

MURRAY
CITY COUNCIL

Council Meeting
August 21, 2012



NOTICE OF MEETING
MURRAY CITY MUNICIPAL COUNCIL

PUBLIC NOTICE IS HEREBY GIVEN that there will be a meeting of the Murray City Municipal Council on Tuesday, August 21, 2012, at the Murray City Center, 5025 South State Street, Murray, Utah.

5:30 p.m. **Committee of the Whole:** To be held in the Conference Room #107

1. **Approval of Minutes**
 - 1.1 None scheduled.
2. **Business Items**
 - 2.1 Independent Audit Policy Revision – Justin Zollinger (10 minutes)
 - 2.2 Handyman Ordinance for Home Occupation – Tim Tingey (20 minutes)
3. **Announcements**
4. **Adjournment**

6:30 p.m. **Council Meeting:** To be held in the Council Chambers

5. **Opening Ceremonies**
 - 5.1 Pledge of Allegiance
 - 5.2 Approval of Minutes
 - 5.2.1 None scheduled.
 - 5.3 Special Recognition
 - 5.3.1 None scheduled.
6. **Citizen Comments** (Comments are limited to 3 minutes unless otherwise approved by the Council.)
7. **Consent Agenda**
 - 7.1 Consider confirmation of the Mayor’s appointment of Lew Wood to the Murray Power Advisory Board in an At-Large position for a three-year term to expire June 1, 2015.
8. **Public Hearings**
 - 8.1 Public Hearing #1
 - 8.1.1 Staff and sponsor presentations, and public comment prior to Council action on the following matter:

Consider a resolution appropriating funds to State & Vine, LLC pursuant to Section 10-8-2 of the Utah Code. (Tim Tingey presenting.)

8.1.2 Council consideration of the above matter.

9. Unfinished Business

9.1 None scheduled.

10. New Business

10.1 Consider a resolution authorizing the execution of an Interlocal Cooperation Agreement between the Salt Lake County Sheriff's Office and Murray City for prisoner transportation to and from the Murray City Municipal Justice Court. (Michael Williams presenting.)

11. Mayor

11.1 Report

11.2 Questions of the Mayor

12. Adjournment

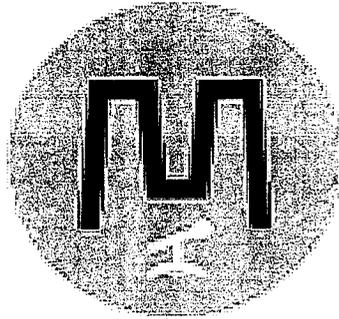
NOTICE

SPECIAL ACCOMMODATIONS FOR THE HEARING OR VISUALLY IMPAIRED WILL BE MADE UPON A REQUEST TO THE OFFICE OF THE MURRAY CITY RECORDER (801-264-2660). WE WOULD APPRECIATE NOTIFICATION TWO WORKING DAYS PRIOR TO THE MEETING. TDD NUMBER IS 801-270-2425 or call Relay Utah at #711.

Council Members may participate in the meeting via telephonic communication. If a Council Member does participate via telephonic communication, the Council Member will be on speaker phone. The speaker phone will be amplified so that the other Council Members and all other persons present in the Council Chambers will be able to hear all discussions.

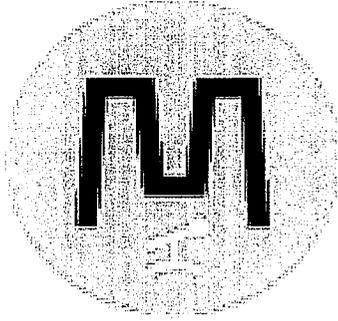
On Friday, August 17, 2012, at 10:45 a.m., a copy of the foregoing notice was posted in conspicuous view in the front foyer of the Murray City Center, Murray, Utah. Copies of this notice were provided for the news media in the Office of the City Recorder and also sent to them by facsimile copy. A copy of this notice was posted on Murray City's internet website www.murray.utah.gov and the state noticing website at <http://pmn.utah.gov>.

Janet M. Lopez
Office Administrator
Murray City Municipal Council



MURRAY
CITY COUNCIL

Committee of the Whole



MURRAY
CITY COUNCIL

Discussion Item #1

Murray City Municipal Council Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** (Similar wording will be used on the Council meeting agenda.)

Independent Audit Policy Revision

2. **KEY PERFORMANCE AREA:** (Please explain how request relates to Strategic Plan Key Performance Areas.)

Financial Controls

3. **MEETING, DATE & ACTION:** (Check all that apply)

Council Meeting OR Committee of the Whole

Date requested **8/21/2012**

Discussion Only

Ordinance (attach copy)

Has the Attorney reviewed the attached copy? _____

Resolution (attach copy)

Has the Attorney reviewed the attached copy? _____

Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy? _____

Appeal (explain) _____

Other (explain) _____

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)

Annual Budget

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

City Independent Audit Policy Revision Memo

6. **REQUESTOR:**

Name: Justin Zollinger

Title: Finance Director

Presenter: Justin Zollinger

Title: Finance Director

Agency: Murray City

Phone: 801-264-2669

Date: 7/30/2012

Time: 5:00 PM

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director: Justin Zollinger

Date: 7/30/2012

Mayor:



Date: 7/30/2012

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____

Recommendation: _____

9. **NOTES:**



MURRAY CITY CORPORATION
FINANCE & ADMINISTRATION

Memo:

To: City Council
From: Justin Zollinger, Finance Director
Date: July 30, 2012
Subject: City Independent Audit Policy Revision

This memo is to provide information as to the reasoning why the City's independent audit policy needs revision.

The City's current independent audit policy requires the City to change auditors every ten years, and although change often times can promote improvement and provide a fresh set of eyes, this type of change can be accomplished through other means. If the City were to bid out our independent audit services and our current audit firm was the low bid, current policy would require the City to change auditors. The potential results of this policy, to go with another firm at a higher cost just to provide change, does not seem fiscally prudent.

The revised policy would require the independent auditor services to be bid out every five years and if the City's existing audit firm is selected the City would require audit manager rotation. With this type of policy the City could still save money by selecting the low bid but would have a fresh set of eyes with a new audit manager on the job.



MURRAY
CITY COUNCIL

Discussion Item #2

Murray City Municipal Council Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** Handyman Ordinance for Home Occupation Businesses

2. **KEY PERFORMANCE AREA:** Responsive and Efficient City Services

3. **MEETING, DATE & ACTION:** (Check all that apply)

Council Meeting OR Committee of the Whole August 21, 2012

Date requested

Discussion Only

Ordinance (attach copy)

Has the Attorney reviewed the attached copy?

Resolution (attach copy)

Has the Attorney reviewed the attached copy?

Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy?

Appeal (explain) _____

Other (explain) _____

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)

N/A

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

Memo

6. **REQUESTOR:**

Name: Tim Tingey

Title: Administrative & Development Services Director

Presenter: Tim Tingey

Title: Administrative & Development Services Director

Agency: A D S

Phone: ext 2680

Date: August 7, 2012

Time:

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director:  Date: 8/8/12

Mayor:  Date: 8/8/12

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____

Recommendation: _____

9. **NOTES:**



MURRAY CITY CORPORATION
ADMINISTRATIVE &
DEVELOPMENT SERVICES

B. Tim Tingey, Director

Building Division
Community & Economic Development
Geographic Information Systems

Information Technology
Recorder Division
Treasurer Division

TO: City Council

FROM: Tim Tingey, Director, Administrative and Development Services

DATE: August 8, 2012

RE: Handyman Home Occupation Discussion

Administrative and Development Services Department staff will be present to discuss potential modifications to our Home Occupation section of the City Zoning Ordinance. This is a follow up discussion item from a previous City Council Initiative Workshop.

Chapter 17.24

HOME OCCUPATIONS

17.24.010: PURPOSE:

17.24.020: DEFINITION:

17.24.030: LICENSE REQUIRED:

17.24.040: APPLICATION:

17.24.050: PROHIBITED USES:

17.24.010: PURPOSE:

The purpose of this chapter is to allow and regulate certain income producing accessory uses in residential districts which are compatible with, and not detrimental to, the neighborhood in which they are located. Home occupations are limited to those uses which may be conducted within a residential dwelling without changing the appearance or condition of that residence. (Ord. 07-30 § 2)

17.24.020: DEFINITION:

A "home occupation" is a business, occupation, profession, operation, managing or carrying on of a business for the purpose of economic gain, which activity is carried on as an accessory use in a residential zone by a bona fide resident of the dwelling. This definition of a home occupation shall not be construed to allow an employee, working in the employee's own home in the service of an employer who does not reside in the same dwelling. (Ord. 07-30 § 2)

17.24.030: LICENSE REQUIRED:

A home occupation license shall be required to conduct a permitted business in a residence located in a residential zone. Home occupations are accessory uses and are subject to the following regulations:

- A. The home occupation business use must be conducted entirely within the main dwelling, except that the outside yard areas may be used for group instruction, residential daycare facilities and group education uses.

- B. The home occupation business may be conducted only by persons who are residents of the dwelling unit, except that up to one person not residing in the residence may be engaged, volunteer or be employed by the licensee. The owner of the business must reside in the residence. The planning commission may approve more than one nonresident employee if it finds that the additional employee will not be employed as a driver of a work vehicle kept at the residence, and also finds that the employee's presence in the premises will not otherwise violate the intent of this chapter. Only one nonresident employee, or such additional nonresident employees as approved by the planning commission, is allowed per residence, regardless of the number of home occupation licenses held by persons residing in the residence.

- C. The business use must be clearly incidental and secondary to the residential use of the dwelling and may not change the residential character of the dwelling. No more than twenty five percent (25%) of the total main or upper floor area, or, in the alternative, no more than fifty percent (50%) of the total floor area of a basement, may be used to conduct a home occupation. Interior alterations to accommodate a home occupation are prohibited if either the kitchen, the dining area, all bathrooms, the living room, or a majority of the bedrooms are eliminated. Signs related to the home occupation are prohibited unless otherwise provided in this title.

- D. Commodities may be produced on the premises in accordance with law. Sale of commodities from shelves or similar display on the premises is not allowed.

- E. Home occupation businesses shall not involve the use of any accessory building or yard space for storage or display of supplies or inventory used in the home occupation.

- F. Group education, group instruction, childcare, and instruction of children, other than those residing in the dwelling, are allowed as a home occupation accessory use or as a conditional use only to the extent as allowed in this title.

- G. More than one home occupation business license per dwelling unit is allowed; provided, however, that the cumulative effect of such businesses shall not violate the provisions and the intent of this chapter. By way of illustration and not limitation, the conduct of multiple home occupations may not violate the prohibitions against excessive traffic, and the limit on the number of nonresident employees and motor vehicles allowed at a residence. Any or all of the home occupation licenses issued at a residence are subject to suspension or revocation if the cumulative effect of the conduct of those businesses violates this chapter.

- H. Home occupation licensees shall comply with all state and local laws, including fire, building, and similar life safety and health codes.

- I. The premises of a home occupation may be inspected during reasonable business hours to determine compliance with the provisions of this title.

- J. A home occupation business license shall be valid for twelve (12) months after it is issued and may be renewed annually unless the license, or the privilege of renewing that license, has been

revoked or suspended due to violations of this title or other laws applicable to the home occupation license.

- K. One business vehicle used by the licensee in connection with the home occupation may be parked at the premises, subject to the restrictions in this chapter. Other motor vehicles and equipment, and trailers used to transport the same, which are used in connection with the home occupation may not be stored or parked on the premises of the licensee or in any street adjacent to the licensed premises. Under no circumstances may motor vehicles having a gross vehicle weight rating of more than twelve thousand (12,000) pounds and which are used in connection with the home occupation be stored or parked on the premises of a home occupation or any street adjacent to those premises. By way of illustration and not limitation, this subsection is intended to prohibit the storage or parking of business fleet vehicles, such as limousines; service or work vehicles (snowplow/landscape maintenance trucks) and similar vehicles; delivery vehicles; and contractor's equipment and trailers used to transport the same. As provided in subsection B of this section, a nonresident employee may not be allowed to drive any business vehicle parked at the premises as permitted by this subsection as part of that employee's regular work assignment.

- L. The traffic generated by a home occupation may not exceed that which would normally be expected in a residential neighborhood, and any need for parking generated by the conduct of such home occupation shall be met off the street according to city regulations. The home occupation shall not involve the use of commercial vehicles having a gross vehicle weight rating of more than twelve thousand (12,000) pounds for delivery of materials to or from the premises.

- M. Except as otherwise provided in this title, the community development division and/or code enforcement is authorized to approve home occupation applications in accordance with this title.

- N. The home occupation may not be associated with noise, noxious odors, fumes, glare, or other nuisances that may be discernible beyond the premises.

