

THE Enterprise

Kennecott Land continues studying development scenarios for West Bench

By **Debbi Olson**

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When Kennecott Land Development (KLD) unveiled its plans in 2005 to create a master plan for the future development of the 144 square-mile West Bench, news and excitement about the project spread fast, creating unrealistic expectations that the Oquirrh Mountain range would quickly be transformed into a new metropolis that would more than double the current population of the Salt Lake Valley.

The plan called for the development of 41,000 acres of the 93,000 acres Kennecott owns along the West Bench. It was estimated the development would create 162,800 housing units, provide 105,000 new jobs and increase the valley's population by more than 500,000 people.

While the intention of developing the West Bench is still in Kennecott's plans, the timeline for doing so is still unknown.

"As we started this process of developing the West Bench, one of the more difficult messages to communicate was that the West Bench plan doesn't represent the completion of mining activities or an imminent end to mining activities. Rather, it represents what can happen whenever mining finishes its business," said Jim Schulte, vice president of long-range planning for KLD. "Most development proposals that the public see are very near-term in orientation. They hear about a project because it's perhaps before a vote of the local jurisdiction and if it's approved then it likely will be implemented immediately. By contrast, this is a 75-year vision of the property. The vision is still intact."

Following several months of summits with community leaders, mayors, planners from cities that abutted the Oquirrh Mountain range, Salt Lake County and a national planning and architectural firm, KLD and the county began to meet to form development and zoning guidelines for the massive project, which would most likely remain within the jurisdiction of Salt Lake County.

The property is the largest undeveloped land area within a metropolitan area in the United States and it was KLD's intent to master plan it in a way that would make sense and be cohesive with the existing communities in the Salt Lake Valley.

That vision was heralded

by Salt Lake County Mayor Peter Corroon, who said at the beginning of the summit meetings in 2005 that, "there's no substitute for smart planning. The scope, size and substance of Kennecott planning and development gives us the unprecedented opportunity to provide a road map for future smart growth. If we get it right we will have half a million people who will benefit from coordinated transportation, work, schools and community centers. Future generations of Utahns are depending on us to get it right."

Almost immediately, KLD began working with Salt Lake County to form zoning guidelines for the property so that ordinances would be in place by the time development was ready to begin.

"In our early conversations with the county we both acknowledged that there might be some unique staffing needs to address some of the questions that the West Bench would propose," Schulte said. "Normally what happens with a development application is that you pay your fee and that fee is designed to pay for the expenses that the jurisdiction would incur to process the project. There really isn't a fee structure to handle the kind of project that we were proposing, so in our discussions with them [the county] we agreed that probably the best thing to do was just figure out what the staffing needs would be to work through the planning of the West Bench and we would pay for the team for a two-year period."

KLD paid the county \$1.6 million for a five-member team of county planners assigned to develop zoning ordinances specifically for the West Bench development.

Despite recent reports that KLD pulled its funding of the team based on its inability to give KLD what it wanted or because it was moving too slow, Schulte said the split with the county team came about primarily because the team began looking at a broader range of zoning goals that extended into other larger master planned areas in Salt Lake County and because of an extension of the life of the Bingham Canyon Mine, which is now projected to continue operations through 2036. When Kennecott first conceived the plan to develop the West Bench, the life of the mine had been estimated at 2012. Continuing exploration at Bingham Canyon and new technologies have found additional

ore bodies that can be mined in an open pit format for another 30 years and underground activities currently being explored could extend the mine life an additional 20 years.

"What we had tried to do was work with Salt Lake County to identify a system for zoning the property that would allow for the implementation of the West Bench vision but also not compromise the mining activities," Schulte said. "As we worked with them it proved pretty challenging to find the balance between providing Kennecott with land use rights and yet allowing the county to retain discretionary authority and at the same time protect the existing mining operation. We needed to have some security of land use rights, because with large-scale projects, like Daybreak, we invest millions and millions of dollars in upfront costs and we need to have some certainty that the development rights exist there. The county needs to retain some discretionary authority because you never have all the answers upfront and as the projects evolve they need to have some authority to continue to question and make sure it's working out for the citizens of the county. The mine has a growing future in front of it and we need to make sure its rights are well protected. The combination of all those became very difficult to sort out, so what we decided to do was to stop the rezoning process."

For the county's part, planners began to realize they needed to have a zoning ordinance to handle large scale developments, not just Kennecott's project, and that they also had needs for a capital facilities plan within those large developments. The county also realized it needed to know how to create general plan amendments for large scale developments and that it wasn't prepared to move forward on the Kennecott project until those guidelines were in place for the entire county.

"I think their perspective now is that they want to have a rational and well thought out way to receive large scale developments in any circumstance," Schulte said. "So they are sort of on their own initiative saying to themselves, 'What are the things we need?' and they are working through that right now. Since we're not specifically requesting a rezone of the entire property we realized that there is probably not a need for a specifically dedicated team for the

West Bench at this time. As a part of developing their ordinances they will develop a fee structure with the same concept in mind of what staff time it would take for a large scale development approval and they'll have fees that reflect that staff and if we make application to the county we'd pay those fees.

