## SALT LAKE CITY COUNCIL STAFF REPORT

**DATE:** May 9, 2003

SUBJECT: New Lease for Camp Kostopulos

**AFFECTED COUNCIL DISTRICTS: Citywide** 

STAFF REPORT BY: Gary Mumford

ADMINISTRATIVE DEPT. City Attorney's Office

AND CONTACT PERSON: Chris Bramhall

## **KEY ELEMENTS:**

Camp Kostopulos leases approximately 15 acres of City property in Emigration Canyon. The Kostopulos Dream Foundation/Camp Kostopulos, Inc. is a Utah nonprofit corporation that provides recreational activities for children and adults with mental and physical disabilities. The current lease was entered into in 1993 and runs for another 30 years. Camp Kostopulos plans to conduct fund raising for needed capital improvements and believes that a longer lease will be necessary to attract charitable contributions.

Because the lease payments of \$1 per year are substantially below market, the lease rate is subject to authorization by the City Council following a public hearing. State law (10-8-2) requires a public hearing before authorizing nonmonetary assistance to a nonprofit entity.

## MATTERS AT ISSUE/QUESTIONS FOR THE ADMINISTRATION:

The proposed resolution states that the City Council has determined that use of the land by Camp Kostopulos as a recreational facility for people with disabilities and special needs constitutes a public purpose, provides a direct and substantial benefit to the City and the residents and contributes to the health, safety and general welfare of the residents of the City.

The land is in the Public Utilities portfolio as watershed holdings. The Department of Public Utilities has agreed to a 50-year lease with a 25-year extension for a total of 75 years. The Council may wish to ask representatives of the Administration whether there may be a need in the future for the City to use the land in connection with water delivery systems or for other Public Utilities purposes.

It is Council staff's understanding that authorizing <u>municipal services or nonmonetary</u> <u>assistance</u> to a <u>nonprofit entity</u> is not subject to the study and analysis that is required for monetary appropriations. The Council may wish to ask representatives of the City Attorney's Office to clarify when a study is required and when only a public hearing is required.