

REDEVELOPMENT AGENCY OF BOUNTIFUL CITY

Tuesday, January 8, 2019

7:30 p.m. (Time approximate after the City Council meeting)

NOTICE IS HEREBY GIVEN that the Board of Directors of the Bountiful City Redevelopment Agency will hold a meeting at Bountiful City Hall, 790 South 100 East, Bountiful, Utah, at the time and date given above. The public is invited to attend. Persons who require special accommodations should contact Shawna Andrus, Executive Assistant, at (801)298-6140, at least 24 hours prior to the meeting.

If you are not on the agenda, the Board of Directors will not discuss your item of business until a subsequent meeting. If you wish to have an item placed on the agenda, contact the Redevelopment Agency Director at (801)298-6190, at least 7 days before the scheduled meeting.

AGENDA

1. Welcome
2. Consider approval of minutes for November 13, 2018.
3. Consider approval of Land Sale and Development Agreement, including the proposed \$64,100.00 purchase price, between Bountiful City and Mike and Kristan Crouch for the Historic Day-Mabey Home located at 73 West 100 North, Bountiful.
4. RDA Director's report and miscellaneous business.



Chad Wilkinson, RDA Director

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of: Tuesday, November 13, 2018

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman – Randy Lewis; Board Members – Kendalyn Harris, Richard Higginson, John Marc Knight and Chris R. Simonsen; City Manager – Gary Hill; City Attorney – Clinton Drake; Redevelopment Director – Chad Wilkinson; City Engineer – Lloyd Cheney

1. Chairman Randy Lewis opened the meeting at 8:35 p.m. and welcomed those in attendance.
2. **Consider approval of minutes for June 12, 2018.**

Mr. Higginson made a motion to approve the minutes for June 12, 2018. Ms. Harris seconded the motion.

A Mr. Lewis
A Ms. Harris
A Mr. Higginson
A Mr. Knight
A Mr. Simonsen

Motion passed 5-0.

3. **Consider approval of finalist for purchase and preservation of the Historic Day-Mabey Home located at 73 West 100 North, Bountiful.**

Redevelopment Director Chad Wilkinson presented a summary of the staff report (the full staff report follows).

The Redevelopment Agency purchased the property at 73 West 100 North on December 5, 2016 for the purpose of creating additional parking to support downtown redevelopment efforts. The property has an existing residence that was constructed between 1903 and 1906 and is identified as the Day-Mabey home in the Bountiful Historic District inventory. The residence is in disrepair and earlier in the summer the RDA received complaints from adjacent property owners related to use of the property by transients. Bountiful Police removed the individual who was using the rear of the property as a temporary living area and the City initiated efforts to remove the buildings on the site in order to prevent future impacts to adjoining properties from what had become an attractive nuisance.

As a routine part of the demolition process, the City building department notified the Bountiful Historic Society of the pending demolition. The Historic Society expressed concern with the demolition of the home and asked the City to postpone the demolition.

While the City has no regulation preventing the demolition of an historic home, it was determined to be worthwhile to look at other options prior to demolishing the building.

After reviewing options available for preserving the existing home, the RDA Board directed staff to issue a request for proposals (RFP) in order to solicit offers for the purchase and renovation of the residence. Notice of this RFP was sent to members of the Bountiful Historical Preservation Foundation, and was published in the newspaper and posted to the City website. The City received two proposals by the November 1st deadline: one from Brian Knowlton representing Knowlton General and one from Michael and Kristan Crouch.

The RFP included the following five evaluation criteria to be used in selecting a finalist for purchase of the property:

1. The respondent’s proposed use of the property.
2. The area of the lot proposed for purchase.
3. Proximity of the subject property to other land already owned by the respondent.
4. The respondent’s ability, capacity, skill and financial capability to complete renovation of the home in a timely manner.
5. Proposed purchase price.

