


**COUNCIL TRANSMITTAL**

**TO:** David Everitt  **DATE:** June 13, 2008  
Chief of Staff

**FROM:** Rick Graham, Director   
Public Services Department

**SUBJECT:** Utah Zoological Society (Hogle Zoo) – Resolution stating the City’s willingness to approve an Interlocal Cooperation Agreement and Agreement To Leave negotiated in good faith between Salt Lake City and Salt Lake County.

**STAFF CONTACT:** Rick Graham 535-7774

Craig Dinsmore  
Executive Director  
Hogle Zoo 584-1701

**DOCUMENT TYPE:** Resolution

**RECOMMENDATION:** That the City Council pass the Resolution.

**BUDGET IMPACT:** None. Project, if authorized and approved by the Salt Lake County Council, will be funded by a Bond Issue approved by Salt Lake County residents.

**DISCUSSION:** Salt Lake City owns the property that is developed as Hogle Zoo. The Utah Zoological Society (Zoo) has developed a \$65 million Capital Project campaign and has asked the Salt Lake County Council to authorize the submission of a Bond Issue to County voters. If County residents vote to approve the Bond Issue the City and County will need to enter into an Interlocal Cooperation Agreement that would transfer an element of ownership in the new Zoo property financed with the County’s Bonds to the County necessary to satisfy State law requirements.

**PUBLIC PROCESS:** None.

RESOLUTION NO. \_\_\_\_\_ OF 2008

STATING A WILLINGNESS TO APPROVE AN  
INTERLOCAL COOPERATION AGREEMENT NEGOTIATED  
IN GOOD FAITH BETWEEN SALT LAKE CITY CORPORATION  
AND SALT LAKE COUNTY REGARDING THE HOGLE ZOO,  
SUBJECT TO CONDITIONS

WHEREAS, Title 11, Chapter 13, Utah Code Ann., 1953, allows public entities to enter into cooperative agreements to provide joint undertakings and services; and

WHEREAS, Salt Lake City Corporation (the "City") is the owner of the real property and personal property comprising the Hogle Zoo (the "Hogle Zoo Property"); and

WHEREAS, the Salt Lake County Council is considering whether to authorize submission to the voters of a bond issue for improvements to the Hogle Zoo (the "Bond Issue"); and

WHEREAS, Utah statutory law requires that a political subdivision issuing bonds must have an ownership interest in the facilities being financed (the "State Law Requirement");

THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah (the "City Council"), as follows:

1. In the event that the Salt Lake County Council authorizes submission of the Bond Issue to the voters and the voters approve the Bond Issue, both in accordance with applicable law, the City Council is willing to approve an Interlocal Cooperation Agreement negotiated in good faith between the City and Salt Lake County that would transfer an element of ownership in the Hogle Zoo Property to the County necessary to satisfy the State Law Requirement, provided that: (i) the City shall under no circumstances be required to transfer majority ownership of the real property component of the Hogle Zoo Property, and the City's other interests in the Hogle Zoo, including without limitation its long term location in the City, shall not be adversely affected; and (ii) the City would not be placed in default under any obligations relating to the Hogle Zoo.

Passed by the City Council of Salt Lake City, Utah, this \_\_\_\_\_ day of

\_\_\_\_\_, 2008.

SALT LAKE CITY COUNCIL

By: \_\_\_\_\_  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CHIEF DEPUTY CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

[Attachment form of Interlocal Agreement and Agreement Not To Leave Salt Lake City]

Salt Lake City Contract No. \_\_\_\_\_  
County Contract No. \_\_\_\_\_

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN  
SALT LAKE CITY CORPORATION  
AND  
SALT LAKE COUNTY**

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into the \_\_\_\_ day of \_\_\_\_\_, 2008, by and between the SALT LAKE CITY CORPORATION, a municipal corporation ("City"), and SALT LAKE COUNTY, a political subdivision of the State of Utah ("County").

**WITNESSETH:**

WHEREAS, the Utah Zoological Society, a nonprofit corporation, ("Hogle Zoo") has requested that the County issue general obligation bonds to finance renewal and revitalization projects at the Hogle Zoo facility;

WHEREAS, in conjunction with issuance of said bonds, the Hogle Zoo has also requested that the County place the question of the issuance of these bonds on the November 2008 municipal general election ballot for a vote by the voters in Salt Lake County in accordance with the requirements of the Local Government Bonding Act;

WHEREAS, if the voters approve the issuance of these bonds, the County must acquire an ownership interest in the property in order to satisfy the statutory requirements for issuance of such bonds;

WHEREAS, if the voters approve the issuance of these bonds, the City desires to acknowledge and agree that the County has an ownership interest in the improvements to be made to the Hogle Zoo with the bond proceeds; and

