography of the project limits areas where flat, programmable space for sports fields is feasible. There are two main parks that are expected to have programmable space—“K Park,” on the mid-south end of Olympia, mirroring park space in the adjacent Hidden Oaks development, and the 6400 West park on Olympia’s east end. The Council and developer agreed to expand the 6400 West park from about 5 to 7 acres to increase capacity for playing field space.

The group also discussed how to count open space that is considered to be on unbuildable land (30% or greater grade, per City code). The developer noted that the County MDA allowed all open space—regardless of slope—to count 100% toward the open space requirement. It was stated that much of the unbuildable slope area is intended to include trails and recreational space. It was also acknowledged that the County MDA allowed the entirety of the proposed Utah State University campus to count as open space, while the developer has agreed to remove the campus from the open space calculation in the Herriman City MDA.

It was reiterated that Salt Lake County intends to place a regional trailhead at the southwest end of Olympia. If that trailhead does not end up being constructed, the developer and Council both proposed that the City and Olympia would work together to build a city park in its stead.

Right of way preservation and road funding

The Council requested the MDA include a preservation of extra right-of-way of 12600 South on Olympia to allow for the possibility of an east-west expressway toward Bangerter Highway. The existing right-of-way required by the transportation impact study is 120 feet. For a period of several years, the group agreed the MDA will preserve extra right-of-way to keep the door open for an expressway. No expressway currently exists in official UDOT plans, but it is suggested in the recently conducted Southwest Visioning Study. The MDA will include a clause that the City and developer will work in harmony to lobby state resources and push for corridor preservation funds and open the door for an expressway.

6400 West construction and funding

A connection of 6400 West from 12600 South to the Olympia project boundary is necessary to begin the project. An obligation already exists in the Creek Ridge development's MDA for the City to construct 6400 West southward from 12600 South to Heritage Hill Drive (roughly half of the necessary roadway connection).

The developer offered to construct the full roadway all the way to Olympia and asked the City to reimburse or offset-credit the cost. The developer also owns a significant portion of the involved land, while the City owns most of the main roadway portion.

It was acknowledged that the City would have to pay for the cost of the construction even if Olympia was *not* to be annexed. This is because the roadway exists on City master plans; therefore, the City is considered to have already been collecting development impact fees for the project. The developer offered to dedicate its portion of the land to the City and front the cost of the entire roadway's construction, including the existing City obligation. The City Council agreed to work out a way to reimburse or offset-credit the cost of the construction and landscape improvements. It is anticipated that the road and improvements will total between \$2-3 million.

Secondary water

The developer requested that the Olympia project not include secondary water lines that are required by the City for new development. The reasoning was that there is no secondary water source on or near Olympia, and it would be years before a source (reservoir, underground facility, etc.) is constructed. The City requires secondary water in pressure zones 4 and lower for schools, parks, and subdivisions with average lot sizes over 6,500 square feet.

The developer stated that schools and parks would likely be constructed and install culinary water sprinkler systems long before secondary water is available on-site. Because of the nature of culinary vs. secondary sprinkler systems, it was said that culinary sprinkler systems would probably not be replaced and secondary water lines may not ultimately be used. The Council still preferred to provide secondary water infrastructure per City requirements and leave the door open for possible future use, and the developer agreed.

A regularly-scheduled City Council meeting will be held Wednesday, September 22nd. The public hearing for Olympia items remains open through that meeting. A final decision regarding annexation is anticipated in a special City Council general meeting on Wednesday, September 29th.