



Midvale City  
7505 South Holden Street  
Midvale, UT 84047  
801-567-7200  
[www.midvalecity.org](http://www.midvalecity.org)

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## THE REDEVELOPMENT AGENCY OF MIDVALE CITY MEETING AGENDA

August 09, 2016

**PUBLIC NOTICE IS HEREBY GIVEN** that the **Redevelopment Agency of Midvale City** will hold a regular meeting on the **9th Day of August, 2016** at Midvale City Hall, 7505 South Holden Street, Midvale, Utah as follows:

**7:00 p.m. – Or Immediately Following the City Council Meeting**

### **REGULAR MEETING**

#### **I. GENERAL BUSINESS**

A. Roll Call

#### **II. CONSENT AGENDA**

A. Approve Minutes of June 21, 2016 [*Rori Andreason, H.R. Director/City Recorder*]

#### **III. ACTION ITEMS**

A. Discussion and Action regarding **Resolution No.2016-08RDA** authorizing the execution of a Right of First Offer Agreement between the Redevelopment Agency of Midvale City and AM China Nevada Trading Inc. [*Danny Walz, Redevelopment Agency Director*]

#### **IV. CLOSED SESSION TO DISCUSS THE SALE, PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY**

#### **V. ADJOURN**

In accordance with the Americans with Disabilities Act, Midvale City will make reasonable accommodations for participation in the meeting. Request assistance by contacting the City Recorder at 801-567-7207, providing at least three working days advance notice of the meeting. TTY 711

A copy of the foregoing agenda was provided to the news media by email and/or fax; the agenda was posted in the City Hall Lobby, the 2<sup>nd</sup> Floor City Hall Lobby, on the City's website at [www.midvalecity.org](http://www.midvalecity.org) and the State Public Notice Website at <http://pmn.utah.gov>. Board Members may participate in the meeting via electronic communications. Board Members' participation via electronic communication will be broadcast and amplified so other Board Members and all other persons present in the Council Chambers will be able to hear or see the communication.

**PLEASE MAKE SURE ALL CELL PHONES ARE TURNED OFF DURING THE MEETING**

Date Posted: August 5, 2016

**RORI L. ANDREASON, MMC  
H.R. DIRECTOR/CITY RECORDER**



## REDEVELOPMENT AGENCY REGULAR MEETING

### *Minutes*

**Tuesday June 21, 2016  
Council Chambers  
7505 South Holden Street  
Midvale, Utah 84047**

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**CHAIR:** JoAnn Seghini

**BOARD MEMBERS:** Board Member Paul Glover - Excused  
Board Member Paul Hunt  
Board Member Stephen Brown  
Board Member Quinn Sperry  
Board Member Wayne Sharp

**STAFF:** Kane Loader, City Manager; Phillip Hill, Asst. City Manager/CED Director; Laurie Harvey, Asst. City Manager/Admin. Services Director; Rori Andreason, City Recorder/H.R. Director; Lisa Garner, City Attorney; Stephen Black, Streets and Storm Drain Superintendent; Larry Wright, Facilities Manager; Danny Walz, Redevelopment Agency Director; and Jarin Blackham, IT Manager.

Mayor Seghini called the meeting to order at 8:43 p.m.

### **I. ROLL CALL**

Board Members Paul Hunt, Stephen Brown, Wayne Sharp, and Quinn Sperry were present at roll call. Board Member Paul Glover was excused.

**MOTION:** Board Member Quinn Sperry **MOVED** to open a public hearing. Board Member Stephen Brown **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

### **II. PUBLIC HEARINGS**

#### **A. CONSIDER ADOPTION OF THE PROPOSED FY 2017 BUDGET FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

Danny Walz stated on May 3, 2016, the Board of Directors of the Redevelopment Agency was presented with and adopted the Tentative Budget for Fiscal Year 2017. On June 21, 2016 a public hearing was held as required by State Law. There have been no changes to the Tentative Budget to this point. A resolution has been prepared for the Board consideration adopting the Fiscal Year 2017 Redevelopment Agency Budget.

