



Chris Stavros
Salt Lake County Assessor

Tyler Andrus
Chief Deputy Assessor

September 23, 2022

The Salt Lake County Council
Attn: Laurie Stringham
2001 South State Street N2-200
Salt Lake City, UT 84190-1010

Re: Real Property Tax
Parcel No: 14-11-200-017
Name: Naniloa Investment Company, LLC

Honorable Council Chair Laurie Stringham,

We recommend reducing the 2019 through 2021 real property tax on the above-named parcel as indicated below:

	From	To
2019	\$234,206.11	\$233,023.65
2020	\$221,559.35	\$215,016.05
2021	\$212,783.37	\$206,295.79

The Utah Department of Transportation (UDOT) acquired 2.58 acres from this parcel on November 7th, 2019 through a Right of Entry and Occupancy Agreement recorded on November 20th, 2019 as Entry #13129124. Since this parcel did not split until the 2022 tax year a portion of the 2019, 2020, and 2021 land value should have been exempt from taxation as a result of the Right of Entry and Occupancy Agreement.

A confidential lease agreement was provided to the Assessor's Office documenting that the lessee of this parcel would be responsible for paying the property tax. As such, any refund due for 2019, as well as 2020 and 2021 if applicable, should be issued to the lessee. The Assessor's Office will provide the Treasurer's Office with the lease agreement on approval of this Board Letter to determine who the refund(s) should be issued to.

If you agree with this recommendation, please notify the Salt Lake County Treasurer's office to abate (refund, if paid) property taxes as indicated plus penalty and interest.

Respectfully,

Chris Stavros
Salt Lake County Assessor
Tyler Andrus
Chief Deputy Assessor

DC/MK

cc Salt Lake County Assessor Greenbelt Dept.
Salt Lake County Treasurer

ASSESSOR'S OFFICE - SALT LAKE COUNTY GOVERNMENT CENTER
2001 South State Street, Rm N2-600 • PO Box 147421 • Salt Lake City, UT 84114-7421
Tel: 385.468.8000 • Fax: 385.468.8092-CAMA, 385.468.8093-Personal Property

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WHEN RECORDED, MAIL TO:
Utah Department of Transportation
4501 South 2700 West
P.O. Box 148420
Salt Lake City, UT 84114-8420

13129124
11/20/2019 04:48 PM \$0.00
Book - 10862 Pg - 8085-8097
RASHELLE HOBBS
RECORDER, SALT LAKE COUNTY, UTAH
COTTONWOOD TITLE
1996 E 6400 S #120
SLC UT 84121
BY: DDK, DEPUTY - WI 13 P.

120334-WHP



Utah Department of Transportation Right of Entry and Occupancy Agreement

Project No: F-0172(32)7 Parcel No.(s): 122, 122:E

Pin No: 14413 Job/Proj No: 55171 Project Location: SR-172; 5600 W. Railroad Crossing
County of Property: SALT LAKE Tax ID / Sidwell No: 14-11-200-017, 14-11-200-018
Property Address: 780 South 5600 West SALT LAKE CITY UT, 84104
Owner's Address: 353 East 300 South, Salt Lake City, UT, 84111
Owner's Home Phone: Owner's Work Phone: (801) 231-5328
Owner / Grantor (s): Naniloa Investment Company, L.L.C., a Utah limited liability company
Lessee / Grantor (s): Adesa Utah, LLC, a Utah limited liability company
Grantee: Utah Department of Transportation (UDOT)

Acquiring Entity: Utah Department of Transportation (UDOT)

For the subject property described on Exhibit "A" attached hereto and depicted in Exhibit "B" attached hereto (the "Affected Property").

This Right of Entry and Occupancy Agreement ("Agreement") is entered among Naniloa Investment Company, L.L.C., a Utah limited liability company ("Naniloa" or "Property Owner"), Adesa Utah, LLC, a Utah limited liability company ("Adesa" or "Lessee") and Utah Department of Transportation ("UDOT").

