SYRACUSE CITY

Syracuse City Special Redevelopment Agency (RDA) Meeting
May 10, 2022 – immediately following the City Council Business Meeting, which begins at 6:00 p.m.

In-Person Location: Syracuse City Hall, 1979 W. 1900 S.
Electronic: Via Zoom
Connect via telephone: +1-301-715-8592 US, meeting ID: 813 9494 4051
Streamed on Syracuse City YouTube Channel

1. Meeting called to order
   Adopt agenda
2. Consideration and/or action regarding proposed sale of City-owned land located at approximately 2068 W. 1900 S. (10 min.)
3. Adjourn.

~~~~~

In compliance with the Americans Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should contact the City Offices at 801-825-1477 at least 48 hours in advance of the meeting.

CERTIFICATE OF POSTING

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted within the Syracuse City limits on this 5th day of May, 2022 at Syracuse City Hall on the City Hall Notice Board and at http://www.syracuseut.gov/. A copy was also provided to the Standard-Examiner on May 5, 2022.

CASSIE Z. BROWN, MMC
SYRACUSE CITY RECORDER
~~~~~

RDA AGENDA

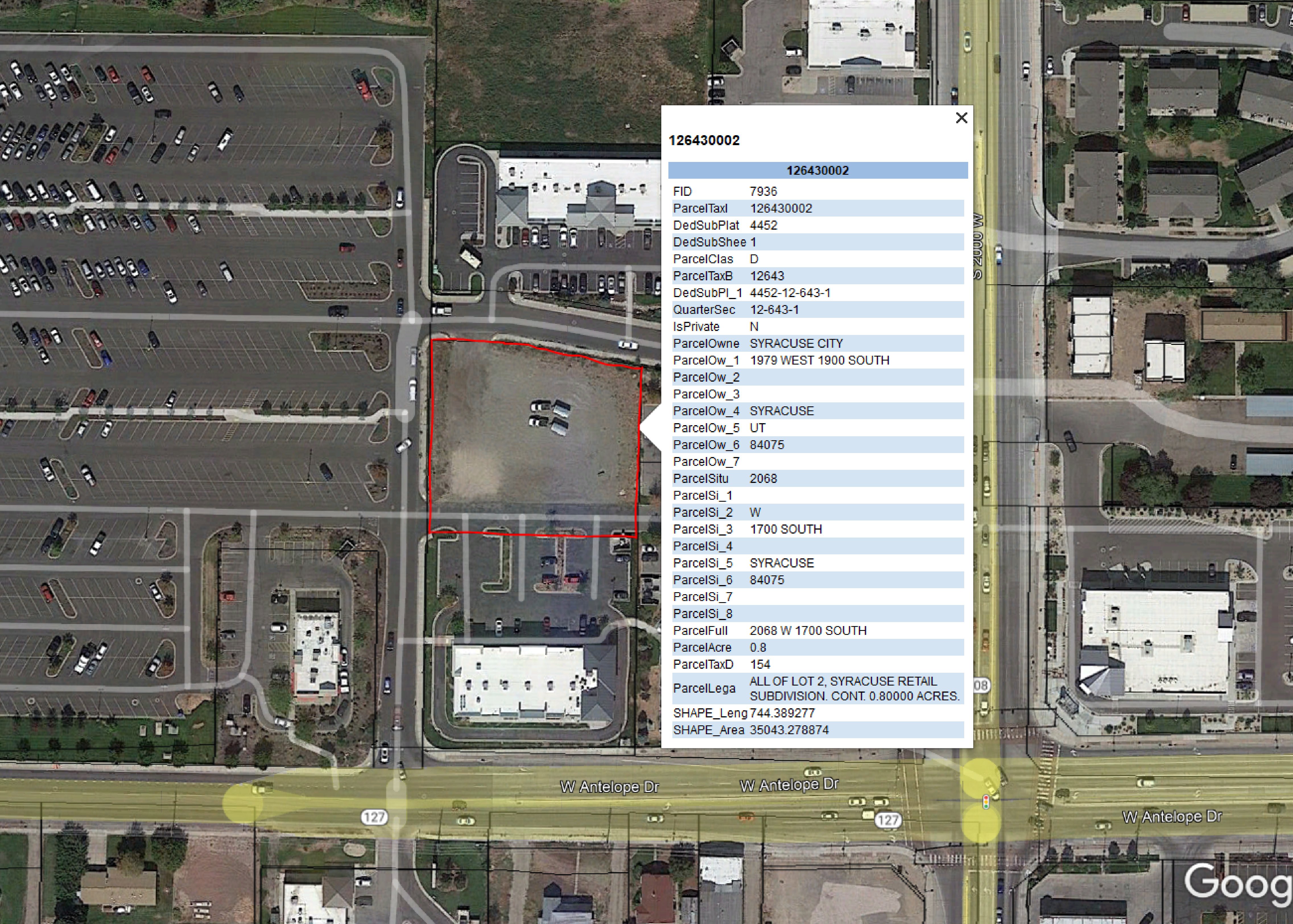
May 10, 2022

Agenda Item #2

Proposed Sale of City Owned Land
located approximately 2068 w 1900 s

Summary
The city is entertaining an offer to sell land within the Town Center. See attached draft purchase agreement. Planning Commission held a public hearing and discussed the item during their meeting on May 3, 2022. They are forwarding a unanimous recommendation for approval. No public comments were recieved during the public hearing. The city commissioned an independant appraisal from Wall Appraisal Company LLC. Date of the report was March 14, 2022. The appraisal came back at $345,000. The offer for the land is $365,000. The city RDA purchased the land in 2019 for $225,000. The proceeds of the sale will go back to the RDA. Per the City's surplus property policy, real estate must be officially surplussed. The Planning Commission reviewed the surplus on November 3, 2020 and the City Council held a public hearing and approved the surplus on November 10, 2020.

