

REDEVELOPMENT AGENCY STAFF MEMO

DATE: November 10, 2015

ITEM #: 8.A.

PREPARED BY: Jill Wilkerson-Smith

RE: Consideration and Adoption of a Resolution Approving the Terms of a Real Estate Purchase Agreement and Development Agreement for the Acquisition of Vacated Right-of-Way Property Owned by Salt Lake City Corporation on 300 South between 500 West and 600 West Streets in the Depot District Project Area

REQUESTED ACTION: Consider adopting a resolution approving the attached term sheet and direct RDA staff to proceed with the transaction.

POLICY ITEM: Station Center Implementation Strategy

BUDGET IMPACTS: None.

EXECUTIVE SUMMARY/ANALYSIS: Salt Lake City Housing & Neighborhood Development (“SLC HAND”) has submitted proposed terms to convey 29,650 feet of right-of-way property (“Property”) on the north and south boundaries of 300 South between 500 West and 600 West to the RDA (see attached map). The additional right-of-way property will be absorbed into the RDA’s adjacent existing properties creating a narrower, more pedestrian-friendly street. A portion of the property will be traded with Nicholas & Company for the future Market Street right-of-way and the State of Utah for the future Woodbine Court right-of-way.

The attached term sheet provides the essential deal points for a Purchase and Sale Agreement and Development Agreement between SLC HAND and the RDA for the property transaction.

ANALYSIS & ISSUES: In June 2014, the Salt Lake City Council adopted Ordinance 26 approving the street closure to reduce 300 South Street between 500 West and 600 West Streets. The change will reduce the street width from 132 feet to 85 feet. Since that time, RDA staff has held meetings with Nicholas & Company and the State of Utah to discuss property transactions to build the Market Street and Woodbine alignments. Terms of both negotiations will be presented to the Board in coming months for approval. Once the Purchase and Sale and Development Agreements are executed with SLC HAND, the RDA will proceed with its transactions with the adjacent private owners and finalize the subdivision plat for Station Center.

Timeline:

- November 2015: RDA Board consideration and approval of term sheet for City/RDA 300 South Street transaction
- December 2015: RDA Board consideration and approval of a term sheet for RDA land transaction with Nicholas & Company
- January 2016: RDA Board consideration and approval of a term sheet for RDA land transaction with the State of Utah
- June 2016: Commencement of construction of Station Center public improvements

PREVIOUS BOARD/COUNCIL ACTION:

- On September 11, 2012, the RDA Board approved a Preferred Design Concept for the Station Center Project.
- On June 3, 2014, the Salt Lake City Council adopted Ordinance No. 26, approving the closure of a portion of 300 South Street between 500 and 600 West Streets.
- On September 16, 2014, the RDA Board adopted the Revised Development Implementation Strategy for the Station Center Project.
- On May 12, 2015, the RDA Board approved the schematic street design for the Station Center Project

-
- ATTACHMENTS:**
1. Resolution approving terms of a Purchase and Sale Agreement and Development Agreement between the RDA and SLC HAND
 2. 300 South Right-of-Way Purchase and Sale Term Sheet
 3. 300 South Street Preliminary Map
 4. Station Center Phasing Map

RESOLUTION APPROVING THE TERMS OF A REAL ESTATE PURCHASE AGREEMENT AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION OF VACATED RIGHT-OF-WAY PROPERTY OWNED BY SALT LAKE CITY CORPORATION ON 300 SOUTH BETWEEN 500 WEST AND 600 WEST STREETS IN THE DEPOT DISTRICT PROJECT AREA

WHEREAS, the Redevelopment Agency of Salt Lake City (“RDA”) was created to transact the business and exercise the powers provided for in Utah Code Ann. §17C-1-101, et. seq. (“Limited Purpose Local Government Entities - Community Development and Renewal Agencies”); and

WHEREAS, the Agency adopted a redevelopment plan effective October 15, 1998 entitled “Depot District Redevelopment Project Area Plan;” and

WHEREAS, in accordance with the goals of the Depot District Project Area Plan, the RDA Board adopted the Preferred Plan and Implementation Strategy for the Station Center Project that recommends the reduction in width of the 300 South right-of-way to create a pedestrian-friendly street; and

WHEREAS, as recommended in the Implementation Strategy for the Station Center Project, the RDA intends to build new public improvements on the reduced 300 South right-of-way, as well as mid-block streets on the blocks directly north and south of 300 South Street; and

WHEREAS, on June 3, 2014, the Salt Lake City Council adopted Ordinance No. 26, approving the closure of a portion of 300 South Street between 500 and 600 West Streets; and

WHEREAS, on May 12, 2015, the RDA Board approved the schematic street design for the Station Center Project that illustrates the reduction of the 300 South right-of-way; and

WHEREAS, Salt Lake City Corporation and the RDA agree to the terms of a Real Estate Purchase Agreement and Development Agreement for the 300 South right-of-way transaction, attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY, that we do hereby authorize the RDA to enter into a Real Estate Purchase Agreement and Development Agreement with Salt Lake City Corporation for the purchase of vacated property owned by Salt Lake City Corporation located on 300 South Street between 500 West and 600 West Streets, as defined in the property map and property descriptions attached hereto, and shall incorporate such other terms as recommended by RDA’s legal counsel.

