



TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board Meeting Materials

February 5, 2026



TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Meeting Agenda

Thursday, February 5, 2026

9:00 a.m.

102 Tower – 6th Floor Boardroom

102 South 200 East

Salt Lake City, Utah 84111

1. Welcome

2. Public Comment Period

Trust Lands welcomes comments from the county advisory committee, the public, and other interested parties. The Board sets aside 15 minutes at each board meeting to hear from anyone wishing to speak. Each presenter is allowed one opportunity and has up to three (3) minutes for remarks. Any member of the public participating electronically who desires to comment shall use the “raise hand” feature during the Zoom meeting. The public comment segment of the board meeting is not the time for a question-and-answer discussion. Trust Lands staff is available for dialogue outside of board meetings.

3. Action Items

- A.** Proposed major development transaction located on west benches and foothills of Saratoga Springs, Utah County, Utah (1,200 +/- acres) with Larry H. Miller Real Estate by Alexa Wilson, Development Project Manager, Strategic Initiatives.

4. Adjourn

Note: Board members may participate in this meeting electronically but may be seen and heard via electronic means at the anchor location specified above. Interested parties, including members of the public or representatives of county governments or Utah Tribes, may attend the meeting in person or through the registration link:

https://utah-gov.zoom.us/webinar/register/WN_GPcpwB6XRgSVoGNUbOxwAw#/registration

Those wishing to provide public comment electronically will be asked at the beginning of the period designated for such comment to use the "raise hand" feature at the bottom of the screen within the Zoom meeting so they may be called upon to provide comment.

Please call Imaan Ahmed at 801-538-5110 or email ifahmed@utah.gov any time before 4:00 p.m. on February 4, 2026, with questions.

Items may be heard in any order, at any time, at the Board's discretion. Please be aware that the public portions of this meeting may be broadcast live over the Internet. Also, please note 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.

Pursuant to the Americans with Disabilities Act, individuals needing auxiliary communicative aids and services for this meeting should contact Imaan Ahmed at 801-538-5110 or by email at ifahmed@utah.gov at least three (3) days in advance.

I, Imaan Ahmed, Trust Lands Administration Board of Trustees Executive Assistant, hereby certify that the foregoing agenda was posted on the Utah State Public Notice website, <https://www.utah.gov/pmn/index.html>.

Dated: January 29, 2026



TRUST LANDS ADMINISTRATION

SUPPORTING SCHOOLS AND INSTITUTIONS

Utah School and Institutional Trust Lands Administration Board of Trustees Memorandum

Date: February 5, 2026

To: Board of Trustees

From: Alexa Wilson

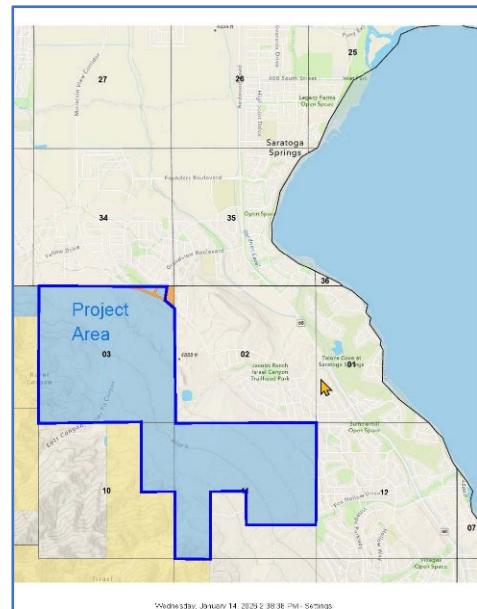
Re: Development Lease in Saratoga Springs (DEVL 1291)

Applicant: Larry H. Miller Real Estate ("LHM")

Lands: T6S, R1W, section 3, 10 and 11, SLB&M (within); Utah County

Acreage: 1,200 (+/- acres)

Fund: Public School Trust (93.31%)
Utah State University Trust (6.69%)



Summary

TLA staff recommends that the Board approve a major development transaction on approximately 1,200 acres of Trust Lands located in Utah County on the west benches and foothills of Saratoga Springs, which is west of Utah Lake. The Board approved negotiations of this transaction with LHM on October 20, 2022. The Board was updated on the progress in February 2025. The agency has negotiated the deal terms and now seeks the Board's final approval of the transaction, pursuant to Rule R850-140-600. If the Board approves the transaction, the agency will finalize the development lease and associated Annexation and Master Development Agreement.