Property Owner and Lessee hereby grant to UDOT, its contractors and utility and similar providers and their contractors, the right (subject to all documents and matters of record affecting the Affected Property) to occupy and commence construction or other necessary activity on the Affected Property, and to do whatever construction, relocation of utilities, and other work as may be required in furtherance of the state transportation project, a portion of which is located on the Affected Property, subject to the terms and conditions contained herein. This Agreement is made in anticipation of a possible condemnation action by UDOT and is intended to provide for the entry and occupancy of the Affected Property pending further negotiations or the filing and pursuit of condemnation proceedings and possible alternative informal proceedings as provided for in this Agreement. Property Owner and Lessee understand that, by executing this Agreement, Property Owner and Lessee have waived and abandoned all defenses to the acquisition of the Affected Property.

UDOT and its contractors and utility providers shall complete the improvements along 700 South shown in the area cross-hatched on Exhibit "C" attached hereto (the "700 South Improvements") and provide functional access from 700 South to the Remaining Property (defined below) prior to (i) closing the existing entrance from the Remaining Property to 5600 West to commence the improvements along 5600 West shown in the area cross-hatched on Exhibit "D" attached hereto (the "5600 West Improvements") or (ii) occupying or commencing any work upon the Affected Property. Further, UDOT shall not close the existing entrance from the Remaining Property to 5600 West until earlier of (A) the Lessee completing the reconfiguration of the Remaining Property to the new 700 South improvements or (B) thirty (30) days. Adesa, not Naniloa shall restore the Remaining Property, and UDOT shall reimburse Adesa the reasonable and necessary costs for restoration of its remaining leased property adjacent to the Affected Property (the "Remaining Property") directly impacted by construction on the Affected Property ("Additional Cost to Cure Items"). Any bids for restoration of Additional Cost to Cure Items submitted by Adesa shall be submitted to UDOT no later than ninety (90) days after completion of the improvements to 700 South. UDOT shall require that the public information manager for the project provide written notice to the Property Owner and Lessee at least fourteen (14) days prior to UDOT's (or its permitted

contractors and utility providers) occupancy of or construction upon the Affected Property. UDOT shall require that the public information manager for the project provide written notice to the Property Owner and Lessee **within ten (10) business days** after UDOT's (or its permitted contractors and utility providers) completion of the 700 South Improvements.

UDOT covenants and agrees to indemnify and hold Property Owner and Lessee harmless from and against any and all third party personal injury claims (including damages, actions, liabilities, costs, expenses and reasonable **attorneys' fees** associated therewith) arising from the acts of UDOT, its contractors or agents, arising out of the use of the Affected Property **herein granted**. UDOT's obligation to indemnify Property Owner or Lessee under this Agreement is **limited to the dollar amounts stated in the Utah Governmental Immunity Act (the "Act")** and UDOT does not waive any provision of the Act. The indemnity set forth in this paragraph shall be in addition to, and not in limitation of, any rights Property Owner or Lessee may have against UDOT at law or in equity.

Nothing contained in this Agreement shall be deemed to be a gift or dedication of any portion of the Affected Property to the general public.

This Agreement may be executed in one or more counterparts that in the aggregate shall constitute one and the same instrument.

The sum of \$814,600.00 (the "Deposit") will be paid into escrow, a non-interest bearing account, at a title company for the benefit of Property Owner and Lessee as consideration for entering into this Agreement. The sum of \$78,329.00 (equal to the amount of the "cost to cure" in UDOT's approved appraisal) shall be reserved for the benefit of Lessee and the balance shall be for the benefit of the Property Owner. UDOT will be responsible for the expenses of the escrow account. This amount paid into escrow and the amounts paid for the Additional Cost to Cure Items shall be deducted from a final settlement, award of arbitration, or other determination of just compensation in an eminent domain action should one be pursued to acquire the property that is determined to be necessary for the project. The amount paid will be for the purposes of this Agreement only, and will not be admissible as evidence in any subsequent process used to establish the value of the property or the amount of compensation that may be due to the Property Owner or Lessee. This Agreement shall constitute a right of entry for purposes of Utah Code 59-2-1337 as to the Affected Property.

The parties to this Agreement understand that a title report may indicate that other third parties may have a claim to part of the proceeds being paid by UDOT to the Property Owner or Lessee in connection with this Agreement. UDOT will have the right to approve the release of the Deposit from Escrow to Property Owner or Lessee and to require a conveyance of the subject property from the Property Owner and Lessee to UDOT prior to the release.