Passed by the Board of Directors of the Redevelopment Agency of Salt Lake City, this 10th day of November, 2015.

Stan Penfold, Chairperson

ATTEST:

D.J. Baxter, Executive Director

Transmitted to the Chief Administrative Officer on _____. The Chief Administrative Officer ___ does not request reconsideration ____ requests reconsideration at the next regular RDA meeting.

Ralph Becker, Chief Administrative Officer

ATTEST:

D.J. Baxter, Executive Director

Approved as to legal form: _____

300 South ROW Sale Purchase and Sale Term Sheet

Property Description

Property Owner: Salt Lake City (the “Seller” or “City”)
Buyer: Redevelopment Agency of Salt Lake City (the “Buyer” or “RDA”)
Property: 300 South Right of Way
Square Feet: 29,650

Purchase and Sale Terms

Fair Market Value: \$579,500

Purchase Price

Credit:

The RDA has committed to improve the City-owned right-of-way (ROW) on 300 South between 500 West and 600 West (“Property”) by installing improvements including, but not limited to public utility lines, curb and gutter, and sidewalks, as well as a reconstruction and surfacing of 300 South (“Improvements”). The City will apply a dollar for dollar credit to the Fair Market Value of the Property in exchange for the Improvements. The RDA has estimated that the cost of the Improvements will exceed the Fair Market Value of the Property, therefore the amount owed by the RDA to the City at closing shall be \$0.

Design Review: Prior to closing, Salt Lake City’s Housing and Neighborhood Development Division shall review and approve the design development drawings for the Improvements.

Property Condition: The Property shall be sold “As Is.”

Development Agreement Terms

Improvement

Term:

The RDA shall have five years from the purchase of the Property to complete the Improvements.

Certificate of

Completion:

The City shall issue a Certificate of Completion upon the fulfillment of the following conditions:

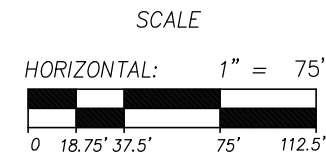
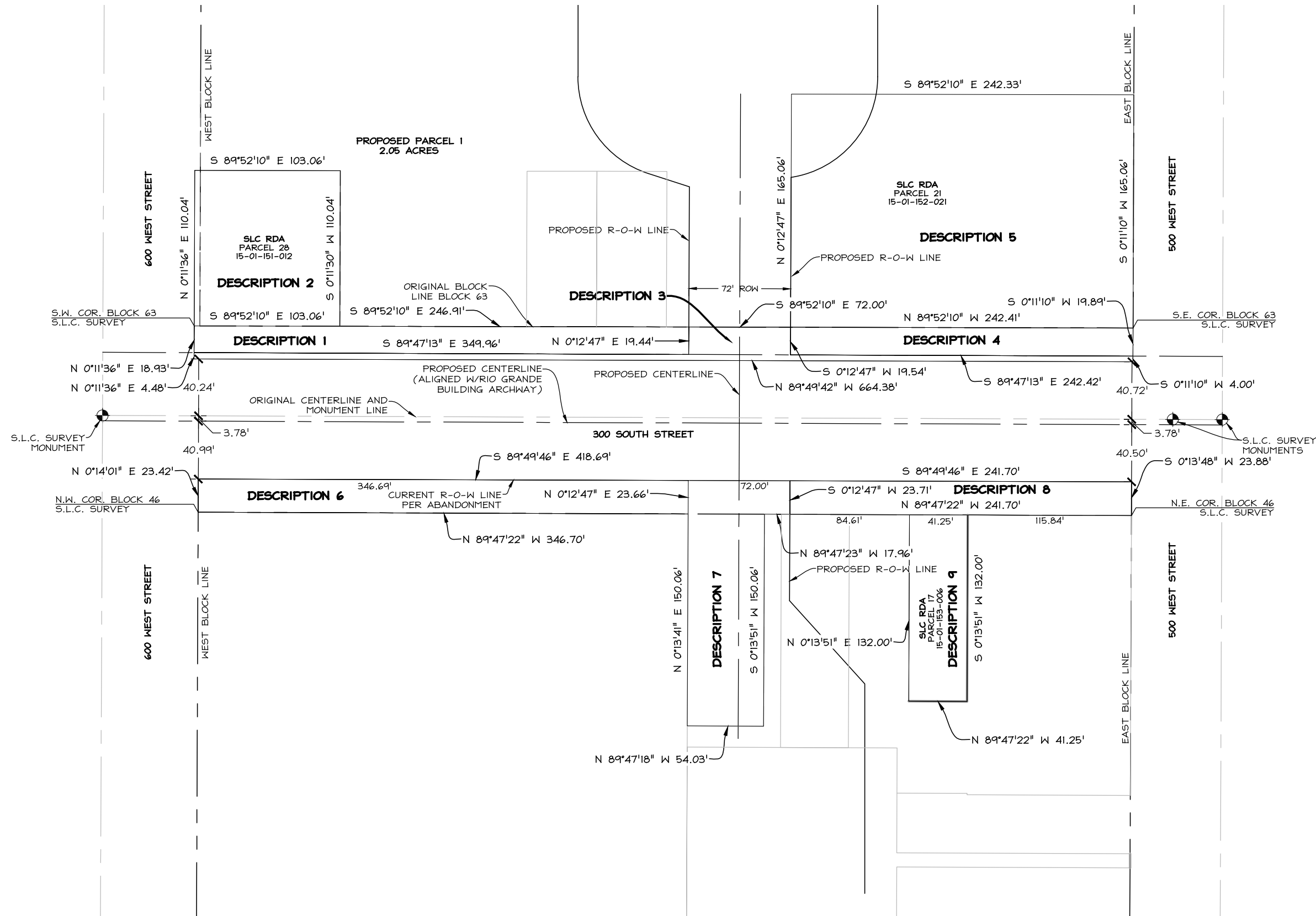
1. The City’s review and approval of the final construction plans for the Improvements. The City shall not withhold such