- O. The storage or use of flammable, explosive, or other dangerous materials is prohibited. (Ord. 08-04 § 2; Ord. 07-30 § 2)

17.24.040: APPLICATION:

A home occupation license application shall be filed with the city business license division. Affected departments shall determine if the application complies with this title. (Ord. 07-30 § 2)

17.24.050: PROHIBITED USES:

The following uses by the nature of the investment or operation have a pronounced tendency, once started, to rapidly increase beyond limits permitted for home occupations and thereby impair the use and value of a residentially zoned area for residence purposes. Therefore, the uses specified below shall not be permitted as home occupations:

Carpentry work;

Construction businesses;

Dental offices;

Electronics repair;

Major appliance repair (washers, dryers, refrigerators, etc.);

Medical offices;

Painting of vehicles;

Permanent yard sales;

Photo developing;

Photo studios;

Private schools;

Trailer or boat repair;

Upholstering;

Vehicle repair.

The listing of specific prohibited businesses in this section shall not be construed to allow or permit a home occupation business which otherwise violates this chapter. (Ord. 07-30 § 2)

Adjournment

Council Meeting

6:30 p.m.

Call to Order

Opening Ceremonies:

Pledge of Allegiance

Citizen Comments

Limited to three minutes, unless otherwise approved by the Council.

Consent Agenda

Murray City Municipal Council

Request for Council Action

INSTRUCTIONS: The City Council considers new business items each Tuesday in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 107, no later than 5:00 p.m. on the Tuesday one week before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages.

1. **TITLE:** (State how it is to be listed on the agenda)
Consider confirmation of the Mayor's **new appointment of Lew Wood to the Murray Power Advisory Board** in an **At-Large** position while living in **District 5** for a **first three-year term** effective **8/21/2012** to **6/1/2015**.

2. **ACTION REQUESTED:** (Check all that apply)

Discussion Only
 Ordinance (attach copy) Has the Attorney reviewed the attached copy?
 Resolution (attach copy) Has the Attorney reviewed the attached copy?
 Public Hearing (attach copy of legal notice) Has the Attorney reviewed the attached copy?
 Appeal (explain) _____
 Other (explain) Consent Calendar

3. **WHEN REQUESTED:** (Explain when action on this proposal is needed by and why)
August 21st 2012

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)
N/A

5. **RELATED DOCUMENTS:** (Describe all minutes, exhibits, maps, plats, etc., accompanying this proposal and whether or not each is attached)
Resume/BIO attached

6. **REQUESTOR:**

Name: <u>Dan Snarr</u>	Title: <u>Mayor</u>
Presenter: <u>Dan Snarr</u>	Title: <u>Mayor</u>
Agency: <u>Mayor's Office</u>	Phone: <u>264-2600</u>
Date: <u>August 8th 2012</u>	Time: _____

7. **APPROVALS:** (If submitted by city personnel, the following signatures are required, and indicate (1) each has reviewed and approved the proposal, (2) all preparatory steps have been completed, and (3) the item is ready for Council action)

Head of Department: Dan Snarr Date: August 21st 2012

Mayor:  Date: August 21st 2012

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Number of copies submitted: _____
Received by: _____ Date: _____ Time: _____
Recommendation: _____

9. **NOTES:**

Lew Wood will be filling in the position that **Karl Snow** served well to Term Limits ending on **June 1st 2012**.

Dr. O. Lew Wood

O. Lew Wood Ph.D., had served as a Murray City Power Board Member/Chairman for 17 years before completing his term in Spring of 2011. He was first appointed in 1994. Dr. Wood graduated from Brigham Young University with a B.S. degree in Physics, from the University of California-Los Angeles with a M.S. degree in Engineering Science and from the University of Utah with a PH.D. in Radio-biology.

Dr. Wood is retired, having been the Chairman and CEO of Quartztronics, Inc. Inc, in Salt Lake City, Utah, a developer of pressure transducers based on quartz resonator sensors.

He has been elected to the National Honor Roll of the American Public Power Association for his service on the Power Advisory Board. He was also honored with the UAMPS Appointed Official of the Year award in 2010.

Dr. Wood has been a powerful advocate of Murray City Power and has demonstrated a deep understanding of public power issues. He shares his extensive business experience to solve problems and has attended over 16 APPA National Conferences.

During his Board tenure, Dr. Wood has supported local conservation campaigns, the annual Public Power Celebration as well as being instrumental in the construction of a 39 MW gas turbine generation facility, the rebuild of several substations, the reconstruction and upgrade of the City's 46 KV transmission system to 138 KV, the increase in system reliability through distribution upgrades and the continued customer reliability and efficiency through prudent utility practices like remote meter reading and cutting edge GIS institution.

During his tenure, Murray City entered into Power Purchase Agreement with two local landfill, methane fueled power facilities. Murray receives up to 7.5 MW of renewable capacity and energy from these two plants which assists the city in achieving an enviable % of renewable sources in its portfolio. In 2006, Murray received the LMOP Partner of the Year for its groundbreaking efforts in its first landfill venture. Dr. Wood was instrumental in obtaining rights for these landfill facilities.

Other awards the City, under Dr. Wood's leadership, has received include:

- ★ 2001 Associated General Contractors of America Industrial project of the Year for the Gas Turbine Facility
 - ★ APPA System Achievement Awards E.F. Scattergood in 2001 and 2005
 - ★ System Improvement and Conservation Awards in 1999, 2001, 2002, 2004, 2006 from UAMPS
 - ★ Numerous Tree City USA and Golden Tree awards
 - ★ The Paul Raver Award and several excellence in communications awards from NWPPA
-
- ★ State of Utah Governor's Award for Science and Technology in 1993

Dr. Wood is an avid supporter of public power.

**Public
Hearing #1**

MURRAY CITY CORPORATION

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on the 21st day of August, 2012, at the hour of 6:30 p.m. of said day in the Council Chambers of Murray City Center, 5025 South State Street, Murray, Utah, the Murray City Municipal Council will hold and conduct a hearing to receive public comment as required by Section 10-8-2 of the Utah Code, concerning the consideration of appropriating funds for the purchase of a right-of-way; burial and relocation of power lines and right-of way work for a project being developed by, State & Vine, LLC, on property located at the corner of State & Vine, Murray, Utah. A study has been prepared by Zions Bank Public Financial-Municipal Consulting Group reflecting the net benefit received by Murray City for the appropriation. A copy of this study is available for public inspection in the Murray City Recorder's Office, located at 5025 South State Street, Suite 115, Murray, Utah during normal business hours.

DATED this 10th day of August, 2012.

PH12-21

MURRAY CITY CORPORATION

Jennifer Kennedy, City Recorder

DATE OF PUBLICATION: August 14, 2012

Murray City Municipal Council Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** (Similar wording will be used on the Council meeting agenda)

Downtown Benefit Cost Assessment and Development Agreement with State and Vine, LLC

2. **MEETING, DATE & ACTION:** (Check all that apply)

Council Meeting OR Committee of the Whole

Date requested August 21, 2012

Discussion Only

Ordinance (attach copy)

Has the Attorney reviewed the attached copy?

Resolution (attach copy)

Has the Attorney reviewed the attached copy?

Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy?

Appeal (explain) _____

Other (explain) _____

3. **ATTENDING POLICY:** (This Section is not required until after the City-wide Strategic Plan is completed – toward the end of 2011) (Please explain how request relates to city-wide policy)

Welcoming and thriving Business Climate

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)

Funding for the item is included in the 2012-2013 budget.

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

6. **REQUESTOR:**

Name: Tim Tingey

Title: Director, ADS

Presenter: Tim Tingey

Title: Director ADS

Agency: _____

Phone: (801)-264-2680

Date: August 10, 2012

Time: _____

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director: Tim Tingey

Date: 8/10/12

Mayor: _____

Date: _____

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____

Received by: _____

Date: _____

Time: _____

Recommendation: _____

9. **NOTES:**



MURRAY CITY CORPORATION
ADMINISTRATIVE &
DEVELOPMENT SERVICES

B. Tim Tingey, Director

Building Division
Community & Economic Development
Geographic Information Systems

Information Technology
Recorder Division
Treasurer Division

TO: **City Council**
FROM: **Tim Tingey, Director, Administrative and Development Services**
DATE: **August 10, 2012**
RE: **Downtown Benefit Cost Assessment and Development Agreement with State and Vine LLC for Downtown Development**

Murray City and the Redevelopment Agency is considering entering into Development Agreements with State and Vine LLC (State and Vine) for development of a 105 room hotel facility, and approximately 7,000 square feet of commercial space at the property addressed 4913 South State Street which is on the northeast corner of State and Vine Streets. The Mayor's Office, Administrative and Development Services Department and Attorney's Office staff have met to work through the details of the City Development Agreement for the following:

1. Reimbursement to the Participant after work is completed to the satisfaction of the City and not to exceed \$400,000 only for the following:
 - Acquisition of approximately 3,600 square feet on the north side of the property for additional right-of-way;
 - Burial or relocation of the power lines on the site. If costs are greater than \$200,000 for relocation of the power lines, the City will make up the difference of these costs;
 - Reimbursement to State and Vine for right-of-way work including modification of access points for the site;
2. The project is to commence within eighteen months after approval of the agreement and be completed within four years;
3. A separate agreement is proposed to be established between State and Vine and the Redevelopment Agency of Murray to facilitate development of the site. Funding for these improvements will be a not to exceed amount of \$250,000 and includes environmental remediation for the site, funding for LEED certifications above what is required by City Ordinances, demolition costs for the site, landscaping improvements for the site.

In consideration of this agreement, Murray City contracted with Zions Bank Public Finance to complete a Benefit Assessment for the State and Vine Development in the downtown area. Among other things, the purpose of the report is to evaluate the need for public participation in the downtown project which will create intensive revitalization and promote "safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality." (Utah Municipal Code 10-8-2(3)).

Attached is the report which outlines a number of elements that support appropriating money for acquisition and public improvements on and around the site. These elements are summarized below.

Direct Economic Benefits of City Investment

1. Increase real property tax revenues (land and buildings) from development of the property;
2. Increase personal property tax revenues (fixtures and equipment);
3. Increase sales tax revenue based on the point of sale distribution of the local option sales tax (1/2 of one percent);
4. Increase transient room tax revenues based on the municipal transient room tax enacted by Murray City of one percent;
5. Increased municipal energy (“franchise”) tax revenues based on the six percent tax enacted by Murray City on all electric and gas expenses.

Indirect Economic Benefits

1. Patrons of the hotel will likely shop in Murray, eat out at restaurants, and take advantage of entertainment options;
2. Employees of the hotel, as well as office and retail employees located within the hotel, will likely make additional purchases in the City;
3. There may be complementary development, such as restaurants, that will occur near the hotel site.

Staff anticipates that this project will be a major step in eliminating blight and underutilized property and to fulfill the goals of redevelopment in the area. It will also meet the goals and objectives of the Murray City Center District and will enhance the value and vision originally adopted by the City. Additionally, the overall design is subject to review and approval by the design review committee and planning commission and changes to materials, colors and design may occur during the review process. **Based on this information, Staff recommends approval of the attached resolution approving public investment including purchase of real property based on findings pursuant to Section 10-8-2 of the Utah Code and Participation and Development Agreement between Murray City and State and Vine LLC.**

RESOLUTION NO. _____

A RESOLUTION APPROPRIATING FUNDS TO STATE & VINE, LLC PURSUANT TO SECTION 10-8-2 OF THE UTAH CODE

WHEREAS, State & Vine, LLC wants to develop a hotel and commercial facility at approximately the corner of State & Vine (the "Project"), however, State & Vine, LLC wants some assistance from the City to do the Project; and

WHEREAS, under Section 10-8-2 of the Utah Code, the City may appropriate funds for a corporate purpose provided the City receives a net value in return for funds or resources appropriated; and

WHEREAS, the City is prepared to acquire property for public right-of-way purposes and provide public infrastructure work to the Project; and

WHEREAS, the appropriation will enhance the safety, health, prosperity, moral well being, peace, order, comfort and convenience of the City and the appropriation is appropriate to accomplish the reasonable goals and objectives of the City in the area of economic development, job creation, affordable housing, blight elimination, job preservation and other public purposes; and

WHEREAS, intangible benefits will also be received by the City; and

WHEREAS, Section 10-8-2 of the Utah Code requires that prior to the City Council making a decision to appropriate funds for a corporate purpose, an independent study must be performed to analyze the net value received by the City; and

WHEREAS, a study was performed by Zion's Bank Public Finance-Municipal Consulting Group (the "Study") based on the following appropriation of funds for the Project

- A. The City would acquire approximately 3600 square feet on the north side of the Project property for additional public right-of-way
- B. Reimburse State & Vine, LLC for right-of-way work including modification of access points of the Project and relocate the power lines on the Project; and

WHEREAS, the Study determined that the City would receive net value benefit from its contribution to the Project; and

WHEREAS, Section 10-8-2 of the Utah Code further requires that prior to the City Council making a decision to appropriate funds for a corporate purpose, a public hearing must be held pursuant to proper notice; and

WHEREAS, the City Council held a public hearing on August 21, 2012, regarding the City's appropriation to the Project; and

WHEREAS, after considering the Study and public input the City Council is prepared to approve the appropriation for the Project.

