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South Jordan is thriving in recession, thanks to savvy planning

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SOUTH JORDAN — When Andrea and Spencer Coles moved to Utah, the southwest end of the valley really wasn't an option. It took a visit to a friend's home in South Jordan for them to change their minds.

"South Jordan feels different than a lot of the west side," Andrea said. "There's a really clean feel to the city. They make it look really nice. It's a really great community without being uptight."

In 2008, the couple moved into South Jordan's Daybreak community. Now parents to a 1-year-old, they are thrilled to call the south valley suburb home.

"We really love it," added Andrea, a Texas native and BYU graduate. "I really didn't expect liking living in Utah again, but I do."

The Coles' conversion to the city is the same story of many residents — and businesses. If you want evidence the recession is slowing down in Utah, look no farther than South Jordan. Dozens of developments in the city seemingly pop up overnight, so new that you can almost smell the fresh paint.

"I've had my eye on the location there for four years," said Dan Hansen, owner and manager of Boston Deli. The Salt Lake City-based restaurant and catering service is adding a second location right off I-15 in South Jordan, scheduled to open in the next few weeks.

Boston Deli is just one of many businesses locating in a South Jordan retail center. With trendy names like The District and SoDa Row, South Jordan is aiming to stay ahead of the pack on cutting-edge development.

Doing so has transitioned the city from a sleepy bedroom community to the new anchor of the south valley.

Ask Brian Preece why South Jordan has maintained strong growth in an economic downturn and he'll try to answer without sounding arrogant.

"The city has had a very high standard for residential and commercial developments. People want to live here," said Preece, the city's director of long-term planning and sustainability.

In the midst of a national economic crisis, South Jordan is the only south valley city increasing its sales-tax revenue.

"I believe South Jordan is and will continue to be the hub of the southwest valley," said Wade Williams, director of retail development for The Boyer Co., which owns the 12-acre, mixed-use development The District off Bangerter Highway and 11400 South.

"From a retail perspective, the South Jordan area is a 'sweet spot' in the valley," Williams said. "Good income levels, young population, growing residential base."

It's the expedited approval process that wins over many developers. Williams said the city has a philosophy of a "win-win type process." Rather than losing a developer in the lengthy application and permit process, South Jordan shrinks it.

Long public hearings are eliminated (unless a resident complains), time is not wasted in front of the City Council for routine reviews, and the city aims for customer service.

"We have a relationship all the way through," Preece said. "It doesn't end once everything's been signed. That's unprecedented. We've got them, and we don't forget about them."

Major companies including Ultradent, Merit Medical and MonaVie all have their headquarters in South Jordan. The University of Utah also plans to build a satellite hospital on 50 acres in Daybreak.

A future Mid-Jordan TRAX line, a FrontRunner stop and the Mountain View Corridor freeway are all adding to the city's pockets of development, which will center on the transit lines and main roads such as 11400 South and 10600 South.

Visionary growth

Barely a few thousand people were living in the rural city when Kent Money moved to South Jordan 26 years ago. Money bought a 2-acre parcel off Redwood Road, one surrounded by hayfields and frequented by pheasants.

"I knew even then that that wasn't going to last forever," said Money, now South Jordan's mayor.

The city has since worked toward balancing residential, retail, commercial and job growth, he said. Political silos aren't formed in City Hall.

Community development director George Shaw said the city's master plan has made South Jordan's growth so successful. Shaw teaches community planning at University of Utah and has helped turn Orem and Sandy into thriving suburbs.

While many cities try to grow following the trendy development buzzwords of sustainable, walkable and green, South Jordan is actively aiming to achieve it. Hence Preece's "director of long-term planning and sustainability" position.

"We're doing something here that people want to be a part of," Shaw said. "But we're still keeping that semi-rural feel."

As farms and large open areas gradually disappear, the city is keeping the rural atmosphere by staying heavy on landscaping, enforcing strict regulations for signs and billboards, building tree-lined streets, securing open-space and, more recently, preserving historic properties.

South Jordan is working on restoring the 1905 Samuel E. Holt Farmstead (also known as Aunt Mame's) at 10300 S. 1300 West. The spot will eventually be turned into a three-acre park and living history site.

"When I was growing up, there were maybe 1,000 people in all of South Jordan. It was very small," said Bruce Newbold, the 67-year-old grandson of Holt. "There's been a lot of big, big changes since I was a teenager. But the city is protecting the atmosphere of South Jordan."

Residential boom

Drive through the massive Daybreak development at the west bench of the city and you'll pass a picture-perfect Pleasantville-esque community — million-dollar mansions next to townhomes, groups of young moms pushing toddlers in jogging strollers, pocket parks tucked behind rows of houses, and a variety of housing styles that seamlessly blends a southern colonial next to a modern contemporary.