**FISCAL IMPACT:** The fiscal budget provides a listing of the Agency's planned revenues and expenses in the 2017 Fiscal Year. Staff uses the budget as a working document to prioritize the spending and operations of the Agency.

### **REDEVELOPMENT AGENCY FINAL BUDGET FY 2017**

#### **RDA Operations**

- 100% of Project Coordinator position
- 50% of Admin Assistant position shared with CD

- New Housing Director position

**Professional Services**

- Increased for legal and consulting needs

**Equipment & Supplies**

- Increased for additional staff

**Administrative Fee**

- Adjusted for current ratios

**BINGHAM JUNCTION FY2017**

**Revenue:**

**Property Taxes**

- Annual property tax increment payment

**Grant Revenue**

- SLCO TRCC funds for Bingham Junction Park
- LHM Grant for basketball court

**Expenses:**

**Surrounding Properties**

- Annual allocation for 2017

**Developer Reimbursement**

- Continuation of annual payments

**Public Art Program**

- Allocations for 2016& 2017

**Infrastructure Improvements**

- Potential 2017 road projects

**Bingham Junction Park**

- Combined allocations for 2016 and 2017 for construction of Phase 1 Improvements
- Leverage of County funds for construction of ball field
- Donation from LHM for construction of basketball court

**Fund Transfers:**

**Administration**

- RDA Operations

**Citywide Housing**

- Funds for future housing programs

**Jordan Bluffs (New)**

- Ongoing consulting & due diligence costs

**Public Art Maintenance (New)**

- New fund for ongoing maintenance and repairs

**Main Street (New)**

- Seed money for new project area

**Program Income FY 2017**

**No Changes**

- Funds earmarked for Main Street property
- Future receipt of loan repayments

**Project Area Housing FY 2017**

**No Changes**

- Consolidated funds set aside for housing within Project Area

**City-Wide housing FY 2017**

**Affordable Housing Plan**

- Funds allocated for housing portion of city's Master Plan

**Housing Programs**

- Funds allocated for city-wide housing programs

**RDA Bond Fund FY 2017**

**Tax Increment Revenue Bond Series 2015**

- CHG Parking Structure

**CITY GENERAL FUND IMPACT**

	2015 Taxable Value
Total Project Area Taxable Value	\$332,762,817
Multiply by City Tax Rate	0.000609
	202,653
Agency Portion	80%
	162,122
Agency Administration Fee	177,900

Chair Seghini opened the public hearing to public comment. There was no one present who desired to speak.

**MOTION:** Board Member Wayne Sharp **MOVED** to close a public hearing. Board Member Paul Hunt **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

**ACTION:** **APPROVE RESOLUTION NO. 2016-05RDA ADOPTING THE FY 2017 BUDGET FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

**MOTION:** Board Member Quinn Sperry **MOVED** to adopt Resolution No. 2016-05RDA adopting the Board Member Stephen Brown **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a roll call vote. The voting was as follows:

Board member Paul Glover	Absent
Board member Paul Hunt	Aye
Board member Stephen Brown	Aye
Board member Quinn Sperry	Aye
Board member Wayne Sharp	Aye

The motion passed unanimously.

**MOTION:** Board Member Quinn Sperry **MOVED** to open a public hearing. Board Member Stephen Brown **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

**B. CONSIDER ADOPTION OF PROPOSED AMENDMENTS TO THE FY 2016 BUDGETS FOR THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

Danny Walz stated on June 16, 2015, the Board of Directors of the Redevelopment Agency adopted the Fiscal Year 2016 budget. In November of 2015, the Agency issued subordinate tax increment revenue bonds, and in March of 2016 the Agency received the final disbursement of tax increment. Staff proposed amending the FY 2016 budget primarily for these reasons. He recommended approval of the resolution and amendment of the Fiscal Year 2016 budget.

**FISCAL IMPACT:** This amendment to the Fiscal Year 2016 adds \$12,961,000 in bond proceeds for the construction of a parking facility on the Bingham Junction site. Other increases include a \$25,000 grant from the Larry H. Miller Group for construction of a basketball court. Actual tax increment revenue is \$339,400 higher than estimated, and most of these funds will be transferred to the new Jordan Bluffs Project Area for site analysis.