The City was fortunate to receive two very good proposals. Both proposals were submitted by individuals/companies with experience in renovating historic properties and both submitters appear to have the financial and technical capability to complete renovation/restoration of the home in a timely manner. Where the proposals differ is the proposed use and the size of the property requested. The Crouch proposal indicates a proposed use as an office with the need for approximately 4,200 square feet of lot area. Since the Crouch family owns and operates their business from the adjacent property they are able to propose a smaller lot area for purchase that could be combined with their existing property through a property line adjustment. Mr. Knowlton proposes a single family residential use for the property and seeks 8,000 square feet in order to create a compliant residential lot meeting the standards of the downtown zone. The following table summarizes the proposals:

	Knowlton	Crouch
Offer price	\$146,000	\$63,000
Area proposed for purchase	8,000 sf	4,260 sf
Offer price per SF	\$18.25	\$14.78
Owns property adjacent	No	Yes
Demonstrated ability to restore historic properties	Yes	Yes
Proposed use	Residential	Office
Stated financial capability	Yes	Yes

One of the stated objectives of the RFP was to “Preserve the maximum amount of property for future parking to support the economic development of Downtown Bountiful.” Both proposals include viable plans for restoration of the property. However, the Crouch proposal would preserve more property for downtown parking. Because the property boundaries could be easily adjusted to include the home within the existing parcel to the west, the sale could be limited to only those portions needed to provide adequate setbacks for the home. This limited purchase area would be ideal and in keeping with the RDA plans for the property. The Crouch family are the neighboring property owners and have a strong vested interest in maintenance of the property. In addition, because the home would become a part of their overall property, they would retain ownership of the building after restoration which would increase the likelihood of long-term maintenance of the building. While the per square footage price of the offer submitted by the Crouch family is lower than that offered by Mr. Knowlton, the prospect of retaining additional property for parking means that the Crouch proposal is more consistent with the original plan for the property and the goals and objectives of the RDA with regard to the downtown. Both offers exceed the per square foot price paid by the RDA. For these reasons, RDA staff recommends that the Council select the Crouch family as the finalist to move forward with negotiations on purchase of the property and to finalize details for an agreement for completion of the renovation of the home. As stated in the RFP, if the RDA and the Crouch family are not able to come to an agreement on the details of the purchase and renovation of the home, the RDA will move to negotiations with the respondent in the second selection spot.

The proposed purchase offer would leave sufficient area to construct additional needed parking on the property while preserving and restoring the historic home. This would be a positive impact for the Downtown zone.

Mr. Wilkinson recommended that the Redevelopment Agency Board approve Michael and Kristan Crouch as the selected finalist and authorize staff to begin negotiations on final price and terms of an agreement for purchase and restoration of the Day-Mabey Home. The final approval of a purchase and restoration agreement will come back to the RDA board for approval at a future meeting.

The board members had several questions and comments. Mr. Knight commented that the board was very clear when the property was purchased in 2016 that it would be used for additional parking to support downtown redevelopment efforts. Ms. Harris inquired regarding parking possibilities with the Crouch family proposal, and Mr. Wilkinson outlined potential parking. Chairman Lewis inquired regarding public availability under each proposal, and Mr. Wilkinson responded that a single family use would less likely allow for public availability (for historical purposes) versus office use. Mr. Knight asked if demolition of the house would be an option using either proposal, and Mr. Wilkinson responded that demolition would not be allowed to happen. Mr. Wilkinson explained that parking plans might be modified in order to meet legal requirements for setbacks, but that the goal will be to maximize the area to be utilized for parking and that could have an impact on the actual purchase price. Mr. Wilkinson noted that the city desires the selected finalist be comfortable with a completion deadline date as part of the terms of the agreement. Ms. Harris inquired regarding possible changes in square footage for parking, and Mr. Wilkinson explained that