Attatched
-Map
-Surplus Property
-Purchase Agreement



126430002

126430002	
FID	7936
ParcelTaxI	126430002
DedSubPlat	4452
DedSubShee	1
ParcelClas	D
ParcelTaxB	12643
DedSubPl_1	4452-12-643-1
QuarterSec	12-643-1
IsPrivate	N
ParcelOwne	SYRACUSE CITY
ParcelOw_1	1979 WEST 1900 SOUTH
ParcelOw_2	
ParcelOw_3	
ParcelOw_4	SYRACUSE
ParcelOw_5	UT
ParcelOw_6	84075
ParcelOw_7	
ParcelSitu	2068
ParcelSi_1	
ParcelSi_2	W
ParcelSi_3	1700 SOUTH
ParcelSi_4	
ParcelSi_5	SYRACUSE
ParcelSi_6	84075
ParcelSi_7	
ParcelSi_8	
ParcelFull	2068 W 1700 SOUTH
ParcelAcre	0.8
ParcelTaxD	154
ParcelLega	ALL OF LOT 2, SYRACUSE RETAIL SUBDIVISION. CONT. 0.80000 ACRES.
SHAPE_Leng	744.389277
SHAPE_Area	35043.278874

SYRACUSE CITY
SURPLUS PROPERTY POLICY

Purpose

1. Establish operational procedures for the sale, disposition, or transfer of the City's personal property that has been designated as surplus.

2. Ensure that the sale of surplus personal property generally is conducted in an open and competitive environment.

General Policy

1. All City personal property deemed surplus, obsolete, expired or unusable shall be disposed of according to the provisions set forth in this City-wide policy regardless of its physical condition.

2. Any item with an original purchase price of $100 or less is considered disposable and may be disposed of as refuse when its usable life is over.

3. Any personal property with an original purchase price over $100 but with a current estimated market value up to $1,000 may be surplused upon written authorization of the Department Head. The method of surplus must follow the prioritized methods outlined in the Surplus Method Section. The Department head must ensure proper documentation supporting the establishment of the estimated value is submitted to the City Recorder to maintain on file according to the appropriate record retention schedule.

4. Any personal property with an estimated market value between $1,000 and $5,000 may be surplused only with authorization by the City Manager, and shall be disposed of using the prioritized methods outlined in the Surplus Method Section. The City Manager must ensure proper documentation supporting the establishment of the estimated value is submitted to the City Recorder to maintain on file according to the appropriate record retention schedule.

5. Any personal property with an estimated market value over $5,000 may be surplused only with authorization by the City Council and shall be disposed of using the prioritized methods outlined in the Surplus Method Section. The City Recorder shall maintain the associated

documentation according to the appropriate record retention schedule.

6. At least twice per year, the City Recorder will submit a report to the City Council listing all surplused property under paragraphs 3 and 4 above.

Exceptions to General Policy

1. Hazardous materials such as insecticides, solvents, medical wastes, paints, combustibles, or any other toxic or hazardous items shall not be disposed of through the surplus program. City departments shall dispose of such materials consistent with law.

2. Equipment where a reseller or the original seller of the personal property will repurchase or offer credit for turning in old or out-dated equipment is allowed if it is in the best interest of the City.

3. In cases where federal, state, or other government agency funds are being used where the agency's purchasing laws or procedures govern the process for disposing of surplus property, the City shall follow the applicable agency law or procedures in lieu of the procedures set forth in this policy.

4. Equipment that is damaged in a way that it could reasonably cause harm to a person or damage property if used, may be disposed of by discarding to an authorized and licensed commercial refuse hauler, recycler, or scrap dealer. Prior to disposal of property in this method, written documentation of the proposed disposal method must be provided to and approved by the City Manager.

5. Equipment or personal property of substantial value that is found by employees, and which was not previously owned by the City, will be disposed of after consulting with the Police Department in order to ensure found property is not disposed of unlawfully. Property seized by the Police Department is governed by and shall be disposed of in accordance with Utah law.

6. In an effort to maximize staff productivity, and to maximize value on behalf of the City and its citizens, motor vehicles will either be offered to a commercial auctioneer service, or traded in to a dealer/manufacturer. If a motor vehicle is of a specialized nature, and therefore does not appeal to a broad market, the vehicle may be traded in, or advertised in a specialized publication/website in order to reach the market for such vehicles.

7. The City may, upon approval of the City Council for items with an estimated market value over $5,000, give surplus property to a charitable organization, school district, or other governmental entity.

Special Policy for Surplus of Technology Equipment

1. All technology equipment being considered for surplus must be authorized by the Administrative Services Director.

2. To the extent it is practical, all technology products shall have all information, programs, software or any other information deemed appropriate by the Administrative Services Director removed prior to disposition.

3. The Administrative Services Director may authorize technology products to be returned to the seller of the personal property for credit or proper disposal, if in the best interest of the City.

4. Technology products that typically have shorter useful life cycles (approximately 5 years or less) due to rapidly changing technological advancements or because the product wears out due to normal daily use, may be given to the City employee to which it was assigned once the product reaches its expected end of useful life. The Administrative Services Director will provide a list of the products that qualify for such disposal method to the City Council for approval.

5. In some situations, such as employee termination, technology products with shorter life cycles may be sold to the departing employee. In such cases, the price will be prorated based on the age of the product and its expected life cycle.

Special Policy for Surplus or Sale of Real Estate

1. Pursuant to Utah Code § 10-8-2(4), real estate is divided into two categories: significant parcels and insignificant parcels. Any real estate that does not meet the criteria of an insignificant parcel is a significant parcel.

2. A parcel is insignificant if:
   a. conveyance of the property is not anticipated to result in a request for a change of zoning of that property;
   b. the conveyance does not conflict with a specific reference in the general plan; and

c. the parcel is not of the size, configuration, and zoning that would support or permit the construction of a primary structure on the property.