It is not the intent of the Agreement to properly assess potential third-party claims. In the event it is later determined that part of the Deposit should properly be paid to other third parties, then UDOT will have the right to require that the third parties participate in the release of the Deposit or the Deposit will be applied to any remaining liens. In the event that UDOT desires to obtain title insurance in connection with the release of the deposit, UDOT will pay the premiums for the title coverage.

The parties to this Agreement agree that the Property Owner and Lessee, under state law, may make and pursue their own separate claim for compensation and damages, provided, however that nothing herein shall preclude UDOT from naming all owners and claimants of the property as defendants in a single action in accordance with Utah Code § 78B-6-507. Property Owner and Lessee agree to waive any right to notice of or approval of the other's separate award and claim for compensation and damages. Further, Property Owner and Lessee acknowledge that the lease between them for the Affected Property and the Remaining Property may be disclosed to UDOT for purposes of this taking.

This Agreement is granted without prejudice to the rights of the Property Owner and Lessee, pending any settlement, to contest the amount of compensation to be paid the Property Owner and/or Lessee for the property

described in Exhibit "A" attached hereto. If a satisfactory settlement cannot be agreed upon, UDOT will, upon notice from the Property Owner or Lessee that the amount of compensation offered and/or other proposed settlement terms are not acceptable, or at its own election, proceed to commence and diligently prosecute a condemnation proceeding in the appropriate court for a judicial determination of such compensation. If requested to do so by the Property Owner or Lessee, UDOT will, prior to commencing a condemnation proceeding, enter into a mediation or arbitration procedure provided for in the Utah Code Annotated 78B-6-522 and 13-43-204 through the Office of the Property Rights Ombudsman and agree to pay for the first additional appraisal upon the Property Owner's request.

If the Property Owner or Lessee uses the property for a residence, business, or farming operation and is required to move as a result of UDOT's acquisition of the property, the Property Owner or Lessee may be entitled to relocation assistance and/or payments as a displaced person. The relocation assistance and payment are available as a matter of right and subject to federal and state law if the Property Owner and/or Lessee are displaced by the acquisition of this property and are not conditional upon the Property Owner and/or Lessee signing this Agreement.

The effective date of this Agreement is the date it is executed by the Property Owner and Lessee, as shown below, and that date shall be the date of value for fair market valuation purposes in the context of settlement negotiations, arbitration, or an eminent domain proceeding, should one be necessary, unless the respective parties have otherwise agreed in writing to a different date for purposes of valuation. It is understood that, according to state law, any additional compensation that is ordered to be paid to the Property Owner and/or Lessee for the acquisition of the Affected Property will include interest at an annual rate of 8 % on any additional compensation that is determined to be payable to the Property Owner and/or Lessee over and above that paid with this Agreement, calculated from the date of entry upon the Affected Property.

In every instance where it shall be necessary or desirable for the Property Owners or UDOT to service any notice upon the other, such notice shall be sent either by United States Registered or Certified Mail (postage prepaid), nationally recognized courier service (postage prepaid), or personal delivery to the Property Owner's or UDOT's addresses set forth below:

To Owner:	Naniloa Investment Company, L.L.C. c/o Auction Management Services 1192 Draper Parkway, #613 Draper, Utah 84020
Copy To:	Bullock Law Firm, L.L.C. 353 East Broadway Salt Lake City, Utah 84111 Attn: Clinton J. Bullock Email: cbullock@bullocklaw.com
To Lessee:	c/o ADESA, Inc. 11299 N. Illinois Street, Carmel, IN 46032. Attn: Srisu Subrahmanyam Email: Sriram.Subrahmanyam@adesa.com Attn: Heather Cameron Email: Heather.Cameron@adesa.com
Copy To:	Ballard Spahr LLP One Utah Center, Suite 800 201 South Main Street Salt Lake City, UT 84111-2221 Attn: Cristina Coronado Email: CoronadoC@ballardspahr.com

To UDOT: Utah Department of Transportation
4501 South 2700 West
Salt Lake City, Utah 84114-8420
Email: johnmontoya@utah.gov