setbacks might require modifications on the proposed parking area. Ms. Harris asked for clarification regarding Mr. Knowlton's area proposed for purchase, and Mr. Wilkinson explained that because Mr. Knowlton does not own property adjacent to the Day-Mabey Home that Knowlton would have to create a new minimum sized lot. Mr. Knight asked regarding the necessity of a quit claim deed, and Mr. Wilkinson explained that the City would need to come up with whatever would be required. A discussion ensued regarding possible future change of purpose for the property, and Mr. Wilkinson noted that the business office use would provide for the best likelihood of long-term maintenance of the home. Mr. Knight asked if there would be restrictions included in the agreement, and Mr. Drake explained that there would be a number of restrictions utilized to ensure that the property is utilized the way the finalist proposes to use it. Mr. Drake explained that the city would draft a special warranty deed or a quit-claim deed. Mr. Simonsen clarified that the end result would be one piece of property with two or three buildings on it. Mr. Higginson complimented Mr. Wilkinson on the process for the purchase and preservation of the Day-Mabey Home.

Mr. Lewis made a motion for approval of Michael and Kristan Crouch as finalists for purchase and preservation of the Historic Day-Mabey Home located at 73 West 100 North, Bountiful. As part of the approval, Mr. Higginson requested that as setbacks are calculated that the city endeavor to retain as much property as possible. Mr. Higginson seconded the motion with the modification.

- A Mr. Lewis
- A Ms. Harris
- A Mr. Higginson
- A Mr. Knight
- A Mr. Simonsen

Motion passed 5-0.

Mr. Wilkinson noted that if the city cannot come to terms with the Crouch family on their proposal, then the Knowlton proposal would then be taken into consideration. Mr. Simonsen asked if a plaque or monument would be placed at the restored home, and Mr. Wilkinson said that was the hope for this project. Michael and Kristan Crouch were in attendance and stated that they would be happy to include a plaque on the front of the building. Mr. Lewis noted that the city is thrilled about the project.

4. RDA Director's report and miscellaneous business.

Mr. Wilkinson reported that all RDA loan payments are current. Mr. Wilkinson also noted that next month he will meet with the Downtown Merchants to discuss Davis County's grant program for façade removal for a selected business in historic downtown. The County has given the City \$25,000 with the City's promise to match the amount. Ms. Harris asked about the process for choosing which business would be awarded the façade removal grant, and Mr. Wilkinson explained that there will be an application process and that the façade removal project must be completed in a year's time. Mr. Lewis noted that this is through the Davis

Fund Board and that Bountiful and Clearfield were selected as the first two cities to participate as an experiment of sorts.

Mr. Knight made a motion to adjourn the RDA meeting. Mr. Higginson seconded the motion.

A Mr. Lewis
A Ms. Harris
A Mr. Higginson
A Mr. Knight
A Mr. Simonsen

Motion passed 5-0.

The meeting was adjourned at 8:55 p.m.

Chad Wilkinson, Redevelopment Director

Redevelopment Agency

Staff Report



Subject: Day-Mabey Home 73 W. 100 North

Author: Chad Wilkinson, Planning and Redevelopment Director

Date: January 8, 2019

Background and Analysis

On November 13, 2018 the RDA Board of Directors selected Mike and Kristan Crouch as the finalists for the purchase and renovation of the historic Day-Mabey home and directed RDA staff to finalize details of an agreement for the purchase of the property. Over the past several weeks a survey has been completed and a draft agreement prepared for review and approval by the RDA Board. The survey identified a legal description for the property to be conveyed to the Crouch family which included the minimum area necessary in order for the existing residence to be compliant with setbacks. The resulting parcel is slightly larger than the area identified in the Crouch proposal which in turn results in a slightly higher purchase price. The attached agreement details the purchase price for the property (\$64,100.00 dollars) along with provisions for ensuring the timely renovation and preservation of the historic home which include:

- A prohibition on demolition of the home for 15 years.
- A two year deadline for completion of the renovation of the home.
- A requirement to maintain the exterior appearance and architectural character of the home and to maintain interior historic elements.
- A requirement that the City maintain first right of refusal should the Crouch family determine to sell the property within 15 years.

The Crouch family has received a copy of the proposed agreement and has agreed to the purchase price and provisions related to preservation of the home.

