

River Heights City

COUNCIL MEETING AGENDA

Tuesday, February 18, 2020

Notice is hereby given that the River Heights City Council will hold its regular council meeting beginning at 6:30 p.m. in the River Heights City Office Building at 520 S 500 E.

Opening Remarks (Clausen) and Pledge of Allegiance (Milbank)

Adoption of Previous Minutes and Agenda

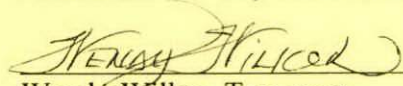
Reports and Approval of Payments (Mayor, Council, Staff)

Public Comment

Review REP for Old Church Submitted by Tony Johnson

Adjourn

Posted this 13th day of February 2020


Wendy Wilker, Treasurer

Attachments for this meeting and previous meeting minutes can be found on the State's Public Notice Website (pmn.utah.gov).

In compliance with the American Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sheila Lind, (435) 770-2061 at least 24 hours before the meeting.

River Heights City

Council Meeting

February 18, 2020

3
4
5
6
7
8 Present: Mayor Todd Rasmussen
9 Council members: Doug Clausen
10 Sharlie Gallup
11 Chris Milbank
12 Elaine Thatcher
13 Blake Wright
14
15 Public Works Director Clayton Nelson
16 Treasurer Wendy Wilker
17
18 Excused: Recorder Sheila Lind
19 Finance Director Cliff Grover
20
21 Others Present: Joe Ames
22 Cindy Schaub
23 Heather Lehnig

24
25
26 The following motions were made during the meeting:
27

28 Motion #1

29 Councilmember Thatcher moved to “adopt the minutes of the council meeting of February 4,
30 2020 and the evening’s agenda.” Councilmember Milbank seconded the motion, which passed with
31 Clausen, Gallup, Milbank, Thatcher, and Wright in favor. No one opposed.
32

33 Motion #2

34 Councilmember Clausen moved to “pay the bills as listed.” Councilmember Thatcher
35 seconded the motion, which passed with Clausen, Gallup, Milbank, Thatcher and Wright in favor. No
36 one opposed.
37

38 Proceedings of the Meeting:

39
40 The River Heights City Council met at 6:30 p.m. in the Ervin R. Crosbie Council Chambers in
41 the River Heights City Building on Tuesday, February 18, 2020 for their regular council meeting. In
42 the absence of Recorder Lind, Joe Ames took the minutes.

43 Opening Remarks and Pledge of Allegiance: Councilmember Clausen opened the meeting with
44 a thought and Councilmember Milbank led the group in the Pledge of Allegiance.

45 Adoption of Previous Minutes and Agenda: Minutes for the February 4, 2020 meeting were
reviewed.

47 **Councilmember Thatcher moved to “adopt the minutes of the council meeting of**
48 **February 4, 2020 and the evening’s agenda.” Councilmember Milbank seconded the motion,**
49 **which passed with Clausen, Gallup, Milbank, Thatcher, and Wright in favor. No one opposed.**
50

51 Reports and Approval of Payments (Mayor, Council, Staff):

52 Public Works Director Nelson

- 53 ● Before the meeting some discussion was held regarding a city truck that has a diesel storage
54 tank in the back.
- 55 ● 400 South update – City Engineer Craig Rasmussen had a death in the family so he has been
56 out, but the project will be posted in a week or so.
- 57 ● Years ago a bid was put in for a screen and projector in the city building to show what was
58 being looked at by the council, but at that time it was too expensive to proceed. PWD Nelson
59 had Lynn’s Audio and Video provide a bid to install a 75 inch TV on the wall with the
60 associated equipment to connect wirelessly, plus two other units that could be connected by
61 wire. The bid which includes install and equipment is \$2,638.98. Previously was over \$7,000.
62 FD Grover has another vendor he’d like to get a quote from. Mayor Rasmussen asked about a
63 projector instead of a TV. PWD Nelson shared that there are lighting issues with a projector,
64 where with a TV you don’t need to turn the lights off. Also, with a TV there is more ease of
65 access and less time to connect.

66
67 Finance Director Grover

- 68 ● Question from the last council meeting about the reason why the sewer fund was under budget
69 on expenditures - we have about \$238,000 unspent on capital projects, which is why it is low.
70 There are no anomalies, other than planning and zoning is close to budget because of a pass-
71 through expense. Councilmember Wright asked when the Dan Hogan item is supposed to be
72 paid. PWD Nelson talked to Mr. Hogan on the phone and he indicated he would submit a
73 check. The city has already paid the bill so he needs to pay. A check has not yet been received.
74 The city is waiting to receive the funds - the council will give it one more council meeting and
75 see if it has been received.