Copy To: Utah Attorney General's Office
Attn: Mark Burns
Highways and Utilities Division
160 East 300 South, Suite 500
Salt Lake City, UT 84111
Email: markburns@agutah.gov

Exhibits:

EXHIBIT "A": Legal Description of the Affected Property

EXHIBIT "B": Depiction of the Affected Property Area

EXHIBIT "C": Depiction of 700 South Improvements Area

EXHIBIT "D": Depiction of 5600 West Improvements Area

[Signatures and Acknowledgments to Follow Immediately]

Project No: F-0172(32)7 Parcel No.(s): 122, 122:E

Pin No: 14413 Job/Proj No: 55171 Project Location: SR-172: 5600 W. Railroad Crossing
County of Property: SALT LAKE Tax ID / Sidwell No: 14-11-200-017, 14-11-200-018
Property Address: 780 South 5600 West SALT LAKE CITY UT, 84104
Owner's Address: 353 East 300 South, Salt Lake City, UT, 84111
Owner's Home Phone: Owner's Work Phone: (801)231-5328
Owner / Grantor (s): Nanihoa Investment Company, L.L.C., a Utah limited liability company
Lessee / Grantor (s): Adesa Utah, LLC, a Utah limited liability company
Grantee: Utah Department of Transportation (UDOT)

SIGNATURE PAGE

TO

UTAH DEPARTMENT OF TRANSPORTATION
RIGHT OF ENTRY AND OCCUPANCY AGREEMENT

DATED this 7th day of Nov, 2019

OWNER:

NANILOA INVESTMENT COMPANY, L.L.C.,
a Utah limited liability company

By: [Signature]

Its: Manager

STATE OF UTAH

):ss

COUNTY OF Salt Lake

The foregoing instrument was acknowledged before me this 7th day of
November, 2019, by Robert J. Brasher, the
Manager of NANILOA INVESTMENT COMPANY, L.L.C., a Utah
limited liability company.



[Signature]
NOTARY PUBLIC
Residing at: _____

My Commission Expires: 10/20/2022

DATED this 1st day of October, 2019

LESSEE:

ADESA UTAH, LLC,
a Utah limited liability company

By: [Signature]

Its: Executive Vice President

STATE OF ~~UTAH~~ **INDIANA**

COUNTY OF HAMILTON):ss

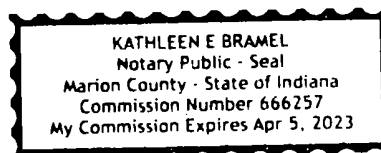
The foregoing instrument was acknowledged before me this 2 day of OCTOBER, 2019, by SRI RAM SUBRAHMANYAM, the Chief Operating Officer of ADESA UTAH, LLC, a Utah limited liability company.

[Signature: Kathleen E. Bramel]

NOTARY PUBLIC

Residing at: MARION COUNTY

My Commission Expires: APRIL 5, 2023



DATED this 8th day of November, 2019

GRANTEE:
UTAH DEPARTMENT OF TRANSPORTATION

By: Charles A. Stormont

Its: Director, Right of Way

STATE OF UTAH

COUNTY OF Salt Lake)ss

The foregoing instrument was acknowledged before me this 8 day of November 2019, by Charles A. Stormont, the Director of the UTAH DEPARTMENT OF TRANSPORTATION.

Krissy Platt
NOTARY PUBLIC
Residing at 4501 S. 2700 W
Salt Lake County

My Commission Expires: 7/31/2022



EXHIBIT "A"

Legal Description of the Affected Property

The following described parcel of land in Salt Lake County, State of Utah:

A parcel of land in fee for the widening of the existing 5600 West Street (SR-172) known as Project No. F-0172(32)7, being part of an entire tract of property situate in the NE1/4 NE1/4 of Section 11, T.1S., R.2W., S.L.B.&M. The boundaries of said parcel of land are described as follows:

Beginning at the intersection of the existing westerly right of way line of 5600 West Street (SR-172) and the existing northerly right of way line of the Union Pacific Railroad, which intersection is 981.40 feet (981.45 feet by record) S.00°01'17"W. along the section line and 68.61 feet S.77°34'17"W. (68.56 feet S.77°45'46"W. by record) from the Northeast Corner of said Section 11, said intersection is also 67.00 feet perpendicularly distant westerly from the 5600 West Street Right of Way Control Line opposite approximate engineer station 106+19.14; and running thence S.77°34'17"W. (S.77°45'46"W. by record) 145.25 feet along said northerly railroad right of way line to a point approximately 208.83 feet perpendicularly distant westerly from said control line opposite engineer station 105+87.83; thence N.00°24'29"E. 26.13 feet to the beginning of a 7,293.00-foot radius curve to the right at a point 208.66 feet perpendicularly distant westerly from said control line opposite engineer station 106+13.96; thence northerly 883.57 feet along the arc of said curve through a central angle of 06°56'30" (Note: Chord to said curve bears N.03°52'44"E. for a distance of 883.03 feet) to a point of reverse curve having a radius of 7,147.00 feet, said point is 149.25 feet perpendicularly distant westerly from said control line opposite engineer station 114+94.98 thence northerly 59.00 feet along the arc of said curve through a central angle of 00°28'23" (Note: Chord to said curve bears N.07°06'48"E. for a distance of 59.00 feet) to the northerly boundary line of said entire tract at a point approximate 141.97 feet perpendicularly distant westerly from said control line opposite engineer station 115+53.53; thence S.89°54'13"E. 51.01 feet along said northerly boundary line; thence S.43°46'11"E. 34.63 feet along a northeasterly boundary line to said existing westerly right of way line; thence S.00°01'17"W. 909.32 feet (909.13 feet by record) along said existing westerly right of way line to the point of beginning as shown on the official map of said project on file in the office of the Utah Department of Transportation. The above described parcel of land contains 112,297 square feet in area or 2.578 acres, more or less.

(Note: Rotate all bearings in the above description 00°14'14" clockwise to obtain highway bearings.)

Together with the following property located in Salt Lake County, State of Utah:

[on following page]

