



REQUEST FOR COUNCIL ACTION

Action: Need Council to take action

Meeting Date Requested : 07/26/2023

Presenter: David Clemence

Deadline of item : 08/31/2023

Applicant:

Department Sponsor: Community Development

Agenda Type: CONSENT ITEMS

Time Requested: 5 minutes presentation, 10 minutes council

(Council may elect to provide more or less time)

1. AGENDA SUBJECT

Resolution No. 23-047 authorizing a Real Estate purchase contract with Bobbie Jo Glover for the purchase of approximately 4.77 acres located at approximately 8598 South 6400 West.

2. EXECUTIVE SUMMARY

On November 4, 2020, the City Council approved Ordinance No. 20-35, concerning the Jones Ranch Master Development Agreement (the "MDA"), which development has since been renamed "Dry Creek Highlands". Article 4.2 of the fully executed MDA (Dedication and Construction of Local Streets and Other Streets) obligates the City to purchase the undeveloped portion of 8600 South Street lying adjacent to but outside the boundaries of the Dry Creek Highlands development, as follows, "...the City shall bear the cost of purchasing the remaining right of way needed for the completion of 8600 South Street, between 6400 West and the eastern boundary of the Bridgeport Subdivision, which right-of-way is a System Improvement."

On May 18, 2023, the City received a funding award in the amount of \$847,000.00 from the Salt Lake County Council of Governments (the "COG") through the corridor preservation program to purchase the subject property, which award amount was based on the results of an independent appraisal commissioned by the City.

Ultimately, approving the attached Contract and Resolution will assist the City in fulfilling its obligation created under the cited MDA provision, and largely do so with funds awarded by the COG.

3. TIME SENSITIVITY / URGENCY

The Contract requires the Seller and Buyer to close the transaction on or before August 31, 2023, but also allows for a mutually agreeable later date if necessary. However, the COG award expires if the funds are not used to close the transaction within two years from the award date.

4. FISCAL NOTE

The City must pay for all of the transaction costs up front, and then the City can use the final closing settlement statement to seek a reimbursement of \$847,000.00 from the COG. There is usually somewhere between a 2-3 month delay between the upfront payment from the City and the reimbursement from the County. However, the City's appraisal costs and closing costs (including title and escrow fees, document recording fees, etc.) are the City's out of pocket costs that are not reimbursable. Therefore, while the appraisal has already been paid for in the amount of \$1,700.00,

the City should still expect to pay additional non-reimbursable fees to close the transaction, which can range between \$2,000 - \$3,000.

5. PLANNING COMMISSION RECOMMENDATION

N/A

6. STAFF ANALYSIS

Staff recommends approval.

7. MOTION RECOMMENDED

Move to approve Resolution No. 23-047 authorizing the Mayor to execute the attached Real Estate Purchase Contract between Bobbie Jo Glover and the City of West Jordan, and authorizing the City's Real Property Administrator to act on behalf of the City while closing the transaction, with the right and authority to sign all documents necessary as part of said closing.

8. MAYOR RECOMMENDATION

The Mayor recommends approval of Resolution No. 23-047. He was present at the COG meeting, lobbying the committee to award the funds, knowing that the City had a contractual obligation to purchase the property pursuant to the MDA.

9. PACKET ATTACHMENT(S)

Resolution No. 23-047

Agreement Signed by other party

COG Award Letter

Map