76
77 Treasurer Wilker

- 78 ● She presented and answered questions regarding the list of bills to be paid.

79
80 **Councilmember Clausen moved to “pay the bills as listed.” Councilmember Thatcher**
81 **seconded the motion, which passed with Clausen, Gallup, Milbank, Thatcher and Wright in**
82 **favor. No one opposed.**
83

84 Councilmember Thatcher had nothing to report.

85
86 Councilmember Milbank had nothing to report.

87
88 Councilmember Clausen had nothing to report.

89
90 Councilmember Gallup had nothing to report.

91
92 Councilmember Wright

- The Planning Commission has agreed to hold meetings at 6:30 instead of 7. It would be nice to have both council and planning commission meetings at the same time. Councilmember Wright doesn't think there is a defined meeting time in the code like the City Council Meeting, but we probably need to provide notice of the change publicly. When Recorder Lind gets back they will review. The new start time will start in March.

Recorder Lind was absent.

Mayor Rasmussen

- Mayor Rasmussen brought up the status of the old church. Shared past thoughts from the council. City had felt to keep the building and not demolish. Tony Johnson's proposal was to renovate the building with some sort of housing/work/live space. That is what his proposal request includes. Mr. Johnson's was the only proposal submitted that fit the criteria. No more than 12 units. Councilmember Gallup asked about the square footage per unit. Councilmember Thatcher would like to press for condos instead of apartments so that there is ownership pride in property. Mr. Johnson wants to rent them. Mayor suggested reviewing line item by line item. Councilmember Thatcher mentioned that 55+ type units were discussed. Property has approx 1.2 acres.

\$200,000 was offered by Mr. Johnson for the property. He has proposed to pay for half now and half later. Councilmember Wright suggested asking for the whole amount up front. Council felt that asking for the whole amount has less risk for the city. City could ask for an appraisal. Councilmember Thatcher in favor of an appraisal. Resident Cindy Schaub said a commercial appraisal would be about \$3000. The Tony Johnson offer is good until March 5th.

Councilmember Thatcher asked if anyone has a sense of whether an appraisal would come in significantly higher than \$200,000. Is it worth time and money to get the appraisal, with only the one proposal? Councilmember Clausen said there will likely be some discussions about the price, etc. Mayor feels if we do an appraisal it should start now. Councilmember Thatcher mentioned that in the proposal it talks about the historical register. PWD Nelson wondering if renegotiation, agreements and stipulations can take place later. It was answered that, yes, we can. Councilmember Thatcher pointed out on the last page some items regarding museum, stage or gym, which could be made available to city residents at no or reduced cost on a scheduled use. Councilmember Thatcher would like to know if there would be handicapped accessibility for all units. Developer wants to keep a community space with separate community restrooms. Also wants to make the parking area and whole place look nicer in the community. Proposal indicates 12 units - Mayor asked Councilmember Thatcher if she wants to limit the size of the units in square feet. Councilmember Wright suggests letting the developer explain his proposal in more detail. He also says there could be a zoning restriction.

Councilmember Wright would like to see what this building could look like, not a building from Provo, as pictured in the proposal. He feels we need more information. Mayor Rasmussen is wondering if 12 units is satisfactory for the city? Councilmember Clausen wants to know if they will be sold or rented? Councilmember Milbank asked if the city wants to sell and if it costs the city money to rent? Councilmember Clausen said it is an eyesore and we want to do something with it before it continues to deteriorate. Councilmember Thatcher feels homeowners would be a more desirable demographic than renters. Community sentiment will probably be mixed. It will probably end up like the old gas station where we will get more

