



160 SOUTH MAIN
FARMINGTON, UT 84025
FARMINGTON.UTAH.GOV

REDEVELOPMENT AGENCY OF FARMINGTON NOTICE & AGENDA

Notice is given that the Governing Board of the Redevelopment Agency of Farmington will hold a regular meeting on **Tuesday, March 19, 2024** at City Hall 160 South Main, Farmington, Utah at 7:00 pm.in the Council Chambers. The link to listen to the regular meeting live and to comment electronically can be found on the Farmington City website www.farmington.utah.gov. If you wish to email a comment for any of the listed public hearings, you may do so to dcarlile@farmington.utah.gov

The agenda shall be as follows:

- Roll Call
- Purchase of the Boyce property for RPM Substation

Motion to adjourn and reconvene the City Council meeting.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations due to a disability, please contact DeAnn Carlile, City recorder at 801-939-9206 at least 24 hours in advance of the meeting.

I hereby certify that I posted a copy of the foregoing Notice and Agenda at Farmington City Hall, Farmington City website www.farmington.utah.gov and the Utah Public Notice website at www.utah.gov/pmn. Posted on March 14, 2024

RDA STAFF REPORT

To: Redevelopment Agency Board
From: Brigham Mellor
Date: 03.19.2024
Subject: Purchase of the Boyce property for RPM Substation

RECOMMENDATION:

Approve the REPC for the Purchase of Parcel ID 080570019, approximately 2.1 acres, for \$925,000 to facilitate the construction of a power substation.

BACKGROUND

This purchase by the RDA allows the Boyce Family to leverage a 1033 Exchange and facilitate Rocky Mountain Power's acquisition of a parcel for a power substation that will feed the business park with the necessary power. The parcel will eventually be sold to RMP at the price we pay for the land prior to the construction of the substation.

Respectfully Submitted,



Brigham Mellor
City Manager

REAL ESTATE PURCHASE CONTRACT

OFFER TO PURCHASE

Farmington City Redevelopment Agency, a Utah municipal corporation ("Buyer"), located at 160 S. Main Street, Farmington, Utah, offers to purchase the Property described below, from The Mark R Boyce and Debbie Boyce Revocable Living Trust, dated October 31, 2022 ("Seller"), in accordance with the provisions of this Real Estate Purchase Contract ("REPC").

OTHER PROVISIONS

February 26, 2024

1. **PROPERTY:** Approx. 1820 W. Shepard Lane Parcel Tax ID# 08-057-0019
Address Approx. 1820 W. Shepard Lane City Farmington County Davis State Utah
More Particularly Described as:

BEG AT A PT 427.68 FT S & 1215.72 FT E FR NW COR OF SD SEC 14-T3N-R1W, SLM; TH S 330 FT ALG E LINE OF LOT 4 OF JAMES T WORKMAN SURVEY; TH W 132 FT, M/L, ALG S LINE OF SD SURVEY TO N'LY R/W LINE OF SHEPARD LANE OVERPASS RD AT A PT 90 FT RADIALLY DISTANT NE'LY FR CENTER LINE OF SD OVERPASS RD APPROXIMATELY AT ENGINEER STATION 30+17; TH SE'LY 15 FT, M/L, ALG ARC OF A 482.96 FT RAD CURVE TO LEFT (NOTE: TANGENT TO SD CURVE AT IT POB BEARS APPROXIMATELY S 64°21' E); TH S 58°00'38" E 88.21 FT TO A PT 70 FT RADIALLY DISTANT NE'LY FR SD CENTER LINE ENGINEER STATION 29+00; TH E'LY 359.93 FT ALG ARC OF A 502.96 FT RAD CURVE TO LEFT TO A PT 70 FT RADIALLY DISTANT NW'LY FR SD CENTER LINE AT ENGINEER STATION 24+89.98 (NOTE: TANGENT TO SD CURVE AT ITS POB BEARS S 76°03'53" E); TH N 62°56' E 77 FT, M/L, ALG SD N'LY R/W LINE PARALLEL TO SD CENTER LINE TO A SW'LY R/W LINE OF UNION PACIFIC RR; TH NW'LY 490 FT, M/L, ALG SD SW'LY R/W LINE TO POB. CONT 2.10 ACRES.