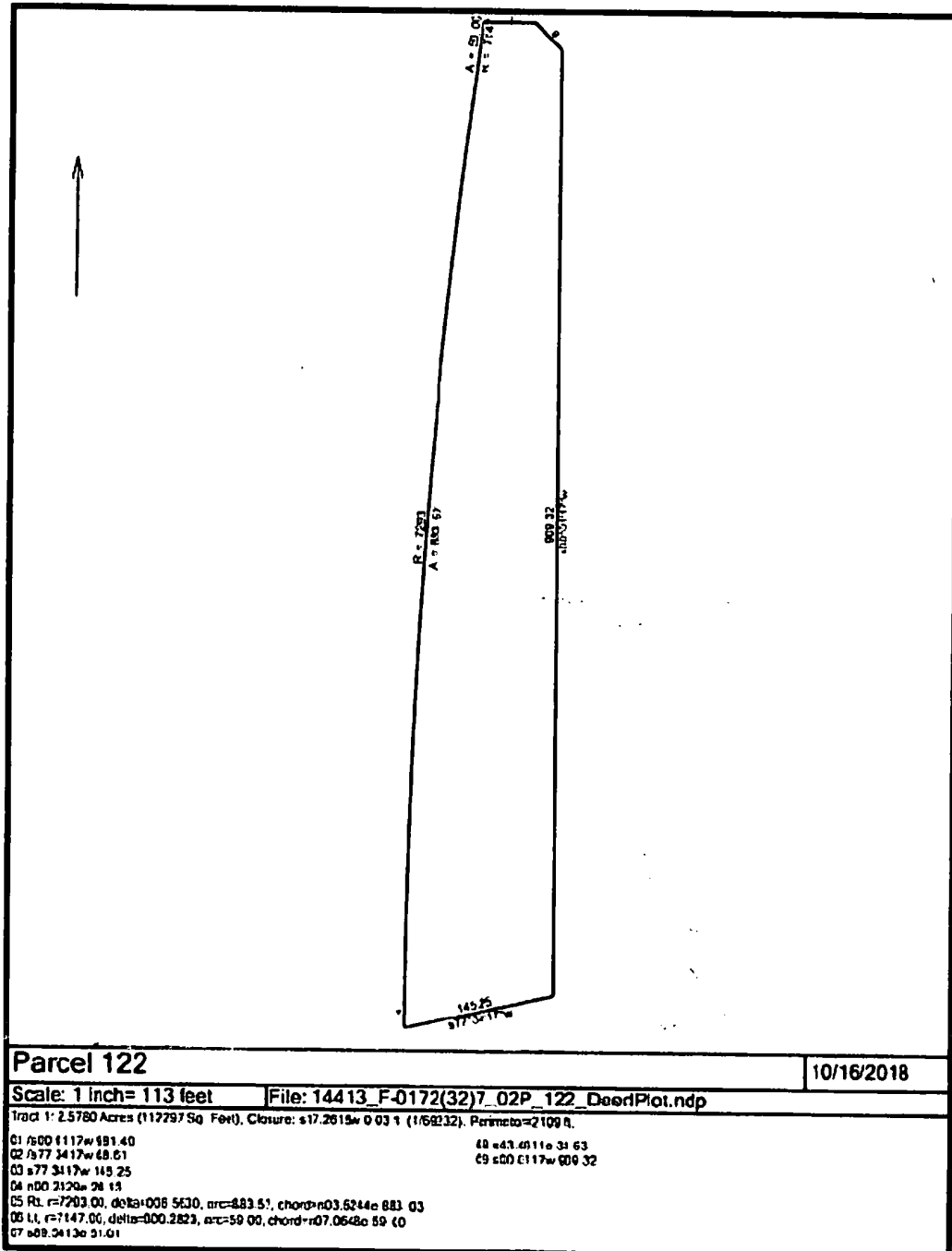
A temporary easement, upon part of an entire tract of property, in the NE1/4 NE1/4 of Section 11, T.1S., R.2W., S.L.B. & M., in Salt Lake County, Utah, to facilitate the construction of roadway improvements, side treatments and appurtenant parts thereof and blending slopes, incident to the widening of 5600 West Street (SR-172) known as Project No. F-0172(32)7. This easement shall commence upon the beginning of actual construction on the property and shall continue only until project construction on the property is complete, or for three (3) years whichever first occurs. The easement shall be non-exclusive such that the Grantor may use the property at any time in a manner which does not interfere with construction activities. The boundaries of said part of an entire tract of property are described as follows:

Beginning at a point in the southerly boundary line of said entire tract and the existing northerly right of way line of the Union Pacific Railroad which point is 981.40 feet (981.45 feet by record) S.00°01'17"W. along the section line and 213.86 feet S.77°34'17"W. (S.77°45'46"W. by record) from the Northeast Corner of said Section 11, said point is also approximately 208.83 feet perpendicularly distant westerly from the 5600 West Street Right of Way Control Line opposite engineer station 105+87.83, and running thence S.77°34'17"W (S.77°45'46"W. by record) 5.13 feet along said southerly boundary line and said northerly railroad right of way line, thence N.00°24'29"E. 27.27 feet to the beginning of a 7,298-foot radius curve to the right; thence northerly 884.17 feet along the arc of said curve through a central angle of 06°56'30" (Note: Chord to said curve bears N.03°52'44"E. for a distance of 883.63 feet) to a point of reverse curve having a radius of 7,142.00 feet; thence northerly 58.36 feet along the arc of said curve through a central angle of 00°28'05" (Note: Chord to said curve bears N.07°06'57"E. for a distance of 58.36 feet) to the northerly boundary line of said entire tract; thence S.89°54'13"E. 5.04 feet along said northerly boundary line to a point in a 7,147.00-foot radius non-tangent curve to the right (Note: Radius bears N.83°07'25"W.) at a point approximately 141.97 feet perpendicularly distant westerly from said control line opposite engineer station 115+53.53; thence southerly 59.00 feet along the arc of said curve through a central angle of 00°28'23" (Note: Chord to said curve bears S.07°06'47"W. for a distance of 59.00 feet) to a point of reverse curve having a radius of 7,293.00 feet; thence southerly 883.57 feet along the arc of said curve through a central angle of 06°56'30" (Note: Chord to said curve bears S.03°52'43"W. for a distance of 883.03 feet); thence S.00°24'29"W. 26.13 feet to the point of beginning as shown on the official map of said project on file in the office of the Utah Department of Transportation. The above described part of an entire tract of property contains 4,849 square feet in area or 0.111 acre, more or less.