3. Insignificant parcels may be conveyed for market value to an abutting owner, after receiving approval by a resolution of the City Council. No public hearing is necessary for the conveyance of insignificant parcels. If the insignificant parcel abuts multiple owners, then a home-owner's association (HOA) to which all of the owners belong will have the first opportunity to acquire the insignificant parcel. In the context of the surplus of right-of-way, an agreement from an HOA to provide for the perpetual maintenance, repair and replacement of the road – while preserving public utility easements below the surface of the road – constitutes value sufficient to surplus without additional compensation. If no adjacent property owner wants to acquire the property, the City Council may authorize a publicly advertised bid for the insignificant parcel.

4. Significant parcels of real estate being considered for surplus or sale must be authorized by the City Council, following a public hearing pursuant to Utah state law. The Council will, at their discretion, authorize an appraisal.

5. It is the general policy of the City that significant parcels will be sold for surplus under an open, competitive bid process that has been publicly advertised.

6. At the City Council's sole discretion, significant parcels may be sold directly to a buyer under a negotiated price without going through a competitive bid process. In deciding whether to sell real estate in this method, the Council should take into consideration the following:
   a. Whether it is of greater advantage to the City, for community or economic development purposes to sell without a competitive bid process.
   b. Whether there is a real or perceived conflict of interest with the sale on behalf of any members of the Council or the Mayor.

<u>Surplus Methods</u>

When required by this policy, property scheduled for surplus must be disposed of using the method with the highest priority (1=highest) possible, taking into account the feasibility and the cost versus the benefit of the method. If a method is determined to be unfeasible, then the property may be disposed of using the next-lower priority method listed below.

Priority Method 1: Auction of Personal Property

- Unless otherwise provided in this policy, the Personal property is auctioned by city officials. Prior to auction, it must be advertised on social media and listed on the City's website for at least 7 days with a starting bid price at a reasonable market value.
- If the item does not receive any bids, or does not receive bids that reach the minimum, the City will offer the surplus property for auction through a commercial auctioneer, reseller, or similar arrangement.

Priority Method 2: Scrap for Cash, or Donation

- The Personal property is given to a scrap dealer in exchange for money, or the property is donated to a charitable organization, school district, or other governmental entity, whichever is in the best interest of the City.

Priority Method 3: Recycle

- The Personal property is donated to a recycling dealer or organization.

Priority Method 4: Discarded as Refuse

- The Personal property is discarded to an authorized and licensed commercial refuse hauler or landfill.

Conditions of Sale of Surplus Property

1. All sales shall be conducted in an open manner consistent with City ordinances, this policy, fair business practices, and generally accepted accounting practices.

2. All sales are considered final and no guarantees or warranties of any kind will be allowed, especially as it pertains to actual condition or function of the property being sold. All surplus property sold shall be considered "As is" and "Where is".

3. The City will incur no expense to move or deliver any surplus property, unless no other alternative is available. It shall be the responsibility of the buyer to provide all services necessary to move, transport, deliver, or perform any other necessary tasks to remove the surplus property from the City's property.

4. All surplus property must be paid for before the property is released to the purchaser.

The money must be received by the City within 72 hours of the sale, or it will not be released, and may be offered to the next highest bidder.

5. All proceeds from the sale of surplus property will be deposited into the appropriate revenue account approved by the Chief Financial Officer and City Treasurer. Proceeds from the sale of property originally procured by the City from an enterprise fund or special revenue fund shall be deposited into a revenue account within that fund.

<u>City Employee Surplus Acquisition</u>

City Employees may participate in the acquisition or purchase of City surplus personal property, but only through the public at-large auction, unless otherwise provided for herein. No City employee shall be given any consideration or privilege in any acquisition or purchase, such as non-public information about other bids placed, that might be construed as giving that employee an advantage in obtaining surplus property.

<u>Discipline</u>

Failure to comply with this policy may result in the disciplinary action as outlined in the City's Employee Handbook.

<u>Audit</u>

Audits of any surplus sale or disposition may be conducted at any time by the City Manager, City Treasurer, Chief Financial Officer, Mayor, or upon request of at least three Councilmembers. Any method of disposition or sale may be reviewed, and written justification requested.

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (**"Agreement"**), dated as of the Agreement Date (as hereinafter defined), is made by and between SYRACUSE CITY, UTAH, a municipal corporation and political subdivision of the State of Utah (**"Seller"**) and TRG ACQUISITIONS, LLC, an Illinois limited liability company, or its designee or assignee (**"Purchaser"**).

In consideration of this Agreement, Seller and Purchaser agree as follows:

1. **Sale of Property.** Seller agrees to sell to Purchaser and Purchaser agrees to buy from Seller, the following property:

> The fee simple interest in certain real estate located in the City of Syracuse, State of Utah, Davis County, commonly known as Lot 2 of Syracuse Retail Subdivision, as legally described on <u>Exhibit "A"</u> attached hereto (the **"Land"**), Parcel ID #12643002, an outlot of the Syracuse Town Center Shopping Center, together with all rights, privileges, servitudes and appurtenances thereunto belonging or appertaining, including all right, title and interest of Seller, if any, in and to the streets, alleys and rights-of-way adjacent to the Land, together with any existing buildings (the **"Improvements"**) together with all fixtures and personal property owned by Seller and used in connection therewith (**"Personalty"**) including, mechanical and electrical equipment and Seller's trade fixtures (the Land, Improvements and Personalty are hereinafter collectively referred to as the **"Property"**).

Throughout this Agreement, the terms **"Closing"** and **"Closing Date"** shall be defined in accordance with paragraph 8 hereof.

2. **Purchase Price.** Purchaser shall pay to Seller, as consideration for the purchase of the Property, the sum of Three Hundred Ninety Thousand and No/100 Dollars ($390,000.00), payable as follows:

$25,000.00 — Earnest money (**"Earnest Money"**), in the form of either cash, check or wire transfer of funds , which shall be paid by Purchaser to Title Company (as hereinafter defined) no later than three (3) business days after the date on which this Agreement has been accepted by Seller and delivered to Purchaser (**"Agreement Date"**); and

$365,000.00 — at Closing, excluding the Earnest Money, adjusted to reflect prorations and other adjustments provided for herein.