1.1 **INCLUDED ITEMS:** Unless excluded herein, this sale shall include structures and all fixtures presently attached to the Property.

1.2 **EXCLUDED ITEMS:** These items are excluded from this sale: N/A

2. **PURCHASE PRICE.** Buyer agrees to pay for the Property as follows:

\$ <u>20,000.00</u>	Earnest Money Deposit
\$ <u>905,000.00</u>	Balance of Purchase Price in cash at closing
\$ <u>925,000.00</u>	TOTAL PURCHASE PRICE

3. **CLOSING.** This transaction shall be closed within thirty (30) days of all contingencies being fulfilled, but no later than June 15, 2024, unless extended by the Parties. Closing shall occur when: (a) Buyer and Seller have signed and delivered to each other (or to the escrow/title company), all documents required by this REPC, by the Lender, by written escrow instructions signed by Buyer and Seller, and by applicable law; (b) the moneys required to be paid under these documents have been delivered to the escrow/title company in the form of collected or cleared funds, cashier's check, or other form acceptable to the escrow/closing office; (c) the deed which Seller has agreed to deliver under Section 6 has been recorded; (d) Buyer and Rocky Mountain Power have established an agreement whereby Rocky Mountain Power agrees to purchase the property from Buyer at the cost paid by Buyer to acquire it from Seller as provided in Section 9.1 of this REPC; and (e) all tenants of the property have vacated the premises. Buyer shall pay the escrow Closing fee. The escrow/closing office is authorized and directed to withhold from Seller's proceeds at Closing, sufficient funds to payoff on Seller's behalf all mortgages, trust deeds, judgments, mechanic's liens, tax liens and warrants. Taxes and assessments for the current year, rents, and interest on assumed obligations shall be prorated as set forth in this Section. Prorations set forth in this Section shall be made as of the date of Closing. The provisions of this section shall survive Closing.

4. **POSSESSION.** Seller shall deliver possession to Buyer within 48 hours after Closing. No tenants may be present, whether lawfully or unlawfully. All costs of eviction or tenancy dispute shall be borne by Seller and must be resolved before Buyer takes possession. The provisions of this section shall survive Closing.

5. **TITLE & TITLE INSURANCE.** (a) Seller has, or shall have at Closing, fee title to the Property and agrees to convey marketable title to Buyer by General Warranty Deed, free of financial encumbrances as warranted under Section 9.6; (b) Buyer intends to acquire at Closing, a current standard form Owner's policy of title insurance in the amount of the Total Purchase Price; (c) the title policy shall conform with Seller's obligations under subsections (a) and (b). The commitment shall conform to the title insurance commitment provided under Section 6.1. The provisions of this section shall survive Closing.

6. **SPECIFIC UNDERTAKINGS OF SELLER.**

6.1 **SELLER DISCLOSURES.** Seller will deliver to Buyer the following Seller Disclosures no later than the dates indicated below:

- (a) a Seller Property Condition Disclosure (Land) for the Property, signed and dated by Seller: Mar 27, 2024
- (b) a commitment for the policy of title insurance required under Section 6, to be issued by the title insurance company chosen by Buyer, including copies of all documents listed as Exceptions on the Commitment: Apr 8, 2024
- (c) a copy of any lease, rental, and property management agreements affecting the Property not expiring before Closing: Mar 27, 2024
- (d) evidence of any water rights and/or water shares referenced in Section 1.1: Mar 27, 2024
- (e) written notice of any claims or conditions known to Seller related to environmental problems or code violations: Mar 27, 2024

Seller agrees to pay any charge for cancellation of the title commitment provided under subsection (b).