(Note: Rotate all bearings in the above description 00°14'14" clockwise to obtain highway bearings.)

EXHIBIT "B"

Depiction of the Affected Property Area



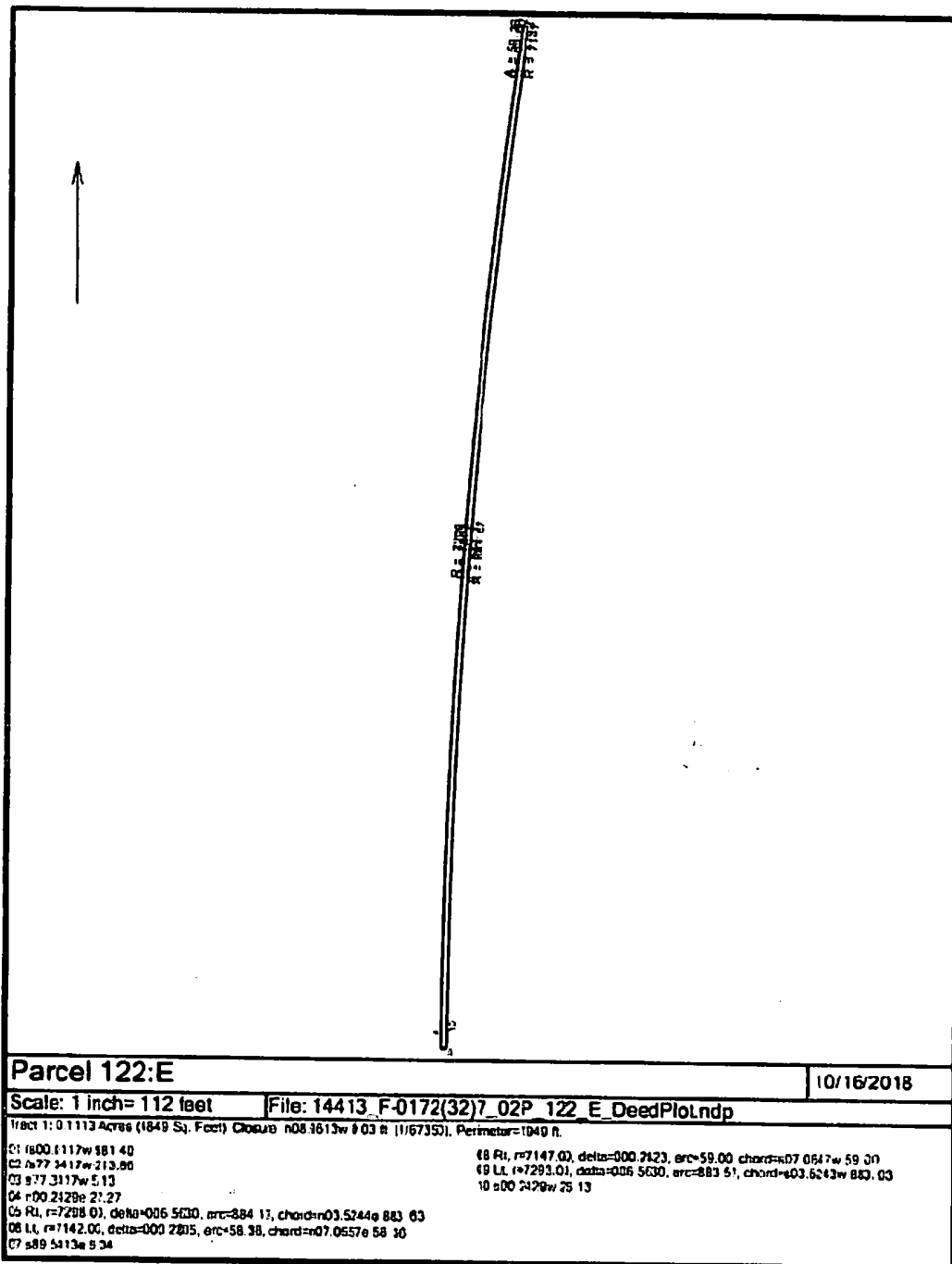


EXHIBIT "C"