139 residents coming to these discussions once there is more to talk about. Councilmember Wright
140 doesn't have a problem with 12 residential units, but wants to know what kind of units: college
141 students, over 55, what is the target market? How to deal with parking? What would the
142 neighborhood want? Mayor Rasmussen shared that this is all contingent on approval of the
143 project. Mayor could share that the council is concerned about a lot of things, and ask if Mr.
144 Johnson is willing to risk that? Resident Schaub asked if Mr. Johnson is looking to add on to
145 the building? (the vacant lot) Councilmember Thatcher would like to see garages and parking
146 overflow for the city. Councilmember Wright would want a stipulation that the city get parking
147 overflow for the park, such as for Apple Days. This would have to go through zoning approval.
148 Councilmember Wright mentioned that if he were the buyer he'd want confirmation that what
149 he wants to do will fly. So he should want to have more of these things nailed down.
150 Councilmember Wright and Thatcher have a list of things. Wants \$200,000 up front. Mr.
151 Johnson is a busy man with a lot of projects going on. This could be under construction for a
152 long time. We ought to require a security of performance, such as we do with a subdivider or
153 developer, and include some milestone dates. This gives the city some ability to go in and wrap
154 something up if it isn't done in a timely manner. We ought to have first right to purchase the
155 property back or take it back if things don't work out. Councilmember Clausen also brought up
156 that if things do work out do we have the option to buy it back at some time in the future.
157 Consensus is that the city wouldn't buy back if things work out, but it may be something to
158 consider. Mayor Rasmussen feels that there needs to be a clause that if the city ever feels the
159 direction is going in a direction they don't like they can have first choice to buy it back.
160 Councilmember Wright's list also included that he likes the over 55 status. Mayor Rasmussen
161 asked how you would control demographics of some apartments and not for others?
162 Councilmember Wright said state law defines a family as a certain number of individuals
163 related by blood, adoption or marriage. Parking concerns - garage vs. covered/uncovered.
164 Making sure the city gets use rights to part of the parking lot. Would like to see images specific
165 to this project. Councilmember Thatcher would also like to know: Number and size of units,
166 Handicapped accessible, Public space and how it is organized - the city doesn't need a museum
167 - larger public meeting space that could be rented out would be nice. Councilmember Wright
168 feels that if we sell to Mr. Johnson we can't have all control over the public meeting space, we
169 need to give him some decision power. We also have the old school we can use for some of
170 these things. Councilmember Milbank asked if the city will do a counter proposal? Mayor
171 Rasmussen mentioned all of this needs to be in writing. Councilmember Clausen feels we need
172 to feel him out before some of these decisions can be made. We want more specificity. Mayor
173 Rasmussen could go back to him to state that the council has a lot of questions - and ask if he
174 would you like to receive a written response, or come discuss with the council in person?
175 Councilmember Clausen asked about a clause regarding "current tenants" - what does that
176 mean? Further clarification needed. Mayor Rasmussen to take these concerns to Mr. Johnson
177 and ask if he can extend the date of March 5th. Councilmember Wright asked if the financial
178 statement was required by the city. Feels we need an updated financial statement from the
179 entity purchasing the property. Councilmember Clausen feels this could be a really good thing
180 for the city to get \$200,000, and get something we like. If we tear it down or rehabilitate it
181 could cost more than that. Councilmember Wright suggests telling him that the council wants
182 to work this out with him and make it work. It will have a historical preservation feel. He also
183 talked about a live/work situation where some people could have an office/living quarters in
184 their unit. Mayor Rasmussen mentioned that we can't tax some services that use a live/work

185
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204

unit. Mayor Rasmussen will bring that up with Mr. Johnson. Councilmember Wright went back to the appraisal - if we can get something as nice as the images he sent he would be fine with the \$200,000. Wants to do what is right for the city, rather than worry about a completion deadline. Mayor Rasmussen feels that we can forgo the estimate and stay with the \$200,000, since we have a lot of stipulations. Discussed closing costs: Resident Schaub feels there would be under \$2000 for closing costs. No realtor would need to be involved. The city's lawyer could represent the city. Felt that this is a good start - council doesn't feel we need the appraisal and that we are interested in making this work. Will request a follow-up proposal from Mr. Johnson.

Public Comment: Resident Cindy Schaub addressed PWD Nelson asking if curbs can be painted in the spring and additional signs installed that indicate no parking, and where additional parking is, across the street from Ryan's Place Park.

The meeting adjourned at 7:42 p.m.