NOW, THEREFORE, it is hereby resolved by the Murray City Municipal Council, as follows:

1. It hereby accepts the Study performed by Zion's Bank Public Finance-Municipal Consulting Group (the "Study").
2. Based upon the Study and public input, the City Council has determined that the net value received by the Project will enhance the safety, health, prosperity, moral well being, peace, order, comfort and convenience of the City and the appropriation is appropriate to accomplish the reasonable goals and objectives of the City in the area of economic development, job creation, affordable housing, blight elimination, job preservation and other tangible and intangible benefits.
3. The City hereby approves appropriation of not to exceed \$400,000 for acquisition of approximately 3600 square feet on the north side of the Project for additional right-of-way and to bury or relocate the power lines on the Project (provided that in determining the not to exceed amount, not more than \$200,000 shall be allocated towards costs associated with the power lines) and reimburse State & Vine, LLC for right-of-way work including modification of access points for the Project.
4. The Mayor is authorized to execute any and all agreements on behalf of the City related to the appropriation.
5. The appropriation is contingent on State & Vine, LLC substantially commencing the Project within eighteen (18) months of the effective date of the agreement and completing the Project within four (4) years from the effective date of the agreement and the overall design is reviewed and approved by the City's Design Review Committee and the City's Planning and Zoning Commission.

Dated this 21st day of August, 2012.

MURRAY CITY MUNICIPAL COUNCIL

James A. Brass, Chair

ATTEST:

Jennifer Kennedy, City Recorder

Exhibit A

AGREEMENT TO FACILITATE DEVELOPMENT

Murray City Corporation (the "City") and State & Vine, LLC ("State & Vine") hereby agree as follows:

1. Purpose of Agreement

Chapter 17.170 of the Murray City Municipal Code, a copy of which is attached as Attachment 1, establishes the Murray City Center District (the "MCCD"). The purposes of the MCCD are specified in section 17.170.010 of the Murray City Municipal Code (Attachment 1). State & Vine wants to develop a hotel and commercial facility as depicted on the Concept Plan (Attachment 2) in the MCCD (the "Project"). State & Vine, however, wants some assistance from the City to do the Project and the City is willing to acquire property for public right-of-way purposes and provide public infrastructure work to the Project. Under section 10-8-2 of the Utah Code, the City may appropriate funds for a corporate purpose provided the City receives a net value in return for funds or resources appropriated; the appropriation will enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the City and the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the City in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property and any other public purpose. Intangible benefits received by the City may be considered in determining net value received. Prior to the City Council making a decision to appropriate funds for a corporate purpose, a public hearing must be held pursuant to proper notice. Also, a study must be performed to analyze the net value received by the City.

A study was performed by Zions Bank Public Finance-Municipal Consulting Group (the "Study") based on the following appropriation of funds for the Project: (a) the City would acquire approximately 3600 square feet on the north side the Project property for additional right-of-way as depicted on the Concept Plan (Attachment 2); (b) the City will bury or relocate the power lines on the Project; and (c) the City will reimburse State & Vine for right-of-way work including modification of access points for

the Project as depicted on the Concept Plan (Attachment 2). The City would provide no other assistance. The Study determined that the City would receive net value benefit from its contribution to the Project. The City Council held a public hearing on August 21, 2012 regarding the City's contribution to the Project. After considering the Study and public input, the City Council approved the City's contribution to the Project as described herein.

2. City's Obligations

2.1 City Contribution to Project

On or before completion of the Project, the City shall provide the following:

- a. acquire approximately 3600 square feet on the north side of the Project property for additional right-of-way as depicted on the Concept Plan (Attachment 2);
- b. bury or relocate the power lines on the Project which shall be coordinated with State & Vine as to the location of the lines and timing of the work; and
- c. reimburse State & Vine for right-of-way work including modification of access points for the Project as depicted on the Concept Plan (Attachment 2).

2.2 Reimbursement

The City's obligation to reimburse State & Vine for right-of-way work including modification of access points shall be paid within 60 days after the City has received written documentation from State & Vine of the amount expended for the work and the City has approved the reimbursable costs and the Project has been completed and a certificate of occupancy is granted by the City for the Project.

2.3 Not to Exceed \$400,000

In no event shall the City fund more than \$400,000 for the obligations provided in this paragraph 2; provided, however, that the City shall not allocate more than \$200,000 of said funds towards the cost associated with the power lines, as referenced in section 2.1.b above. The obligation to reimburse State & Vine for right-of-way work including modification of access points shall be adjusted to ensure that total funding by the City for the Project shall not exceed \$400,000. As an example, if the costs to acquire the right-of-way and relocate and bury City power lines is \$300,000, the City shall reimburse State & Vine for right-of-way work including modification of access points of not-to exceed \$100,000.

2.4 Conditions of Reimbursement

The City's obligations under this Agreement are conditioned on State & Vine substantially commencing work on the Project within eighteen (18) months from the date of this Agreement and completing the Project within four (4) years of this Agreement. If the State & Vine does not substantially commence work on the Project within eighteen (18) months from the date of this Agreement and complete the Project within four (4) years of this Agreement, this Agreement shall be deemed null and void.

3. State & Vine Obligations

3.1 The Project

State & Vine shall construct the hotel and commercial facility as depicted on the Concept Plan (Attachment 2) which shall include not less than 7,000 square feet of office and/or retail space and a hotel with not less than one hundred (100) rooms built in accordance with City ordinances. State & Vine shall not perform any work that is different in any manner from the Concept Plan (Attachment 2) without approval of the City. Approval by the City can be granted only by resolution adopted in a duly noticed meeting.

3.2 Comply with City Law

State & Vine, in constructing the Project, shall comply with all provisions of the City ordinances including the MCCD requirements and obtaining appropriate approvals from the City and the City's Planning and Zoning Commission. Nothing herein shall constitute a waiver of City requirements and approvals. City approval of detailed Project plans and/or subdivision plats for all phases of the Project shall be required.

3.3 Contingencies

State & Vine's duty to perform its obligations hereunder is conditioned upon State & Vine's ability to (1) secure the necessary funding for the Project, (2) enter into a hotel franchisee agreement with a hotel chain of State & Vine's choice and receive design approval from the hotel franchisor (3) obtain a no further action letter from the Utah Department of Environmental Quality pertaining to the environmental contamination on the Site and (4) receive any and all other necessary permits, approvals and licenses required for the development and operation of the Project, provided, however, that State & Vine must comply with section 2.4 of this Agreement and substantially commence work on the Project within eighteen (18) months from the date of this Agreement and complete the Project within four (4) years from the date of this Agreement even though contingencies specified in this section 3.3 caused the delay.

4. No Assignment

State & Vine agrees that prior to completion of the Project and performance by State & Vine of its obligations under this Agreement, State & Vine shall not assign or transfer or attempt to assign or transfer all or any part of this Agreement without the prior written consent and approval of the City, which consent and approval may be withheld in the City's sole discretion.

5. Development of the Project

During the term of this Agreement, State & Vine and the City hereby agree as follows:

5.1 Hold Harmless Agreement

State & Vine hereby agrees to defend and hold the City and its directors, officers, agents, employees, and consultants harmless for any and all claims, liability, and damages arising out of any work or activity of State & Vine, its agents or employees which is permitted pursuant to this Agreement.

5.2 Cross-Indemnification

State & Vine agrees to and shall indemnify and hold the City and its directors, officers, agents, employees, and consultants harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any accident, injury (including death), loss, or damage whatsoever, caused to any person or to the property of any person, resulting directly or indirectly from any acts or any errors or omissions of State & Vine or any of its agents or employees in connection with the development of the Project as contemplated by this Agreement, except for willful misconduct or negligent acts or omissions of the City or its directors, officers, agents, employees or consultants.

5.3 Discrimination

State & Vine agrees that it will not unlawfully discriminate against any employee or applicant for employment, or any contractor on any contract.

5.4 Local, State and Federal Laws

State & Vine shall develop the Project as contemplated in this Agreement in conformity with all applicable laws, including City Ordinances provided, however, that nothing herein shall limit the right of State & Vine to properly challenge any such law or the applicability thereof.

5.5 City, County and Other Governmental City Permits

State & Vine shall, at its own expense, secure or cause to be secured, any and all permits which may be required by the City, Salt lake County or any other governmental City or entity with jurisdiction over the Project and any development thereon.

5.6 Right of Access

Representatives of the City authorized and identified to State & Vine in writing by the City shall have the right of reasonable access to the Project and to any and all improvements thereon for purposes of inspection, during regular weekday work hours, with reasonable prior notice and without charges or fees. All representatives of the City visiting the Project shall observe any reasonable rules adopted by State & Vine for the purpose of maintaining safety and security on the Project, including the requirement that all visitors be escorted by a manager or supervisor of State & Vine at all times. The City agrees to and shall indemnify and hold State & Vine harmless from and against all liability, loss, damage, costs, or expenses arising from or as a result of any accident, injury (including death), loss or damage whatsoever caused to any person or the property of any person which shall occur as a result of or arising from City representatives' entry upon or activities on the Project, except that this indemnity shall not apply to proportional negligence or willful misconduct of State & Vine or its agents or employees.

5.7 Immigration Status Verification

State & Vine agrees to act in accordance with Title 63G, Chapter 12 of the Utah Code.

6. Defaults, Remedies and Termination

6.1 Default

If either the City or State & Vine fails to perform or delays performance of any term or provision of this Agreement, such conduct shall constitute default hereunder. The party in default must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 6.3 hereof.

6.2 Notice

If a default under this Agreement occurs, the non-defaulting party shall give written notice of the default (a "Default Notice") to the party in default, specifying the nature of the default. Failure or delay in giving a Default Notice shall not constitute a waiver of any default, nor shall it change the time of default, nor shall it operate as a waiver of any rights or remedies of the non-defaulting party; but the non-defaulting party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by either party in asserting any right or remedy hereunder shall not deprive either party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.3 Cure Period

The non-defaulting party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of thirty (30) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot be cured within such thirty (30) day period, the defaulting party fails to commence such cure within thirty (30) days and to diligently proceed to complete the same. A default which can be cured by the payment of money is understood and agreed to be among the types of defaults which can be cured within thirty (30) days. If the defaulting party does not cure or, if the default is of a nature which cannot be cured within thirty (30) days, commence to cure the default within thirty (30) days of delivery of the Default Notice, such failure to cure shall be an Event of Default, and the non-defaulting party, at its option, may pursue such rights and remedies as it may have.

6.3.1 Rights and Remedies

Upon the occurrence of an Event of Default, the non-defaulting party shall have all rights and remedies against the defaulting party as may be available at law or in equity to cure, correct, or remedy any default, to terminate this Agreement, to obtain specific performance, to recover damages for any default, or to obtain any other remedy

consistent with the purposes of this Agreement. Such rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the same default or any other default by the defaulting party. Provided, however, that the City's right to specific performance shall only be available with regards to State & Vine's duties with regards to any public infrastructure improvements.

6.3.2 Legal Actions

a. Venue

All legal actions must be instituted in the Third District Court for the State of Utah, unless they involve a case with mandatory federal jurisdiction, in which case they must be instituted in the Federal District Court for the District of Utah.

b. Services of Process

Service of process on the City shall be made by personal service upon the City Recorder and Chair of the City Board.

Service of process on State & Vine shall be by personal service upon its Registered Agent, or in such other manner as may be provided by law.

c. Applicable Law

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

7. General Provisions

7.1 Notices, Demands, and Communications Among the Parties

Notices, demands, and communications between the City and State & Vine shall be sufficiently given if personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the City and State & Vine. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail in the form and by the methods provided in this Section 7.1. Delivery shall be deemed complete upon the mailing or making physical delivery of the writing containing the notice, demand or communication.

7.2 Severability

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or provision herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

7.3 Nonliability of Officials and Employees

No director, officer, agent, employee, or consultant of the City or any director, officer, agent, employee, or consultant of State & Vine, LLC shall be personally liable to the other in the event of any default or breach by a party or for any amount which may become due hereunder or on any obligations under the terms of this Agreement.

7.4 Enforced Delay; Extension of Time and Performance

In addition to the specific provisions of this Agreement, neither party shall be deemed to be in default hereunder when it fails to perform or delays performance of any term or provision of this Agreement due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or suppliers, acts of the other party, acts or failure to act of the City or any other public or governmental entity or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time to perform shall be granted as a result of any of the foregoing causes, which extension shall be for the period of the forced delay and shall run from the time of the commencement of the cause, if notice is sent by the party claiming such extension to the other party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the City and State & Vine by mutual agreement.

7.5 Time of the Essence

Time shall be of the essence of this Agreement.

