

DATE: January 17, 2012

ITEM: 3.A.

SUBJECT: CONSIDERATION AND ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY APPROVING A PURCHASE AND SALE AGREEMENT AUTHORIZING THE PURCHASE .08 ACRES OF REAL PROPERTY LOCATED AT 1078 EAST 2100 SOUTH FROM ROCKWOOD INVESTMENT ASSOCIATES L.C.

PROJECT AREA: Sugar House Project Area

FUNDING SOURCE: Land Development and Acquisition Funds

PREPARED BY: Edward Butterfield

EXECUTIVE SUMMARY: Staff of the Redevelopment Agency of Salt Lake City (“RDA”) is requesting that the Board of Directors consider and approve the Purchase and Sale Agreement and Escrow Instructions (the “Agreement”) to acquire .08 acres of real property located at 1078 East 2100 South (the “Property”) from Rockwood Investment Associates (the “Owner”).

The purpose of this potential acquisition is to facilitate:

- the construction of a mid-block walkway through the Granite Block,
- the activation the west building frontage of the Mecham Management, Inc. mixed-use development at 2122 South Highland Drive, and
- the relocation of the Jordan/Salt Lake canal to an accessible location.

The purchase of the Property will require participation of Salt Lake City Public Utilities and Mecham Management Inc. to meet all of the sale terms from Rockwood Investment Associates. Individual agreements will be coordinated by the RDA among the involved parties in addition to a Purchase and Sale Agreement. Because of the continued negotiations among the parties, a Purchase & Sale term sheet is not currently available, but will be presented at the Board meeting on Tuesday, January 17th for the Board’s consideration of approval.

ANAYLYSIS AND ISSUES: The purpose of this potential acquisition is to facilitate the creation of a mid-block walkway through the Granite block, activate the westside

frontage of the Mecham Management mixed-use development, and relocate a section of the Jordan/Salt Lake canal. A description of these elements is included below:

Mid-block Walkway – The creation of a mid-block walkway is supported by the Sugar House Master Plan. The specific elements of the Master Plan that will be addressed by the midblock walkway are to:

- divide large blocks into smaller blocks to allow more pedestrian circulation through the business district,
- encourage reuse of the area into a more pedestrian oriented, mixed-use development; and
- provide a central public plaza (Sugar House Monument Plaza) with strong pedestrian connections to other blocks.

Activation of Mecham Management Inc. West Building Frontage- Mecham Management Inc. is in the process of financing and constructing a mixed-use development consisting of 204 apartment units and 44,000 sq. ft of retail at 2122 South Highland Drive, adjacent to the Property. The purchase of the Property will permit Mecham to place windows, doors, and an entrance to the underground parking structure on the westside of the proposed development that faces the Property. This will greatly enhance the pedestrian experience and create active uses on the westside of the building.

Relocation of the Jordan/Salt Lake Canal – A section of the Jordan/Salt Lake canal currently passes under the Rockwood Furniture building located directly west of the Property. The canal is inaccessible to make improvements and would require demolishing the Rockwood building if future maintenance is required. In addition, the canal floods the lower floor of the Rockwood building periodically. The purchase of the Property will permit Public Utilities to relocate this section of the canal and provide complete access if improvements are required.

INTERIM USE: The Property is currently vacant and no interim uses are planned until the improvements to create the mid-block walkway are constructed. The construction activity from the adjacent Mecham Management development will minimize any opportunity to have active uses on the Property.

ALTERNATIVES:

1. Pass a motion to adopt the resolution.
2. Pass a motion to adopt the resolution with modifications.
3. Do not pass a motion to approve the resolution.

ATTACHMENTS: Draft Resolution

RESOLUTION NO. 705.____

January 17, 2012

RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDEVLEOPMENT AGENCY OF SALT LAKE CITY APPROVING A PURCHASE AND SALE AGREEMENT AUTHORIZING THE PURCHASE .08 ACRES OF REAL PROPERTY LOCATED AT 1078 EAST 2100 SOUTH FROM ROCKWOOD INVESTMENT ASSOCIATES L.C.

WHEREAS, the Redevelopment Agency of Salt Lake City (“Agency”) was created to transact the business and exercise the powers provided for in the Utah Community Development and Renewal Agencies Act; and

WHEREAS, the Agency adopted the “Sugar House Neighborhood Development Plan” on September 19, 1986; and

WHEREAS, the Sugar House Master Plan supports the construction of a mid-block walkway through the Granite Block in the business district; and

WHEREAS, the Sugar House Master Plan supports dividing larger blocks into smaller blocks to allow for more pedestrian circulation through the business district; and

WHEREAS, the Agency established the goal in fiscal year 2011/12 of creating mid-block walkways through the Granite Block; and

WHEREAS, the Agency entered into a contract with Fehr and Peers in May 2011 for professional services to assist the Agency and the Community and Economic Development Department of Salt Lake City with an alternatives analysis study, land use analysis for the area adjacent to the Sugarmont Rail Corridor, and a circulation and street amenities plan that will better serve the future planning of the Sugar House Business District and neighborhood; and

WHEREAS, due diligence on the Property was coordinated by the Agency; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SALT LAKE CITY, that we do hereby approve the Purchase and Sale Agreement attached hereto.

Passed by the Board of Directors of the Redevelopment Agency of Salt Lake City, this 17th day of January, 2012.

Kyle LaMalfa, 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 Agency meeting.

Ralph Becker, Chief Administrative Officer

ATTEST:

D. J. Baxter, Executive Director

Approved as to form: _____
Agency Counsel