

CITY OF MOAB RESOLUTION 33-2022

**A RESOLUTION AUTHORIZING THE APPROPRIATION OF UP TO \$825,000
AND INSTRUCTING THE CITY MANAGER TO EXECUTE PURCHASING
AND CLOSING DOCUMENTS FOR THE ACQUISITION OF REAL
PROPERTY LOCATED AT 513 EAST 200 SOUTH**

The following describe the intent and purpose of this resolution:

a. On October 31, 2022, the City of Moab (**City**) executed a contract for the purchase of a duplex located on approximately 0.16 acres of real property, commonly known as 513 East 200 South (the **Property**), subject to the completion of a due diligence review and compliance with Utah Code § 10-8-2.

b. The City intends to utilize the Property for transitional housing for City employees.

c. The City has undertaken due diligence in connection with the transaction, including an appraisal.

d. The appraisal confirms that the fair market value of the Property is equal to or greater than the contract price of \$825,000.

e. No adverse conditions with respect to the Property have been identified to date.

f. Pursuant to Utah Code § 10-8-2 the City: (1) prepared a study (**Exhibit 1**) that analyzes and demonstrates the purpose of and need for an appropriation of \$825,000 to purchase the Property; (2) held a public hearing on December 13, 2022, to take public comment on the purchase of the Property and the related appropriation; and (3) provided notice of the public hearing and made the study available for public inspection 14 days before the public hearing.

g. The City is prepared to close on the Property having completed its due diligence and satisfied all applicable legal requirements.

THEREFORE, the Moab City Council:

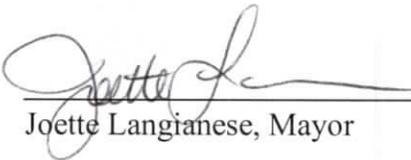
1. Authorizes the appropriation and expenditure of a sum of not to exceed \$825,000 to purchase the Property, which the City will pay to the closing agent at closing to pay for the City's contract obligations as purchaser and incidental closing costs.

2. Authorizes the City Manager, Carly Castle, to take all steps needed to finalize the purchase of the Property on behalf of the City, including but not limited to executing all necessary closing and financing documents.

3. This resolution will take effect immediately on passage pursuant to Utah Code § 10-3-719.

PASSED AND APPROVED by a majority of the Moab City Council this 13th day of December, 2022.

SIGNED:



Joette Langianese, Mayor

Attachment, Exhibit 1

ATTEST:



Sommar Johnson, City Recorder



EXHIBIT 1

DATE: November 16, 2022
TO: Moab City Council
FROM: Carly Castle, City Manager
TITLE: Property Purchase Study re: 513 East 200 South, Moab Utah 84532

The City Administration recommends the purchase of a duplex located at 513 East 200 South in Moab, Utah. The duplex is a new build at 2,908 square feet and sits on a 0.16-acre parcel. The duplex contains a 4-bedroom, two-bathroom unit; and a two-bedroom, one bathroom unit. The property appraised at \$830,000, and the City has offered to purchase the duplex for \$825,000, subject to the City Council's approval of the purchase and appropriation of the purchase price. The units will be rented at market rate to employees for a term of six months. The units would be considered transitional housing, with the expectation for City employees to find a permanent residence within six months

Utah law authorizes municipalities to appropriate money for any purpose that provides for the "safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of the inhabitants of the municipality." Utah Code § 10-8-2(3). Before a municipality can appropriate funding to acquire real property, it must hold a public hearing to receive comments on the appropriation, prepare a study that "analyzes and demonstrates the purpose for an appropriation," and make the study available for review at least 14 days before the public hearing. Utah Code § 10-8-2(3)(d-e).

A municipality must consider three factors when conducting the study: (1) the benefit to the municipality; (2) the purpose of the appropriation and how it will enhance the safety, health, prosperity, moral well-being, peace, order, or convenience of the inhabitants of the municipality; and (3) "whether the appropriation is necessary and appropriate to accomplish the goals and the objectives of the municipality in the area of economic development, job creation, affordable housing, elimination of a development impediment, job preservation, the preservation of historic structures and property, and any other public purpose." Utah Code § 10-8-2(3)(e)(iii)(A-C) (emphasis added).

City staff conducted the required study, which found that appropriating \$825,000 to purchase the duplex would comply with Utah law for the following reasons.

1. The Appropriation Will Benefit the City by Providing Transitional Housing for City Employees

The benefit of this appropriation is that it will secure transitional housing for city employees who are recruited from outside of the community. The City has difficulty recruiting quality candidates for these positions because of a lack of available housing, and the City also has difficulty retaining employees who lose their housing mid-employment. A staffing evaluation for the City of Moab revealed that 37 total positions are likely to be hired from outside of the community, with 51% or 19 of those positions being law enforcement officers. The City's five-year average turnover for Director-level positions is 22 percent, and it is 38 percent for the Police Department. This means, on average, the City could have a new employee recruited from outside the community on average of once per month.

2. The Appropriation Will Enhance the Safety, Health, Prosperity, Moral-Well Being, Peace, Order, Comfort, or Convenience of the City's Inhabitants

Immediate availability of housing is a major hurdle for recruiting, and the current lack of transitional housing hinders the City's ability to hire and retain essential positions, including law enforcement, economic development, fire personnel, and other staff needed for the City to function appropriately. Providing transitional housing will support the City's efforts to hire and retain personnel, particularly law enforcement officers who comprise the majority of the City's expected outside hires. The appropriation is therefore necessary to enhance the safety, health, prosperity, moral well-being, peace, order, and convenience of the City's inhabitants.

3. The Appropriation is Necessary and Appropriate to Support the City's Reasonable Goals and Objectives Regarding Affordable Housing, Job Preservation, and Other Public Purposes

For the above reasons, appropriating funds to purchase the duplex is necessary to accomplish the City's public purpose goals regarding the provision of services related to affordable housing, job preservation, economic development, and other public purposes, such as public safety and public health. The appropriation is also appropriate because the City's purchase price for the duplex is \$5,000 below the appraised value.