**MIDVALE CITY REDEVELOPMENT AGENCY – BUDGET OPENING #1 FY 2016**

Description	Revenue	A/C#	Expenditure	A/C#
<b>RDA Operations Fund (30)</b>			-	-
Transfer from Bingham Junction Fund	115,000	30-3880-00-000	-	-
Misc. Revenue (developers)	60,000	30-3690-000-000	-	-
Professional services (legal)			50,000	30-4101-310-000
Professional services (lobbyists)			75,000	30-4101-310-000
Contrib to Fund Bal (cash not transferred last yr)			50,000	30-4101-910-000
Total Operations Fund	175,000		175,000	
<b>RDA Bingham Junction Project Area Fund</b>				
Tax increments revenue	339,400	31-3110-000-000		
Interest revenue	14,000	31-3610-000-000		
Grant from Larry H. Miller Group	25,000	31-3301-000-000		
Contribution from Fund Balance	61,600	31-3890-000-000		
Basketball Court			25,000	31-4102-790-007
Transfer to RDA Administration (30)			115,000	31-4102-910-100
Transfer to new Jordan Bluffs Project Area Fund (32)			300,000	31-4102-910-300
Total Bingham Junction	440,000		440,000	

Proceedings of the Redevelopment Agency of Midvale City Meeting  
June 21, 2016

Project Area Fund				
<b>RDA Jordan Bluffs Project Area Fund (32)</b>				
Transfer from Bingham Junction Fund (31)	300,000	32-3880-000-000		
Site analysis-Jordan Bluffs			300,000	31-4102-910-300
Total Jordan Bluffs Project Area Fund	300,000		300,000	
<b>RDA Bond Fund (39)</b>				
Proceeds from Series 2015 Bond Issuance	12,961,000	39-3670-000-000		
Interest revenue	20,000	39-3610-100-000		
Debt service interest payment			170,200	39-4109-811-000
Bond issuance costs			312,400	39-4109-815-000
Bingham Junction future work			300	39-4109-900-904
CHG Parking Terrace			11,683,600	39-4109-900-910
Contribution to Fund Balance (capitalized interest)			794,800	39-4109-910-000
Contribution to Fund Balance (unrestricted)			19,700	39-4109-910-000
Total Bond Fund	12,981,000		12,981,000	

Chair Seghini opened the public hearing to public comment. There was no one present who desired to speak.

**MOTION:** Board Member Wayne Sharp **MOVED** to close a public hearing. Board Member Paul Hunt **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a vote. The motion passed unanimously.

**ACTION: APPROVE RESOLUTION NO. 2016 BUDGET AMENDMENTS TO THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

**MOTION:** Board Member Quinn Sperry **MOVED** to adopt Resolution No. 2016-06RDA amending the FY 2016 Budget for the Redevelopment Agency of Midvale City. Board Member Paul Hunt **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a roll call vote. The voting was as follows:

Board member Paul Glover	Absent
Board member Paul Hunt	Aye
Board member Stephen Brown	Aye
Board member Quinn Sperry	Aye
Board member Wayne Sharp	Aye

The motion passed unanimously.

**III. CONSENT AGENDA**

**A. APPROVE MINUTES OF MAY 17, 2016**

**MOTION:** Board Member Quinn Sperry **MOVED** to approve the Consent Agenda. Board Member Stephen Brown **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a roll call vote. The voting was as follows:

Board member Paul Glover	Absent
Board member Paul Hunt	Aye
Board member Stephen Brown	Aye
Board member Quinn Sperry	Aye
Board member Wayne Sharp	Aye

**The motion passed unanimously.**

**IV. ACTION**

**A. DISCUSSION AND APPROVAL OF RESOLUTION NO. 2016-07-RDA AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT BETWEEN KC GARDNER COMPANY L.C. AND THE REDEVELOPMENT AGENCY OF MIDVALE CITY**

Danny Walz stated on October 20, 2015, the Redevelopment Agency of Midvale City Board of Directors approved the Option to Purchase Agreement to secure the exclusive right and option to purchase property located within the Jordan Bluffs project area. The purpose of the option agreement is to allow the Agency to investigate the property in order to determine the value and market the property to prospective developers. The initial term of the option period is for twelve months with two extension periods of six months each.

