

CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY

Resolution No. _____

A RESOLUTION AUTHORIZING THE ASSIGNMENT OF A TAX INCREMENT REIMBURSEMENT AGREEMENT WITH ZELLERBACH PROPERTY LLC, IN THE STREETCAR COMMUNITY DEVELOPMENT PROJECT AREA.

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

WHEREAS, the Agency, in furtherance of the purposes of the Act and the Project Area Plan for the Streetcar Community Development Project Area (the “Project Area”), entered into a Tax Increment Reimbursement Agreement dated December 12, 2018, with Zellerbach Property LLC (the “Agreement”) encouraging and promoting a high-quality residential development project (the “Project”) within the Project Area;

WHEREAS, Zellerbach Property LLC is contemplating the sale of the project to a third party known as Zeller Owner LLC (the “Potential Purchaser”), and desires to assign its rights under the Agreement to the Potential Purchaser, but under Section 11 of the Agreement: “The Company [Zellerbach Property LLC] has no right to assign this Agreement or its obligations under this Agreement without the Agency’s advance written consent, in the Agency’s sole and absolute discretion.”; and

WHEREAS, the Potential Purchaser has provided information to the Agency showing the viability of the Potential Purchaser and its proposed continued operation of the Project, and the Agency desires to facilitate the transfer of the Project to the Potential Purchaser by consenting to an assignment of Zellerbach Property LLC’s rights under the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY:

1. The assignment of the Agreement, and all rights of the “Company” under the Agreement, to the Potential Purchaser in connection with the Potential Purchaser’s acquisition of the Project from Zellerbach Property LLC is hereby approved. The Executive Director is authorized to sign any acknowledgment or consent requested by Zellerbach Property LLC. However, the assignment approval is conditional on the Potential Purchaser actually acquiring the Project, including fee title ownership of the land on which the Project is located, from Zellerbach Property LLC. The approved assignment will only become effective upon the recording of a deed of conveyance for all the land on which the Project sits, from Zellerbach Property LLC to the Potential Purchaser. For purposes of this paragraph, the term “Potential Purchaser” means the entity described in the recitals above or any other subsidiary entity owned by or under common control with the identified Potential Purchaser, and only means the entity that ultimately takes title

to the land on which the Project sits. The intent is that the rights of the Company under the Agreement will transfer only with the transfer of the land. Except for the one-time, case-specific assignment of rights approved in this paragraph, no other assignment of rights or assignment of the Agreement is approved.

2. This resolution takes effect upon adoption.

THIS RESOLUTION IS APPROVED AND ADOPTED this June 12, 2019.

Chair

Attest:

Secretary