



**BACKGROUND PAPER FOR PROPOSED
ORDINANCE**

COUNCIL MEETING DATE: July 25, 2022

TO: President Heather Graham and Members of City Council
CC: Nicholas A. Gradisar, Mayor
VIA: Marisa Stoller, City Clerk
FROM: Andrew Hayes, Director of Public Works
SUBJECT: AN ORDINANCE APPROVING A DEPOSIT AGREEMENT BETWEEN THE CITY OF PUEBLO, A MUNICIPAL CORPORATION AND LEGENDS SUBDIVISION, LLC., A UTAH LIMITED LIABILITY COMPANY, STEPHANIE J. SUMMERS, DALE MAJORS, AND ALAN ROSE RELATED TO THE INSTALLATION AND CONSTRUCTION OF REQUIRED PUBLIC IMPROVEMENTS WITHIN RIVERS RUN SUBDIVISION AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT

SUMMARY:

The Ordinance will approve a deposit agreement with Legends Subdivision, LLC., a Utah Limited Liability Company (“Legends”) which allows it to defer the construction and installation of specified public improvements within the subdivision for up to a year from the date of its first building permit application within the Phase 2 area of the subdivision.

PREVIOUS COUNCIL ACTION:

The Rivers Run Subdivision plat was approved by City Council under Ordinance No. 7279 on February 28, 2005.

BACKGROUND:

Since the Rivers Run Subdivision was approved by Council in 2005, the first phase of the subdivision was completed and most of the public improvements in Phase 2 were also completed by the original developer. Around 2009, the original developer stopped work and the subdivision went dormant. In 2021, Legends Subdivision became the owner of the property and has subsequently transferred a minority ownership interest in the land to several different individuals. Legends Subdivision’s builder has pulled building permits and completed construction on several existing approved lots within the Phase 2 area. Their Subdivision Improvements Agreement requires that all required improvements be installed within 180 days of the application for a building permit or

upon the issuance of a certificate of occupancy for any building, whichever occurs first. In lieu of installing the improvements within the specified time period, the SIA alternatively allows Legends Subdivision to deposit cash or other collateral as a guaranty the improvements will be completed.

In order to keep construction moving forward on the approved lots, the developer has requested to provide a deposit for the remaining unfinished public improvements. The unfinished improvements do not impact the lots currently being built upon, but they are part of the current phase under construction.

After estimating the value of the remaining unfinished improvements, a total deposit of \$155,857.56 is required as a guarantee that the required work will be completed.

FINANCIAL IMPLICATIONS:

Legends Subdivision will provide a deposit of \$155,857.56 as its guaranty that required public improvements in the Rivers Run Subdivision will be installed in a timely manner.

BOARD/COMMISSION RECOMMENDATION:

Not applicable to this Ordinance.

STAKEHOLDER PROCESS:

Not applicable to this Ordinance.

ALTERNATIVES:

Legends Subdivision will not be permitted to apply for additional building permits until required public improvements are installed unless this agreement is approved by City Council.

RECOMMENDATION:

Approval of the Ordinance.

Attachments:

Proposed Ordinance
Deposit Agreement

ORDINANCE NO. 10246

AN ORDINANCE APPROVING A DEPOSIT AGREEMENT BETWEEN THE CITY OF PUEBLO, A MUNICIPAL CORPORATION AND LEGENDS SUBDIVISION, LLC., A UTAH LIMITED LIABILITY COMPANY, STEPHANIE J. SUMMERS, DALE MAJORS, AND ALAN ROSE RELATED TO THE INSTALLATION AND CONSTRUCTION OF REQUIRED PUBLIC IMPROVEMENTS WITHIN RIVERS RUN SUBDIVISION AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT

BE IT ORDAINED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The Deposit Agreement between the City of Pueblo, a Municipal Corporation and Legends Subdivision, LLC., a Utah Limited Liability Company, Stephanie J. Summers, Dale Majors, and Alan Rose, a copy of which is attached hereto, having been approved as to form by the City Attorney, is hereby approved.

SECTION 2.

The Mayor is authorized to execute and deliver the Deposit Agreement in the name of the City, and the City Clerk is directed to affix the seal of the City thereto and attest same.

SECTION 3.

This Ordinance shall become effective on the date of final action by the Mayor and City Council.

Action by City Council:

Introduced and initial adoption of Ordinance by City Council on July 25, 2022.

Final adoption of Ordinance by City Council on August 8, 2022.



President of City Council

Action by the Mayor:

- Approved on August 9, 2022.
- Disapproved on _____ based on the following objections:

Hilda Leal
Mayor

Action by City Council After Disapproval by the Mayor:

- Council did not act to override the Mayor's veto.
- Ordinance re-adopted on a vote of _____, on _____
- Council action on _____ failed to override the Mayor's veto.

President of City Council

ATTEST

[Signature]
City Clerk