Key Information and Background--Major Development Transaction

Background: Since October 2022, LHM has worked diligently to develop the community plan (See Exhibit A) and to seek entitlements from the City of Saratoga Springs. The project presents a number of challenges, including approximately 80 acres of heavily disturbed lands, which were until recently mined for clay and aggregates. Currently, there is an active construction & demolition landfill under an existing TLA Special Use Lease Agreement, the term of which expires in April 2027. It is estimated that approximately 287K cubic yards are needed to fill the landfill, but only about 60,000 tons of C&D waste will be deposited between now and the landfill's closure, leaving a pit that will require a substantial amount of fill to bring it back to grade.



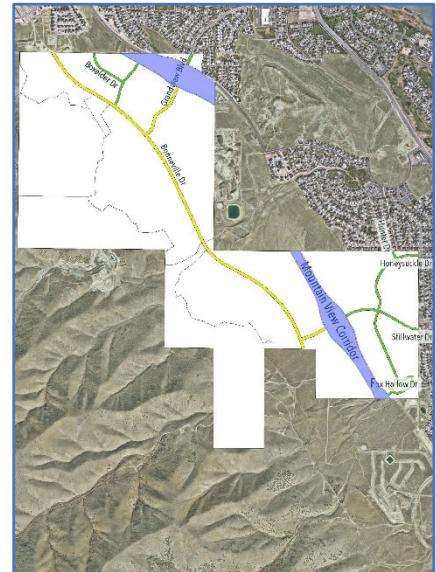
Developing this parcel will be unusually costly as a result of the loose, uncompacted soils and large open pits with high vertical walls caused by the prior clay mining. LHM will reclaim the clay mine/landfill site as open space/amenity land at significant expense. TLA will not bear any costs of the reclamation (See Exhibit B for additional photos). The parcel is bisected by a planned major transportation corridor, known as the Mountain View Corridor ("MVC"). The City requires the developer to install two lanes and a turn lane in anticipation of UDOT's full construction a decade from now, to mitigate the City's traffic challenges.

The extension of the MVC provided the primary incentive for the City to approve the annexation and development entitlements for the lands.

Key Terms of Transaction:

- Entitled development plan includes 2,950 residential lots, 37 acres of civic space (schools and churches), 15 acres of neighborhood commercial, 122.2 acres of major roads (including 65.2 acres for the Mountain View Corridor), 152 acres of Park and Amenity lands (including the landfill and quarry area), and 371 acres of hillside open space.
- The transaction is structured as a Development Lease. In general, the Trust will retain ownership of the land, while the developer puts in infrastructure and builds homes. The trust is compensated at a set percentage of the sales price to a third-party buyer. A "double" closing takes place in which the Trust Lands conveys the lot or parcel to the developer, at which time it is immediately reconveyed to the third-party purchaser.
- Annual Rent: \$2,000
- Residential Lots: TLA will receive **6%** of the home's purchase price or **26%** of a lot's purchase price if the lot is sold to a third-party builder. Most of the sales will be for finished homes with Destination Homes, a LHM subsidiary, as the builder.

- Improved Commercial Lots and Civic Parcels: TLA payment is 50% of the sales price
- Park and Amenity Lands: \$20,000 per acre (\$2,000 per acre if landfill/quarry area).
- General open space: \$10,000 per acre, Undevelopable Open Space: \$1,000 per acre. A partial mineral withdrawal for 40 years of the sensitive (greater than 30% slope) and native mountainside lands is part of this agreement (also a City requirement as part of the conditional entitlements).
- The Trust will dedicate the land underlying the extension of the MVC. LHM is responsible for the construction of 2 lanes and a turn lane for the MVC extension, in the early phases of development, well before the full construction by UDOT will occur. The extension of the MVC will significantly increase the value of the property and is a condition for the city entitlements.
- After the landfill operator closes the landfill, at no cost to Trust Lands, LHM will assume environmental and financial responsibility for reclaiming, infilling and otherwise bringing the landfill and quarry lands to usable open space standards, subject to Utah Department of Environmental Quality standards. LHM will indemnify the Trust Lands for any contamination that may occur during its infilling and reclamation process.