The aforesaid Earnest Money shall be deposited in a strict joint order escrow with First American Title Insurance Company, 200 East South Temple, Suite 200, Salt Lake City, UT 84111, Anna Irons, Phone (801) 536-3108, Email: anirons@firstam.com (**"Title Company"**) in accordance with the provisions of this paragraph and, at Purchaser's option, Purchaser shall direct the Title Company to invest said Earnest Money in an interest bearing account. All interest earned on said deposit shall be credited to Purchaser upon the Closing of this transaction. In the event of a default by Purchaser, the deposit and all interest earned on the aforesaid deposit shall be paid to Seller in accordance with paragraph 14. In the event of a default by Seller causing a termination of this Agreement under the provisions of paragraph 13 hereof, the deposit and all interest shall be payable to Purchaser. The cost of said escrow shall be borne equally by Seller and Purchaser. The Earnest Money shall be and remain refundable to Purchaser through the Contingency Period (as hereinafter defined), as same may be extended.

3. **Conditions Precedent to Closing.**

(a) Purchaser shall have a period of one hundred twenty (120) days after the Agreement Date (the **"Contingency Period"**) to satisfy itself, in Purchaser's sole and absolute discretion, that the Property is suitable for Purchaser and its intended use, including but not limited to the environmental condition of the Property, zoning, permits and approvals, engineering, and such other matters as Purchaser shall deem appropriate in its sole and absolute discretion. This Agreement, and Closing hereunder, shall be and hereby is, conditioned upon the Property being satisfactory to Purchaser as aforesaid. Notwithstanding anything to the contrary, Purchaser shall have the right to extend the Contingency Period for two (2) additional periods of thirty (30) days, each, to be exercised, if at all, by providing notice thereof ("Extension Notice") to Seller prior to the expiration of the initial Contingency Period or first extended Contingency Period, as the case may be.

(b) Until the expiration of the Contingency Period, as extended, Purchaser shall have the right and Seller shall allow Purchaser and Purchaser's officers, employees, agents, attorneys, accountants, architects and engineers, access to the Property and books and records relating to the Property in Seller's possession or control without charge and at all reasonable times, upon reasonable notice, for the purpose of making such inspections, tests and verifications as they shall deem reasonably necessary. Seller shall provide to Purchaser, within five (5) days of the Agreement Date, copies of all leases, contracts, building plans and specifications, real estate tax bills and assessments for the last three (3) years and any such information relating to the current calendar year, real estate appeals documentation for the last three (3) years and current calendar year, utility bills for the last three (3) years and current calendar year, environmental reports, engineering reports, geotechnical reports, soil reports, title reports, surveys, licenses, code violations, roof information (including warranty), other warranties, building permits, certificates of occupancy, notices of code violations, copies of any encumbrances related to the Property, including easements, restrictions, liens, historic designation information and all other relevant documents in Seller's possession or control (collectively the **"Due Diligence Documents")**. Notwithstanding anything to the contrary, in the event that all Due Diligence Documents have not been delivered to Purchaser within five (5) days after the Agreement Date, the Contingency Period shall be extended one (1) day for each day from the sixth (6^{th}) day after the Agreement Date until the date on which all Due Diligence Documents have been so delivered. Seller shall provide to Purchaser, within three (3) days of Purchaser's request therefor, any documents reasonably requested by Purchaser to enable Purchaser to conduct a satisfactory investigation of the Property with respect to the Conditions Precedent. Purchaser shall pay all costs and expenses of such investigation and testing and hereby indemnifies and holds Seller and the Property harmless from all costs and liabilities (including reasonable attorney's fees and court costs) relating to the Purchaser's activities. Purchaser shall promptly return the Property to substantially the same condition as existed prior to such entry.

(c) In the event that Purchaser has determined, in its sole and absolute discretion, that the Property is unsatisfactory for any reason, Purchaser, upon notice to Seller, given on or before the expiration of the Contingency Period, may elect to terminate this Agreement and thereupon this Agreement shall be null and void without any further liability by or to either party hereto. In such event, the Earnest Money, together with any interest accrued thereon, shall be immediately refunded to Purchaser, without the need of Seller's approval therefor. In the event that Purchaser has failed to timely notify Seller of its election to terminate this Agreement prior to the expiration of the Contingency Period, this Agreement shall remain in full force and effect.

4. **Title Commitment.** Seller shall, within fifteen (15) days after the Agreement Date, deliver to Purchaser a current commitment letter or binder showing title to the Property in Seller, and issued by the Title Company, wherein the Title Company shall commit to issue to Purchaser an owner's title insurance policy, 2006 ALTA Policy Form in the amount of the Purchase Price with all Standard and General Exceptions deleted and endorsed over so as to afford full "extended form coverage", subject only to the Permitted Exceptions (as hereinafter defined) together with survey, ALTA Restriction Endorsement No.1 (if applicable), access, contiguity (if applicable), encroachment (if applicable), zoning, and tax parcel identification endorsements (the **"Title Policy"**), together with copies of all documents of record and a real estate tax search for general real estate taxes and any special assessments. As a condition of the Closing, the commitment shall be later dated to cover the Closing and the recording of the Deed, and the Title Company shall deliver the Title Policy, or a marked up title commitment, to the Purchaser, concurrently with the Closing. Seller shall pay for all Title Policy insurance charges and premiums and one-half the cost of the escrows provided in this Agreement. Purchaser shall pay the cost of any loan title policy and one-half the cost of the escrows provided in this Agreement. Prior to the expiration of the Contingency Period, Purchaser and Seller shall agree in writing on those exceptions subject to which Purchaser shall take title to the Property (the **"Permitted Exceptions"**).