approval provided the final construction plans are consistent with the design development drawings.

2. Verification that the RDA has spent a minimum of the Fair Market Value of the Property to fund the Improvements.
3. The City has determined that the Improvements shown in the final construction plans have been constructed and funded.

**Purchase Price
Repayment:**

The RDA shall pay the City \$579,500 immediately upon the expiration of the Improvement Term if the City has not issued the Certificate of Completion.



PRELIMINARY

SALT LAKE CITY RDA
300 SOUTH DESCRIPTION ASSIGNMENT
EXHIBIT MAP

PREPARED FOR: RDA

DATE SUBMITTED: 2015-10-23



MURRAY, UT 8407
WWW.NVS.COM

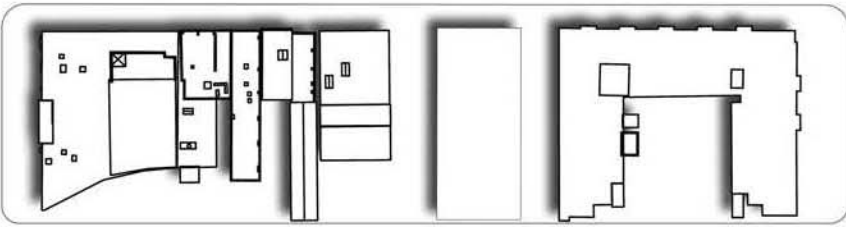
6277 SOUTH STATE STREET, SUITE 200
801743890 TEL. 8017430900 FAX

DATE: 10/23/15 TIME: 11:08:16 AM
NETWORK: NONE
PATH: N:\SLB0767
DWG NAME: EX12-Parcel_Description
LAYOUT: PARCEL 1
DESIGNER: ### MGR: ###

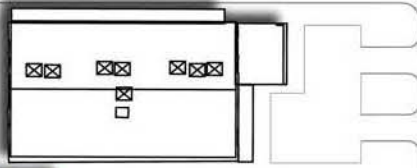
SHEET NUMBER
1
OF 1 SHEETS
JOB NUMBER
SLB0767

600 West

500 West



6



1



5

Pierpont Avenue

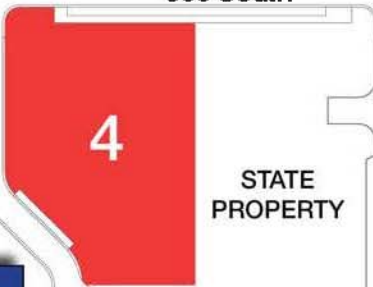
Woodbine Court



NON-RDA
OWNERSHIP



2



4

STATE
PROPERTY

300 South

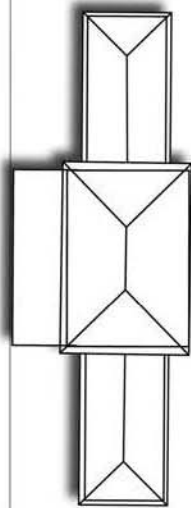


NON-RDA
OWNERSHIP



3

Market Street



Legend

-  *Developer Selected*
-  *Current RFP*
-  *Future RDA Development*