Through the listing of the property the Agency has received interest from prospective buyers to purchase and develop the property. The Purchase Agreement details the terms for the investigation and potential purchase of the property by KC Gardner Company. The agreement is structured to run concurrently with the Agency's Option to Purchase Agreement. The Agreement has been prepared by Tom Berggren of Jones Waldo and negotiated with the legal counsel for the buyer as well.

**FISCAL IMPACT:** The Purchase Agreement does not have any direct budget impact. The agreement provides for the extension of the Agency's Option to Purchase Agreement and includes fees to offset the Agency's related expenses.

Jeff Burnson said they've had a lot of interest in this project. He is very impressed with the City working on this project. He discussed potential buyers for the project.

**MOTION:** Board Member Stephen Brown **MOVED** to suspend the rules and adopt Resolution No. 2016-07RDA authorizing the execution of a Purchase Agreement between the Redevelopment Agency of Midvale City and KC Gardner Company L.C. Board member Wayne Sharp **SECONDED** the motion. Chair Seghini called for discussion on the motion. There being none, she called for a roll call vote. The voting was as follows:

Board member Paul Glover	Absent
Board member Paul Hunt	Aye

<b>Board member Stephen Brown</b>	<b>Aye</b>
<b>Board member Quinn Sperry</b>	<b>Aye</b>
<b>Board member Wayne Sharp</b>	<b>Aye</b>

**The motion passed unanimously.**

**V. ADJOURN**

**MOTION: Board Member Wayne Sharp MOVED to adjourn. Board Member Paul Hunt SECONDED the motion. Chair Seghini called for discussion on the motion. There being none, she called for a call vote. The motion passed unanimously.**

Chair Seghini declared the meeting adjourned at approximately 9:13 p.m.

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**Rori L. Andreason, MMC**  
**H.R. Director/City Recorder**

Approved this 9<sup>th</sup> day of August, 2016



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## Redevelopment Agency of MIDVALE CITY SUMMARY REPORT

**MEETING DATE: AUGUST 9, 2016**

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**SUBJECT:** Discussion and Action regarding Resolution No. 2016-8RDA authorizing the execution of a Right of First Offer Agreement between the Redevelopment Agency of Midvale City and AM China Nevada Trading Inc.

**SUBMITTED BY:** Danny Walz, Redevelopment Director

**SUMMARY:** On October 20, 2015, the Redevelopment Agency of Midvale City Board of Directors approved the Option to Purchase Agreement to secure the exclusive right and option to purchase property located within the Jordan Bluffs project area. The purpose of the option agreement is to allow the Agency to investigate the property in order to determine the value and market the property to prospective developers. The initial term of the option period is for twelve months with two extension periods of six months each.

Through the listing of the property the Agency has received interest from prospective buyers to purchase and develop the property. On June 21, 2016 the Agency Board authorized the execution of a Purchase Agreement with KC Gardner Company for the investigation and potential purchase of the property. The agreement is structured to run concurrently with the Agency's Option to Purchase Agreement and contains a provision that allows the Agency to continue to discuss the property with other prospective buyers. The Right of First Offer Agreement secures the first backup offer position with AM China Nevada Trading Inc. should the Gardner Company choose not to purchase the property and outlines the associated terms. The Agreement has been prepared by Tom Berggren of Jones Waldo and executed by the buyer already.

**FISCAL IMPACT:** The Right of First Offer Agreement and any subsequent purchase agreement do not have any direct budget impact. The agreement secures first position for a backup offer as well as terms for the investigation of the property.