5. **Survey.** Seller shall, as part of Seller's Due Diligence Documents, deliver to Purchaser any existing boundary or ALTA survey in Seller's possession or control (the **"Existing Survey"**). Within fifteen (15) days after the Agreement Date, at Seller's sole cost and expense, Seller shall provide to Purchaser a duly executed Title Company approved certificate or affidavit of no change (the **"Survey Affidavit"**) to the Existing Survey. Notwithstanding the foregoing, Purchaser shall have the option to obtain, at Purchaser's cost, a current as-built ALTA/ACSM survey (the **"New ALTA Survey"**) of the Property prepared by a registered land surveyor or engineer, licensed in the State of Utah, prepared in accordance with the most current Minimum Standard Detail Requirements of a Class A Land Title Survey jointly established by the American Land Title Association and the American Congress on Surveying and Mapping, including items 1, 2, 3, 4, 6(b), 7(a), 8, 9, 11 (utilities will be located where apparent from the surface), 16, 18 and 19 of Table A (2021 requirements) thereof certified to the Title Company, Purchaser, and any lender of which Seller shall be notified. The Existing Survey, together with the Survey Affidavit, must be sufficient

to cause the Title Company to delete the standard printed survey exception and to issue the Title Policy free from any survey objections or exceptions whatsoever, other than the Permitted Exceptions. Prior to the expiration of the Contingency Period, Purchaser and Seller shall agree in writing on those Survey exceptions subject to which Purchaser shall take title to the Property.

The items described in the foregoing paragraphs 4 and 5 are collectively referred to as **"Title Evidence."** If the Title Evidence discloses, with respect to the Survey, conditions which might, in Purchaser's sole judgment, adversely affect the Property or, with respect to the Title Commitment, deficiencies in endorsements or matters other than the Permitted Exceptions (hereinafter collectively, **"Defects"**), said Defects shall, as a condition of the Closing, be cured and removed by Seller to Purchaser's satisfaction from the Title Evidence disclosing the Defect(s). Seller shall have a period of ten (10) days following Purchaser's notice to Seller of the existence of any Defects to cause the same to be cured and removed as aforesaid. If Seller causes the Defects to be cured and removed within such ten (10) day period, the Closing shall thereafter take place either on the Closing Date hereinafter specified, or ten (10) days after the Defect is cured, whichever is later. If Seller fails to cure and remove all Defect(s) in a manner satisfactory to Purchaser as aforesaid, Purchaser may, in its sole discretion, by written notice given to Seller within ten (10) days after the expiration of the period allowed for cure, proceed to close this transaction by deducting from the Purchase Price and escrowing with the Title Company the amount necessary, in Purchaser's sole judgment, to cause the Title Company to insure and/or endorse over such Defect(s) in a manner satisfactory to Purchaser. Absent such election, this Agreement shall terminate without further action of the parties and, after the return of the Earnest Money to Purchaser, the parties shall have no further obligations hereunder.

Notwithstanding anything to the contrary, Purchaser shall have not less than ten (10) days after receipt of the Title Evidence, including supporting Title Policy documentation, to review same and, in the event that the Title Evidence and supporting Title Policy documentation is not delivered in time for such review period to occur within the Contingency Period, the Contingency Period shall automatically be extended for purpose of Title Policy and Survey review to the date that is ten (10) days after receipt of the Title Policy (including supporting documentation) and Survey.

Seller agrees to reasonably cooperate with Purchaser's inspections of the Property and in relation to any governmental approvals which Purchaser may seek.

Seller acknowledges that, as part of Purchaser's due diligence, Purchaser may be required to complete and execute certain applications (individually, an "Application" and collectively, the "Applications") with various governmental or quasi-governmental agencies (individual, an "Agency," and collectively, the "Agencies"), and that such Applications may be required to be executed by the current owner of the Property. Accordingly, Seller shall, promptly upon request from Purchaser, execute and deliver to either Purchaser or the appropriate Agency, as Purchaser shall direct, such Application as may be required for the performance of Purchaser's due diligence inquiries.

Notwithstanding anything to the contrary, Seller's obligations to execute any Application shall be conditioned upon the following:

(a) Seller shall incur no cost related to signing or delivering any Application, provided that, in the event that Seller shall elect to have any Application reviewed by Seller's attorney or other third party, the cost of said attorney or other third party shall be borne by Seller; and

(b) Any matter affecting the Property which may be granted as a result of any Application shall not be or become effective unless and until the transaction contemplated by this Agreement shall be consummated and Closing shall occur.

In the event that any third-party approvals of this transaction are required, such approvals shall be obtained by Seller at Seller's expense. The parties shall cooperate with each other in relation to such approvals.

6. **Representations and Warranties by Seller.** Seller represents and warrants to Purchaser (all of which shall be true as of the Closing Date) as follows:

(a) Seller has the power and authority to enter into and perform this Agreement and Seller's Closing Documents (as hereinafter defined); such documents have been or will be duly executed and delivered; such execution, delivery and performance by Seller of such documents does not conflict with or result in a violation of any judgment, order, or decree of any court or arbiter to which Seller is a party; such documents are or will be valid and binding obligations of Seller, and are enforceable in accordance with their terms.

(b) Seller holds fee simple title to the Property, there are no leases or other occupancy agreements in affect at the Property, and there are no collateral assignments limiting Seller's right to sell the Property.

(c) Seller has not received any notice of actual or threatened reduction or curtailment of any utility service now supplied to the Property.

(d) Seller has no knowledge or information of any fact that would indicate that the Property has ever been used for the production, storage, deposit or disposal of hazardous substances or that any such substances, including asbestos, have ever been placed or located upon the Property.

(e) Seller has received no written notice of any action, litigation, condemnation or proceeding of any kind pending or, to the best knowledge of Seller, threatened against Seller or any portion of the Property, including, without limitation, proceedings for or involving collections, condemnation, eminent domain, modifications to the public roadways adjacent to the Property, or modifications to the access points to the Property from said public roadway, alleged building code, environmental or zoning violations or personal injuries not covered by Seller's insurance or property damage alleged to have occurred on the Property or by reason of the condition, use of, or operations on the Property. Seller has received no written notice from any municipal, state, federal or other governmental authority of zoning, building, fire, water, use, health, environmental or other statute, ordinance, code or regulatory violations issued in respect of the Property that remain uncured. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings are pending (or to the best of Seller's actual knowledge, threatened) against Seller, nor are any of such proceedings contemplated by Seller. In the event any proceeding of the character described in this Section 6(e) is initiated prior to Closing, Seller shall promptly advise Purchaser thereof in writing. Seller shall indemnify and hold Purchaser harmless from any liability, damages or causes of action that accrued with respect to the Property prior to the Closing. The indemnification provision of this Section 6(e) shall survive the Closing.