If Seller does not provide any of Seller Disclosures within the time periods agreed above, Buyer may either waive the particular Seller Disclosure requirement by taking no timely action or Buyer may notify Seller in writing within 4 calendar days after the expiration of the particular disclosure time period that Seller is in Default under this REPC and that the remedies under Section 16 are at Buyer's disposal.

7. **BUYER'S CONDITIONS OF PURCHASE.**

7.1 **DUE DILIGENCE.** Buyer, at its sole option, shall undertake the following Due Diligence elements at its own expense and for its own benefit for the purpose of complying with the Contingencies under Section 8:

- (a) Ordering and obtaining any environmentally-related study of the Property;
- (b) Ordering and obtaining a physical inspection report regarding, and completing a personal inspection of, the Property;

Seller agrees to cooperate fully with Buyer's completing these Due Diligence matters and to make the Property available as reasonable and necessary for the same.

7.2 **FEASIBILITY.** Buyer shall have until April 4, 2024 (the "Feasibility Period") to assess whether purchase of the Property is feasible, in Buyer's sold discretion. Buyer may terminate the Feasibility Period at any time by giving written notice to Seller of its intent to proceed to Closing (subject to satisfaction or waiver of any applicable conditions precedent to the Closing). Alternatively, Buyer may, for any reason or no reason, terminate this Agreement during the Feasibility Period, in which event this Agreement shall be terminated and Buyer shall receive a refund of the Earnest Money Deposit.

8. **CONTINGENCIES.** This offer is subject to Buyer's approving in its sole discretion Seller Disclosures matters in Section 6.

8.1 Buyer shall have 5 calendar days after the times specified in Section 7.1 for receipt of Seller Disclosures to review the content of the disclosures and the outcome of the undertakings.

8.2 If Buyer does not deliver a written objection to Seller regarding a Seller Disclosure, within the time provided in Section 8.1, that item will be deemed approved by Buyer.

8.3 If Buyer objects, Buyer and Seller shall have 4 calendar days after receipt of the objections to resolve Buyer's objections. Seller may, but shall not be required to resolve Buyer's objections. Likewise, Buyer is under no obligation to

Buyer's Initials [Signature] Date 2/27

Seller's Initials [Signature] Date 2/29

accept any resolution proposed by Seller. If Buyer's objections are not resolved within the stated time, Buyer may void this REPC by providing written notice to Seller within the same stated time. If this REPC is not voided by Buyer, Buyer's objection is deemed to have been waived. However, this waiver does not affect warranties under Section 10.
8.4 Resolution of Buyer's objections under Section 8.3 shall be in writing and shall become part of this REPC.

9. SPECIAL CONTINGENCIES AND CONDITIONS.

9.1 Buyer will initiate negotiation with Rocky Mountain Power, a third-party utility company, to acquire the Property from Buyer after the completion of this sale. The Parties acknowledge that without Rocky Mountain Power's interest in the Property, Buyer does not have need for the Property. If Rocky Mountain Power declines to participate or an agreement with Rocky Mountain Power is not obtained by June 15, 2024, then Buyer may cancel this Agreement without penalty and is entitled to refund of the Earnest Money Deposit.

9.2 Buyer is a municipal corporation and political subdivision of the State of Utah with the power to condemn property for public purposes. See Utah Code Ann. § 78B-6-501. Specifically, Buyer the power to condemn property for "electric light and electric power lines," and "sites for electric light and power plants," UCA § 78B-6-501(2)(h), and other public uses for the benefit of any county, city, or town or its inhabitants," id. § 78B-6-501(2)(c)(v). The Parties agree that Buyer is purchasing this land from Seller under threat of condemnation.

10. AS-IS CONDITION OF PROPERTY/ADDITIONAL WARRANTIES.

10.1 Buyer acknowledges and agrees that in reference to the physical condition of the Property: (a) Buyer is purchasing the property in an "As-Is" condition without expressed or implied warranties of any kind; (b) Buyer shall have, during Buyer's Due Diligence period, an opportunity to completely inspect and evaluate the condition of the Property; and (c) if based on Buyer's Due Diligence, Buyer elects to proceed with the purchase of the Property, Buyer is relying wholly on Buyer's own judgment and that of any contractors or inspectors engaged by Buyer to review, evaluate and inspect the Property.