WHEREAS, Hogle Zoo entered into an Agreement Not to Leave Salt Lake City dated April 15, 2004 with the City in connection with the City's issuance of bonds in 2004 to finance certain improvements at the Hogle Zoo facility, and the City contemplates that the Hogle Zoo will execute a similar Agreement Not to Leave Salt Lake City in connection with the issuance by the County of the bonds contemplated by this Agreement;

NOW, THEREFORE, in consideration of the promises and covenants hereinafter contained, it is agreed by and between the parties as follows:

1. Project. The City acknowledges and agrees that the County has an ownership interest in those improvements and projects proposed in the Hogle Zoo's "Renew the Zoo" project ("Project"), more particularly described in its Master Plan for Utah's Hogle Zoo,

attached to this Agreement as Exhibit "A", and more specifically those improvements funded with the proceeds from the proposed general obligation bonds issuance (the "Improvements"). Those improvements are expected to include the Polar Exhibit, the D.O.L./Education/Rainforest OR Savanna (Giraffe, Rhino, Predators), the parking structure at the north lot, the Conservation Resource Center, and the Animal Health Center ("Improvements"). In the event the bond issuance is approved by the voters, the City further agrees to execute and deliver to the County such additional documents that do not materially adversely affect the City's rights or obligations, to satisfy the statutory requirements for issuance of the bonds by the County. The City's obligation to grant the County this ownership interest and deliver appropriate recordable documentation will be enforceable upon the favorable vote by the voters of Salt Lake County and the satisfaction of the condition stated in paragraph 12.

If required for issuance of the bonds, the City also agrees to grant the County a leasehold interest to the real property underlying these Improvements for the term of the bonds (the "Lease")

Any ownership interest and leasehold interest shall be for a term of years not to exceed the term of the bond issuance. At the time the bond indebtedness is paid off and retired by the County, the County, in consideration of the City's forgoing acknowledgment and agreement that the County has an ownership interest in the Improvements during the term of the bonds and the City's agreement to enter into a lease, if necessary, for a \$1 per year as described in paragraph 2 below, shall convey all ownership interest in the Improvements to the City without additional consideration from the City

In the event the bond issuance proposal is approved by the voters, the City and County also agree to amend the "Agreement" dated July 12, 1991, between Salt Lake City Corporation and the Utah Zoological Society for the operation and maintenance of the Hogle Zoo, to include the County as contracting party with regard to the Improvements to be owned by the County.

2. Rent. The County and City agree that, if the voters approve the issuance of the bonds, subject to satisfaction of the condition in paragraph 12 the County issues the bonds to fund the proposed Improvements, and the Lease is required, the County will pay the City an annual lease payment of \$1.00 per year for the term of the lease.

3. Duration and Termination. This Agreement shall take effect upon execution by both Parties and shall terminate upon realization of either of these two conditions: (1) non-approval of the bond issuance by the voters in the November 2008 election; or (2) approval of the bond issuance by the voters and satisfactory execution and recordation of the requisite documentation to reflect Salt Lake County's ownership interest in the Improvements and a leasehold interest in the underlying real property for a term of years correlating to the term of the bonds.

4. Liability and Indemnification. Both parties are governmental entities under the Governmental Immunity Act of Utah, Utah Code Ann. § 63-30d-101, et seq. Consistent with the terms of this Act, it is mutually agreed that each party is responsible and liable for its own wrongful or negligent acts which it commits or which are committed by its agents, officials, or employees. Neither party waives any defenses otherwise available under the Governmental Immunity Act.

5. Interlocal Cooperation Act Requirements. In satisfaction of the requirements of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Act"), and in connection with this Agreement, the parties agree as follows

a. This Agreement shall be approved by each party pursuant to Section 11-13-202.5 of the Interlocal Cooperation Act, Utah Code Title 11, Chapter 13, as amended (the "Act");

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each party, pursuant to Section 11-13-202.5 of the Act;

c. A duly executed original counterpart of this Agreement shall be filed with keeper of records of each party, pursuant to Section 11-13-209 of the Act;

d. Except as otherwise specifically provided herein, each party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs; and

e. No separate legal entity is created by the terms of this Agreement. To the extent that this Agreement requires administration other than as set forth herein, it shall be administered by the mayors of the City and the County. No real or personal property shall be acquired jointly by the parties as a result of this Agreement. To the extent that a party acquires, holds, or disposes of any real or personal property for use in the joint or cooperative undertaking contemplated by this Agreement, such party shall do so in the same manner that it deals with other property of such party.

6. Counterparts. This Agreement may be executed in counterparts by the City and the County. In such event, a duly executed original counterpart shall be filed with the keeper of records of each party pursuant to the Act.

7. County Ethical Standards. City represents that it has not: (a) provided an illegal gift or payoff to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Salt Lake County's Ethics Code, Chapter 2.07, Salt Lake County Code of Ordinances, 2001; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

8. Governing Law. This Agreement shall be governed by the laws of the State of Utah both as to interpretation and performance.