7.6 Interpretation

The parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise among the parties hereto

7.7 No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create in either party hereto any independent duties, liabilities, agreements, or rights to or with any third party, nor does this Agreement contemplate or intend that any of the benefits hereunder should accrue to any third party.

7.8 Effect and Duration of Covenants; Term of Agreement

The covenants contained in this Agreement shall, without regard to technical classification and designation, bind State & Vine, excluding for this purpose purchasers of individual space within the Project or a lessee thereof. The covenants contained in this Agreement shall inure to the benefit of and in favor of the City during the term of this Agreement. Except as otherwise provided herein, the term of this Agreement shall run from the date hereof until the date on which the City has reimbursed State & Vine in full for the Reimbursable Costs, as provided in this Agreement.

7.9 Parties to the Agreement

7.9.1 City

The City is a municipal corporation, public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the laws of the State of Utah. The address of the City for purposes of this Agreement is: Murray City Corporation, Attention Tim Tingey, Director of Administrative and Development Services, 5025 S. State Street, Murray, Utah, 84107. The City's telephone number is 801-264-2680 and its fax number is 801-264-2517.

7.9.2 State & Vine

State & Vine is a Utah Limited Liability Company. The address of State & Vine for the purposes of this Agreement is: 2180 South 1300 East, Suite 410, Salt Lake City, Utah, 84106. State & Vine's telephone number is 801-484-3440 and its fax number is 801-484-3455.

8. Entire Agreement, Waivers and Amendments

8.1 Entire Agreement

This Agreement may be executed in duplicate originals, each of which shall be deemed an original. This Agreement, including all attachments hereto, constitutes the entire understanding and agreement of the parties.

When executed by both parties, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between or among the parties with respect to all or any part of the Project and the development thereof.

8.2 Waivers

All waivers of the provisions of this Agreement must be in writing. Except as provided in Section 5.10 hereof, this Agreement and any provisions hereof may be amended only by mutual written agreement by State & Vine and the City.

SIGNATURE PAGE TO PARTICIPATION AND DEVELOPMENT AGREEMENT, dated
as of _____, 2012.

Murray City Corporation

Daniel C. Snarr, Mayor

Attest:

By: _____
Jennifer Kennedy, City Recorder

Notary signature and seal

Attachment 1

Chapter 17.170

MURRAY CITY CENTER DISTRICT MCCD

17.170.010: PURPOSE:

The Murray City center district (MCCD) is envisioned as the commercial, civic and cultural center for the community and is a new mixed use district intended to enhance physical, social and economic connections by redeveloping "downtown" Murray City resulting in a richer, more vibrant cultural environment. This district applies similar characteristics to those found in the transit oriented development district (TOD - [chapter 17.168](#) of this title) by encouraging pedestrian oriented design, promoting development opportunities, and increasing residential and commercial densities. The anticipated development model promotes sustainable, compact, mixed use, transit oriented uses with neighborhood oriented commercial, restaurant, civic, cultural and residential spaces to promote street life and activity by regulating building orientation and design. The city's downtown general plan element notes that historic downtown is a valuable community asset. The city's historic downtown includes live theater, social dancing, music stores, photography, dance studios, and other contributing businesses. The city hall, Murray Park amenities, Boys And Girls Club Of South Valley, Ken Price Ballpark, and city library are located in or border the historic downtown area. The downtown general plan element suggests "these uses can form the entertainment, cultural, and civic area".

The general plan suggests preserving historic buildings and character, urban design and appearance of the area including streetscape, compatibility of land uses and the need for buffers and transition areas, development of downtown economic niches, and new business opportunities, and parking.

The historic advisory board has recommended inclusion of historic buildings into a designated area of the downtown. The designation of historic buildings was previously part of the downtown historic overlay district (DHOD). Adoption of the MCCD eliminates the DHOD but will still maintain a historic preservation element.

Development goals and objectives for the area include:

A. Enhance the integrity of Murray City;

Maintain the historic fabric;

Create a true downtown/civic center;

Create synergy with the hospital and transportation opportunities.

B. Create a vibrant neighborhood;

Create a place to live, work and play;

Provide a mix of quality housing;

Provide neighborhood services and entertainment including smaller local restaurants, coffee shops and destination oriented entertainment.

C. Provide attractive and compatible architecture and streetscape;

Focus on the pedestrian experience;

Buffer the parking;

Enhance green corridors and trail connections.

D. Capitalize on transit opportunities;

Promote alternate modes of transportation including rail, bicycle, and walking;

Provide access and connections including TRAX, Frontrunner, Interstate 15, Interstate 215.

E. Increase opportunities for growth;

Evolve over time;

Make the city center self-sufficient;

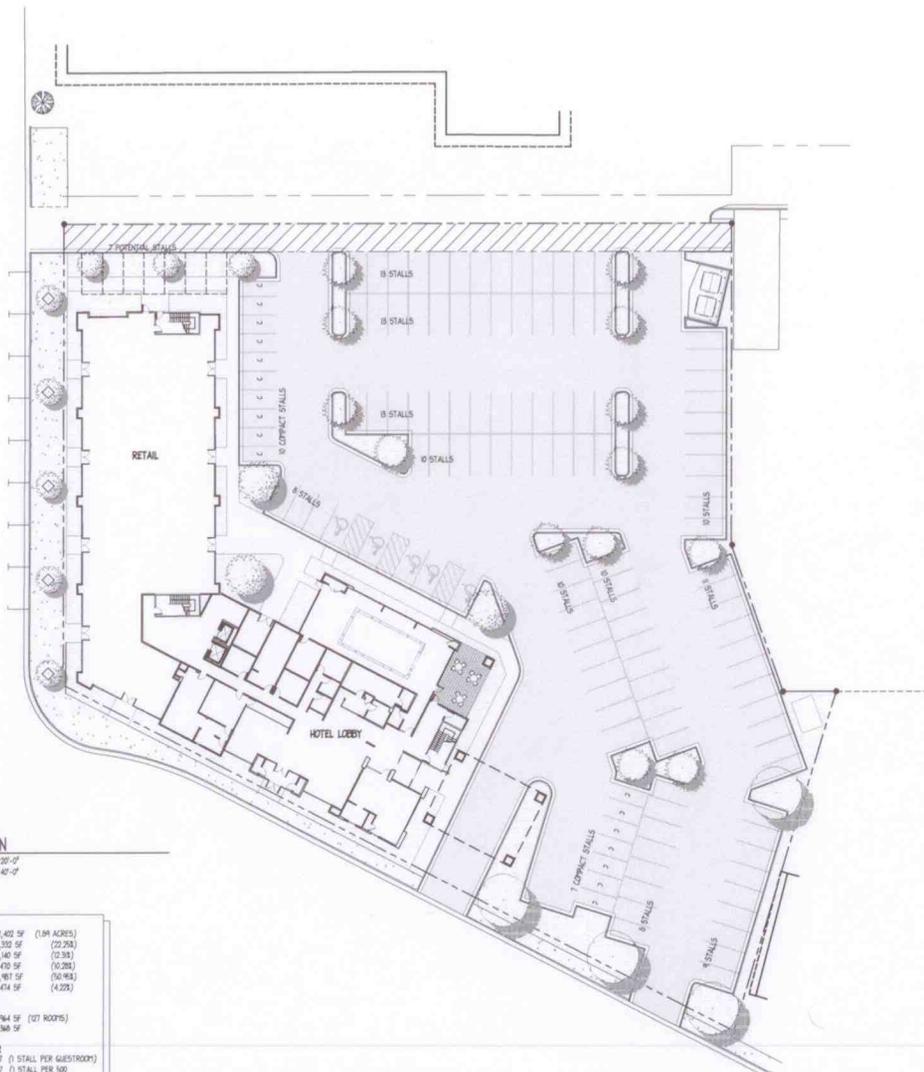
Keep people in Murray.

F. Set a standard for sustainability;

Adopt standards that promote sustainability while maintaining affordability.

Design standards including required development processes, development goals and objectives, sustainability, neighborhood, site, and building standards are outlined in the Murray City center district design guidelines. All development within the MCCD is facilitated by the standards and guidelines in this document. (Ord. 11-09)

Attachment 2



1 SITE PLAN
 A01 SCALE (30x45) 1/4"=1'-0"
 SCALE (30x24) 1/4"=1'-0"

SITE INFORMATION	
SITE BOUNDARY	82,402 SF (1.89 ACRES)
BUILDING FOOTPRINT	8,330 SF (22.26%)
LANDSCAPING	6,140 SF (17.3%)
CONCRETE/HARDSCAPES	6,430 SF (18.2%)
ASPHALT	4,981 SF (14.1%)
RIGHT OF WAY	3,474 SF (9.8%)
BUILDING INFORMATION	
HOTEL (FIRST FLOOR)	1,144 SF (3.2%)
RETAIL	6,306 SF (17.7%)
PARKING STALLS REQUIRED	
HOTEL	07 (1 STALL PER GUESTROOM)
RETAIL	17 (1 STALL PER 100 NET USABLE SF)
PARKING PROVIDED	
SURFACE PARKING (OFF-STREET)	102 STALLS 5 ACCESSIBLE 17 COMPACT
STREET PARKING	8 STALLS



1 PARTIAL EXTERIOR ELEVATION
 A301 SCALE (30x4) 1/8"=1'-0"
 SCALE (30x4) 1/8"=1'-0"

- KEYED ELEVATION NOTES:
- 1 EIFS - COLOR A
 - 2 EIFS - COLOR B
 - 3 PRE-FINISHED ALUMINUM BAND
 - 4 INTERNALLY ILLUMINATED GLASS 'BEACON'
 - 5 CEPENTINOUS SING - PAINTED
 - 6 2"X4" STONE TILE
 - 7 1"X4" STONE TILE
 - 8 PRE-FINISHED FIBERGLASS WRODOK
 - 9 PRE-FINISHED ALUMINUM STOREFRONT
 - 10 PAINTED HOLLOW METAL DOOR AND FRAME
 - 11 INTERNALLY ILLUMINATED BUILDING SIGNAGE

aerbia
 architects and engineers
 4913 S. STATE STREET
 MURRAY, UT 84107
 801.466.4444
 FAX 801.466.4445
 WWW.AERBIA.COM

9 August 2012

Home 2 Suites
 4913 S. State Street
 Murray, UT 84107

EXTERIOR ELEVATIONS

AE2012_005

REVISIONS	DATE	BY	AS NOTED

ISSUED BY: JRM
 SCALE: AS NOTED
 DATE: 9 August 2012
 SHEET NO.

A301



2 PARTIAL EXTERIOR ELEVATION
 A301 SCALE (30x4) 1/8"=1'-0"
 SCALE (30x4) 1/8"=1'-0"

KEYED ELEVATION NOTES:

1	E.I.F.S. - COLOR A
2	E.I.F.S. - COLOR B
3	PRE-FINISHED ALUMINUM BAND
4	INTERNALLY ILLUMINATED GLASS "BEACON"
5	CEMENTITIOUS SONG - PAINTED
6	2 1/4" TILE
7	1 1/4" TILE
8	PRE-FINISHED FIBERGLASS WINDOW
9	PRE-FINISHED ALUMINUM STOREFRONT
10	PAINTED HOLLOW METAL DOOR AND FRAME
11	INTERNALLY ILLUMINATED BUILDING SIGNAGE



