

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE ELWAY AUTOMOTIVE GROUP.
AND THE CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY**

1. Parties. This Memorandum of Understanding (hereinafter referred to as the “MOU”) is made and entered into by and between THE ELWAY AUTOMOTIVE GROUP, whose address is 2425 East Camelback Road, Ste 1155, Phoenix AZ, 85016 (“Developer”) and THE CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY , whose address is 220 Morris Avenue, south Salt Lake , Utah (“Agency”).

2. Purpose. The purpose of this MOU is to establish the terms and conditions under which the property owned by the developer containing approximately 5.52 acres located at 2280 South State Street, South Salt Lake, (the “Property”) will be developed into a retail /mix used development , which includes an automotive dealership, (the “Project”) by Developer.

3. Term of MOU This MOU is effective upon the day and date last signed and executed by the duly authorized representatives of the parties to this MOU and shall remain in full force and effect for not longer than one year. This MOU may be terminated, without cause, by either party upon thirty days (30) written notice, which notice shall be delivered by hand or by certified mail to the addresses listed above.

4. Responsibilities of Developer. Developer shall be responsible to work with the Agency to develop the following predevelopment tasks and work product for the Project:

A. Preliminary Site Plan. Developer shall work with architects and civil engineers to prepare a Preliminary Site Plan for the Project that will include ,conceptual retail and mixed-use areas, parking areas, building envelopes, utility layouts, grading and drainage plans, ingress and egress, and internal vehicular and pedestrian routes, and the other requirements provided to the Developer from the Agency and South Salt Lake City Staff Developer will consult with the Agency and South Salt Lake City staff on the Preliminary Site Plan.

B. Entitlement Process. Developer shall be responsible to submit the required applications as provided by the Community and Development Department of South Salt Lake City, which include but are not limited to, a zoning map and ordinance amendment application, subdivision application, CUP application, and design review application. Developer agrees to pay for all costs associated to prepare the applications, and if necessary, will advance any fees required by the city to review and process the applications. Developer agrees the zoning map and ordinance amendment application will include the entire 5.52 acres Developer is aware that the entitlement process that is required for the proposed development includes planning commission and city council approval, which requires additional time and process. It is agreed by the Parties to work to accomplish the entitlement process within 6 months after the receipt of complete applications from the developer. Developer agrees that to meet this timeframe, a quick response to any City Staff requirements will be required.

C Development Proforma/Gap analysis. Developer shall prepare and submit to the Agency a financial proforma, that includes the capital investment for the project, and sufficient detail showing the costs to develop the retail portion and mixed use of the site. In addition, the developer will provide a gap analysis, that demonstrates any “ gap” in the financing of the project that would require public assistance.

5. **Responsibilities of Agency.** Agency shall be responsible for the following items pertaining to the feasibility of the Project:

A. **Entitlement Process.** The Agency shall coordinate with South Salt Lake City staff in a prompt review of the applications submitted by the Developer for the entitlement of the uses and development proposed on the property, in order to meet the time frame as described in the paragraph B, in the Developer Obligations

B. **Public Incentive.** The Agency will review the proforma and gap analysis submitted for the project. Upon verification of a gap, that requires public assistance, the Agency will negotiate with the Developer an agreement that will include the amount of the public assistance to be offered, source of the public assistance payment, and other terms and condition of the public assistance payment. The source for payment of the public assistance may include tax increment financing, or sales tax that may be generated by the development on the Property. The Agency and Developer agree to formalize the agreement for participation, within 60 days after the final review of the pro forma and verification of the gap.

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6. **General Provisions.**

A. **Amendments.** Either party may request changes to this MOU. Any changes, modifications, revisions or amendments to this MOU which are mutually agreed upon by and between the parties to this MOU shall be incorporated by written instrument and become effective when executed and signed by all parties to this MOU.

B. **Applicable Law.** The construction, interpretation and enforcement of this MOU shall be governed by the laws of the State of Utah. The courts of the State Utah shall have jurisdiction over any action arising out of this MOU and over the parties.

D. **Entirety of Agreement.** This MOU, consisting of __], pages, represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations and agreements, whether written or oral.

E. Severability. Should any portion of this MOU be judicially determined to be illegal or unenforceable, the remainder of the MOU shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.

8. Signatures. In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

The effective date of this MOU is the date of the signature last affixed to this page.

The Elway Automotive Group.

_____ Date

City of South Salt Lake City Redevelopment Agency

Cherie Wood , Executive Director Date