Joe Ames, Minute Taker



Todd A. Rasmussen, Mayor

205
207

River Heights City Bills To Be Paid

2/18/2020

	Payee	Description	Admin.	P&Z	Parks/Rec	Pub. Safety	Com. Aff.	Roads	Water	Sewer	Total
1	A-1 Automotive	2004 Chevy Truck Repairs						\$747.24	\$373.62	\$373.62	\$1,494.48
2	Bear River Health Department	Water Coliform Testing							\$40.00		\$40.00
3	Caselle, Inc.,	Monthly Contract Support	\$91.69						\$91.66	\$91.65	\$275.00
4	Daines & Jenkins	Legal Fees	\$985.50								\$985.50
5	Discount Tire	New tires for trailer						\$44.14	\$44.14	\$44.15	\$132.43
6	Forsgren Associates, Inc.	400 South to 600 East, General Consulting	\$130.00					\$280.00			\$410.00
7	Freedom Mailing Services, Inc.	Bill Processing Monthly	\$143.14						\$47.71	\$47.71	\$238.56
8	Heather Lehnig	Minutes at P & Z	\$90.00								\$90.00
9	Logan City	Water Consumption							\$140.77		\$140.77
10	National Equipment Services	Plow Repairs						\$1,628.52			\$1,628.52
11	Rocky Mountain Power	Electricity	\$88.35		\$58.03	\$26.11		\$1,184.29	\$1,750.33	\$24.62	\$3,131.73
12	Thomas Petroleum	Fuel for City Vehicles			\$71.89			\$71.90	\$71.90	\$71.90	\$287.59
13	Thrucon, Inc.	Water Main Repair 715 East 350 South							\$1,370.00		\$1,370.00
14	Xerox	Copies Fee Printer	\$43.57								\$43.57
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30											
31											
32											
33											
34											
35											
36											
37											
38											
39											
40											
41											
42											
43											
44											
45											
46											
	Page 1 SubTotals		\$1,572.25		\$129.92	\$26.11		\$3,956.09	\$3,930.13	\$653.65	\$10,268.15

River Heights City
 Financial Summary
 January 31, 2020

		Cash Balance By Fund			
		12/31/19	01/31/20	Net Change	% of Total
General Fund		(29,755.82)	(82,471.83)	(52,716.01)	-4.33%
Capital Projects Fund		315,559.67	315,559.67	-	16.58%
Water Fund		730,677.61	736,007.49	5,329.88	38.68%
Sewer Fund		937,281.35	933,957.72	(3,323.63)	49.08%
Total Cash Balance		1,953,762.81	1,903,053.05	(50,709.76)	100.00%

		YTD Actual	Annual Budget	Unexpended Budget	% Of Budget Incurred	% Of Time Incurred
General Fund						
Revenue		536,947.36	809,270.00	272,322.64	66.35%	58.90%
Expenditures	Administrative	48,874.80	164,060.00	115,185.20	29.79%	58.90%
	Office	9,167.19	19,570.00	10,402.81	46.84%	58.90%
	Community Affairs	9,304.39	20,750.00	11,445.61	44.84%	58.90%
	Planning & Zoning	6,823.31	7,270.00	446.69	93.86%	58.90%
	Public Safety	71,011.07	86,400.00	15,388.93	82.19%	58.90%
	Roads	51,189.66	114,200.00	63,010.34	44.82%	58.90%
	Parks & Recreation	35,743.03	90,550.00	54,806.97	39.47%	58.90%
	Sanitation	101,970.35	150,000.00	48,029.65	67.98%	58.90%
	Transfer To CP Fund	-	220,000.00	220,000.00	0.00%	
Total Expenditures		334,083.80	872,800.00	538,716.20	38.28%	58.90%
Net Revenue Over Expenditures		202,863.56	(63,530.00)	(266,393.56)		
Capital Projects Fund						
Revenue		1,423.31	3,000.00	1,576.69		58.90%
Reimbursement Income			234,000.00	234,000.00		
Transfer From General Fund			240,000.00	240,000.00		
Expenditures	Administrative		-	-		58.90%
	Parks & Recreation	35,907.86	85,400.00	49,492.14		58.90%
	Roads	64,750.81	570,000.00	505,249.19		58.90%
			-	-		58.90%
Total Expenditures		100,658.67	655,400.00	554,741.33		58.90%
Net Revenue Over Expenditures		(99,235.36)	(178,400.00)	(79,164.64)		
Water Fund						
Revenue		223,080.11	361,350.00	138,269.89	61.74%	58.90%
Expenditures		102,263.24	544,200.00	441,936.76	18.79%	58.90%
Net Revenue Over Expenditures		120,816.87	(182,850.00)	(303,666.87)		
Sewer Fund						
Revenue		194,160.76	312,800.00	118,639.24	62.07%	58.90%
Expenditures		120,421.00	333,500.00	213,079.00	36.11%	58.90%
Net Revenue Over Expenditures		73,739.76	(20,700.00)	(94,439.76)		
Combined - All Funds						
Net Revenue Over Expenditures - Combined		298,184.83	(445,480.00)	(743,664.83)		

CITY OF RIVER HEIGHTS REQUESTS FOR PROPOSALS

River Heights City is now accepting proposals at the City Office Building until 2:30 p.m. December 31, 2019 for development, renovation and/or rehabilitation of a former church building structure that would include a transfer of the building and real property to the successful applicant:

Approximately 1.2 acre 1930's era church building. Building must remain on the property and the general historical nature must be maintained. Proposed uses would not include industrial use. Residential, including multifamily and/or commercial use for restaurant, services, and retail will be considered.