1 EXTERIOR ELEVATION
 SCALE (SHOW) 1/8"=1'-0"
 SCALE (RIGHT) 1/4"=1'-0"



ae **u r b i a**
architects and engineers



ae **urbia**
architects and engineers

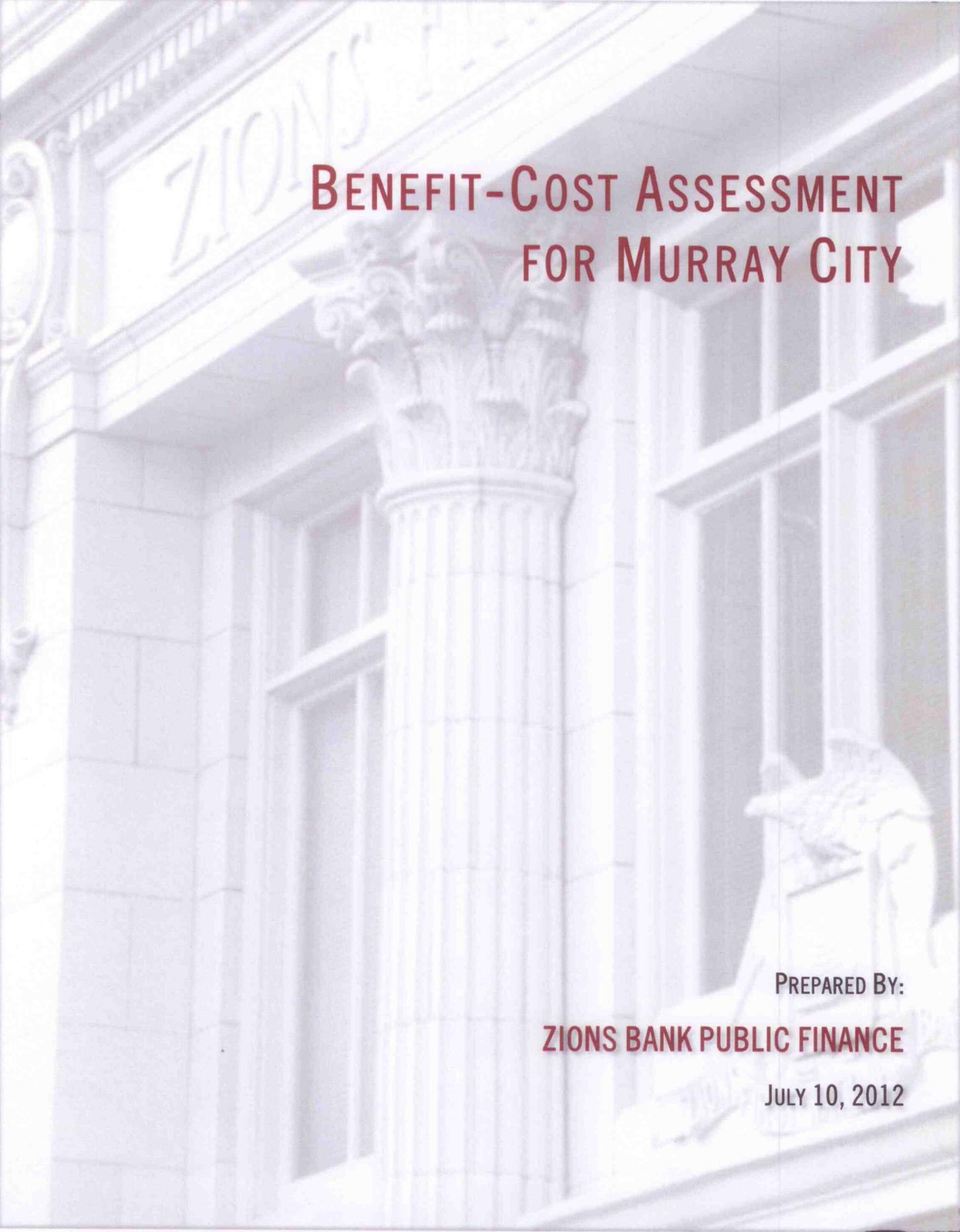


ae urbia
architects and engineers



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architects and engineers

Downtown Benefit Cost Assessment Report



**BENEFIT-COST ASSESSMENT
FOR MURRAY CITY**

PREPARED BY:

ZIONS BANK PUBLIC FINANCE

JULY 10, 2012

BACKGROUND

Downtowns are the heart of a City, and Murray City has expended considerable effort to plan for the revitalization of its downtown area. The City has identified several specific objectives to facilitate economic growth, remove blight and improve overall conditions in its Central Business District (CBD). The objectives for the CBD include:

- Enhance the integrity of Murray City – maintain the historic fabric, create a true downtown/civic center establishing synergy with the new hospital and transportation opportunities;
- Create a vibrant neighborhood – a place to live, work and play, mix of quality housing of neighborhood services and entertainment including smaller local restaurants and coffee shops and destination-oriented entertainment;
- Provide attractive architecture and streetscape – pedestrian experience, buffer the parking, enhance green corridors and trail connections;
- Capitalize on transit opportunities – promote alternate modes of transportation including rail, bicycle, and walking connections including TRAX, Frontrunner, Interstate 15, Interstate 215;
- Increase opportunities for growth – apply smart growth strategies, make the downtown historic overlay district and city center area self-sufficient, keep people in Murray; and
- Set a standard for sustainability – adopt standards that promote sustainability while maintaining affordability.

Development of a hotel in the CBD will further many of these goals and will be beneficial to the City by:

- Providing lodging services for those needing to be near to the regional Intermountain Healthcare facilities, thus increasing comfort and convenience for hospital patrons and their families;
- Attracting complementary development to the area, including restaurants; and
- Improving the visual appearance of the area – an urban renewal area that has an official designation of “blight.”

The purpose of this benefit-cost assessment is to analyze the net benefits from a \$400,000 public appropriation for public improvements associated with development of a hotel in the CBD.

This report is prepared in compliance with the requirements of Utah Code Section 10-8-2(3) and in accordance with the standards stated in the landmark case of Price Development v. Orem City.

REPORT ORGANIZATION

This report is organized as follows:

- Background
- Report Organization
- Executive Summary
- Appropriations Study Requirement
- Development Assumptions
- Benefit Cost Analysis – Revenues
- Benefit Cost Analysis – Expenditures
- Net Revenues
- Intangible Benefits

- Purpose for the Appropriation and Conformity with Pubic Purposes
- Need for the Appropriation

EXECUTIVE SUMMARY

Net revenues from this project are positive. Over five years, the City will receive net revenues between \$245,000 and \$339,000, discounted at three percent. Over ten years, the City will receive net revenues between \$490,000 and \$677,000; over 20 years, the City will receive net revenues valued between \$955,000 and \$1.3 million.

Table 1: Summary of Net Revenues

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
REVENUES						
<i>Property Tax</i>						
Property Tax	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393
<i>Sales Tax - Point of Sale</i>						
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421
<i>Transient Room Tax</i>						
Municipal Transient Room Tax	\$138,622	\$286,562	\$582,955	\$152,049	\$339,621	\$809,984
<i>Municipal Energy Tax</i>						
Municipal Energy Tax	\$32,769	\$65,539	\$131,078	\$35,839	\$77,387	\$181,389
TOTAL	\$407,554	\$809,440	\$1,568,609	\$446,022	\$955,454	\$2,158,178
METHOD 1 - American Farmland Trust						
EXPENDITURES						
Expenditures	-\$68,487	-\$132,628	-\$247,827	-\$74,859	-\$156,149	-\$338,374
NET REVENUES						
Net Revenues	\$339,067	\$676,812	\$1,320,782	\$371,163	\$799,305	\$1,819,805
METHOD 2 - Per Employee Cost						
EXPENDITURES						
Expenditures	-\$94,033	-\$186,711	-\$365,451	-\$102,871	-\$220,342	-\$503,643
NET REVENUES						
Net Revenues	\$245,034	\$490,101	\$955,331	\$268,293	\$578,962	\$1,316,161

The main purposes of the appropriation of \$400,000 are to:

- Clean up of properties in a blighted area and improving the visual appearance of the CBD;
- Better service the regional Intermountain Healthcare facilities by providing lodging facilities for families visiting the City because of the hospital, thereby increasing the comfort and convenience of visitors to the area;

- Improve property values in the area and encourage complementary economic development; and
- Improve underutilized property in the urban renewal area.

The appropriation of \$400,000 is appropriate and necessary due to the extraordinary utility costs associated with redevelopment of the site, including relocation and burial of City power lines, modification of access points for the site and costs of right-of-way work and acquisition. It is also necessary to encourage development in an officially “blighted” area where the appearance of many properties is a detriment to attracting new construction.

The lack of nearby hotel development since the Intermountain Healthcare facilities have been put in place, although there appears to be sufficient market demand, suggests that public assistance is needed in order to offset the added costs of development at this site, the hesitancy due to environmental concerns in the general area, demolition costs and the rundown appearance of many neighboring properties.

APPROPRIATIONS STUDY REQUIREMENT

Pursuant to the Utah Municipal Code 10-8-2(3), the legislative body of the City may agree to appropriate money for corporate purposes provided that, “in the judgment of the municipal legislative body, provides for the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality.” The basis of the legislative judgment must consider:

- What identified benefit the municipality will receive in return for any money or resources appropriated;
- The municipality’s purpose for the appropriation, including an analysis of the way the appropriation will be used to enhance the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality; and
- Whether the appropriation is necessary and appropriate to accomplish the reasonable goals and objectives of the municipality in the area of economic development, job creation, affordable housing, blight elimination, job preservation, the preservation of historic structures and property, and any other public purpose.

The case of Price Development v. Orem City sets forth the need to have the benefits assessment conducted by an objective and independent third party to the transaction. Justice Zimmerman, on behalf of the Utah Supreme Court, stated:

“We note for the benefit of the trial court, and for local government units considering transactions in the future, that in practice, the ability of a local government determination of a net fair value exchange to withstand attack will be in direct proportion to the thoroughness of the evaluation of the transaction entered into and to the independence and skill of the evaluators.” *Price Development Co., L.P. v. Orem City* 2000 UT 26, ¶35.

Zions Bank Public Finance (ZBPF), a financial advisory and consulting firm, has been retained by the City to complete the 10-8-2 analysis and evaluate the need for public participation in this project. ZBPF has relied on development and absorption information provided by the City. No market analysis has been conducted by ZBPF as part of this study. However, ZBPF has reviewed the information provided and believes that it is reliable and accurate. To the extent one or more of the assumptions made herein are significantly different than so presented, the findings of this analysis

could be altered or modified, thus requiring further consideration by the City in order to proceed with appropriations of money.

DEVELOPMENT ASSUMPTIONS

The development assumptions are for a 105-room hotel located just east of State Street and north of Vine Street in the heart of Murray City’s central business district. Construction is anticipated to begin in March 2013, with the hotel fully operational by the year 2014.

Anticipated investment in the real and personal property for the hotel is projected as follows:

Table2: Summary of Private Investment

PRIVATE INVESTMENT	
Land	\$2,300,000
Building & Site	\$8,758,422
Personal Property	\$1,675,170
Parking Structure	\$720,000

Personal property for the hotel is significant and includes room fixtures, televisions, hotel equipment, etc. Personal property has been depreciated on a ten-year straight-line depreciation schedule, with replacement occurring in year eight.

Room rates have been projected to start at \$102.75 per night and increase to \$119.25 per night by 2018. After 2018, room rates have been projected to increase at an average annual rate of three percent. Occupancy rates have been projected to begin at 63 percent and increase to 75 percent by 2018. For purposes of analysis, occupancy rates have been kept at 75 percent for the years beyond 2018.

Table 3: Hotel Occupancy Rates and Room Rates

YEAR	OCCUPANCY RATE	ROOM RATES	AAGR*
2014	63%	\$102.75	NA
2015	69%	\$107.50	For pur4.6%
2016	73%	\$111.75	4.0%
2017	75%	\$115.75	3.6%
2018	75%	\$119.25	3.0%

*AAGR = average annual growth rate

The hotel is anticipated to include 7,500 square feet of retail space and 15,000 square feet of office space, in addition to the 105 hotel rooms.

BENEFIT-COST ANALYSIS - REVENUES

The proposed development will generate the following direct fiscal benefits to Murray City:

- Increased real property tax revenues (land and buildings) from development of the property;
- Increased personal property tax revenues (fixtures, equipment, etc.);
- Increased sales tax revenues, based on the point-of-sale distribution of the local option sales tax (1/2 of one percent);

- Increased transient room tax revenues based on the municipal transient room tax enacted by Murray City of one percent; and
- Increased municipal energy (“franchise”) tax revenues based on the six percent tax enacted by Murray City on all electric and gas expenses.

Each of these revenue sources is discussed in greater detail in the following sections.

Property Tax Revenues

Increased tax revenues will be generated by the nearly \$11.8 million investment in land, buildings and the parking structure at the hotel site.

Table 4: Summary of Private Investment in Real Property

INVESTMENT IN REAL PROPERTY	
Land	\$2,300,000
Building & Site	\$8,758,422
Parking Structure	\$720,000
TOTAL	\$11,778,422

In addition, there will be investment in personal property of \$1,675,170, which will be depreciated over a ten-year period, straight-line depreciation, with replacement of furniture, fixtures, equipment, etc., scheduled in the eighth year.

Property tax impacts have been calculated based on the City’s tax rates as follows:

Table 5: Murray City Tax Rates

MURRAY CITY TAX RATES	
General Operations Tax Rate	0.001772
Library Tax Rate	0.000431
TOTAL	0.002203

Property tax impacts, assuming that the facility is valued based on construction investment (rather than the net income approach) results in a benefit to the City of approximately \$132,000 in five years and over \$424,000 in 20 years, assuming a discount rate of three percent. Total property tax impacts, not discounted, will range between an estimated \$144,000 and \$569,000.

Table 6: Property Tax Revenue Impacts

	NPV* (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Property Tax Revenues	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393

*NPV = net present value. Net present value has been calculated based on a discount rate of three percent.

Sales Tax Revenues

Increased sales tax revenues will be generated by the hotel rooms and the retail shops located within the hotel itself. Hotel revenues have been estimated based on the occupancy rates and room rates shown in the following table. Room rates have been projected to start at \$102.75 per night and increase to \$119.25 per night by 2018. After 2018, room rates have been projected to increase at an average annual rate of three percent. Occupancy rates have been projected to begin

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at 63 percent and increase to 75 percent by 2018. For purposes of analysis, occupancy rates have been kept at 75 percent for the years beyond 2018.

