

DRAFT Counter Proposal for SPO:

Talking points for discussion -

- Purchase price will be the appraised value
 - Requirement of 3 residence houses built in 5 years
 - SPO assumes all costs and expenses for development
 - Title Company will be Security First Title/Closing Costs
 - No shooting permit allowed within City of Anthony limits
 - Private road allowed on the segment incorporated into the sale
 - Bow range and the City will work with SPO for a suitable entrance to the range
 - One house built within 12 months of closing (construction started)
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- Onsite Built
 - Set minimum Value/Sq Ft. of home
 - Maintain certain % of natural/existing reserve (not all trees can be cleared)
 - City to maintain easement (Sewer, utility, drainage)
 - Subject to same restrictions as plat (shoreline access for public)
 - Penalty for not meeting terms of agreement: If SPO fails to meet terms of agreement Commission to determine penalty of either financial compensation or deed reclamation and transfer of real-estate and agreement shall be null and void
 - Drawings, Construction plans, permits, subplatting, surveys and any other development costs paid by SPO
 - Property taxes paid by SPO after date of agreement. This is standard contract language. This does not apply to tax rebates, only the responsible party for taxes.
 - Walking Path Consideration?
 - Statement of understanding that the city will not now in response to this development or due to this development in the future pave or improve Deer Creek Trail or connecting city roads beyond current maintenance standards.
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Additional Questions Added since the last meeting for discussion: (4.2.24)

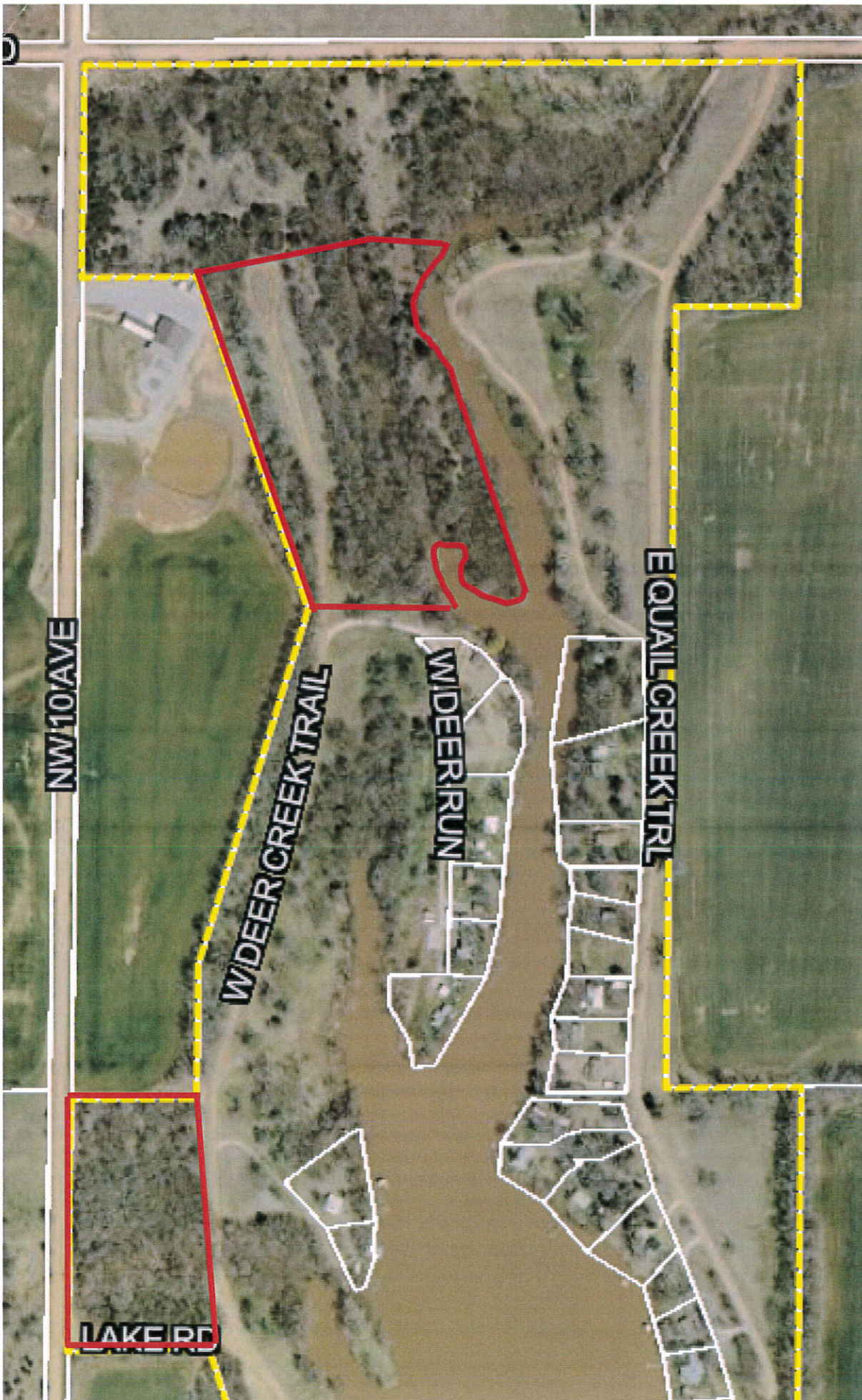
1. Could there be additional discussion on the sale price rather than just setting it at appraised value? *A: Currently at the lake, the Commission voted that the existing lake lots would be sold at the appraised value as determined by a certified appraiser. However, this was addressing the existing platted lots. We have an inquiry into the City Attorney to determine if this binds all lake lot sales or only those that existed at the time of that order. If it is all, we will investigate if the Commission can make another entry in the official records clarifying the sale for just the existing lots at appraised value, giving the opportunity to set a different asking price for land during this economic development proposal. More information to come.*
2. Does SPO plan on using these as private residences or used as rentals and how would they be zoned if so? *A: Zoning is determined based upon many factors, use of the land, the Comprehensive Plan, etc. The uses allowed in zoning districts are already determined in the Unified Development Code. Residential zoning would allow single-family residential structures, VRBO's, Bed & Breakfasts, etc.*