**RECOMMENDED MOTION:** *"I move that we suspend the rules and adopt Resolution No. 2016-8RDA authorizing the execution of a Right of First Offer Agreement between the Redevelopment Agency of Midvale City and AM China Nevada Trading Inc."*

**ATTACHMENTS:** Resolution No. 2016-8RDA, Right of First Offer Agreement

**MIDVALE CITY, UTAH  
RESOLUTION No. 2016-8RDA**

**A RESOLUTION AUTHORIZING THE EXECUTION OF A RIGHT OF FIRST OFFER  
AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF MIDVALE CITY AND AM  
CHINA NEVADA TRADING INC.**

**WHEREAS**, the Redevelopment Agency of Midvale City was created to transact the business and exercise the powers provided for in the Utah Redevelopment Agencies Act; and

**WHEREAS**, the Board of Directors of the Redevelopment Agency of Midvale City adopted the Jordan Bluffs Redevelopment Plan on August 10, 2004; and

**WHEREAS**, the Board of Directors of the Redevelopment Agency of Midvale City desires to encourage redevelopment within the Jordan Bluffs Project Area; and

**WHEREAS**, the Board of Directors of the Redevelopment Agency of Midvale City approved the Option to Purchase Agreement to secure the exclusive right and option to purchase approximately 256 acres of land within the Jordan Bluffs Project Area; and

**WHEREAS**, the Board of Directors of the Redevelopment Agency of Midvale City authorized the execution of a Purchase Agreement with KC Gardner Company, LLC on June 21, 2016; and

**WHEREAS**, the Redevelopment Agency of Midvale City desires to continue working with prospective buyers and accept backup offers for the purchase of the Property.

**NOW THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF MIDVALE CITY, STATE OF UTAH**, that the Board of Directors does hereby authorize the Chief Administrative Officer and Executive Director to execute the Right of First Offer Agreement in the form attached subject to such other terms and conditions as recommended by Agency’s legal counsel.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF MIDVALE CITY, STATE OF UTAH**, this 9<sup>th</sup> day of August, 2016.

\_\_\_\_\_  
JoAnn B. Seghini  
Chief Administrative Officer

\_\_\_\_\_  
Kane Loader  
Executive Director

ATTEST:

\_\_\_\_\_  
Rori L. Andreason, MMC  
Secretary

<b>Voting by the Board:</b>	<b>“Aye”</b>	<b>“Nay”</b>
Steve Brown	_____	_____
Paul Glover	_____	_____
Quinn Sperry	_____	_____
Paul Hunt	_____	_____
Wayne Sharp	_____	_____

## RIGHT OF FIRST OFFER AGREEMENT

THIS RIGHT OF FIRST OFFER AGREEMENT is made and entered into this \_\_\_\_ day of July, 2016 by and between the Redevelopment Agency of Midvale City, a governmental entity organized under the laws of the State of Utah (the "RDA"), and AM China Nevada Trading Inc., a Nevada corporation (the "Backup Buyer").

WHEREAS, the RDA entered into that certain Option to Purchase Agreement dated as of October 27, 2015 (as amended, the "**Underlying Agreement**") with the parties listed therein as the "Sellers" (the "**Underlying Sellers**"), pursuant to which the Underlying Sellers granted to the RDA the option to purchase certain property located in Midvale (as more particularly shown on Exhibit A attached hereto, the "**Property**");

WHEREAS, the RDA subsequently entered into that certain Purchase Agreement dated as of June 27, 2016 (the "Gardner Purchase Agreement") with KC Gardner Company, L.C., a Utah limited liability company (the "Original Purchaser"), pursuant to which the RDA agreed, upon the satisfaction of the conditions precedent specified therein, to assign the right to purchase the Property to the Original Purchaser;

WHEREAS, the Backup Buyer desires to option the right of first offer to purchase the Property if the Gardner Purchase Agreement is terminated;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the RDA and the Backup Buyer hereby agree as follows:

### 1. RIGHT OF FIRST OFFER.

(a) In the event that the Gardner Purchase Agreement terminates for any reason, the RDA shall so notify the Backup Buyer (the "Offering Notice"). The Backup Buyer shall have three business days after receipt of the Offering Notice to notify the RDA in writing of its intent to negotiate for the acquisition of the Property (the "Acceptance Notice"). If the Backup Buyer timely gives the RDA the Acceptance Notice, the parties shall negotiate for a period of fifteen (15) days following the date of the Acceptance Notice toward a purchase and sale agreement for the sale of the Property on terms mutually agreeable to the RDA and the Backup Buyer, the first draft of which shall be prepared by the RDA (a "Backup Purchase Agreement").