Table 7: Hotel Occupancy and Room Rates

YEAR	OCCUPANCY	ROOM RATES
2014	63%	\$102.75
2015	69%	\$107.50
2016	73%	\$111.75
2017	75%	\$115.75
2018	75%	\$119.25
2019	75%	\$122.86
2020	75%	\$126.57
2021	75%	\$130.40
2022	75%	\$134.34
2023	75%	\$138.40
2024	75%	\$142.59
2025	75%	\$146.90
2026	75%	\$151.34
2027	75%	\$155.92
2028	75%	\$160.63
2029	75%	\$165.49
2030	75%	\$170.49
2031	75%	\$175.65
2032	75%	\$180.96
2033	75%	\$186.43

Revenues for the retail shops have been projected based on 7,500 square feet of retail space, 90 percent occupancy, average sales per square foot of \$200, with sales per square foot increasing at an average rate of three percent per year.

Hotel rooms will generate between \$69,000 and \$291,000 in sales tax revenues (local option, point of sale portion only) for Murray City, when considering a five to 20-year timeframe and discounting at three percent. Total revenues, as shown in the table below, will range between \$76,000 and nearly \$405,000 in total amount for the five-year and 20-year analyses respectively (not discounted).

While the retail shops will not produce as significant of revenues as the hotel rooms, these revenues are still substantial. The retail shops will generate between approximately \$35,000 and \$139,000 in sales tax revenues (local option, point of sale portion only) for Murray City, when considering a five to 20-year timeframe and discounting at three percent. Total revenues, as shown in the table below, will range between \$38,000 and nearly \$192,000 in total amount for the five-year and 20-year analyses respectively (not discounted).

Table 8: Sales Tax Revenue Impacts

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Sales Tax - Point of Sale						
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992

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	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421

*NPV = net present value. Net present value has been calculated based on a discount rate of three percent.

Transient Room Tax Revenues

Murray City has enacted the municipal transient room (“lodging”) tax at one percent of all room rental costs. The lodging tax will generate between approximately \$138,000 and \$583,000 in revenues for Murray City, when considering a five to 20-year timeframe and discounting at three percent. Total revenues, as shown in the table below, will range between \$152,000 and nearly \$810,000 in total amount for the five-year and 20-year analyses respectively (not discounted).

Table 9: Transient Room Tax Revenue Impacts

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Transient Room Tax						
Municipal Transient Room Tax	\$138,622	\$286,562	\$582,955	\$152,049	\$339,621	\$809,984

*NPV = net present value. Net present value has been calculated based on a discount rate of three percent.

Municipal (“Franchise”) Energy Tax

The municipal energy tax is a six percent tax applied to gas and electric sales. Based on information provided by the potential hotel developer, energy costs are expected to average \$1,010 per available room. This figure has been applied to the 105 hotel rooms to calculate municipal energy tax revenues to Murray City as shown in the following table. The franchise tax will generate between approximately \$33,000 and \$131,000 in revenues for Murray City, when considering a five to 20-year timeframe and discounting at three percent. Total revenues, as shown in the table below, will range between nearly \$36,000 and nearly \$181,000 in total amount for the five-year and 20-year analyses respectively (not discounted).

Table 10: Municipal Energy Tax Revenue Impacts

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Municipal Energy Tax						
Municipal Energy Tax	\$32,769	\$65,539	\$131,078	\$35,839	\$77,387	\$181,389

*NPV = net present value. Net present value has been calculated based on a discount rate of three percent.

Summary of Revenues

When all revenue sources are considered, the hotel project will generate, in net value terms, over \$407,000 over the first five years that the hotel is in operation, or a total of nearly \$1.6 million over 20 years, discounted at three percent.

Table 11: Summary of Revenues

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Property Tax						
Property Tax	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393
Sales Tax - Point of Sale						

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	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421
Transient Room Tax						
Municipal Transient Room Tax	\$138,622	\$286,562	\$582,955	\$152,049	\$339,621	\$809,984
Municipal Energy Tax						
Municipal Energy Tax	\$32,769	\$65,539	\$131,078	\$35,839	\$77,387	\$181,389
TOTAL	\$407,554	\$809,440	\$1,568,609	\$446,022	\$955,454	\$2,158,178

*NPV = net present value. Net present value has been calculated based on a discount rate of three percent.

Other revenue sources such as business license fees, and one-time charges for building permits have not been included in this analysis. It is assumed that the revenues generated in these areas will be directly offset by the costs associated with providing services.

Indirect Benefits

In addition to the direct benefits to Murray City measured above, the hotel development will also generate additional indirect benefits. Patrons of the hotel will likely shop in Murray, eat out at restaurants, and take advantage of entertainment options. Employees of the hotel, as well as office and retail employees located within the hotel, will likely make additional purchases in the City. And, there may be complementary development, such as restaurants, that will occur near the hotel site. The development of the hotel should encourage the value of neighboring properties to rise over time because of the complementary development.

BENEFIT-COST ANALYSIS - EXPENDITURES

Additional municipal service costs to be borne by Murray City from this project will not be significant. The cost of providing municipal services varies widely from community to community and depends on community preferences regarding service provision and levels of service, the size of the community, economies of scale, etc. In contrast, revenues are calculated using set formulas for each revenue source. Therefore, the examination of expenditures is much more subjective.

For this analysis, two approaches have been taken in order to estimate expenditures associated with the hotel development, with fairly similar results coming from the two approaches. Research conducted by the American Farmland Trust suggests that the average cost of providing municipal services for commercial property is \$0.29 for every \$1.00 of revenue generated from property and sales taxes.

Table 12: Projected Expenditures – Method 1

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
REVENUES						
Property Tax						
Property Tax	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393
Sales Tax - Point of Sale						
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421

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	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
TOTAL – Property and Sales Tax Revenues Only	\$236,163	\$457,340	\$854,577	\$258,134	\$538,446	\$1,166,806
METHOD 1 - American Farmland Trust						
EXPENDITURES						
Expenditures	-\$68,487	-\$132,628	-\$247,827	-\$74,859	-\$156,149	-\$338,374

The second method calculates the average amount spent per capita and per employee, based on the City's most recent budget. Costs are estimated for only those categories where the hotel would have an impact on the City's expenditures for municipal services. For example, animal control is not considered in the analysis because the addition of a hotel should not impact services in this category. Based on the 2010 budget figures shown below, employment of 42,313,¹ and a population of 50,076,² per employee amounts have been calculated by dividing total budget amounts (in categories that would be impacted by the hotel development) by the total population and number of employees.³ This results in an average cost per employee of \$358.09.

Table 13: Per Employee Costs

BUDGET CATEGORY	BUDGET AMOUNT	PER EMPLOYEE AMOUNT
Justice Court	\$1,602,238	\$17.34
Executive	\$462,532	\$5.01
Personnel	\$380,821	\$4.12
Data Processing	\$1,219,875	\$13.20
Finance	\$1,257,019	\$13.61
Recorder	\$435,791	\$4.72
Attorney	\$587,926	\$6.36
Non-Departmental	\$2,972,747	\$32.18
Planning & Zoning	\$309,321	\$3.35
Treasurer	\$262,157	\$2.84
Police Department	\$9,815,920	\$106.25
Fire Department	\$7,929,723	\$85.83
Highways & Streets	\$4,194,759	\$45.40
Class C Road Program	\$947,484	\$10.26
Shops & Garage	\$96,800	\$1.05
Community Development	\$608,162	\$6.58
TOTAL		\$358.09

The per employee cost of \$358.09 is then applied to the 52.5 employees anticipated for the hotel (full-time equivalents – FTE's).⁴ Service costs are grown at 2.5 percent annually over the 20-year

¹ Utah Department of Workforce Services; <http://jobs.utah.gov/wi/pubs/em/annualreport/10annual/table18slc.pdf>

² Utah Governor's Office of Planning and Budget

³ Expenditures categories that have not been included in the budget analysis include City Council, protective inspection, animal control and parks and recreation.

⁴ Based on 0.5 employees per hotel room.

Benefit Cost Assessment – Murray City

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time period – the same average rate as revenues over the 20 years. This method (Method Two) produces slightly higher expenditures than does Method One.

Table 14: Projected Expenditures – Method 2

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
METHOD 2 - Per Employee Cost						
EXPENDITURES						
Expenditures	-\$94,033	-\$186,711	-\$365,451	-\$102,871	-\$220,342	-\$503,643

NET REVENUES

Net revenues from this project are positive. Over five years, the City will receive net revenues between \$245,000 and \$339,000, discounted at three percent. Over ten years, the City will receive net revenues between \$490,000 and \$677,000; over 20 years, the City will receive net revenues valued between \$955,000 and \$1.3 million.

Table 15: Summary of Net Revenues

	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)
REV ENUES						
Property Tax						
Property Tax	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393
Sales Tax - Point of Sale						
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421
Transient Room Tax						
Municipal Transient Room Tax	\$138,622	\$286,562	\$582,955	\$152,049	\$339,621	\$809,984
Municipal Energy Tax						
Municipal Energy Tax	\$32,769	\$65,539	\$131,078	\$35,839	\$77,387	\$181,389
TOTAL	\$407,554	\$809,440	\$1,568,609	\$446,022	\$955,454	\$2,158,178
METHOD 1 - American Farmland Trust						
EXPENDITURES						
Expenditures	-\$68,487	-\$132,628	-\$247,827	-\$74,859	-\$156,149	-\$338,374
NET REVENUES						
Net Revenues	\$339,067	\$676,812	\$1,320,782	\$371,163	\$799,305	\$1,819,805
METHOD 2 - Per Employee Cost						
EXPENDITURES						
Expenditures	-\$94,033	-\$186,711	-\$365,451	-\$102,871	-\$220,342	-\$503,643
NET REVENUES						
Net Revenues	\$245,034	\$490,101	\$955,331	\$268,293	\$578,962	\$1,316,161

INTANGIBLE BENEFITS

The hotel development will have numerous indirect benefits on the City, as well as direct, positive fiscal impacts. Some of these additional benefits include:

- Added convenience for visitors wanting to stay in the area, especially those needing to be close the regional Intermountain Healthcare facility;
- Complementary development will be encouraged on surrounding properties, thus improving property values and cleaning up some of the blighted areas along State Street; and
- The visual appearance of downtown will be improved through the addition of a new facility.

PURPOSE FOR THE APPROPRIATION AND CONFORMITY WITH PUBLIC PURPOSES

The primary purposes for Murray City offering assistance with the hotel project are as follows:

- Clean up of properties in a blighted area and improving the visual appearance of the CBD;
- Better service the regional Intermountain Healthcare facilities by providing lodging facilities for families visiting the City because of the hospital, thereby increasing the comfort and convenience of visitors to the area;
- Improve property values in the area and encourage complementary economic development; and
- Improve underutilized property in the urban renewal area.

NEED FOR THE APPROPRIATION

The appropriation of \$400,000 is appropriate and necessary due to the extraordinary utility costs associated with redevelopment of the site, including relocation and burial of City power lines, modification of access points for the site and costs of right-of-way work and acquisition. It is also necessary to encourage development in an officially “blighted” area where the appearance of many properties is a detriment to attracting new construction.

The lack of nearby hotel development since the Intermountain Healthcare facilities have been put in place, although there appears to be sufficient market demand, suggests that public assistance is needed in order to offset the added costs of development at this site, the hesitancy due to environmental concerns in the general area, demolition costs and the rundown appearance of many neighboring properties.