Department Review

The item has been reviewed by the RDA Director, City Attorney, and the City Manager.

Significant Impacts

The attached land sale and development agreement will allow for preservation of the historic home while leaving sufficient area to construct additional needed parking on the remainder of the property. This would be a positive impact for the Downtown zone.

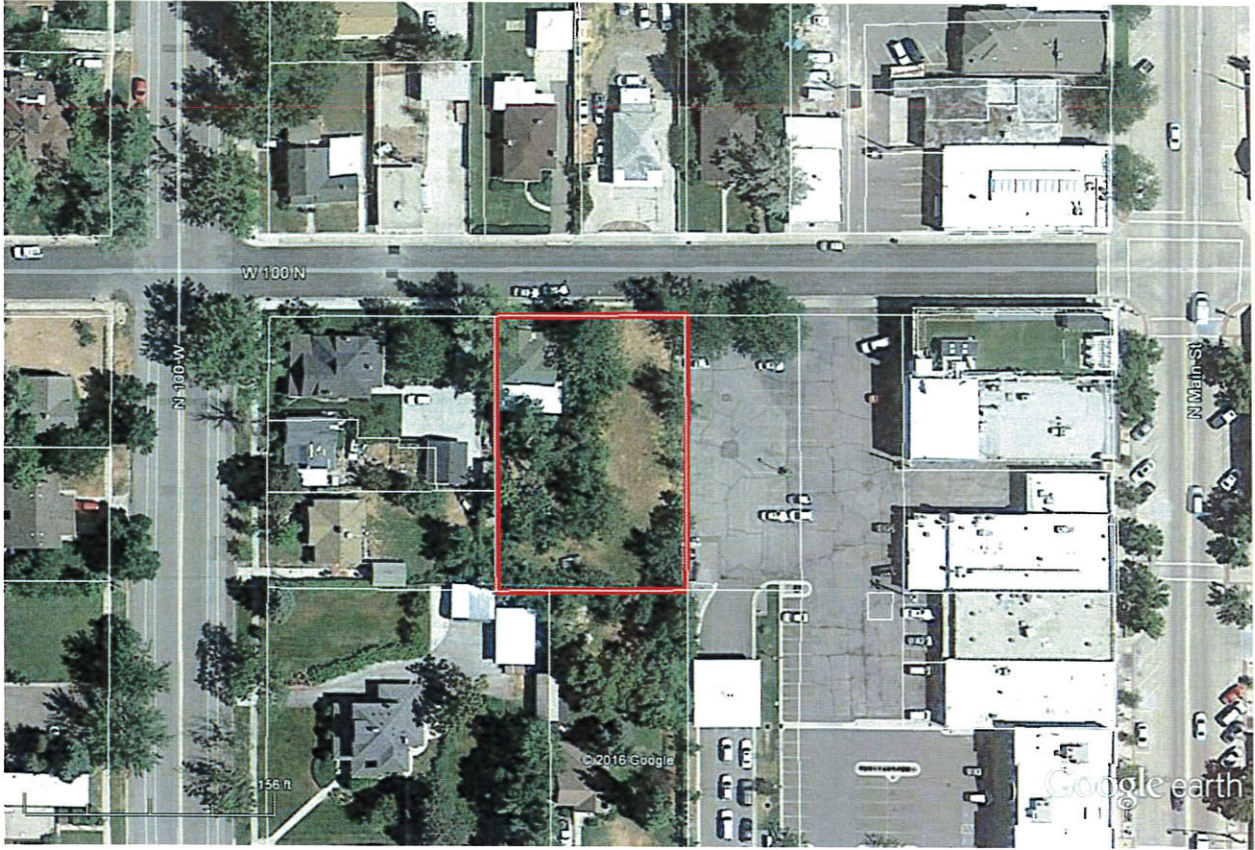
Recommendation

It is recommended that the Redevelopment Agency Board approve the attached Land Sale and Development Agreement including the proposed \$64,100.00 purchase price.