(f) The Property is not in violation of any applicable zoning laws.

(g) The Due Diligence Documents provided to Purchaser by or on behalf of Seller, if any, will constitute all such information and agreements and will be true and correct copies.

(h) There are no contracts which affect the Property or Seller's ability to perform its covenants and promises made in this Agreement which cannot be terminated prior to or at Closing.

(i) Seller is a "United States Person" and not a "Foreign Person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended, and shall execute and deliver an "Entity Transferor" certification at Closing.

(j) There are no agreements binding upon Seller or the Premises, recorded or unrecorded, that require the payment of any recapture fees or other costs.

(k) During the term of this Agreement, Seller will not enter into any lease, service contract or other agreement which exceed the projected Closing Date without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed.

7. **Representations and Warranties by Purchaser.** Purchaser represents and warrants to Seller that Purchaser is duly organized and is in good standing under the laws of the State of Illinois; that upon an assignment of this Agreement to a limited liability company or other legal entity formed by the principal of TRG Acquisitions, LLC, said entity will be duly organized and in good standing under the laws of the State in which organized; that Purchaser has the requisite power and authority to enter into this Agreement and the Purchaser's Closing Documents to be signed by it; such documents have been or will be duly authorized by all necessary action on the part of Purchaser and have been or will be duly executed and delivered; that the execution, delivery and performance by Purchaser of such documents do not conflict with or result in violation of Purchaser's Articles of Organization or Operating Agreement, or any judgments, order or decree of any court or arbiter to which Purchaser is a party; such documents are or will be valid and binding obligations of Purchaser, enforceable in accordance with their terms..

8. **Closing.** If this Agreement is not terminated by Purchaser pursuant to Paragraph 3, the

closing of the purchase and sale contemplated by this Agreement (the **"Closing"**) shall occur on or before the date that is thirty (30) days after the expiration of the Contingency Period (the **"Closing Date"**). Purchaser and Seller agree to cooperate with each other in establishing the Closing Date. The Closing shall take place at the office of the Title Company (which shall allow delivery of documents into escrow) or at such other place as may be agreed to by the parties hereto.

9. **Seller's Closing Documents.** On the Closing Date, Seller shall execute and/or deliver to Purchaser the following (collectively **"Seller's Closing Documents"**):

(a) A General Warranty Deed conveying the Property to Purchaser, subject only to the Permitted Exceptions.

(b) A Bill of Sale for all Personalty included in the Purchase Price.

(c) Title Policy, or a suitably marked-up commitment initiated by the Title Company undertaking to issue such a Title Policy, in a form reasonably acceptable to Purchaser, subject only to the Permitted Exceptions or such other exceptions as Purchaser shall accept.

(d) A non-foreign affidavit properly executed by Seller, containing such information as is required by IRC Section 1445(b)(2) and its regulations.

(e) A closing statement properly executed by Seller, provided that the parties may elect to utilize the settlement statement prepared by the Title Company as such closing statement.

(f) All original service contracts, if any, assumed by Purchaser.

(g) All keys and master keys to all locks located on the Property.

(h) Form 1099

(i) Transfer tax declarations.

(j) Assignment to Purchaser of Seller's interest in and to any and all architectural plans, studies, surveys, governmental approvals, and other similar items relative to the Property.

(k) Assignment to Purchaser, in form and content mutually acceptable to the parties, of Seller's interest in and to any leases, including security deposits, which Purchaser has agreed to take title subject to.

(l) Estoppel Certificates in relation to any reciprocal easement agreement, covenants, conditions and restrictions, or other similar documents of record.

(m) Such other documents as Seller and Purchaser shall have agreed to after the date hereof or as are customary in connection with the closing of like transactions, including without limitation those required by the Title Company or law.

10. **Purchaser's Closing Documents.** On the Closing Date, Purchaser will execute and/or deliver to Seller the following (collectively **"Purchaser's Closing Documents"**):

(a) The balance of the Purchase Price net of prorations and other adjustments, by wire transfer, or by cashiers or certified check to be received in the Title Company's trust account on the Closing Date.

(b) Acceptance of an Assignment to Purchaser of Seller's interest in and to any and all architectural plans, studies, surveys, governmental approvals, and other similar items relative to the Property.

(c) Transfer tax declarations.

(d) A closing statement properly executed by Purchaser, provided that the parties may elect to utilize the settlement statement prepared by the Title Company as such closing statement.

(e) Such other documents as Seller and Purchaser shall have agreed to after the date hereof or as are customary in connection with the closing of like transactions, including without limitation those required by the Title Company or law.

11. **Adjustments and Prorations.** At Closing, Seller and Purchaser shall make all adjustments and apportion all expenses with respect to the Property, including, without limitation, the following:

(a) General real estate taxes and installments of special assessments due and payable on or before the Closing Date will be paid by Seller. General real estate taxes and installments of special assessments due and payable after the Closing Date shall be prorated by Seller and Purchaser as of the Closing Date based upon a calendar fiscal year. If the actual amount of such general real estate taxes and installments of special assessments cannot be determined on the Closing Date, Seller will credit Purchaser an amount equal to 100% of the most current estimate of such taxes and special assessment installments, assuming for estimating purposes that the Property will be fully assessed. Within thirty (30) days after the issuance of the final real estate tax bill for the year in which Closing has occurred, the parties shall reprobate real estate taxes based on the actual bill therefor. The obligation to re-prorate real estate taxes shall survive Closing.

(b) Seller shall pay all costs of the owner's Title Policy and the Existing Survey at or prior to Closing. Purchaser will pay the costs of any New Survey at or prior to Closing.

