

**Resolution No. 21-14C**

**A RESOLUTION OF SANDY CITY APPROVING AN INTERLOCAL COOPERATION AGREEMENT WITH THE REDEVELOPMENT AGENCY OF SANDY CITY, REGARDING CITY USE AND MANAGEMENT OF CERTAIN AGENCY-OWNED REAL ESTATE.**

**WHEREAS** the Redevelopment Agency of Sandy City (the “Agency”) has been created by the Sandy City Council to transact the business and exercise all of the powers provided for by Title 17C of the Utah Code Annotated, known as the “Limited Purpose Local Government Entities — Community Reinvestment Agency Act” (the “RDA Act”);

**WHEREAS** under the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the “Interlocal Act”), public agencies, such as the City and the Agency, are authorized to enter agreements for joint and cooperative actions, including the sharing of tax and other revenues;

**WHEREAS**, the City desires to enter into an Interlocal Cooperation Agreement (the “Agreement”), substantially in the form attached hereto as **Exhibit A**, with the Agency, relating generally to the City’s use and management of Agency-owned real estate.

**NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE BODY OF SANDY CITY:**

1. The Agreement in substantially the form attached hereto and incorporated herein as **Exhibit A** is approved, and the Mayor is authorized and directed to execute the Agreement for and on behalf of the City. The Mayor may approve any minor modifications, amendments, or revisions to the Agreement as may be in the City’s best interest and in harmony with the intent and purpose of the Agreement as substantially set forth in the attached **Exhibit A**.

2. This resolution takes effect upon adoption.

**THIS RESOLUTION IS APPROVED AND ADOPTED** on April 20, 2021.

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*Chair*

**Attest:**

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*City Recorder*

**Exhibit A**  
***Form of Interlocal Cooperation Agreement***

## Interlocal Cooperation Agreement

THIS INTERLOCAL COOPERATION AGREEMENT (this “**Agreement**”) is entered as of \_\_\_\_\_, 2021 (the “**Effective Date**”), by and between the **REDEVELOPMENT AGENCY OF SANDY CITY**, a Utah political subdivision (the “**Agency**”) and **SANDY CITY**, a Utah municipal corporation (the “**City**”) (collectively, the “**Parties**”).

A. **WHEREAS**, the Agency was created and continues to operate under the provisions of the Limited Purpose Local Government Entities — Community Reinvestment Agency Act, Title 17C of the Utah Code, and/or its predecessor statutes (the “**Act**”); and

B. **WHEREAS**, pursuant to the Act and the Interlocal Cooperation Act, Title 11, Chapter 13 of the Utah Code (the “**Cooperation Act**”), the Agency and City desire to enter into this Agreement for the purpose of outlining the management and operation of certain Agency-owned real estate by the City.

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

1. **Agency Property.** From time to time, the Agency has agreed, and in the future may agree, with the City—or a certain department of the City—for the City—or a certain department of the City, as applicable—to manage and operate certain real property owned by the Agency (for purposes of this Agreement, the “**Agency Property**”). The Agency Property includes the land and all improvements upon and appurtenances to the land. The Redevelopment Director of the Agency will keep a running list identifying all of the Agency Property under this Agreement (the “**Agency Property List**”). The current Agency Property List is attached hereto as Exhibit A; however, the parties understand that the Agency Property List will likely change from time to time, with certain property(ies) removed from the Agency Property List and other property(ies) added to the Agency Property List. The Agency Property List kept by the Redevelopment Director, and as amended from time to time by the Redevelopment Director, will be the official Agency Property List; the attached Exhibit A is solely for current informational purposes. The Redevelopment Director may, but is not required to, update Exhibit A with the Agency Property List as it changes from time to time. In all instances, however, the Agency Property List will be the latest-dated Agency Property List in the Redevelopment Director’s files, regardless of whether that latest-dated Agency Property List is actually attached to this Agreement as a substitute Exhibit A. The Parties acknowledge that the “Agency Property” subject to and defined by this Agreement does not include all land and real property owned by the Agency; the Agency may own real property and land that is not within the scope of the defined “Agency Property” and therefore is not subject to this Agreement.

2. **City Operation of Agency Property.** The City agrees to manage, maintain, repair, monitor, and operate all Agency Property under this Agreement, substantially in the manner as the City manages, maintains, repairs, monitors, and operates real property owned by the City. The Agency will not participate in any of those activities, the City will have sole responsibility and discretion, subject to the terms of this Agreement. The City has authority to

enter into licenses, leases, rental agreements, property management agreements, and any other agreements relating to the Agency Property as the City deems appropriate in the City's sole discretion. Upon request by the Redevelopment Director of the Agency, the City and its applicable departments/staff will provide all information relating to the management, maintenance, repair, and operation of the Agency Property.

