

**TOWN OF BLUFF, UTAH, RESOLUTION NO. 86**

A RESOLUTION APPROVING A SETTLEMENT AGREEMENT AND MUTUAL RELEASE WITH UTAH DINE BIKEYAH (UDB) AND AUTHORIZING THE MAYOR TO SIGN SAME; AUTHORIZING THE ACCEPTANCE OF A QUIT CLAIM DEED FROM UDB CONVEYING TO THE TOWN ITS INTEREST IN THE PROPERTY AT 620 BLACK LOCUST AVENUE AND COMMONLY KNOWN AS THE COOPERATIVE CULTURAL CENTER; AND AUTHORIZING AN APPROPRIATION OF THREE HUNDRED SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$307,500) IN CONNECTION WITH SAME.

The following describes the intent and purpose of this resolution:

- a. On September 30, 2021, the Town entered into Acquisition and Redevelopment Agreement (the ARA) with the Utah Dine Bikeyah, a Utah non-profit corporation (UDB). The ARA was authorized by Bluff Ordinance No. 2021-30-9.
- b. The ARA provided that UDB would advance the sum of three hundred seven thousand five hundred dollars (\$307,500) which would be utilized for the purchase of the real property commonly known as the old Bluff elementary school, Tax Parcel Nos. C00000010010 and C00000010020 (the Property), from the San Juan County School District. The Property comprises approximately five acres and includes the old school building and related improvements situated within the Town municipal limits.
- c. Pursuant to the ARA the parties agreed to jointly undertake the redevelopment of the Property and to develop it into a Cooperative Cultural Center (CCC) which would also provide municipal offices for the Town of Bluff, with each party to own and occupy separate parcels which would be created pursuant to a split of the Property. Under the ARA the Town would own and occupy at the time of the split a lot/unit comprising approximately 33% of the Property, with the balance to be owned by UDB.
- d. The Town purchased the Property from the school district with the funds advanced by UDB. The Town currently holds title to the Property, subject to the provisions of the ARA.
- e. The Town and UDB encountered difficulties in the redevelopment of the Property, most notably the loss of a grant from the United States Environmental Protection Agency, which would have funded a significant portion of the remodeling costs for the Property. That grant was terminated in March, 2025, allegedly because of changed administration priorities within the federal government.

- f. At the same time UDB has indicated its desire to refocus its organizational priorities to provide for advocacy in support of the Bears Ears National Monument, rather than the potential programs to be associated with the CCC.
- g. The parties, through their legal counsels, engaged in negotiations and have proposed the Settlement Agreement and Mutual Release (the Agreement), which is attached as **Exhibit 1**. In summary, the Agreement provides that: i) the Town will pay UDB the sum of three hundred seven thousand five hundred dollars (307,500); ii) UDB will deliver to the Town a Quit Claim Deed releasing any interest in the Property; iii) the parties will execute all documents necessary to release to the Town the proceeds of a joint project account that contains grant funds obtained for the project (approximately \$140,000); and iv) the ARA will be terminated, with all parties releasing any potential claims each may have against the other.
- h. Pursuant to Utah law, U.C.A. § 10-8-2, municipalities may appropriate funds for municipal purposes and expend those funds for, among other things, the purchase and acquisition of property for the benefit of the municipality.
- i. The Town finds that the payment contemplated by the Agreement constitutes fair value for the full acquisition of the subject Property. Further, the Town finds that the Property represents a valuable asset which can be developed for the benefit of the residents of Bluff, and which will provide space for a municipal facility that will allow for public meetings and the provision of municipal services in the future.
- j. The Town Council finds that it is in its best interests of the Town to approve the Agreement and proceed with the redevelopment of the Property without being subject to the ARA. The Town further finds that it will have greater flexibility to redevelop the Property for municipal purposes without being subject to obligations to a third-party entity.

**NOW THEREFORE**, the Bluff Town Council, at a duly noticed meeting of the Council at which quorum was present, and upon the affirmative vote of a majority of the Council, enacts as follows:

The Agreement attached as **Exhibit 1** is hereby approved and the Mayor is authorized to sign same. The Town appropriates the sum of three hundred seven thousand five hundred dollars (\$307,500) to be paid to UDB in exchange for receipt of a Quit Claim Deed to the Property, as provided by the terms of the Agreement; and Town staff are authorized to undertake all other performances specified in, or incidental to, the Agreement.

Approved this 3<sup>rd</sup> day of June, 2025.

**THE TOWN OF BLUFF:**

By: *aw*

Mayor Ann Leppanen

**ATTEST:**

By: *Linda Sosa*

Linda Sosa, Recorder

Attachment: **Exhibit 1**

5-3-2025

Date

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