10.2 Notwithstanding Subsection 10.1, Seller warrants the following to Buyer regarding the Property:

- (a) At Closing, Seller will bring current all financial obligations encumbering the Property which are assumed in writing by Buyer and will discharge all such obligations which Buyer has not so assumed;
- (b) As of Closing, Seller has no knowledge of any claim or notice of an environmental, building, or zoning code violation regarding the Property which has not been resolved; and
- (c) As of Closing, Seller will have resolved any disputes over tenancy with any previous or current tenant of the Property and shall be in a position to deliver possession of the Property to Buyer without anyone asserting continued tenancy rights.

The provisions of this Section shall survive Closing.

11. FINAL PRE-SETTLEMENT WALK-THROUGH INSPECTION. After all contingencies have been removed and before Closing, Buyer may conduct a "walk-through" inspection of the Property to determine whether or not items warranted by Seller in Section 10.2 are in the warranted condition and to verify that items included in Section 1.1 are presently on the Property. If any item is not in the warranted condition, Seller will correct, repair or replace it as necessary or, with the consent of Buyer and (if required) Lender, escrow an amount at Closing to provide for such repair or replacement. Buyer's failure to conduct a "walk-through" inspection or to claim during the "walk-through" inspection that the Property does not include all items referenced in Section 1.1 or is not in the condition warranted in Section 10, shall constitute a waiver of Buyer's rights under Section 1.1 and of the warranties contained in Section 10.

12. CHANGES DURING TRANSACTION. Seller agrees that no changes in any existing leases shall be made, no new leases entered into, no substantial alterations or improvements to the Property shall be undertaken without the written consent of Buyer, no further financial encumbrances to the Property shall be made, and no changes in the legal title to the Property shall be made.

13. AUTHORITY OF SIGNERS. If Buyer or Seller is a corporation, partnership, trust, estate, or other entity, the person signing this REPC on its behalf warrants his or her authority to do so and to bind Buyer or Seller and the heirs or successors in interest to Buyer or Seller. If Seller is not the vested Owner of the Property but has control over the vested Owner's disposition of the Property, Seller agrees to exercise this control and deliver title under this REPC as if it had been signed by the vested Owner. Buyer is a municipal corporation and must have the authorization of its governing body, the Farmington City Redevelopment Agency Board, before it may enter into a real estate transaction. Seller acknowledges this

fact and understands the in the absence of that approval in an open and public meeting, all of Buyer's agents lack authority to legally bind Buyer.

14. BUYBACK. If Buyer has not conveyed the land to Rocky Mountain Power within one (1) year of the Closing and Settlement date, then Seller has the option, at Seller's sole discretion, to buy back the Property from Buyer. In such a case, the Seller shall pay the Purchase price identified in Section 2 of this REPC to the Buyer, less closing costs and amounts paid by Seller for title insurance. Seller shall initiate the buyback in this section by providing written notice, including a copy of the Settlement Statement provided by the title company at Closing, to Buyer's agent (the Farmington City Manager). Transfer of the buyback funds shall occur within thirty (30) days of Seller providing notice of the buyback to Buyer. If Seller fails to exercise this buyback option within sixty (60) days after the one (1) year deadline identified in this Section, then Seller, along with any heirs or assigns, forever and irrevocably waives the right to buyback.

15. COMPLETE CONTRACT. This instrument (together with its Addenda, any attached Exhibits, and Seller Disclosures) constitutes the entire Contract between the parties and supersedes all prior dealings between the parties. This REPC cannot be changed except by written agreement of the parties.