3. **Housing Restrictions.** The City acknowledges that certain of the Agency Property has been, or may in the future be, purchased using restricted-purposes housing funds of the Agency. The Agency will inform the appropriate department head of the City of the existence of any such housing restrictions at the time the applicable property is added to the Agency Property List. The City is solely responsible for carrying out and enforcing any housing requirements or restrictions relating to any specific Agency Property. Generally, any Agency Property purchased with Agency housing funds must be used solely for "income targeted housing" purposes as defined by the Act. The Agency and its legal counsel may assist the City in understanding and applying the applicable provisions of the Act with respect to housing restrictions or requirements.

4. **Property Revenues.** The City will keep all rents, profits, payments, and revenues of any kind derived from the Agency Property under this Agreement. The City is not required to pay any rent, revenue-sharing, or other payment of any kind to the Agency under this Agreement or in connection with the Agency Property.

5. **Property Expenses.** The City is responsible for all expenses relating in any way to the Agency Property under this Agreement. The Agency is not required to pay or reimburse the City in whole or in part for any expenses, including capital expenditures, relating in any way to the Agency Property under this Agreement.

6. **Improvements.** The City may improve, demolish, reconstruct, alter, or repair the Agency Property at any time in the City's sole discretion and at the City's sole effort and expense. However, upon termination of this Agreement at any time for any reason, all Agency Property, including any improvements made by the City upon or to the Agency Property, will belong to the Agency and the Agency will have no obligation to reimburse the City for any such improvements or expenses.

7. **Insurance.** The City will at all times procure, pay for, and maintain such insurance policies with respect to the Agency Property as the City maintains for City-owned real estate similar in nature to the Agency Property. All property damage insurance policies must contain language which has the effect of the insurance carrier waiving any right of subrogation it may have with respect to the Agency.

8. **Indemnification.** The City agrees to indemnify, defend and hold the Agency and its officers, directors, board members, employees, representatives, and agents harmless from any and all claims, demands, causes of action, losses, damages, fines, penalties, liabilities, costs and expenses, including reasonable attorneys' fees and court costs, sustained or incurred by or asserted against the Agency by reason of the operation, management, and maintenance of the Agency Property and/or the performance by the City of the City's obligations or exercise of its rights under this Agreement, except those which arise from the Agency's gross negligence, willful misconduct

or fraud.

9. **Relationship of Parties.** The Agency and City do not intend to form a joint venture, partnership or similar relationship. Instead, the parties intend that the City shall act solely in the capacity of an independent contractor with respect to the Agency Property. Nothing in this Agreement shall cause the City and the Agency to be joint venturers or partners of each other, and neither shall have the power to bind or obligate the other party by virtue of this Agreement.

10. **No Third-Party Beneficiary.** Nothing in this Agreement creates or may be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except as otherwise specifically provided herein, no person or entity is an intended third-party beneficiary under this Agreement.

11. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act as relates to this Agreement, the Parties agree as follows:

a. This Agreement must be authorized and adopted by resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;

b. This Agreement must be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act;

c. A duly executed original counterpart of this Agreement must be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;

d. This Agreement does not create an interlocal entity. The Redevelopment Director of the Agency is hereby designated the administrator for all purposes of this Agreement and the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;

e. The term of this Agreement will commence on the Effective Date and will remain in full force and effect until the first to occur of the following: (i) either Party terminates this Agreement by providing written notice to the other Party, or (ii) the date that is exactly 50 years after the Effective Date.

f. Notwithstanding anything in the immediately preceding subsection 5.e. to the contrary, the effectiveness and enforceability of all obligations of the City under this Agreement are conditional upon the City first complying with all applicable state and local law, including, without limitation, the City's compliance with Section 11-1-24 of the Sandy City Municipal Code (relating to surplus property disposition and related procedures).

g. Immediately after execution of this Agreement by both Parties, the Agency may publish a joint notice, regarding this Agreement pursuant to Section 11-13-219 of the Cooperation Act.

h. It is not anticipated that either party will acquire any new property in connection with this Agreement; however, the purchaser of any property acquired in connection with this Agreement will be entitled to keep such property upon the termination of this Agreement.

12. **Modification and Amendment.** Any modification of or amendment to any provision contained herein will be effective only if the modification or amendment is in writing and signed by the Parties. Any oral representation or modification concerning this Agreement will be of no force or effect.

13. **Governing Law.** This Agreement will be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

14. **Authorization.** Each of the Parties represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice, where necessary, in order to authorize the execution, delivery, and performance by each such Party of this Agreement.

15. **Incorporation of Recitals and Exhibits.** Except to the extent they may conflict with any of the express provisions of the body of this Agreement, the recitals set forth above are hereby incorporated by reference as part of this Agreement. All exhibits and/or attachments hereto are incorporated herein.