Attachments

Land Sale and Development Agreement

73 W 100 North



LAND SALE AND DEVELOPMENT AGREEMENT

Purchaser: MIKE AND KRISTAN CROUCH

Seller: BOUNTIFUL CITY REDEVELOPMENT AGENCY

This Agreement between the Purchaser and Seller is entered into this ____ day of _____, 2019.

WHEREAS, the Purchaser desires to purchase and the Seller is willing to sell certain real property located at approximately 73 West 100 North, Bountiful City, Davis County, State of Utah; and

WHEREAS, this Agreement constitutes an accurate understanding and a complete agreement of the parties.

NOW, THEREFORE, PURCHASER AND SELLER AGREE AS FOLLOWS:

1. Purchase: The Seller agrees to sell and the Purchaser agrees to purchase certain real property located at approximately 73 West 100 North, Bountiful City, Davis County, State of Utah, which property is more particularly described in the Quit-Claim Deed (Exhibit "A") attached hereto.

2. The total purchase price for the above-described property shall be Sixty-Four Thousand One Hundred Dollars (\$64,100.00). The purchase price is calculated as follows:

4,337 square feet X \$14.78 per square foot = **\$ 64, 100.00 (Rounded)**

3. Deed Provision: The Quit-Claim Deed shall be made out to the Purchaser with title vested as follows:

Michael and Kristan Crouch

4. Title Approval: Purchaser may, at Purchaser's option, obtain an Owner's Standard Title Policy to Purchaser for the amount of sale with the usual exceptions, or an abstract extending down to the date of the Deeds showing good marketable title in Seller. Purchaser shall have a reasonable time to examine a title report before delivery of the Deeds. The sale shall be subject to the approval of the preliminary title report by both parties. If title to the property is found defective, Purchaser shall specify in writing such defects as render the title unmarketable, and fourteen (14) days of additional time shall be given to Seller to perfect the same. Purchaser shall pay for the title report and the title insurance policy.

5. Closing Date: This transaction shall close and the Deeds shall be delivered on or

before **January 31, 2019** ("Closing Date"), and possession shall occur on or before that date. This date may be extended or shortened by agreement of the parties.

6. Approval: This sale requires approval by the Bountiful City Redevelopment Agency (RDA) Board of Directors. All documents are to have the approval of the City Attorney's office.

7. Prorations: Taxes and assessments shall be prorated as of the date of closing based on the latest figures available.

8. Expenses: Closing costs and expenses shall be paid by the Purchaser.

9. Representations: Purchaser declares that the property has been personally inspected and the same is being purchased upon personal examination and judgement and not through any representation made by Seller, as to its location, value, future value, income therefrom, type or condition of improvements or construction, production, allowed usages or zoning. Purchaser will accept the property as-is unless otherwise noted. Seller declares that it is the sole owner and holds clean and marketable title to the above noted property.

10. Attorney's Fees: If either party fails to comply with the terms of this Agreement, said party shall pay all expenses of enforcing the Agreement, or any right arising out of the breach thereof, including reasonable attorney's fees.

11. Special Provisions: The following terms and conditions of this property Agreement are expressly agreed to by the parties:

- a. Purchaser agrees to sign a deed restriction prohibiting the demolition of the structure for a period of 15 years from closing. Said prohibition on demolition shall not apply in the event of an inevitable, unpredictable, and unreasonably severe event caused by natural forces without any human interference, and over which Purchaser has no control, such as an earthquake, flood or lightning.
- b. Purchaser agrees to restore the home and establish a permitted use within the structure with restoration work to be completed and occupancy granted within 24 months of closing.
- c. The purchaser agrees to maintain the existing exterior architectural elements and appearance of the home. Minor exterior alterations shall be approved by the Bountiful Redevelopment Agency Director and Building Official. This shall not include routine maintenance and repair that does not change the appearance of the building. Any major changes to the exterior of the home other than those necessary to restore or repair the home shall require approval by the Bountiful RDA Board of Directors. This provision shall expire 15 years from the closing date described herein.