The City Recorder shall have possession of the RFP. Any proposal in route, either in the mail or at other locations in the city, may not be considered timely and may at the city's sole discretion be returned unopened.

Interested applicants can obtain a copy of the RFP Application by emailing office@riverheights.org or picking up a copy at the City offices. RFP's can be submitted by email to Sheila Lind at office@riverheights.org or by fax 435-213-2125 or mailed or delivered to the city office at 520 South 500 East, River Heights, Utah 84321 between the hours of 9:30 a.m. to 2:30 p.m., Monday-Thursday.

Questions regarding the RFP should be directed to Mayor Todd Rasmussen, at toddrasmussen@riverheights.org up until December 15.

River Heights City reserves the right to reject any or all proposals; or to accept or reject the whole or any part of the proposal; or to waive any informality or technicality in the interest of River Heights City.

Sheila Lind, City Recorder

Publication Dates: November 7, 9 and 12

I. INTRODUCTION

River Heights City is a growing municipality located in Cache County. River Heights is soliciting written proposals for qualified individuals or developers to provide a plan for renovation and continuing use for a historical church structure and approximately 1.2 acres parcel of property with property description of LOTS 1,2,19,20 BLK 2 RIVER HEIGHTS TOWN SURVEY SIT NE/4 SEC 3 T 11N R 1E

The successful proposal would result in the property being transferred from the city to the applicant. The potential proposed uses for the structure could include residential, multifamily, commercial or mixed use.

At the end of the submission period on December 31, 2019, an evaluation committee will evaluate all submitted proposals. The evaluation committee may select one or more finalists for interview by the evaluation committee or may select one proposal to be forward to the River Heights City Council for approval and final negotiations. Upon completion of the evaluation process by the evaluation committee, the City Treasurer will advise the applicants of the selection and negotiation of a final agreement based upon the submitted proposal. The River Heights City Council shall make a final decision and approval of any contracts.

II. SCOPE OF PROPOSAL

River Heights City seeks to enter into a contract for the sale of the historic building and real property that would include conditions for the proposed party to renovate the building into a feasible use that may include residential uses, commercial uses, multi family uses or mixed uses.

The applicant would submit renderings along with a detailed description of their proposal that would list what use or uses the applicant would make of the building, how the applicant would configure the building along with any ancillary structures, and what amount the applicant would propose to pay to River Heights City for the property and structure.

III. MINIMUM EXPERIENCE AND QUALITIFACTIONS

Each applicant must meet the following minimum qualifications.

1. Possess relevant commercial or residential experience in building renovation / rehabilitation or real estate development.
2. Be familiar with state and local building codes.
3. Be familiar with and capable of submitting a qualified and complete application for rezone of the property.
4. Be available to meet with River Heights City to discuss and negotiate terms and conditions for the renovation and title transfer of the property.
5. Possess enough net worth or creditworthiness to finance renovation of the property.

IV. FORMAT AND CONTENT OF PROPOSALS.

Proposals shall provide a straightforward, concise description of the applicant's capabilities and concepts to meet and carry out the requirements of this RFP. Emphasis should be on completeness and clarity of the proposal and qualifications of the applicant along with anticipated purchase price for the property and an estimate of the cost of renovation. All proposals shall be valid and binding for sixty (60) days following the proposal due date and may become part of the contract that is negotiated with the City. The information requested below is a requirement for submitting a complete proposal. At the sole option of the City, incomplete or improperly submitted proposal may not be considered. The City reserves the right to seek additional or clarifying information for the applicants.