Commercial Zoning would include hotels and motels. The SPO proposal has not thus far included the development of a hotel or motel. In addition, "spot zoning" is discouraged and though further review would be necessary, commercial zoning at this location could be considered spot zoning. Therefore, unless SPO changes their proposal, commercial zoning would not be an applicable option. Rezoning to residential would occur as part of the standard existing plat vacation, new subplatting, and development process. It is listed above that SPO should be responsible for all costs involved in completing that work. A clarification question was directed to SPO to confirm if these houses would be sold or rented, the response was that "the overall goal is to sell them, but they would not want restrictions on renting if that came up in the future". Again, this would not change the zoning in either case, as both are categorized as residential.

3. *What should the process be for the City Attorney to review this proposal? A: The City Attorney reviews all formal documents of this nature as standard policy. Thus far, the city has not generated a formal proposal for review. The city attorney however has been consulted during this entire process and will review even the draft counter proposal details prior to submission. It would not be a recommendation to actually enter into a formal contract until after the town meeting. The Commission can direct the process differently of course but the following is a recommended approach:*
 - A. *Prepare Informal Draft Counter Proposal.*
 - B. *Review Draft with SPO to determine if they still have interest in proceeding with discussions based upon the preliminary draft components.*
 - C. *If they do, set up a town hall meeting to review the proposal with members of the community.*
 - D. *After town hall meeting, if the city commission has determined to continue to proceed in an economic development initiative with SPO, they will make any amendments to the draft proposal and direct the Administrator to prepare a formal contract/development agreement for the City Attorney review. Once approved, a copy would be given to the City Commissioners for their review.*
 - E. *The City Attorney approved formal contract/development agreement would then be presented to SPO for their attorney to review.*
 - F. *After approved by all parties, the proposal would be published in the paper once each week for two consecutive weeks.*
 - G. *If a petition of at least 10% of the qualified electors at the last election sign a petition that is presented to the City Clerk within 30 days from the date of the last publication, no such sale shall be made. The city cannot proceed on the sale until the governing body shall be instructed so to do by a majority of all the votes cast on this proposition at a regular or special election.*
 - H. *If no petition is received, the city can make the sale.*

4. Development Discussions will still be needed. All preliminary development determinations will need to occur which may require further proposal discussions to take place in regard to infrastructure costs. In example, will the city pay for any infrastructure or require SPO to pay all costs associated? Currently, the city requires developer/property owner to pay for all electric infrastructure. At the lake, the city has paid for sewer infrastructure and then assessed a sewer fee to the property owner. Rural water, phone, and gas will be determined by those respective utilities and will likely be at the cost of the developer/landowner. These determinations will need to be made if it does appear the city and SPO will proceed with negotiations. Preliminarily, I would think the sewer is the only thing the city may want to discuss since that is the only one the city has paid for in the past.

5. Review the attached map. Is this the final acreage the Commission wants to consider?



Both Total
Approx.
17 Acres