(c) Seller and Purchaser will each pay one-half (½) of any reasonable and customary closing fee or charge imposed by any closing agent designated by the Title Company, including any fee assessed for a New York style closing.

(d) Seller shall pay all state and county transfer taxes regarding the Deed to be delivered by Seller under this Agreement. Local transfer taxes shall be payable pursuant to the applicable ordinance.

(e) Seller will pay the cost of recording any documents necessary to place record title in the condition warranted by Seller in this Agreement. Purchaser will pay the cost of recording all other documents, including the Deed, all costs relating to any financing obtained by Purchaser in connection with its purchase of the Property, and the lender's title insurance coverage costs, if any.

(f) All other operating costs of the Property, if any, including, but not limited to any costs associated with any reciprocal easement or similar agreement, will be allocated between Seller and Purchaser as of the Closing Date, so that Seller pays that part of such other operating costs attributable to the period before the Closing Date, and Purchaser pays that part of such operating costs attributable to the period from and after the Closing Date.

(g) Each of the parties will pay its own attorneys fees, except that the non-prevailing party enforcing this Agreement or any closing document will pay the reasonable attorneys fees and court costs incurred by the prevailing party to enforce its rights regarding such default.

12. **Possession**. Seller shall deliver possession of the Property to Purchaser at Closing.

13. **Default by Seller.** If Seller defaults under any of the terms of this Agreement on or prior to Closing and if such default is not cured within ten (10) days after written notice is delivered by Purchaser (or the Closing Date, if sooner) or waived by Purchaser, Purchaser shall be entitled to either: (i) terminate this Agreement and receive a refund of the Earnest Money and all interest accrued thereon, if any, and Seller shall reimburse Purchaser for Purchaser's out of pocket expenses incurred in the negotiation of this Agreement, in performing Purchaser's due diligence investigations of the Property, and for fees or charges incurred in connection with Purchaser's financing; or (ii) commence an action for specific performance, provided such complaint is filed and delivered to Seller within sixty (60) days after the originally scheduled Closing Date. The Seller's obligation to consent to the return of the Earnest Money shall survive the termination of this Agreement pursuant to subsection (i) above.

14. **Default by Purchaser.** If Purchaser shall default under any of the terms of this Agreement and such default is not cured within ten (10) days after written notice is delivered by Seller to Purchaser, then Seller's sole right and remedy hereunder shall be to terminate this Agreement and to retain the Deposit and all interest accrued thereon, if any, as liquidated damages.

15. **Condemnation and Casualty.**

(a) If, prior to the Closing Date, eminent domain proceedings are commenced or threatened against all or any part of the Land or Improvements, Seller shall immediately give notice to Purchaser of such fact and at Purchaser's option (to be exercised within thirty [30] days after Seller's notice) this Agreement shall terminate, in which event neither party will have further obligations under this Agreement and the Earnest Money, together with any accrued interest, shall be refunded to Purchaser. If Purchaser shall fail to give such notice, then there shall be no reduction in the Purchaser Price, and Seller shall assign to Purchaser on the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings. In the event that the final day of said thirty (30) day period shall occur after the scheduled Closing Date, the scheduled Closing Date shall be postponed a like number of days. Prior to the Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Purchaser's prior written consent, which shall not be unreasonably withheld, delayed or conditioned.

(b) (i) If, prior to Closing, all or any part of the Property incurs any material damage due to fire or other casualty, Seller will promptly notify Purchaser and Purchaser may, within thirty (30) days after notice to Purchaser, elect in writing to terminate this Agreement without further liability hereunder on the part of either party except that Escrowee shall return the Earnest Money and any interest earned thereon to Purchaser. If Purchaser does not elect to terminate this Agreement, this Agreement shall remain in full force and effect and, at Closing, Seller shall assign to Purchaser all of Seller's right, title and interest in and to any insurance proceeds paid or payable for such damage, provided that Seller provides a credit at Closing to Purchaser in an amount equal to the amount of Seller's deductible. In addition, in the event that Purchaser does not elect to terminate this Agreement pursuant hereto, Purchaser will be entitled to settle the loss with the insurance carriers and to receive the insurance applicable to the loss. Seller will execute and deliver all necessary proofs of loss and assignments of claims and other documents as reasonably requested by Purchaser. For purposes of this Section, "material" damage shall mean damage requiring in excess of $50,000.00 to repair.

(ii) If, prior to Closing, all or any part of the Property incurs damage due to fire or other casualty but such damage is not "material," this Agreement shall remain in full force and effect and at Closing Seller shall assign to Purchaser all of Seller's right, title and interest in and to any insurance proceeds paid or payable for such damage, provided that Seller provides a credit at Closing to Purchaser in an amount equal to the amount of Seller's deductible. In addition, Purchaser will be entitled to settle the loss with the insurance carriers and to receive the insurance applicable to the loss. Seller will execute and deliver all necessary proofs of loss and assignments of claims and other documents as reasonably requested by Purchaser.

16. **Broker's Commission.** Seller and Purchaser represent and warrant to each other that they have dealt with no brokers, finders or the like in connection with this transaction except for Lori Coburn of Colliers International (**"Broker"**), and agree to indemnify each other and to hold each other harmless against all such claims, damages, costs or expenses. Seller agrees to pay the Broker any commission it may be entitled to in connection with this transaction and shall indemnify and hold Purchaser harmless from any claims, damages, costs or expenses incurred in

relation to the commission due to Broker. The provisions of this Section 16 shall survive termination of this Agreement.

Buyer acknowledges that the principles of TRG Acquisitions, LLC, are licensed real estate brokers in the State of Illinois.

17. **Right of Reversion.**

(a) Purchaser intends to construct a Café Zupas restaurant at this location and its intention to do so is a material consideration in the Seller's decision to sell the Property.

(b) Subject to matters not within the control of Purchaser, including, but not limited to strikes, acts of war, governmental mandates, delays caused by the City, and inability to obtain materials, Purchaser agrees to use commercially reasonable efforts to commence construction not later than July 1, 2023 and to thereafter diligently pursue substantial completion thereof to obtain a certificate of occupancy for the Café Zupas restaurant. The Purchaser's failure to commence construction by July 1, 2023 shall be a Reversion Event. The right of reversion shall be included upon the deed to the Property.