The deadline for submitting proposals is **December 31, 2019, at 2:30 PM**. Proposals must be formatted, addressed, and delivered as follows:

- Format: PDF format
- Delivery: By **email or mail** as addressed below
- Address: To: office@riverheights.org
520 South 500 East, River Heights, Utah 84321

Subject: RFP for Renovation of Historic Church in River Heights


The anticipated RFP schedule is as follows:

- Request for Proposals Issued: November 7, 2019
- Deadline for Questions Regarding RFP: By December 15, 2019 at 5:00 p.m.
- Submissions Accepted: Before December 31, 2019 at 2:30 PM
- Possible Interviews of Selected Applicants: Between January 15, 2020 and February 1, 2020
- Selection of Candidate and City Council Approval: March 1, 2020
- Anticipated Effective Date of Contract: July 1, 2020

The City reserves the right to require other evidence of technical, managerial, financial, or other abilities prior to selection. Further, the City reserves the right to waive formalities in the proposal process; to accept or reject any or all proposals received as a result of this request; to request additional information concerning any proposal; to accept or negotiate modifications to any proposal; to request final and best offers; to negotiate with qualified attorneys; to interview any proposer; to cancel, in part or in its entirety, the request for proposals; or to waive any irregularities in any proposal following the proposal submission deadline date; in order to serve the best interests of the City. The City also reserves the right to negotiate separately with any proposer whatsoever, in any manner necessary to serve the best interests of the City. This request for proposals does not commit the City to pay any costs incurred in the preparation of a proposal, nor will any such costs be paid by the City.

Memo

To: Mayor Todd Rasmussen – River Heights City

From: Tony Johnson 

RFP Date: November 7, 2019

Re: RFP For Renovation of Historic Church - River Heights City

I. EXPERIENCE AND QUALIFICATIONS:

1. Experience. We are commercial and residential developer with a primary focus on historic preservation. Currently we own and manage over 250 residential units and over 50,000 sq. ft. of commercial space. We have three (3) large restoration projects in process:
 - a. **Borden Milk Plant.** A 50,000 sq. ft. historic preservation (consistent with NPS standards) of a factory building built in the early 1900s. The project is scheduled to be completed in Spring of 2020 and will consist of 51 urban loft style residential units.
 - b. **Logan Cold Storage Building.** The historic preservation of the old Logan Cold Storage Building located at 64 East Federal Avenue was recently completed. It contains Lucky Slice Pizza, Achievement Realty, The Ice Box Event center and The Blue Penguin Ice Cream Parlor (set to open January 2020).
 - c. **Mann Theater.** Rehabilitation of the old Man Theater building located at 1250 North 200 East, Logan. Rehabilitation has recently commenced and should be completed in the Fall of 2020. The building will contain two (2) restaurants and a beauty salon on the main floor with a large event center on the upper floor along with an adjacent exterior deck. The event center will be able to accommodate groups up to 600+.
2. Building Codes. We own a construction company, Techone Construction, LLC, which is licensed in the State of Utah as a B100. We only build and/or rehabilitate structures/projects for which we maintain an ownership interest. Through our construction and rehabilitation efforts, we have a thorough understanding of state and local building codes.

3. Zoning. Our development company, Alliance Acquisitions, LLC (“Alliance”) has extensive experience with the negotiation and the obtaining of zoning approvals and matters related thereto. Alliance worked with River Heights City to secure the Historic Overlay Zone structure that allowed for the commercial occupancy of the old Sinelair Gas Station located a 594 South 400 East.

4. Availability. Alliance is ready willing and able to meet with River Heights City officials to negotiate terms and conditions for the renovation and transfer of the property. Tony Johnson, as the sole principal of Alliance, is authorized to bind the company.

5. Financial Capacity. Tony Johnson will provide a copy of his December 31, 2019 Personal Financial Statement which should provide adequate assurance of our financial capacity to complete the project.

II. PROPOSAL:

1. LOI. See the attached LOI dated December 15, 2019. The offer to purchase contained therein shall remain open through March 5, 2020 consistent with requirements of the RFP.

End

TONY R. JOHNSON

Statement of Financial Position

As of

31-Dec-18

Assets:

Current Assets

Cash on Hand	\$	11,625	
Checking Accounts		25,052	
Checking - Ardent Management		298,261	
Savings - 401(k)		44,252	
Accounts Receivable		549,952	
Notes Receivable Individuals/Entities:	\$	<u>119,628</u>	

Total Current Assets \$ 1,048,670

Real Estate Assets

Land/Rental Property/Homes held for Investment	\$	4,031,651	
Real Estate Investment		350,000	
Venture Capital Investment		<u>1,101,525</u>	

Total Real Estate Assets \$ 5,483,176

Other Assets

Personal Assets	\$	24,000	
Rumar Trust	\$	10,735,720	

Total Other Assets \$ 10,759,720

Total Assets \$ 17,291,566

Liabilities:

Current Liabilities:

Accounts Payable	\$	-	
Credit Cards		<u>-</u>	

Total Other Assets \$ -

Long Term Liabilities:

Notes Payable Investment Properties	\$	1,918,821	
Cache Valley Bank (Techone)	\$	40,000	
		<u>\$ 1,958,821</u>	

Total Long Term Liabilities:

Total Liabilities: \$ 1,958,821

Owners Equity:

Tony R. Johnson Owners Equity \$ 15,332,746

Total Owners Equity \$ 15,332,746

Total Liabilities & Owners Equity \$ 17,291,566

ALLIANCE ACQUISITIONS, LLC

255 South Main
Logan, UT 84321

(435) 764-2200

December 15, 2019

Honorable Todd Rasmussen
River Heights City
520 South 500 East
Logan, Utah 84321

RE: RFP (November 7, 2019) for Renovation of the Historic Church in River Heights

Dear Mayor Rasmussen:

The purpose of this agreement is to evidence our interest in acquiring the above referenced property. This binding proposal is further detailed as follows:

Purchaser: Alliance Acquisitions, LLC or assigns

Seller: River Heights City

Property: Building and property located at 495 East 500 South
Lots 1,2,19 and 20 BLK 2 River Heights Town Survey SIT NE/4 SEC 3 T 11N R 1E

Purchase Price: \$200,000.00.

Terms: \$100,000.00 through closing and \$100,000.00 upon completion of rehabilitation.

Earnest Money: One thousand dollars (\$1,000.00) will be placed in an interest-bearing account with Hickman Land Title Company within five (5) days after execution of this agreement. The Earnest Money plus interest earned shall be applied to the Purchase Price.

Inspection Period: Purchaser will have sixty (60) days from the effective date of the agreement ("Inspection Period") to obtain approvals from the National Park Service and to verify site conditions, structure conditions and any such other studies, as Purchaser deems necessary. Seller agrees to cooperate with Purchaser in its investigation and make available to Purchaser any studies, reports, leases, plans, etc., if any, in Seller's possession concerning the Property.

Title: Seller at its expense shall provide a preliminary commitment for title insurance within ten (10) days after the date of this agreement. Purchaser will have twenty (20) days after receipt of such commitment to object to any items contained therein. Seller will have thirty (30) days to cure such objections.

Survey: Reserved.

Closing: Closing shall occur thirty (30) days after the end of the Inspection Period and Purchaser's approval of title policy. Typical and customary prorations for taxes, escrow fees, title insurance and other closing costs shall be utilized through Closing. Purchaser shall have one (1) option to extend Closing for thirty (30) days upon payment of an additional one thousand dollars (\$1,000.00) of Earnest Money, which amount shall be credited against the Purchase Price through Closing. Unless otherwise agreed to by Purchaser, Closing to be extended as necessary for Seller to cause the existing tenants to vacate the building.

Zoning/Uses: Consistent with the zoning approval process utilized through the completion of the Sinclair Station, Purchaser suggests use of the Historic Overlay Zone. The approved uses will be as directed by the River Heights City Council. Purchaser shall agree that through the rehabilitation of the building, no more than twelve (12) residential units shall be contained within the building. Purchaser may consider: a) locating a small museum inside the building and/or b) maintaining the stage/gymnasium which could be made available to River Heights city residents for reduced or no cost on a schedule/use structure as would be agreed by Purchaser and Seller.

Current Tenant(s): Purchaser shall work with Seller to extend Closing for the time necessary for existing tenants to vacate the Property. Should it meet with Seller approved uses, Purchaser would be willing to negotiate with current tenant(s) to maintain tenancy in certain portions of the building.

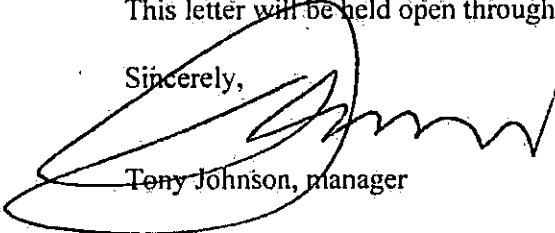
Rehabilitation: As required by National Park Service requirements, Purchaser shall fully rehabilitate the building to applicable building code which shall include but not be limited to: a) rehabilitation of exterior facades and systems including new roofing, window and door repairs/replacement; b) complete interior upgrades including structural improvements (as required), electrical, plumbing and HVAC updates. Exterior landscaping shall be updated as is appropriate with city ordinances and shall include automatic sprinkler system. The building will have curb appeal and be an asset for the community. See the attached pictures of the restoration of a church building in Provo, Utah. Purchaser intends to rehabilitate this building to a similar finish.