9. Entire Agreement. This Agreement contains the entire agreement between the Parties, with respect to the subject matter hereof, and no statements, promises, or inducements made by either party or agents for either party that are not contained in this written contract shall be binding or valid; and this Agreement may not be enlarged, modified, or altered except in writing, and signed by the parties.

10. Amount of the Bond and Use of Proceeds. The County and City agree that the amount of the bonds shall not exceed \$65 million and that the proceeds less the costs of issuance shall be used solely to finance the Improvements at the current location of the Hogle Zoo facility in Salt Lake City.

11. Ballot Initiative. The City shall have the right to approve the language of the ballot question and the description of the ballot initiative prepared by the County, which approval shall not be unreasonably withheld.

12. Hogle Zoo Agreement Not to Leave its Current Location. The City's obligations under this Agreement are conditioned on the Hogle Zoo having first entered into an agreement with the City substantially in the form of Exhibit B not to leave its current location in Salt Lake City during the term of the bonds issued pursuant to this Agreement.

IN WITNESS WHEREOF, the Parties have subscribed their names and seals the day and year first above written.

SALT LAKE COUNTY

By \_\_\_\_\_  
Mayor Peter Corroon or Designee

STATE OF UTAH )  
  :ss  
County of Salt Lake )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2008, personally appeared before me \_\_\_\_\_, who being by me duly sworn did say that (s)he is the \_\_\_\_\_ of the Salt Lake County, Office of the Mayor, and that the foregoing instrument was signed on behalf of the Salt Lake County, by authority of law.

[SEAL]

\_\_\_\_\_  
NOTARY PUBLIC  
Residing in Salt Lake County, Utah

Approved as to Form and Legality:  
Salt Lake County District Attorney



By \_\_\_\_\_  
Deputy District Attorney  
Date \_\_\_\_\_

DRAFT - DISCUSSION ONLY

SALT LAKE CITY CORPORATION

By \_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
City Recorder

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_  
Salt Lake City Attorney  
Date \_\_\_\_\_

## AGREEMENT NOT TO LEAVE SALT LAKE CITY

This Agreement Not to Leave Salt Lake City, dated \_\_\_\_\_, 2008, is between **Salt Lake City Corporation**, a Utah municipal corporation (the "City"), and the **Utah Zoological Society**, a Utah nonprofit corporation (the "Zoological Society"). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

### RECITALS

1. Salt Lake County, Utah (the "County") intends to issue approximately \$ \_\_\_\_\_ of its general obligation bonds (the "Bonds") if the issuance of the Bonds is approved by the voters at the November 2008 general election. \$ \_\_\_\_\_ of the proceeds of the Bonds would be used to finance certain improvements at the Hogle Zoo.
2. Utah statutory law requires that a political subdivision issuing bonds must have an ownership interest in the facilities being financed (the "State Law Requirement").
3. The County has asked the City to enter into an Interlocal Cooperation Agreement between the City and the County that would transfer an element of ownership in the Hogle Zoo Property to the County necessary to satisfy the State Law Requirement.
4. The City Council of the City has determined that the City will approve such Interlocal Cooperation Agreement only if the Zoological Society (and its successors and assigns) agree that the Hogle Zoo will remain at its current location in Salt Lake City for so long as the Bonds remain outstanding.

### AGREEMENT

**Section 1. Hogle Zoo to Remain at its Current Location Parties.** The Zoological Society covenants and agrees that the Hogle Zoo will remain at its current location in Salt Lake City for so long as the Bonds remain outstanding.

**Section 2. Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Utah, and venue shall be in Salt Lake County, Utah.

**Section 3. Assignment.** The City and the Zoological Society respectively bind themselves, their partners, successors, assigns and legal representatives to the other party hereto and to partners, successors, assigns and legal representatives of such other party in respect to covenants, agreements and obligations contained in the contract documents. Neither party to this Agreement shall assign this Agreement as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, the party shall nevertheless remain

legally responsible for all obligations under this Agreement.

**Section 4. Invalid Provisions.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable, this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

**Section 5. REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND EMPLOYEES:** The Zoological Society represents that it has not: (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing instrument as of the day and year first above written.

SALT LAKE CITY CORPORATION

By: \_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Deputy City Recorder

UTAH ZOOLOGICAL SOCIETY, a  
Utah nonprofit corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

STATE OF UTAH                    )



STATE OF UTAH                    )  
  : ss.  
COUNTY OF SALT LAKE    )

The foregoing agreement not to leave Salt Lake City was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by \_\_\_\_\_, the \_\_\_\_\_ of the Utah Zoological Society, a Utah nonprofit corporation.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing in Salt Lake County, Utah

My Commission Expires:

\_\_\_\_\_