16. **Immunity.** Both Parties are governmental entities under the Governmental Immunity Act of Utah, §§ 63G-7-101 *et seq.* (the "Immunity Act"). Neither Party waives any defenses or limits of liability available under the Immunity Act and other applicable law. Both Parties maintain all privileges, immunities, and other rights granted by the Immunity Act and all other applicable law.

*[Remainder of Page Intentionally Blank – Signature Pages to Follow]*

~ SIGNATURES TO INTERLOCAL COOPERATION AGREEMENT ~

REDEVELOPMENT AGENCY OF SANDY CITY

\_\_\_\_\_  
Executive Director

ATTEST:

\_\_\_\_\_  
Secretary

Attorney Review for Redevelopment Agency:

The undersigned, as counsel for the Redevelopment Agency of Sandy City, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
Attorney for the Agency

*[Signatures continue on next page.]*

~ ADDITIONAL SIGNATURES TO INTERLOCAL COOPERATION  
AGREEMENT ~

SANDY CITY

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder

Attorney Review for City:

The undersigned, as attorney for Sandy City, has reviewed the foregoing Interlocal Cooperation Agreement and finds it to be in proper form and in compliance with applicable state law.

\_\_\_\_\_  
City Attorney

**Exhibit A**

*Current "Agency Property List"*

[attached]

### Agency Property List

(Exhibit A to Interlocal Cooperation Agreement between Sandy City and the  
Redevelopment Agency of Sandy City, dated \_\_\_\_\_, 2021)

Last updated: \_\_\_\_\_, 20\_\_\_\_

#### 9016 South 1300 East (1.47 ac, Home, Two Outbuildings)

- Residential land and home with associated outbuildings
- Purchased with restricted EDA Housing Funds (income targeted housing)
- Public Works Department of the City has long-term plans to implement the Property, or a portion of the Property, into its service plan and, potentially, into a public right of way extension (currently, Water Ln), and also has the need in the short term to use some or all of the Property for certain Public Works services. Once Public Works is ready to extend Waters Ln and demo the house and other structures, they will repay the EDA Housing Fund the total purchase price of \$780,000
- Once the RDA closes on the property (estimated for December 2021), the Public Works Department will manage the property, including renting the house to income qualified employees until such time as the property is needed for the Waters Ln extension. Public Works shall require a standard rental lease and the lessee will be required to have renter's insurance at either at the lessee's or Public Work's expense. The Public Works Department will retain any rent for purposes of repair and maintenance of the home, out buildings and property.

#### 9292 South 500 West (.33 ac, Home)

- Residential home and land.
- Purchased with restricted EDA Housing Funds (income targeted housing)
- Public Works Department of the City has long-term plans to implement the Property, or a portion of the Property, into its service plan and, potentially, into a public right of way widening and improvements of 9400 S. at 500 West. Once Public Works is ready to improve 9400 South and 500 West and demo the house, they will repay the EDA Housing Fund the total purchase price of \$142,000
- The Public Works Department will manage the property, including renting the house to income qualified employees. Public Works shall require a standard rental lease and the lessee will be required to have renter's insurance at either at the lessee's or Public Work's expense. The Public Works Department will retain any rent for purposes of repair and maintenance of the home, out buildings and property.

#### Promenade – Roads: Centennial Parkway, Monroe St, 10080 S. and 10200 S. (approx. 10.11 ac.)

- Open Space for public uses and events and associated roads.
- Purchased and owned by the RDA.
- Public Works Department currently uses the roads for public right-of-way. These roads will ultimately be dedicated as ROW as part of the subdivision process along the Promenade and Monroe St. as projects develop in the area.

- The Parks and Recreation Department uses the Promenade for public access and City events such as the 4<sup>th</sup> of July celebration and the Balloon Festival. When the property is used for City purposes and user/vendor contracts are executed, the City will require the user/vendor to list the RDA as and additional insured on the insurance certificate.
- The City has the option to purchase the property from the RDA at any time at a price as negotiated between the City and the RDA up to and including donation.
- Since the City Center URA Project Area has sunsetted, any sales proceeds will be used by the Agency for any fund or purpose determined by the Agency.

10052 South 700 E. – Lone Peak Park and Dimple Dell Park (1.82 ac.)

- Improved open space for public use.
- Purchased and owned by the RDA.
- The RDA acknowledges that the City has pledged the property as part a Land Water Conservation Fund (LWCF) requirement due to cell tower locations in other LWCF funded parks.
- Parks and Recreation Department developed and landscaped the area for parking. Should the property be used for City purposes and user/vendor contracts are executed, the City will require the user/vendor to list the RDA as and additional insured on the insurance certificate.
- The City has the option to purchase the property from the RDA at any time at a price as negotiated between the City and the RDA up to and including donation.
- Since the purchase of the property was with Additional Tax Increment (Haircut) any sales proceeds will be used by the Agency for any fund or purpose determined by the Agency.