(b) In the event that the Backup Buyer shall not timely give an Acceptance Notice, or in the event that the Backup Buyer and the RDA do not execute a Backup Purchase Agreement within fifteen (15) days following the Acceptance Notice, or in the event that the Backup Buyer shall not acquire the Property pursuant to the Backup Purchase Agreement, then the RDA shall have the right to sell the Property to any other party.

(c) In the event that the RDA shall have the right to sell the Property to any other party as provided in and pursuant to Section 1(b) above, then the RDA shall be entitled to record a certificate to such effect. The recordation of such a certificate shall be conclusive

between the parties as to the RDA's right to so sell the Property, and any third party may rely thereon.

(d) The obligations of the RDA under this Section 1 shall bind the RDA but not its successors and assigns and shall inure to the benefit of the Backup Buyer but not its successors and assigns.

(e) Unless sooner terminated as provided above, in the event that the RDA has not delivered an Offering Notice by April 15, 2017, this Agreement shall terminate and neither party shall have any further rights or obligations hereunder.

(f) Nothing herein shall prevent the RDA from accepting further back-up offers, so long as such offers clearly indicate that the rights of the buyer thereunder are subject to the rights of the Backup Buyer hereunder.

## 2. GENERAL PROVISIONS.

(a) Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be sufficient for all purposes if personally delivered or if delivered by a nationally recognized overnight delivery service addressed to the respective party at the address set forth below:

To the RDA :                      Redevelopment Agency of Midvale City  
Midvale City Hall  
7505 South Holden Street  
Midvale, Utah 84047  
Attention: Executive Director

To the Backup Buyer:            AM China Nevada Trading Inc.  
4500 Wynn Road, Bldg. B  
Las Vegas, Nevada 89103  
Attention: Luke Zhou

If personally delivered, notices and other communications under this Agreement shall be deemed to have been given and received and shall be effective when personally delivered. If sent by delivery service in the form specified in this section, notices and other communications under this Agreement shall be deemed to have been given and received and shall be effective the first business day after it is delivered to such delivery service.

(b) Costs. The RDA and the Backup Buyer each shall pay its own costs and expenses incurred in preparation and execution of and performance under this Agreement.

(c) Entire Agreement, Amendment. This Agreement, including the exhibits attached hereto, constitutes the entire agreement between the parties hereto relative to the subject matter hereof. Any prior negotiations, correspondence, or understandings relative to the subject matter hereof shall be deemed to be merged in this Agreement and shall be of no force or effect.

This Agreement may not be amended or modified except in writing executed by both of the parties hereto.

(d) Interpretation. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. The section headings contained in this Agreement are for purposes of reference only and shall not limit, expand, or otherwise affect the construction of any provisions of this Agreement. Time is of the essence.

(e) No Waiver. Acceptance by either party of any performance less than required hereby shall not be deemed to be a waiver of the rights of such party to enforce all of the terms and conditions hereof. No waiver of any such right hereunder shall be binding unless reduced to writing and signed by the party to be charged therewith.

(f) Invalidity of Provision. If any provisions of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permitted by applicable law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the Agreement as a whole.

(g) Attorneys' Fees. In the event of a breach hereof, the non-prevailing Party shall pay the reasonable attorney's fees (and the reasonable attorneys' fees on appeal) of the prevailing Party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

RDA:

**REDEVELOPMENT AGENCY OF MIDVALE CITY**

By \_\_\_\_\_  
JoAnn Seghini  
Its Chief Administrative Officer

By \_\_\_\_\_  
Kane Loader  
Its Executive Director

BACKUP BUYER:

**AM CHINA NEVADA TRADING INC.,**  
a Nevada corporation

By:   
Name: Luke Zhou  
Title: President/CEO

EXHIBIT A

The Property