



# MEMO TO CITY COUNCIL

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## Request to Include Topic on the City Council Consent Agenda

**From:** Steve Siddoway, Parks & Rec. Director      **Meeting Date:** January 7, 2024  
Kurt Starman, Deputy City Attorney

**Topic:** Non-Binding Letter of Intent Concerning the Potential Acquisition of 40.99+/- Acres for a Community Park Site

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### Recommended Council Action:

Approve the attached Non-Binding Letter of Intent ("LOI") concerning the potential acquisition of 40.99+/- acres for a community park site.

### Background:

Owyhee Holdings, LLC ("Owyhee Holdings") owns a significant amount of land in the "Fields Area" (i.e., the northwest portion of the City's area of impact). The City's Future Land Use Map identifies the need for a community park in this area. Owyhee Holdings is willing to sell 40.99+/- acres to the City for this purpose at a reduced price of \$4,138,000 – well below the estimated fair market value, which ranges from \$7,173,250 to \$8,198,000. The funding source would be park development impact fees.

The LOI outlines the basic parameters for negotiating a purchase and sale agreement, which can be summarized as follows:

1. The acquisition would include approximately 40.99 acres of land – 39.36 acres for the park site and 1.63 acres for right-of-way for a future collector street.
2. The acquisition price would be \$4,138,000, or approximately \$100,951 per acre.
3. The difference between the fair market value and the acquisition price would be treated as a donation from Owyhee Holdings to the City.
4. The City would acquire the land on or about March 1, 2025.

Additionally, Owyhee Holdings will assist the City with acquiring an easement and minor amount of land from Intermountain Gas Company, as depicted on Exhibit B of the LOI. The easement and land are needed to facilitate the proposed alignment of the future collector road. The fair market value of the easement and land will be determined via an appraisal.

This is a non-binding LOI, so neither party is contractually required to proceed with the proposed transaction. As stated in the LOI, either party may subsequently "propose different terms from those summarized herein and unilaterally terminate all negotiations without any liability whatsoever . . ." The City Attorney's Office has approved the LOI as to form.

### Attachment

- Non-Binding Letter of Intent