(c) In case a Reversion Event shall occur, Purchaser shall remove any mortgages or liens (including mechanic's liens) which encumber the Property prior to the effective date of reversion.

(d) Upon the occurrence of a Reversion Event, the Seller may, at its sole discretion, (1) extend the deadline for obtaining the certificate of occupancy, or (2) notify the Purchaser of the Reversion Event and in the event that Purchaser has not cured the Reversion Event occurrence within fourteen (14) days after receipt of Seller's notice, Seller may record such notice with the County Recorder of deeds. Upon recordation, the parties shall cooperate to establish a reversionary closing (the "Reversionary Closing") with the Title Company, to be held not later than thirty(30) days after recording of the notice. At the Reversionary Closing Seller shall be required to tender the net cash proceeds received at Closing to the Purchaser. For purposes hereof "net cash proceeds" shall mean receipt of all sums paid or tendered to Seller at the original Closing, exclusive of Purchaser's original Closing costs, brokerage fees and real estate tax prorations. At the Reversionary Closing the parties shall prorate real estate taxes in accordance with the provisions of Section 11(a), above. The Purchaser shall, upon such election, take all reasonable steps to ensure the Seller acquires marketable title to the Property within sixty (60) days of notification.

(e) This Section 17 shall survive the Closing until terminated as provided in Subsection 17(f).

(f) This Section 17 and the right to reversion in the deed shall terminate upon the substantial completion of the restaurant's construction, which shall be unequivocally established by the issuance of a certificate of occupancy for the restaurant. Seller agrees to execute and record, at its expense, any documents reasonably requested by Purchaser to evidence any termination of this right of reversion.

18. **Mutual Indemnification.** Seller and Purchaser agree to indemnify each other against, and hold each other harmless from, all liabilities (including reasonable attorney's fees in defending against claims) arising out of the ownership of the Property for their respective periods

of ownership.

19. **Notices.** Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if delivered (i) personally, (ii) mailed by United States certified mail, return receipt requested, postage prepaid, (iii) if deposited prepaid with a nationally recognized, reputable overnight courier, or (iv) sent via electronic mail (provided that a hard copy is sent via another approved method within one day, if requested by the party to whom such notice is addressed), in each case properly addressed as follows:

If to Purchaser:	TRG Acquisitions, LLC. 350 West Hubbard Street, Suite 640 Chicago, IL 60654 Attn: Douglas Reichl Email: doug@tartanhrealtygroup.com
With a copy to:	J. Levin & Associates, Ltd. 707 Skokie Boulevard, Suite 420 Northbrook, IL 60062 Attn: Jay Levin Email: jlevinassociates@gmail.com
If to Seller:	Syracuse City 1979 West 1900 South Syracuse, UT 84075 Attn: Brody Bovero Email: bbovero@syracuseut.gov
With a copy to:	Syracuse City Attorney 1979 West 1900 South Syracuse, UT 84075 Attn: Paul Roberts Email: proberts@syracuseut.gov

Notices shall be deemed effective on the date of acceptance or rejection. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, ten (10) days prior to the effective date of such change.

20. **Captions.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

21. **Entire Agreement; Modification.** This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by both parties.

22. **Binding Effect.** This Agreement binds and benefits the parties and their permitted successors and assigns.

23. **Controlling Law & Venue.** This Agreement has been made under the laws of the State of Utah, and such laws will control its interpretation. Any action taken to enforce the provisions of this Agreement shall have exclusive venue in the Second District Court of the State of Utah, Farmington Division.

24. **Severability.** The unenforceability or invalidity of any provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

25. **Additional Seller Agreements.** During the period of time during which this Agreement shall be effective, Seller agrees:

(a) to not advertise, list or offer the Property for sale to any other individual or entity;

(b) on behalf of itself, its partners, agents, employees and independent contractors, to not discuss any of the terms or conditions contained in this Agreement with any third parties other than its counsel of record and accountants;

(c) to not take any action or engage in any activity which encumbers or otherwise materially affects the Property, except as set forth elsewhere herein;

(d) to not entertain offers from third parties in relation to the Property nor enter into any contract for the sale of the Property with any third parties.

26. **Assignment.** Prior to or at Closing, Purchaser shall have the right to assign its rights and obligations under this Agreement to a bona fide legal entity to be formed by the principal of the named Purchaser for the purpose of purchasing the Property and taking title thereto and upon such assignment the limited liability company shall be considered to be the "Purchaser" hereunder and thereafter TRG Acquisitions, LLC, shall have no further liability hereunder.

27. **Extension of Date of Closing or Performance**. If the date of Closing or any date for performance of any of the terms, conditions and provisions of this Agreement shall fall on a Saturday, Sunday or legal holiday, then the date of Closing or such performance shall be extended to the next business day.

28. **Tax-Deferred Exchange**. Seller acknowledges that Purchaser may be entering into this transaction in connection with a tax-deferred exchange (the "Exchange"). If requested by Purchaser, Seller shall cooperate with Purchaser in effectuating such Exchange, including executing any documents, instruments or agreements reasonably requested by Purchaser, provided Seller shall not be obligated to (i) expend any costs in connection with such Exchange (excluding legal fees of Seller's counsel in reviewing any such documents, instruments or agreements) or (ii) accept or assume any additional obligations or liabilities, or (iii) extend the

Closing Date.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year accompanying said signature.

SELLER:	**PURCHASER:**
City of Syracuse, Utah, a Utah Municipal Corporation	TRG Acquisitions, LLC, an Illinois limited liability company
By: ___________________________	By: ___________________________
Printed Name: David Maughan	Printed Name: Douglas Reichl
Its: Mayor	Its: Manager
Dated: April __, 2022	Dated: April __, 2022

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT B

PERMITTED EXCEPTIONS

1. Taxes not yet due and payable.