Results of Agency's Due Diligence:

The Larry H. Miller Group is a well-known and well-regarded Utah based organization with deep community ties and the proven financial resources to execute the project. The compensation for the land is in line with the original 2022 offer and the physical and regulatory attributes of the parcel. The development lease structure of the transaction has been used by the trust for over 25 years and has yielded significant revenue without subordinating trust lands to risky construction loans. This development project will improve access to adjacent small development parcels, thus increasing their value. Alternative uses for the property include continued use of the landfill and grazing, as well as further excavation for sand and gravel and possibly other unknown minerals. These uses are unlikely to yield similar returns.

Projected Financial Return to the Trust:

The gross projected revenue from the project is \$149M. This is \$160K per developable acre, excluding the landfill and quarry areas and slopes exceeding 30%. On a net present value basis (discounted at 7.5%), total project revenue is projected at \$86M, which is \$92K per developable acre. These projections are based on moderate assumptions about absorption and home prices for the next 15 years.

The table below shows what happens to trust revenue if prices are lower and absorption is slower (the conservative scenario) or if prices are higher and absorption is faster (the aggressive scenario)

	NPV - 7.5%	NPV / Gross Acre	NPV / Developable Acre
		1,206 Acres	931 Acres
Conservative	\$66,875,593	\$55,452	\$71,815
Moderate	\$85,820,916	\$71,162	\$92,160
Aggressive	\$95,152,724	\$78,899	\$102,181
	Gross Revenue	Gross \$ / Gross Acre	Gross / Developable Acre
Conservative	\$138,936,965	\$115,205	\$149,199
Moderate	\$148,614,499	\$123,229	\$159,591
Aggressive	\$154,403,352	\$128,029	\$165,808

The developer will assume responsibility for creating improved open space on the landfill/quarry land, which is heavily disturbed, as a result of mining activities since the 1950's and is not developable without extensive, very expensive remediation and compaction of the loose soils. The acreage counts towards the overall density of the project and open space requirement. The project removes a hazard immediately adjacent to already developed land and solves issues related to the remediation and monitoring of the landfill and quarry sites.



Competitive Process: LHM was selected in October 2022 from 8 proponents. Its proposal was selected because it promised higher lot prices, driven by “Daybreak quality” planning and participation percentages comparable to competing offers. LHM is well-capitalized, employs key Daybreak planners for community design, and has deep community ties. LHM is well-positioned to deal with the many regulatory and physical challenges of this property and can be counted on to develop a quality plan. All respondents to the 2022 RFP were aware of the physical challenges of the property, and as a result, the offered percentage payments came in at 6% of the gross sales price of a home, which is somewhat lower than most development leases. LHM further investigated the property and gained a clearer understanding of the extent of disturbance and the very high reclamation costs. LHM suggested that, to make the project viable, the percentage payments would need to be even lower, and the trust would have to assume a significant portion of the reclamation costs. We encouraged LHM to rework the plan to make the original percentages work, and we landed back at 6% and no additional cost for the trust.

Staff Conflicts of Interest: None known

Financial Strength and Commitment of Developer: LHM has provided financial statements (confidentially) showing it has the funds necessary to support the development. LHM has demonstrated extraordinary commitment throughout the complex entitlement process, investing significant staff time and over \$ 6M.

Subordination of Trust Assets: None

Requested Action

The agency requests that the Board approve the final terms of the development agreement with the developer and offers the following proposed motion:

“Move to approve the final terms of the development agreement with Larry H. Miller Real Estate for the Saratoga Springs Three Canyons Project and for the agency to execute and take all further actions necessary to finalize the transaction.”