TAX VALUATION	NPV (5 yrs)	NPV (10 yrs)	NPV (20 yrs)	TOTAL (5 yrs)	TOTAL (10 yrs)	TOTAL (20 yrs)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Real Property							\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	\$11,778,422	
Personal Property							\$1,675,170	\$1,489,040	\$1,302,910	\$1,116,780	\$930,650	\$744,520	\$558,390	\$1,675,170	\$1,489,040	\$1,302,910	\$1,116,780	\$930,650	\$744,520	\$558,390	\$1,675,170	\$1,489,040	\$1,302,910	\$1,116,780	\$930,650	\$744,520	
FISCAL IMPACTS - Murray City																											
REV ENUES																											
Property Tax																											
Property Tax	\$132,090	\$244,534	\$424,049	\$144,091	\$286,542	\$569,393	\$29,638	\$29,228	\$28,818	\$28,408	\$27,998	\$27,588	\$27,178	\$29,638	\$29,228	\$28,818	\$28,408	\$27,998	\$27,588	\$27,178	\$29,638	\$29,228	\$28,818	\$28,408	\$27,998	\$27,588	
Sales Tax - Point of Sale																											
Hotel Rooms	\$69,311	\$143,281	\$291,477	\$76,024	\$169,811	\$404,992	\$12,404	\$14,214	\$15,632	\$16,635	\$17,138	\$17,657	\$18,191	\$18,741	\$19,307	\$19,891	\$20,493	\$21,112	\$21,751	\$22,408	\$23,086	\$23,784	\$24,503	\$25,244	\$26,007	\$26,794	
Retail Shops	\$34,763	\$69,525	\$139,050	\$38,019	\$82,094	\$192,421	\$7,161	\$7,376	\$7,597	\$7,825	\$8,060	\$8,302	\$8,551	\$8,807	\$9,071	\$9,344	\$9,624	\$9,913	\$10,210	\$10,516	\$10,832	\$11,157	\$11,491	\$11,836	\$12,191	\$12,557	
Transient Room Tax																											
Municipal Transient Room Tax	\$138,622	\$286,562	\$582,955	\$152,049	\$339,621	\$809,984	\$24,809	\$28,428	\$31,265	\$33,271	\$34,277	\$35,313	\$36,381	\$37,481	\$38,615	\$39,782	\$40,985	\$42,224	\$43,501	\$44,817	\$46,172	\$47,568	\$49,006	\$50,488	\$52,015	\$53,587	
Municipal Energy Tax																											
Municipal Energy Tax	\$32,769	\$65,539	\$131,078	\$35,839	\$77,387	\$181,389	\$6,751	\$6,953	\$7,162	\$7,376	\$7,598	\$7,826	\$8,060	\$8,302	\$8,551	\$8,808	\$9,072	\$9,344	\$9,625	\$9,913	\$10,211	\$10,517	\$10,833	\$11,158	\$11,492	\$11,837	
TOTAL	\$407,554	\$809,440	\$1,568,609	\$446,022	\$955,454	\$2,158,178	\$80,763	\$86,199	\$90,474	\$93,516	\$95,071	\$96,685	\$98,361	\$102,970	\$104,773	\$106,643	\$108,582	\$110,592	\$112,674	\$114,832	\$119,938	\$122,254	\$124,651	\$127,134	\$129,704	\$132,363	
METHOD 1 - American Farmland Trust																											
EXPENDITURES																											
Expenditures	-\$68,487	-\$132,628	-\$247,827	-\$74,859	-\$156,149	-\$338,374	-\$14,269	-\$14,737	-\$15,094	-\$15,332	-\$15,427	-\$15,528	-\$15,637	-\$16,584	-\$16,706	-\$16,835	-\$16,972	-\$17,117	-\$17,269	-\$17,430	-\$18,431	-\$18,609	-\$18,796	-\$18,992	-\$19,197	-\$19,412	
NET REVENUES																											
Net Revenues	\$339,067	\$676,812	\$1,320,782	\$371,163	\$799,305	\$1,819,805	\$66,494	\$71,461	\$75,380	\$78,184	\$79,644	\$81,157	\$82,724	\$86,386	\$88,067	\$89,808	\$91,610	\$93,475	\$95,405	\$97,403	\$101,507	\$103,645	\$105,856	\$108,142	\$110,506	\$112,951	
METHOD 2 - Per Employee Cost																											
EXPENDITURES																											
Expenditures	-\$94,033	-\$186,711	-\$365,451	-\$102,871	-\$220,342	-\$503,643	-\$18,800	-\$20,246	-\$20,752	-\$21,271	-\$21,803	-\$22,348	-\$22,907	-\$23,480	-\$24,067	-\$24,669	-\$25,286	-\$25,918	-\$26,567	-\$27,231	-\$27,912	-\$28,610	-\$29,326	-\$30,059	-\$30,811	-\$31,581	
NET REVENUES																											
Net Revenues	\$245,034	\$490,101	\$955,331	\$268,293	\$578,962	\$1,316,161	\$47,694	\$51,216	\$54,628	\$56,913	\$57,841	\$58,809	\$59,817	\$62,906	\$64,000	\$65,139	\$66,324	\$67,557	\$68,839	\$70,172	\$73,595	\$75,035	\$76,530	\$78,083	\$79,696	\$81,370	

New Business Item #1

Murray City Municipal Council Request for Council Action

INSTRUCTIONS: The City Council considers new business items in Council meeting. All new business items for the Council must be submitted to the Council office, Room, 112, no later than 5:00 p.m. on the Wednesday two weeks before the Council meeting in which they are to be considered. This form must accompany all such business items. If you need additional space for any item below, attach additional pages with corresponding number and label.

1. **TITLE:** (Similar wording will be used on the Council meeting agenda)
Interlocal Agreement for Prisoner Transportation to Court

2. **MEETING, DATE & ACTION:** (Check all that apply)

Council Meeting OR Committee of the Whole

Date requested August 21

Discussion Only

Ordinance (attach copy)

Has the Attorney reviewed the attached copy?

Resolution (attach copy)

Has the Attorney reviewed the attached copy?

Public Hearing (attach copy of legal notice)

Has the Attorney reviewed the attached copy?

Appeal (explain) _____

Other (explain) _____

3. **ATTENDING POLICY:** (This Section is not required until after the City-wide Strategic Plan is completed - toward the end of 2011) (Please explain how request relates to city-wide policy)

Responsive: Efficient City Services

4. **FUNDING:** (Explain budget impact of proposal, including amount and source of funds.)
\$45.00 per prisoner

5. **RELATED DOCUMENTS:** (Attach and describe all accompanying exhibits, minutes, maps, plats, etc.)

Memorandum and Interlocal Agreement

6. **REQUESTOR:**

Name: Michael Williams Title: Court Administrator

Presenter: Michael Williams Title: Court Administrator

Agency: Court Phone: 801-284-4291

Date: 08/02/12 Time: _____

7. **APPROVALS:** (If submitted by City personnel, the following signatures indicate, the proposal has been reviewed and approved by Department Director, all preparatory steps have been completed, and the item is ready for Council action)

Department Director: *Daniel C. Fran* Date: August 2, 2012

Mayor: *Daniel C. Fran* Date: August 2, 2012

8. **COUNCIL STAFF:** (For Council use only)

Number of pages: _____ Received by: _____ Date: _____ Time: _____

Recommendation: _____

9. **NOTES:**



MURRAY CITY CORPORATION
MUNICIPAL JUSTICE COURT

Hon. W. Paul Thompson, Presiding Judge

Michael Williams, Court Administrator

801-284-4291 FAX 801-284-4285

MEMORANDUM

TO: Murray City Municipal Council
CC: Daniel C. Snarr, Mayor
FROM: Michael Williams, Court Administrator
DATE: August 02, 2012
RE: Interlocal Agreement for Prisoner Transportation to Court

In accordance with State law and the Code of Judicial Administration, the Murray Municipal Justice Court contracts with constable agencies for the transportation of inmates located at the Adult Detention Center and other correctional facilities in adjacent counties to Court. The Court currently uses Silvan Warnick's office for prisoner transportation services.

Because of the recent legislative amendments to Utah Code Annotated Title 17 Chapter 25, affecting the length and types of contracts courts and constables may enter, the Court has made a review of the transportation services it requires. For Court security reasons and a better delivery flow, the Court believes it would be in the best interest of the Court and the City to contract with the Salt Lake County Sheriff's Office for prisoner transportation. This would entail entering into an Interlocal agreement with the Sheriff's Office. We request the Council pass a resolution authorizing the Mayor to enter into an agreement with the Salt Lake County Sheriff's Office in a form and with terms substantially similar to those in the proposed Interlocal Agreement, attached hereto as Exhibit "A".

Should you have any questions or concerns about this matter, please feel free to contact me.

Regards,

Michael Williams
Court Administrator

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE SALT LAKE COUNTY SHERIFF'S OFFICE AND MURRAY CITY FOR PRISONER TRANSPORTATION TO AND FROM THE MURRAY CITY MUNICIPAL JUSTICE COURT

WHEREAS, Title 11, Chapter 13, of the Utah Code, provides that two or more public agencies may, by agreement, jointly exercise any power common to the contracting parties for joint undertakings and services; and

WHEREAS, the City and the Salt Lake County Sheriff's Office ("Sheriff's Office") desire an Agreement that would allow City to have Sheriff's Office transport prisoners from the Salt Lake County Jail to the Murray City Municipal Justice Court for court hearings and

WHEREAS, the Interlocal Cooperation Agreement would provide City with specialized services that few entities are authorized, able and willing to provide; and

WHEREAS, an Agreement has been prepared to accomplish such purpose.

NOW, THEREFORE, BE IT RESOLVED by the Murray City Municipal Council that:

1. It does hereby approve an Interlocal Cooperation Agreement between the City and the Salt Lake County Sheriff's Office for prisoner transportation to and from the Murray City Municipal Justice Court, in a form substantially the same as that attached hereto; and
2. The Interlocal Cooperation Agreement is in the best interest of the City; and
3. Mayor Daniel C. Snarr is hereby authorized to execute the Agreement on behalf of the City and to act in accordance with its terms.

DATED this ____ day of _____, 20__.

MURRAY CITY MUNICIPAL COUNCIL

James A. Brass, Chair

ATTEST:

Jennifer Kennedy
City Recorder

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County Contract No. _____
District Attorney No. 12-7789

INTERLOCAL COOPERATION AGREEMENT

Between Murray City and Salt Lake County
for its Sheriff's Office to Provide Prisoner Transportation to the
Murray Municipal Justice Court

This Interlocal Cooperation Agreement ("Agreement") is made on the ____ day of August, 2012 ("Effective Date") by and among Salt Lake County, a body corporate and politic of the State of Utah (the "County" or "Contractor") for and on behalf of the Salt Lake County Sheriff's Office ("Sheriff's Office") and Murray City (the "City") pursuant to the provisions of the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Ann. 1953, as amended ("Interlocal Act").

WHEREAS, the City operates the Murray Municipal Justice Court ("Justice Court"); and

WHEREAS, City has the need of prisoner transportation services to and from its Justice Court; and

WHEREAS, Sheriff's Office provides prisoner transportation services to various courts within Salt Lake County; and

WHEREAS, Sheriff's Office is willing and able to adequately provide secure prisoner transportation services for the Justice Court; and

WHEREAS, City and County shall not create a new or separate interlocal agency through this Agreement; and

WHEREAS, the Utah Interlocal Cooperation Act, Title 11, Chapter 13 of the Utah Code, permits local governmental entities to make the most efficient use of their powers and to provide the benefit of economies of scale, as well as authorizes municipalities to enter into cooperative agreements with one another for the purpose of exercising, on a cooperative basis, any powers, privileges and authority that may be exercised by each public entity individually; and

WHEREAS, the City has determined that it is in its best interest to enter into an agreement with the County under the Interlocal Cooperation Act, whereby Sheriff's Office provides prisoner transportation services to City under certain terms and conditions;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

AGREEMENT

County hereby agrees to provide prisoner transportation services to City under the terms and conditions specified in this Agreement as follows:

1. **Scope.**

- a. Sheriff's Office will provide prisoner transportation between the Salt Lake County Adult Detention Complex (the "Jail") ~~to and~~ the Justice Court Monday through Friday during regular court hours, excluding Court holidays, as prisoners are requested by the Court.
- b. Sheriff's Office will provide transportation to the Jail for prisoners sentenced to custody "forthwith".
- c. ~~and Upon request by City, Sheriff's Office may provide transportation to the Justice Court for prisoners held with warrants in in other counties county jails. as requested by the Justice Court.~~
~~Sheriff's Office shall be City's exclusive provider for transportation of prisoners within Salt Lake County. Sheriff's Office is not City's exclusive provider for transportation of prisoners outside Salt Lake County.~~
~~Upon request by City, Sheriff's Office may provide transportation of prisoners outside Salt Lake County. The rates for such transport will be determined based on mileage and the nature of the transport.~~
- d. Sheriff's Office will not provide bailiff services under this Agreement.
- e. ~~Prisoners will not be left without Sheriff's Office transportation personnel, except in exigent circumstances as determined by the Sheriff's Office will be secured at the Justice Court by Sheriff's Office transportation personnel.~~
- e-f. The methods and manners used to secure prisoners shall be in the sole discretion of the Sheriff's Office.

2. **Compensation.** City shall compensate Sheriff's Office for services performed under this Agreement as follows. City shall not be liable for any charges or expenses except those which are specifically set forth herein.

- a. City shall pay Sheriff's Office the sum of **\$44.00** per prisoner transported within Salt Lake County. For transportation of prisoners held outside Salt Lake County, the rates for the transport will be determined based on mileage and the nature of the transport. Transporting a prisoner under this Agreement means either a round-trip from the Jail or other county jail to the Justice Court, and back to the Jail or other county jail, or from the Justice Court to the Jail.
- b. Sheriff's Office shall provide monthly invoices to the City based upon the number of prisoners transported. Sheriff's Office shall provide a monthly list of prisoners transported along with invoice. City shall pay County within thirty (30) days from the date of each invoice.