Daybreak is a just a small chunk of land owned by Kennecott Land — 4,200 acres of 93,000 the company owns. Roughly 8,000 people live in the 2,100 residences in Daybreak. By the time it is completed in 2024, the master-planned community is expected to hit 20,000 residences and some 50,000-60,000 residents.

Kennecott often gets a bad rap for being a behemoth builder; Daybreak itself tends to polarize people. But the variety of lot sizes, non-traditional neighborhoods, unique architecture, open space, transit-oriented living and front-porch closeness has appealed to young people. Even in a recession, Daybreak is actively building — and selling.

"The visionary entitlement we received in the first place made this all possible," said Don Whyte, Kennecott's president and chief executive. "We could adjust very quickly to adjust to market circumstances."

Flexible zoning granted by the city allowed for such development in Daybreak, Whyte said. It gave the developer the luxury of being able to decide what will go in without being held up by city politics.

So Daybreak homes are in walking distance from an elementary school, charter school, commerce park, shopping district, community center, churches, lake, parks and even a Church of Jesus Christ of Latter-day Saints temple.

"In many cases, municipalities want to know exactly what is being built on every square foot of land. And we don't know what will be built 20 years down the road," said Whyte, who has developed planned communities in Canada, Colorado and Florida.

In a recession, that has allowed Daybreak to almost build in layers.

Two years ago when the economy tanked, Daybreak sat down with its home builders (more than half a dozen) and, at a time when credit was tight and people weren't qualifying for home loans, it retooled its pickings.

The outcome: Most new homes and townhomes currently for sale are predominantly in a low- to mid-price range, starting at \$129,000.

"People say, 'We can't believe this is actually happening out in suburbia,'" Shaw said. "We're building so people can live, eat, work and play all near their home."

The number of South Jordan's new residential units in 2008 units was eight times the amount of its municipal neighbors. South Jordan had 980 new single- and multi-family dwellings built last year.

More than 50 percent of that growth is in Daybreak. But numerous other housing developments dot the city — from new apartments at The District to multimillion-dollar homes in gated communities.

Growth challenges

The huge growth, though, has not come without its economic challenges.

Development, while high, has slowed down. The 2007-08 fiscal year showed an 8 percent growth in sales-tax revenue. In 2008-09, there was just 2 percent growth.

Nationwide retailers such as Victoria's Secret, DSW Shoe Warehouse and Barnes & Noble pulled out of The District because the economy has forced the companies to stop future development.

It's a similar story at the 45-acre Harvest Village, where Costco delayed opening a year until the economy picks up. Potential developers in Harvest Village are all waiting on Costco. In-N-Out Burger had been considering the location until Costco put its plans on hold. Instead, the popular hamburger joint moved to neighboring West Jordan's retail spot, Jordan Landing.

"Once they start putting footings in the ground, that area will just explode," Preece said.

South Jordan's second Walmart will also anchor Harvest Village. The city is working on filling those empty holes around Costco and SoDa Row, an upscale Daybreak shopping spot anchored by Rio Tinto headquarters.

Then there's 11400 South, where a future sizeable project referred to as "Gateway South" is planned. While the success of Walmart influenced developers to build a Sam's Club at that spot ahead of schedule, city spokesman Chip Dawson said residents have felt the pain of development — both of the big-box stores and road construction.

An area of the city that's remained mostly untouched for years, the city is working on building a 11400

South freeway exit and road expansion.

"That's been a challenge of the city," Dawson said. "How do you balance the growth?"

But rather than waiting to build the roads and infrastructure improvements until businesses locate in the empty fields, the city's approach has been: "Get the right pieces in place," Dawson said.

Empty plots of land throughout the city (often former farmland sold to developers) are ready and waiting for a developer. Yet another challenge will be the infill development, the random chunks of land tucked in between traditional subdivisions.

"We've positioned ourselves so, when the economy turns around, we'll be ready for growth," Preece said.

Massive infrastructure and road projects include 11400 South, the recently completed Redwood Road expansion and the 10600 South expansion. New roads will bring in developers, city officials say.

Future

South Jordan's development hasn't even hit its peak.

As one of the largest and fastest-growing cities in Utah, city officials project the population will max out at 85,000-90,000, up from more than 54,500 now. South Jordan has some of the highest property values in Utah (median home value is \$221,800) and some of the highest median income levels, appealing to developers.

"It's difficult for a community to financially exist with residential only," Money said. "The challenge is to keep the balance between growth and residential. I'd like to think we've accomplished that in South Jordan."

The city's ultimate goal is to prevent "leakage," a term used by economists to describe a municipality losing sales-tax dollars to neighboring cities. By becoming self-contained, residents will not have to leave the city to obtain goods, services and entertainment.

"We're trying to create a community spirit," Money said. "I think we're getting there."

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