In the meantime, KLD has also taken a step back from trying to rezone the entire 93,000-acre site at one time and is looking at the project in smaller phases.

"We have a couple of areas that we think have near-term potential for development and we're evaluating them from three perspectives: we're evaluating them from a land development perspective, we've evaluating them from a mining operational perspective and we're evaluating them from a mining exploration perspective," Schulte said. "What we'd like to be able to do is that any time we come to a local agency with a proposal, we want to be more clear with them about how those things relate to each other so we will spend the next couple of years studying those areas and see where it comes out."

When KLD first revealed to the public that it would develop the West Bench, the first development was still not anticipated to begin for at least five to 20 years.

"What we are trying to do is have a vision of planning that can stand the test of time," said Peter Calthorpe of Calthorpe Associates, an urban architectural firm based in Berkeley, Calif., that was brought in in 2005 to help KLD with the land plan. "To do that we are trying to build a plan that is a series of places."

Those places include nodes of development that will take place along a transit spine that would run west and mostly parallel to Highway U111 and connect the entire north/south 144 square mile area from Butterfield Canyon to the south to Little Valley on the north. In between, developments would include the identified areas of Midas Gulch, Barneys, Clay Hollow, Soldier Flat and North Oquirrh.

But first Kennecott has to look at what areas are still being used for mining operations and mining transportation corridors, what areas are buffers to mining operations and what areas are considered surplus and possibly ready for development. Throughout the planning process with the Salt Lake County, KLD has also been

working with planners from West Jordan and West Valley City, both of which have been doing some general plan work on property that is near or within those cities. Similarly, KLD worked closely with South Jordan when it began looking at the development of Daybreak, which then had some of the property annexed into the city in order to begin the development.

"The question of jurisdiction has come up from the beginning. People would ask us, 'What jurisdiction are you going to implement this in?' At the time, the county was the only entity that had the breadth of perspective that would allow them to consider the entire property," Schulte said. "The real answer to the question of what jurisdiction we're going to implement in is that there are three options: annex, incorporate or develop in unincorporated county, and the real answer is that I'm sure that we'll see all three of those. I don't know which one will dominate. I don't know which one will become the prevailing solution for these communities and there may be different solutions for different parts of the community depending on the appetite of those west-side cities, depending on the appetite of the county. We regard both of them, both the county and the west-side cities, as important partners in any circumstance. It's more important to us to have a coordinated planning relationship than anything, irrespective of the jurisdictional boundary. That's one of the reasons why we looked at the West Bench absent the jurisdictional question originally. We think from a planning perspective you get better solutions by not limiting yourself to what happens in what jurisdiction, but let's come up with the best planning for the West Bench first and then, as we implement projects, we'll figure out what's the right entity to implement with."

Schulte said KLD is actively looking at areas along the West Bench that could begin to be developed, but added that it is currently committed to the Daybreak Community first, and making that project continue to be viable before beginning any newer development project.

Additionally, new mineral exploration at Bingham Canyon has tapped into reserves that indicate mining operation will be able to continue for 30 to 50 years.

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According to Andrew Harding, chief executive officer of Kennecott Utah Copper, through recent exploration and study the current resources of the mine have increased from nine million tons of minerals, which include copper and its byproduct, molybdenum, to 637 million tons.

“We’re putting a mine plan around that material,” Harding said. “We’ve still got work to do but

the mine plan around that material says that we’re likely to be able to take the mine, in an open-cut form, out to 2036. We still have to do some studies. We’re still doing some geotechnical studies and were doing some studies in the mills, the concentrator and looking at some tailings expansion studies because we would have to re-look at all of those as we increase the mine life.”

KUC’s 25-member Resource Development Group is also conducting exploration underneath the bottom of the pit and to the sides to see what the depth and

grade of the ore is and if it can be economically mined.

“One of the things we have found is an area that is a molybdenum deposit that is quite deep,” Harding said. “It’s moly only, it’s not a copper product and it’s a good grade of moly.”

Additionally, the copper grade has also increased from .34 to .48.

“We have a reasonable expectation that we can mine this material beyond 2036,” Harding said. “We have studies going on. We’re reopening the North Ore Shaft and getting down and having a look, so we have studies

going on in underground places that would put out 20 more years to the mine life. We’ve also got exploration activity to the south of Bingham Canyon so there’s even more exploration going on that would add to the material that we don’t know about, and bring it into material that we do know about and start doing the engineering work to try to bring it into the resources category.”

Harding estimates the studies will take between two to five years before KUC can begin to formulate a mining operations plan around the new discoveries. With each

new discovery, and the extension of the mine life, development of the West Bench areas that are needed for mining will also continue to be pushed back.

“If we did nothing, if we didn’t plan at all, bit by bit Kennecott land would get developed and we didn’t want piecemeal development,” Schulte said. “When [the Bingham Canyon Mine] makes a transition and moves toward closing, we want to make sure we’re ready with the right plan.”