3. **Term of Agreement.** This Agreement shall be effective upon execution, and shall terminate one year after the date of execution August 6, 2012 and shall terminate August 5, 2013 ("Term"). ~~—~~This Agreement may be renewed in writing signed by both Parties, at the end of the Term, for up to four (4) additional one-year terms upon the

same terms and conditions as set forth in this Agreement. Upon annual renewal, the Parties will review and adjust the fees as necessary.

4. **No Separate Entity.** No separate interlocal cooperative entity is created hereunder.
5. **AMENDMENTS.** Neither this Agreement nor any provisions hereof may be changed, waived, discharged or terminated orally and may only be modified or amended by an instrument in writing, signed by both the City and Contractor ~~_(except for unilateral termination for breach, or for the Parties convenience as enumerated in the Section entitled "Termination," below as provided herein).~~
6. **ASSIGNMENT.** This agreement shall not be assigned without the prior written consent by City.
7. **AUTHORITY TO BIND.** By signing this Agreement, the undersigned individuals warrant and represent that they have the authority to bind the parties pursuant to the terms of this Agreement.
8. **BINDING EFFECT.** This Agreement shall be binding upon and shall inure to the benefit of the City, Contractor and its respective successors and assigns.
- ~~9. **CONFLICT OF TERMS:** Contractor Terms and Conditions that apply must be in writing and attached to the contract. No other Terms and Conditions will apply to this contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, invoice, etc.~~
- ~~10.9. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be deemed an original, but all such counterparts taken together shall constitute only one instrument.~~
- ~~11. **EMPLOYMENT PRACTICES CLAUSE.** Contractor agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.~~
- ~~12.10. **ENTIRE AGREEMENT.**~~
 - (A) This Agreement, including all Attachments and documents incorporated hereunder, constitutes the entire agreement between the parties. No tender, offer, or promise of any kind outside the terms of the Agreement by any member, employee, officer, director, agent, or representative of the Parties has been made to induce the signatories or the Parties to enter into the Agreement. No oral representations shall be considered part of the Agreement. The provisions of the Agreement are for the benefit of the parties hereto solely, and not for the benefit of any other person, persons or legal entities.
 - (B) This Agreement supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. The terms of this Agreement shall supersede any additional or conflicting terms or provisions that may be set forth or printed on the Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of the Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to

time, even if such standard forms or documents have been signed or initialed by a representative of the City. The parties agree that the terms of this Agreement shall prevail in any dispute between the terms of this Agreement and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Agreement.

~~13. **FORCE MAJEURE:** Neither party to this contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. However, the City or County may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.~~

14.11. **GOVERNING LAW.** The terms of this Agreement shall be construed and interpreted under the laws of the State of Utah. Any challenge under this Agreement shall be brought in the Third District Court of Utah, Salt Lake County, or the U.S. District Court for the District of Utah.

~~15. **IMMIGRATION STATUS VERIFICATION.** Contractor agrees to act in strict accordance with Utah Code Annotated section 63G-12-302.~~

16.12. **INDEMNIFICATION.** Both parties are governmental entities under the Governmental Immunity Act of Utah, Utah Code Ann. § 63(G)-7-101, et seq. Consistent with the terms of this Act, it is mutually agreed that each party is responsible and liable for its own wrongful or negligent acts which it commits or which are committed by its agents, officials, or employees. Neither party waives any defenses otherwise available under the Governmental Immunity Act.

~~17.13. **INDEPENDENT CONTRACTOR STATUS.** The relationship of City and County under this Agreement shall be that of an independent contractor status. Each party shall have the entire responsibility to discharge all of the obligations of an independent contractor under federal, state and local law, including but not limited to, those obligations relating to employee supervision, benefits and wages; taxes; unemployment compensation and insurance; social security; workers' compensation; disability pensions and tax withholdings, including the filing of all returns and reports and the payment of all taxes, assessments and contributions and other sums required of an independent contractor. Nothing contained in this Agreement shall be construed to create the relationship between County and City of employer and employee, partners or joint venturers. Work rendered by Contractor under this Agreement is not rendered as a City employee and amounts paid under this Agreement do not constitute compensation paid to an employee. The parties expressly agree that Contractor is an independent contractor and is not an agent or employee of the City and, as such, is solely responsible for Contractor's own employment taxes, workers' compensation premiums and similar expenses. Contractor represents and warrants that it is in compliance, and will remain in compliance during the term of this Agreement, with all federal, state and local laws relating to the payment of employment taxes, workers' compensation premiums and the like. The City assumes no liability for the actions of Contractor. Contractor's employees and subcontractors, if any, who perform Work under this Agreement shall also be bound by the provisions of this Agreement.~~

~~18. **LAWS AND REGULATIONS:** The Contractor and any and all supplies, services, equipment, and construction proposed and furnished under this contract will comply fully with all applicable Federal and State and local laws and regulations, including applicable licensure and certification requirements.~~

~~19-14.~~ **NON-APPROPRIATION OF FUNDS.** The Parties acknowledge that funds are not presently available for the performance of this Agreement beyond the end of each Party's fiscal year. Each Party's obligation beyond that date is contingent upon renewal of this Agreement as provided above and funds being appropriated for payment due and providing the Services under this Agreement. If no funds or insufficient funds are appropriated and budgeted in any fiscal year, or if there is a reduction in appropriations due to insufficient revenue, resulting in insufficient funds for payments due or about to become due under this Agreement, then this Agreement shall create no obligation on the Party as to such fiscal year (or any succeeding fiscal year), but instead shall terminate and become null and void on the first day of the fiscal year for which funds were not budgeted and appropriated or in the event of reduction in appropriation, on the last day before the reduction becomes effective (except as to those portions of payments herein then agreed upon for which funds are appropriated and budgeted). Said termination shall not be construed as a breach of or default under this Agreement and said termination shall be without penalty, additional payment, or other changes of any kind whatsoever to the Parties, and no right or action or damages or other relief shall accrue to the benefit of the other Party as to this Agreement, or any portion thereof, which may so terminate and become null and void. In any event County shall be reimbursed the full cost of providing such services through the date of termination.

~~20-15.~~ **NOTICE.** Any notice required or permitted to be given under this Agreement shall be deemed sufficient if given by a written communication and shall be deemed to have been received upon personal delivery, actual receipt, or within ~~two-three~~ days after such notice is deposited in the United States Mail, postage prepaid, and certified and addressed to the Parties as set forth below:

To the County: Salt Lake County Sheriff's Office
 Attn: Ben Doctorman
 2001 South State Street, S3300
 Salt Lake City, Utah 84190

To the City Murray City
 5025 South State Street
 Murray, UT 84107

~~21-16.~~ **RELATIONSHIP OF PARTIES AND NO THIRD-PARTY RIGHTS.**

This Agreement does not create any joint venture, partnership, undertaking, or business arrangement between the parties hereto nor any rights or benefits to third parties.

~~22-REPRESENTATIONS. The undersigned representative of each party affirms that he or she has read the Agreement, that all matters set forth in the Agreement are true and correct to the best of his or her knowledge, information, or belief, and that he or she understands that the Agreement is entered into by each party in express reliance on the representations set forth herein.~~

~~23-17.~~ **REVIEW.** This agreement shall be submitted to the authorized attorneys for the County and City for approval in accordance with § 11-13-202.5(3) (2009).

~~24-18.~~ **SECTION HEADINGS.** Section headings are for convenience only and shall not affect the interpretation of this Agreement.

~~25-19.~~ **SEVERABILITY.** In case any one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable statute or rule of law, then such provisions shall be deemed inoperative to the extent that they are invalid, illegal or unenforceable, and the remainder of this Agreement shall continue in full force and effect. The ~~parties~~ Parties hereto agree to replace an invalid, illegal or unenforceable provision with a new provision which provides the most nearly similar permissible economic effect as the invalid, illegal or unenforceable provision.

~~26.~~ **STANDARD OF CARE.** ~~The standard of care applicable to Contractor's Services will be the degree of skill and diligence normally employed by professional Contractors performing the same or similar services at the time and location said Services are performed. Contractor will re-perform any Services not meeting this standard without additional compensation.~~

~~27-20.~~ **TERMINATION.**

~~A.~~ **FOR BREACH.** If either Party shall commit a material breach of any of the terms and conditions of this Agreement and shall fail to cure such breach within thirty (30) calendar days of written notice thereof, then the non-breaching party may terminate this Agreement.

~~B-A.~~ **FOR CONVENIENCE.** Either Party may terminate this Agreement at any time with or without cause upon giving ninety (90) calendar days prior written notice to the other Party.

~~C-B.~~ **TERMINATION SETTLEMENT.** Upon termination of this Contract, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination. In the event of such termination, the Contractor shall be compensated for services properly performed under this Contract up to the effective date of the notice of termination. The Contractor agrees that in the event of such termination for cause or without cause, Contractor's sole remedy and monetary recovery from the City is limited to full payment for all work properly performed as authorized under this Contract up to the date of termination as well as any reasonable monies owed as a result of the Contractor having to terminate contracts necessarily and appropriately entered into by the Contractor pursuant to this Contract.

~~28-21.~~ **TIME.** ~~The Contractor shall complete the scope of services work in a manner to achieve any milestones related to this Agreement and the attachments to this Agreement. The full scope of services work shall be completed by any applicable deadline stated. For all work and services under this Contract, time Time is of the essence.~~

22. WAIVERS.

(A) The failure of either Party at any time or times hereafter to require strict performance by the other of any of the undertakings, agreements or covenants contained in this Agreement shall not waive, affect or diminish any right of either Party hereunder to demand strict compliance and performance therewith. None of the undertakings, agreements, or covenants of either Party under this Agreement shall be deemed to have been waived unless such waiver is evidenced by an instrument in writing signed by the party to be charged specifying such waiver.

~~29.~~ (B) The right of the City to perform plan checks, plan reviews, other reviews and/or comment upon the services of the Contractor, as well as any approval by the City, shall not

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be construed as relieving the Contractor from its professional and legal responsibility for services required under this Contract. No review by the City or any entity/user, approval or acceptance, or payment for any of the services required under this Contract shall be construed to operate as a waiver by the City of any right under this Contract or of any cause of action arising out of the performance or nonperformance of this Contract.

~~30-23.~~ **RESOLUTION.** The parties agree that a resolution of legislative bodies is required, pursuant to Utah Code, Section 11-13-202.5(1)(b).

IN WITNESS WHEREOF, the parties hereto have signed this Agreement to be effective as of the day and year first written above.

Salt Lake County

Approved as to legal form and compliance
with applicable law:

Attorney for Salt Lake County

MURRAY CITY CORPORATION

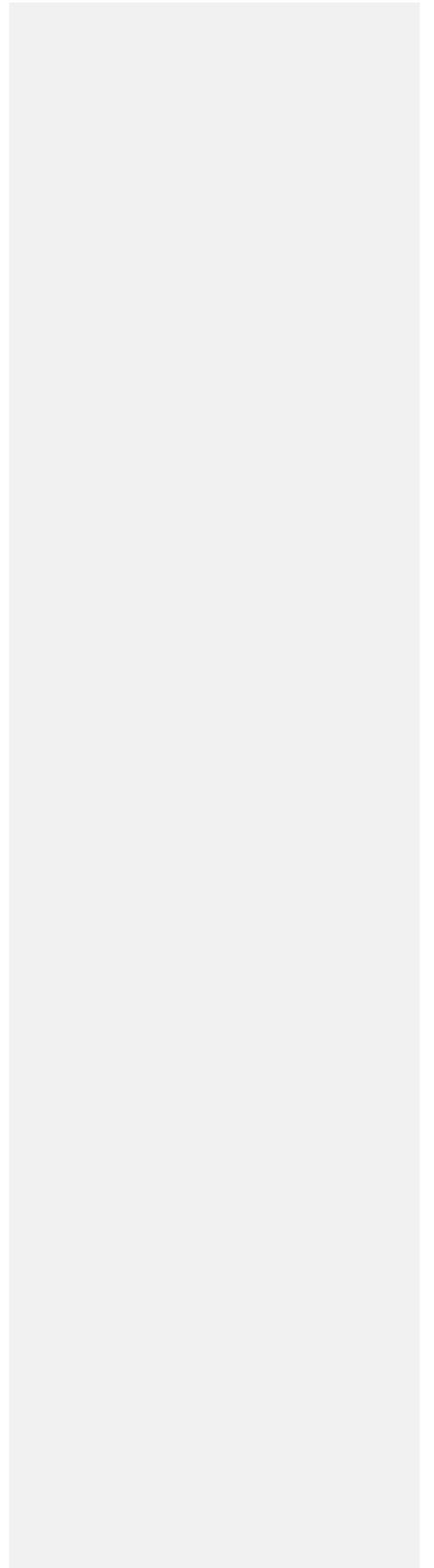
ATTEST:

Daniel C. Snarr, Mayor

City Recorder

Approved as to legal form and compliance
with applicable law:

Attorney for Murray City



**Mayor's
Report
and Questions**

Adjournment