- d. The applicant may make improvements to the interior of the residence at their discretion without approval from the Bountiful RDA provided the interior improvements do not impact the exterior appearance of the home with two exceptions:
 - i. The historic fireplace and surround shall be retained
 - ii. The two historic light fixtures near the front entrance to the home shall be retained.

Should the applicant elect to remove these historic elements from the interior of the home during their renovation work, they shall immediately be surrendered to the Bountiful Redevelopment Agency. Any removal of these elements shall be performed using nondestructive techniques. This provision shall expire 15 years from the closing date described herein.

- e. Should the purchaser determine to sell the property in the future the Redevelopment Agency shall retain first right of refusal for the property for the contract amount contained in this Agreement (\$64,100.00) plus verifiable improvement costs, regardless of fair market value or offers to purchase from third parties This first right of refusal shall expire 15 years from the closing date described herein.

12. Entire Agreement: The terms of this Agreement constitute the entire preliminary contract between the parties, and any modifications must be in writing and signed by both parties.

This is a legally binding document. If not understood, seek competent advice.

PURCHASER

Michael Crouch

Kristan Crouch

EXHIBIT "A"

Mail filed copy to:

Bountiful City Redevelopment Agency
790 South 100 East
Bountiful, Utah 84010

QUIT-CLAIM DEED

The Bountiful City Redevelopment Agency, A CORPORATION SOLE, 790 South, 100 East, Bountiful, Utah, hereby **QUIT-CLAIM** to Mike and Kristan Crouch, of 245 North 100 East, Bountiful, for the sum of Ten Dollars (\$10.00) and/or other valuable consideration, the following described tract of land in Davis County, State of Utah:

Beginning at a point which is South89°40'15"West 64.45 feet along the South Line of 100 North Street from the Northeast Corner of Lot 3, Block 32, Plat A, Bountiful Townsite Survey, Davis County, Utah said Northeast Corner Being North89°40'15"East 310.09 feet along the Center Line of 100 North Street and South0°02'16"East 24.75 feet from the Bountiful City Monument marking the intersection of 100 North and 100 West Streets and running thence South0°02'16"East 76.50 feet; thence South89°40'15"West 59.30 feet to the West Line of the property conveyed in Entry #2986888, Davis County Recorder's Office; thence North0°02'16"West 76.50 feet along said line to the South Line of a street; thence North89°40'15"East 59.30 feet along said line to the point of beginning, containing 4,337 square feet.

PARCEL NO. 03-029-0024

WITNESS, the hands of said Seller, this _____ day of _____, 2019.

SELLER:

Bountiful City Redevelopment Agency
Randy Lewis, Chairman

STATE OF UTAH)

: ss

COUNTY OF DAVIS)

On the ____ day of _____, 2012, personally appeared before me RANDY LEWIS, who duly acknowledged to me that he is the CHAIRMAN of the BOUNTIFUL CITY REDEVELOPMENT AGENCY, and that the document was signed by him in behalf of said Redevelopment Agency, and RANDY LEWIS acknowledged to me that said Redevelopment Agency executed the same.

The QUIT-CLAIM DEED signed by the BOUNTIFUL CITY REDEVELOPMENT AGENCY, dated the ____ day of _____, 2019, has been accepted by MIKE AND KRISTAN CROUCH on the ____ day of _____, 2019.

MIKE CROUCH
PURCHASER

STATE OF UTAH)
 : ss
COUNTY OF DAVIS)

On the ____ day of _____, 2019, personally appeared before me MIKE CROUCH, who duly acknowledged to me that the QUIT-CLAIM DEED was signed by him.

NOTARY PUBLIC

KRISTAN CROUCH
PURCHASER

STATE OF UTAH)
 : ss
COUNTY OF DAVIS)

On the ____ day of _____, 2019, personally appeared before me KRISTAN CROUCH, who duly acknowledged to me that the QUIT-CLAIM DEED was signed by her.