TRUST LANDS ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS
102 South 200 East, Suite #600
Salt Lake City UT 84111
801-538-5100 Fax 801-355-0922
trustlands.utah.gov

Michelle E. McConkie
Executive Director

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Ivins City Council
85 North Main Street
Ivins, Utah 84738

Re: Response to A Win-Win Proposal for Attainable Housing, Responsible Planning, and Preservation of the SITLA Property

Dear Mayor, Ivins City Council Members and Planning Commission Members,

The State of Utah, School and Institutional Trust Lands Administration ("SITLA"), respectfully submits this response to the proposal of Lance Anderson entitled "A Win-Win Proposal for Attainable Housing, Responsible Planning, and Preservation of the SITLA Property", dated July 15, 2026 (the "Anderson Proposal").

According to the published agenda, the City Council and Planning Commission will be considering the Anderson Proposal at a Joint Work Meeting on August 6, 2026. Due to certain irregularities in the Anderson Proposal, SITLA desires to submit this response in advance of Thursday's meeting.

The Anderson Proposal purports to provide a framework for a three-way land development deal that will result in a "win-win" for all parties, including the City. However, the Anderson Proposal is not a "win" for the beneficiaries of SITLA, as discussed below. The City is being asked to act as a dealmaker on behalf of Mr. Anderson for a scenario that does not comport with SITLA's governing statutes and administrative rules and that is not in the best interests of SITLA's beneficiaries.

As you know, SITLA and Anasazi Ridge Group submitted a Petition for Annexation on or about May 27, 2026, for approximately 40 acres owned by SITLA and approximately 30 acres under the control of Anasazi Ridge Group. The project is anticipated to include approximately 355 single family obtainable housing units and 6 acres of commercial area.

SITLA and Anasazi Ridge Group voluntarily agreed to waive the 14 day requirement for the City's response to allow additional time to collaborate with the City and address community concerns in the development plan. This collaborative approach allowed time for a productive City Council Work Meeting on June 18, 2026, which also included a site visit. As a result of this collaboration, SITLA and Anasazi Ridge Group have altered the original plan and have remained engaged with the City to work toward approval of the Petition for Annexation.

At the same time, however, this additional time has now allowed Mr. Anderson, who developed and resides in the adjoining low density Indigo Hills subdivision, to once again attempt to defeat this project. His proposed three-way deal attempts to get this City Council to accomplish what he could not do on his own, which is to acquire the adjoining 40 acres of SITLA property that is under the Petition for Annexation. If successful, Mr. Anderson would develop SITLA's property into "65 residential lots, similar in character and density" to his Indigo Hills subdivision. (*The Anderson Proposal*, p. 2).

This portion of the Anderson Proposal, however, has already been considered and rejected by SITLA. Mr. Anderson cannot resurrect this proposal through the City by attempting a circumvention of SITLA's governing statutes and administrative rules.

SITLA may only act in the exclusive interest of the trust beneficiaries. *U.C.A. § 53C-1-102(2)* (attached). To be clear, "[b]eneficiaries do not include other governmental institutions or agencies, the public at large, or the general welfare of this state." *U.C.A. § 53C-1-102((2)(d)*.

In addition, SITLA must advertise any proposed sale, lease, or exchange of an interest in trust lands. *U.C.A. § 53C-4-102(3)* and *Utah Admin. Code R850-140-400.2* (attached). In compliance with these requirements, SITLA released a Request for Proposal ("RFP") in August 2024 for SITLA's 40 acre parcel, which was advertised for 8 months.

On or about November 20, 2025, in a duly noticed public meeting (the "Board Meeting"), the Board of Trustees for SITLA authorized staff to proceed with negotiations on a development agreement with the successful proposal, which was submitted by the Anasazi Ridge Group. Not only had Mr. Anderson submitted an initial proposal in response to the RFP that was rejected, but he was also permitted to submit three additional proposals, after the published deadline, all of which were similarly rejected in favor of the Anasazi Ridge Group. It should also be noted that Mr. Anderson appeared virtually and commented at the Board meeting.

Ironically, one of Mr. Anderson's four rejected proposals offered the very same purchase price now stated in the Anderson Proposal. "Option 3" of his second round of responses proposed a phased takedown of the parcel for a total purchase price of $4,000,000, the same purchase price stated in the Anderson Proposal.

The Board determined that it was not in the best interests of the trust beneficiaries to select Mr. Anderson's $4,000,000 offer and, instead, chose Anasazi Ridge Group. As the City knows, and it has never suggested otherwise, the City has no authority to substitute its judgment for that of the Board to compel SITLA to accept a different deal. Yet that is precisely what Mr. Anderson is asking of the City. Further, Mr. Anderson has no authority whatsoever to negotiate in connection with SITLA's property or to determine what constitutes a "win" for the trust beneficiaries.

SITLA respectfully requests that the City Council reject the Anderson Proposal and continue to collaborate with SITLA and Anasazi Ridge Group for eventual approval

of the Petition for Annexation. In the event Mr. Anderson is permitted to speak at Thursday's meeting, SITLA would appreciate a similar opportunity.

Yours sincerely,

Aaron Langston
Managing Director
Residential and Commercial Development

Effective 5/1/2024

53C-1-102 Purpose.

(1)

(a) The purpose of this title is to establish an administration and board to manage lands that Congress granted to the state for the support of common schools and other beneficiary institutions, under the Utah Enabling Act.