Commissions: Seller will be responsible for the payment of all real estate commissions, if any, related to this transaction.

This agreement is intended to be binding upon the parties and to serve as the instructions for title company to close escrow.

This letter will be held open through 5:00 PM on March 5, 2020.

Sincerely,


Tony Johnson, manager

Seller:

Accepted by: _____
Name: _____
Title: _____
Date: _____

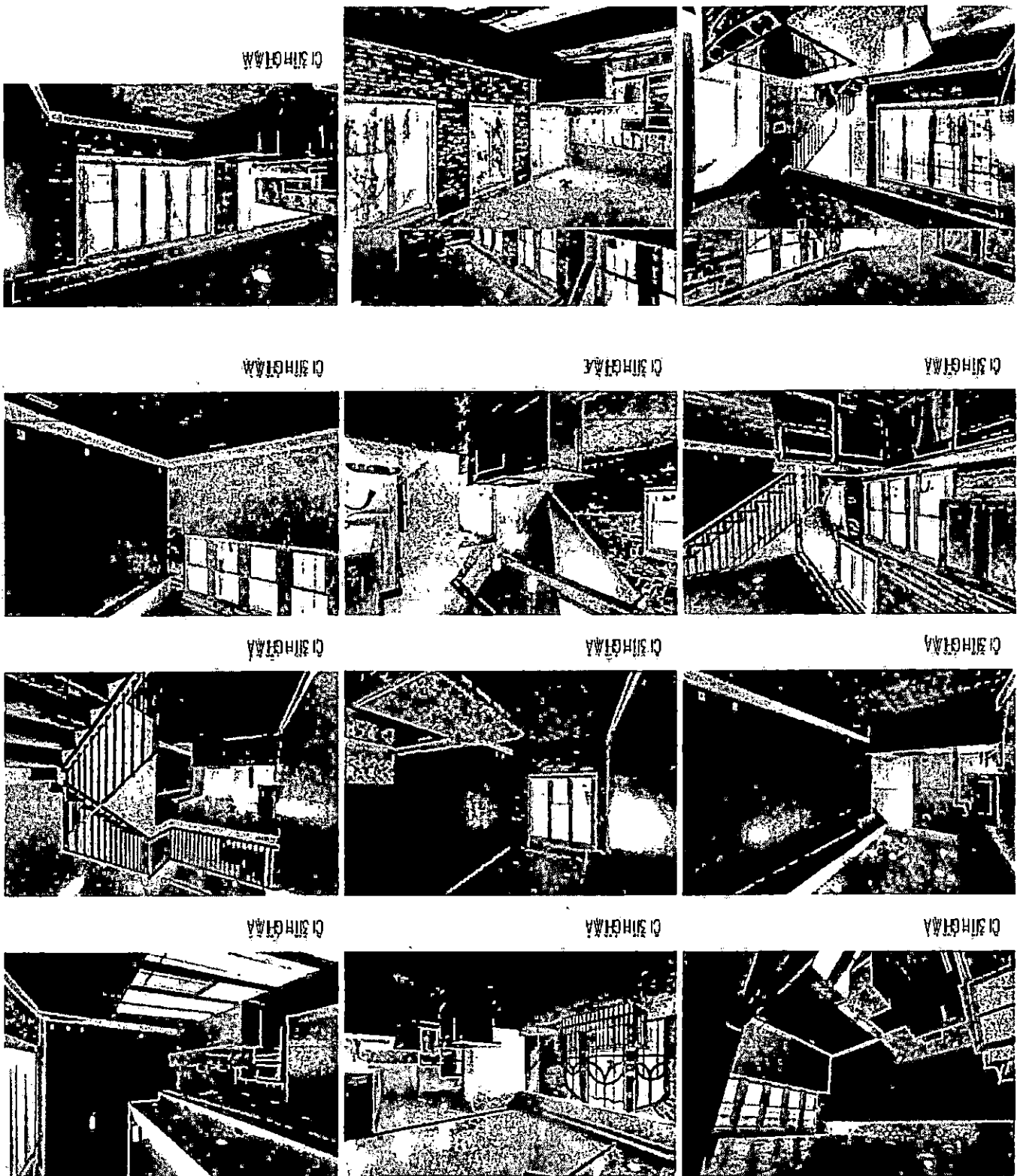
Old Chapel Apartments

ALL 360° VIEW



LOOK INSIDE

ALL AVAILABLE TABLES



Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA

Q 31HG1AA