Exhibit A Development Plan

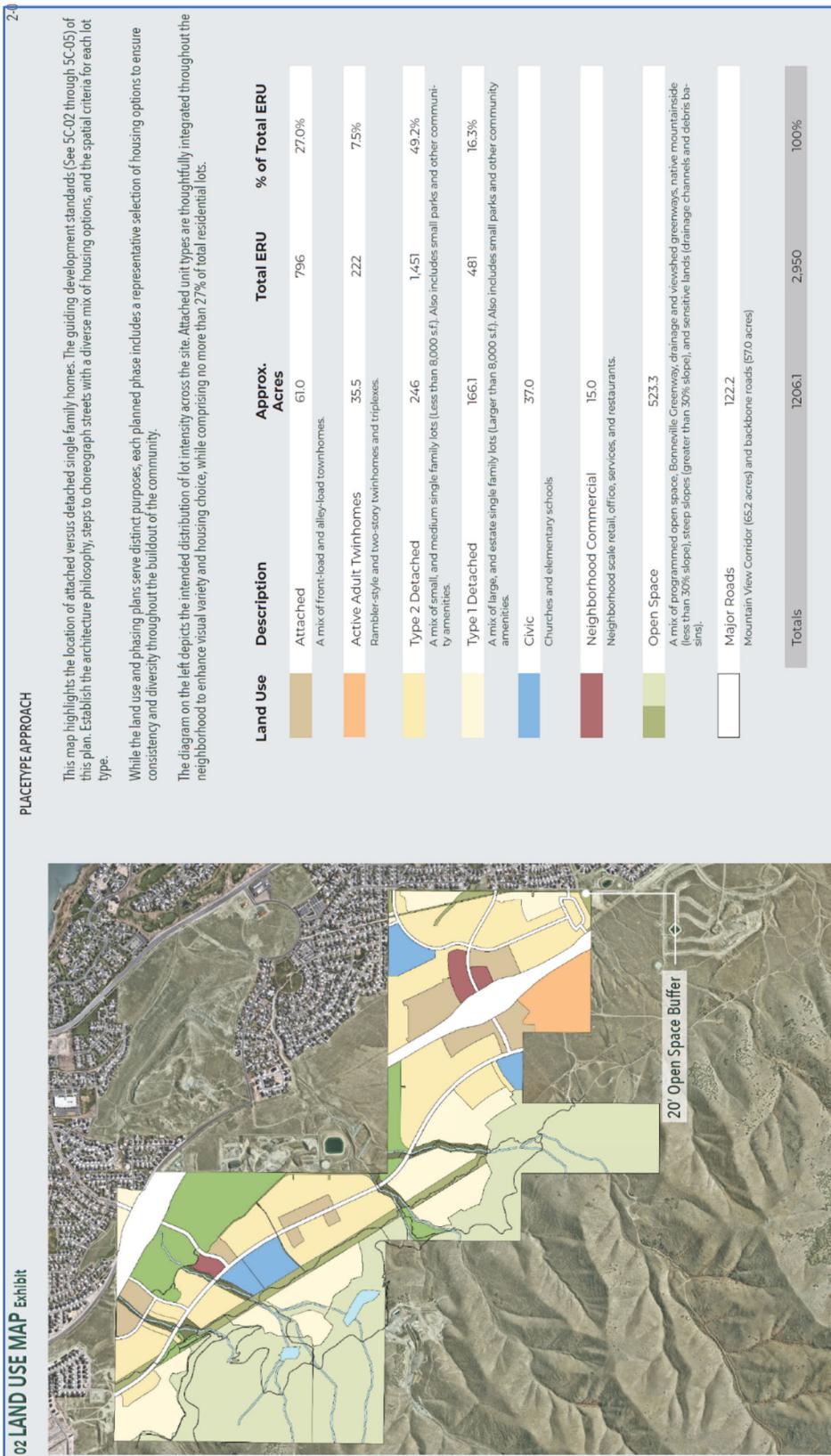


Exhibit B Landfill and Quarry Pictures





End of Board Materials

January 22, 2026