(b) This grant was expressly accepted in the Utah Constitution, thereby creating a compact between the federal and state governments which imposes upon the state a perpetual trust obligation to which standard trust principles are applied.

(c) Title to these trust lands is vested in the state as trustee to be administered for the financial support of the trust beneficiaries.

(2)

(a) The trust principles referred to in Subsection (1) impose fiduciary duties upon the state, including a duty of undivided loyalty to, and a strict requirement to administer the trust corpus for the exclusive benefit of, the trust beneficiaries.

(b) As trustee, the state shall manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interests of the trust beneficiaries.

(c) The trustee shall be concerned with both income for the current beneficiaries and the preservation of trust assets for future beneficiaries, which requires a balancing of short and long-term interests so that long-term benefits are not lost in an effort to maximize short-term gains.

(d) The beneficiaries do not include other governmental institutions or agencies, the public at large, or the general welfare of this state.

(3) This title shall be liberally construed to enable the board of trustees, the director, and the administration to faithfully fulfill the state's obligations to the trust beneficiaries.

Amended by Chapter 54, 2024 General Session

Effective 7/1/2025

53C-4-102 Sale of trust lands -- Fair market value -- Determination of sale -- Advertising proposed sales -- Sale procedures -- Defaults.

(1) Trust lands may not be sold for less than the fair market value.

(2)

(a) The director shall determine whether disposal or retention of all or a portion of a property interest in trust lands is in the best interest of the trust.

(b) When it is determined that the disposal of an interest in trust lands is in the best interest of the applicable trust, the transaction shall be accomplished in an orderly and timely manner.

(3) The director shall advertise any proposed sale, lease, or exchange of an interest in trust lands in a reasonable manner consistent with the director's fiduciary responsibilities.

(4)

(a) Any tract of trust land may be subdivided and sold, leased, or exchanged in accordance with a plan, contract, or other action designating the land to be subdivided that is approved by the director.

(b) The director may survey the tract and direct its subdivision.

(c) A plat of the survey shall be filed with the county recorder of the county in which the land is located and with the administration.

(5) Sale conditions, including qualification of prospective purchasers, shall be in accordance with accepted mortgage lending and real estate practices.

(6) Upon the sale of land, the director shall issue to the purchaser a certificate of sale which describes the land purchased and states the amount paid, the amount due, and the time when the principal and interest will become due.

(7) Upon payment in full of principal and interest, payment in full of any amounts required to be paid for the partial release of property, or acceptance of appropriate conveyance documents in satisfaction of a land exchange, the governor, or the governor's designee, shall issue a patent to the purchaser, heir, assignee, successor in interest, or other grantee as determined by the director.

(8)

(a) If a purchaser of trust lands defaults in the payment of any installment of principal or interest due under the terms of the contract of sale, the director shall notify the purchaser that if the default is not corrected within 30 days after issuance of the notice the director shall proceed with any remedy which the administration may pursue under law or the contract of sale.

(b) The notice shall be sent by registered or certified mail to the purchaser at the latest address as shown by the records of the administration.

(c) If the default is not corrected by compliance with the requirements of the notice of default within the time provided by the notice, the director may pursue any available remedy under the contract of sale, including forfeiture.

(d) If forfeited lands are sold again to the same purchaser, the sale may be made by a new and independent contract without regard to the forfeited agreement.

(9) The director shall offer for sale any trust lands subject to a valid surface lease agreement or permit to the owner of the lease or permit if:

(a) the director approves the sale of the trust lands;

(b) the owner of the lease or permit agrees to pay fair market value, which may not exceed an amount equal to the highest credible offer received for the trust lands;

(c) the owner of the lease or permit has held the lease or permit for at least 25 consecutive years;

(d) the trust lands offered for sale are not greater than 640 acres; and

(e) the trust lands do not have an authorized point of public access at the time of sale.

Amended by Chapter 496, 2025 General Session

R850-140-400. Development Transactions - General Provisions.

1. Subject to the board notice and approval provisions contained in Sections R850-140-500 and R850-140-600, the agency may solicit and reject proposals, make offers, counter offers and otherwise negotiate freely with interested parties in its efforts to arrange development transactions that are in the best interests of the trust. Development transactions will be structured according to the circumstances of the market and the attributes of the particular development property.

2. Before entering a development transaction, the agency shall initiate an appropriate advertising program designed to effectively solicit interested parties. Advertising may be implemented through print media, internet, signage, direct mail, or other appropriate marketing methods.

3. In negotiating development transactions, the agency shall undertake appropriate due diligence with respect to the proposed transaction, including consideration of the following criteria:

(a) The ownership, character, reputation, financial status, credit, and litigation history and prior real estate development experience of the party with whom the development transaction is proposed.

(b) The financial attributes of the proposed development transaction.

(c) The legal structure of the proposed development transaction.

(d) The potential effects of the proposed development transaction upon nearby trust lands; and

(e) Whether the proposed transaction will bring the highest long-term return to the trust compared to other reasonably foreseeable alternatives.

4. Development transactions shall result in the trust receiving not less than fair market value for the sale, use, or exchange of the development property in question.

5. The purchase, sale or exchange of land in connection with a development transaction shall be supported by either an appraisal or a detailed internal analysis of value.

6. Formal contract documentation of any development transaction shall be subject to approval by a representative of the attorney general's office. No party to a proposed development transaction shall have any vested rights in the transaction until the formal contract documents have been approved by the agency representative of the attorney general's office, approved by the board if required by rule or statute, approved and executed by the director, and delivered.