16. DISPUTE RESOLUTION. The parties agree that any dispute or claim relating to this REPC shall first be submitted to mediation in accordance with the Utah Real Estate Buyer/Seller Mediation Rules of the American Arbitration Association. Each party agrees to bear its own costs of mediation. Any Agreement signed by the parties pursuant to the mediation shall be binding. If mediation fails, the procedures applicable and remedies available under this REPC shall apply. Nothing in this Section shall prohibit Buyer from seeking specific performance by Seller by filing a complaint with the court, serving it on Seller by means of summons or as otherwise permitted by law, and recording a *lis pendens* with regard to the action provided that Buyer permits Seller to refrain from answering the complaint pending mediation. Also, the parties may agree in writing to waive mediation.

17. DEFAULT. If Buyer defaults, Seller may elect to terminate this Agreement upon written notice to Buyer. If Seller defaults, Buyer may elect to terminate this Agreement upon written notice to Seller. Where a Section of this REPC provides a specific remedy, the parties intend that the remedy shall be exclusive regardless of rights which might otherwise be available under common law.

18. ATTORNEY'S FEES & GOVERNING LAW. In any action arising out of this REPC, the prevailing party shall be entitled to costs and reasonable attorney's fees. The laws of the state of Utah shall govern this Agreement. The provisions of this Section shall survive Closing.

19. NOTICES. Except as provided in Section 23, all notices required under the REPC must be: (a) in writing; (b) signed by Buyer or Seller giving notice; and (c) received by Buyer or Seller, or their respective agent, or by the brokerage firm representing Buyer or Seller, no later than the applicable date referenced in the REPC.

20. NO ASSIGNMENT. The REPC and the rights and obligations hereunder, are personal to Buyer. The REPC may not be assigned by Buyer without the prior written consent of Seller.

21. RISK OF LOSS. All risk of loss or damage to the Property shall be borne by Seller until Closing.


22. TIME IS OF THE ESSENCE. Time is of the essence regarding the dates set forth in this transaction. Extensions must be agreed to in writing by all parties. Performance under each Section of this REPC which references a date shall be required by 5:00 P.M., Mountain Time on the stated date.

23. ELECTRONIC TRANSMISSIONS & COUNTERPARTS. This REPC may be signed in counterparts, and each counterpart bearing an original signature shall be considered one document with all others bearing original signature. Also, electronic transmissions of any signed original document and re-transmission of any signed electronic transmission shall be the same as delivery of an original.

24. ACCEPTANCE. Acceptance occurs when Seller or Buyer, responding to an offer or counteroffer of the other: (a) signs the offer or counteroffer where noted to indicate acceptance; and (b) communicates to the other party or the other party's agent that the offer or counteroffer has been signed as required.

25. OFFER AND TIME FOR ACCEPTANCE. Buyer offers to purchase the Property on the above terms and conditions. If Seller does not accept this offer by 4:00 PM Mountain Time, March 11, 2024 this offer shall lapse.

(signatures appear on next page)



 (Buyer's Signature)

2/27

 Date

BRIGHAM MELLOR (CITY MGR)

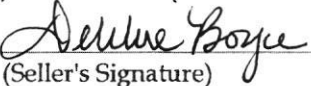
 Name & Title (print)

160 S. MAW STREET 80-934-9224

 (Notice Address) FARMINGTON, VT (Phone)
84025

ACCEPTANCE/REJECTION/COUNTEROFFER

Acceptance of Offer to Purchase: Seller Accepts the foregoing offer on the terms and conditions specified above.



 (Seller's Signature)

2/29/2024 1:00 Pm.

 (Date) (Time)

Debbie Boyce Trustee

 Seller's Name & Title (print)

Rejection: Seller Rejects the foregoing offer.

_____ (Seller's initials) _____ (Date) _____ (Time)

Counter Offer: Seller presents for Buyer's Acceptance the terms of Buyer's offer subject to the exceptions or modifications as specified in the attached Counter Offer # _____

Buyer's Initials  Date 2/27

Seller's Initials  Date 2/29