Depiction of 700 South Improvements Area

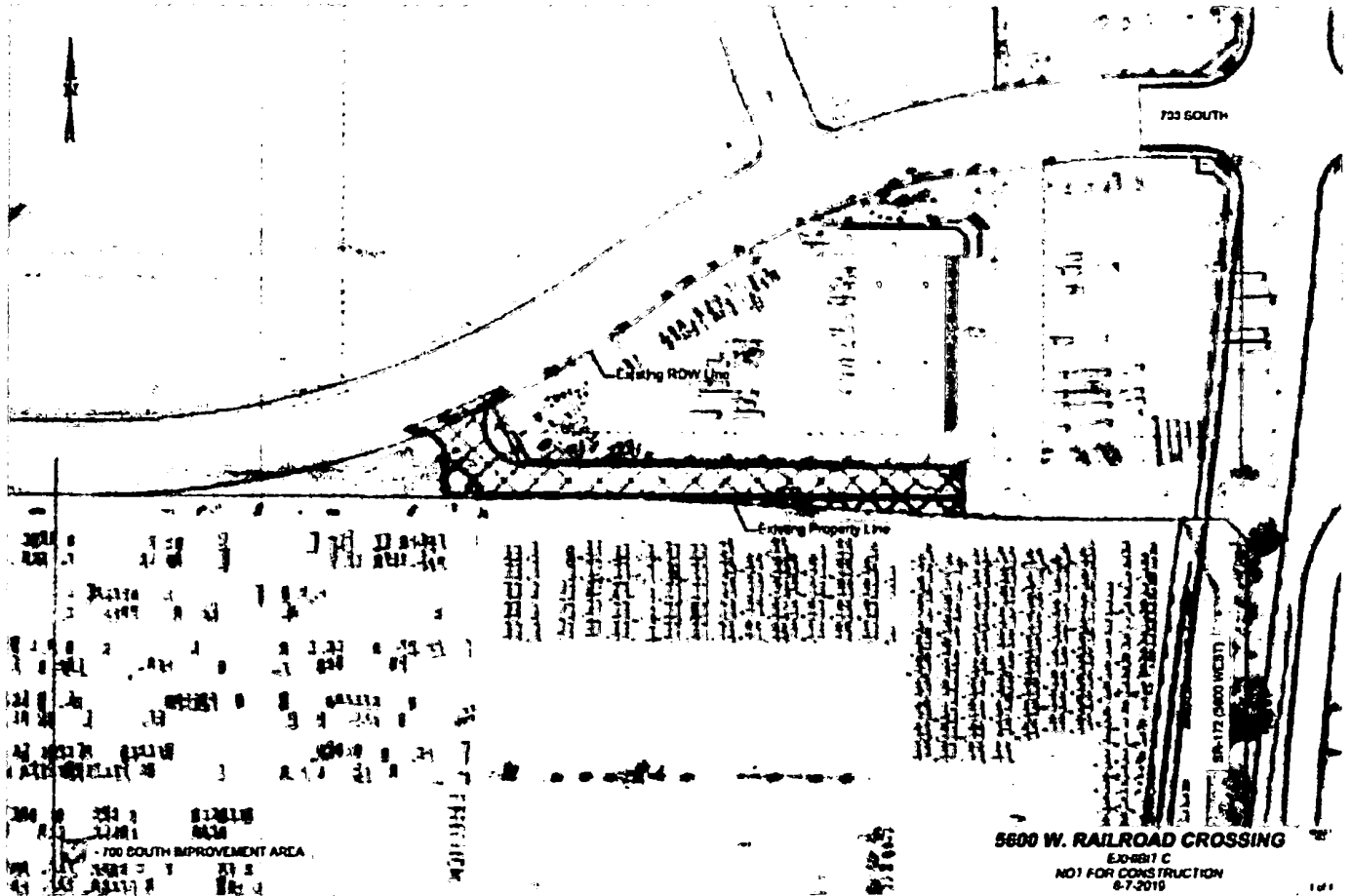
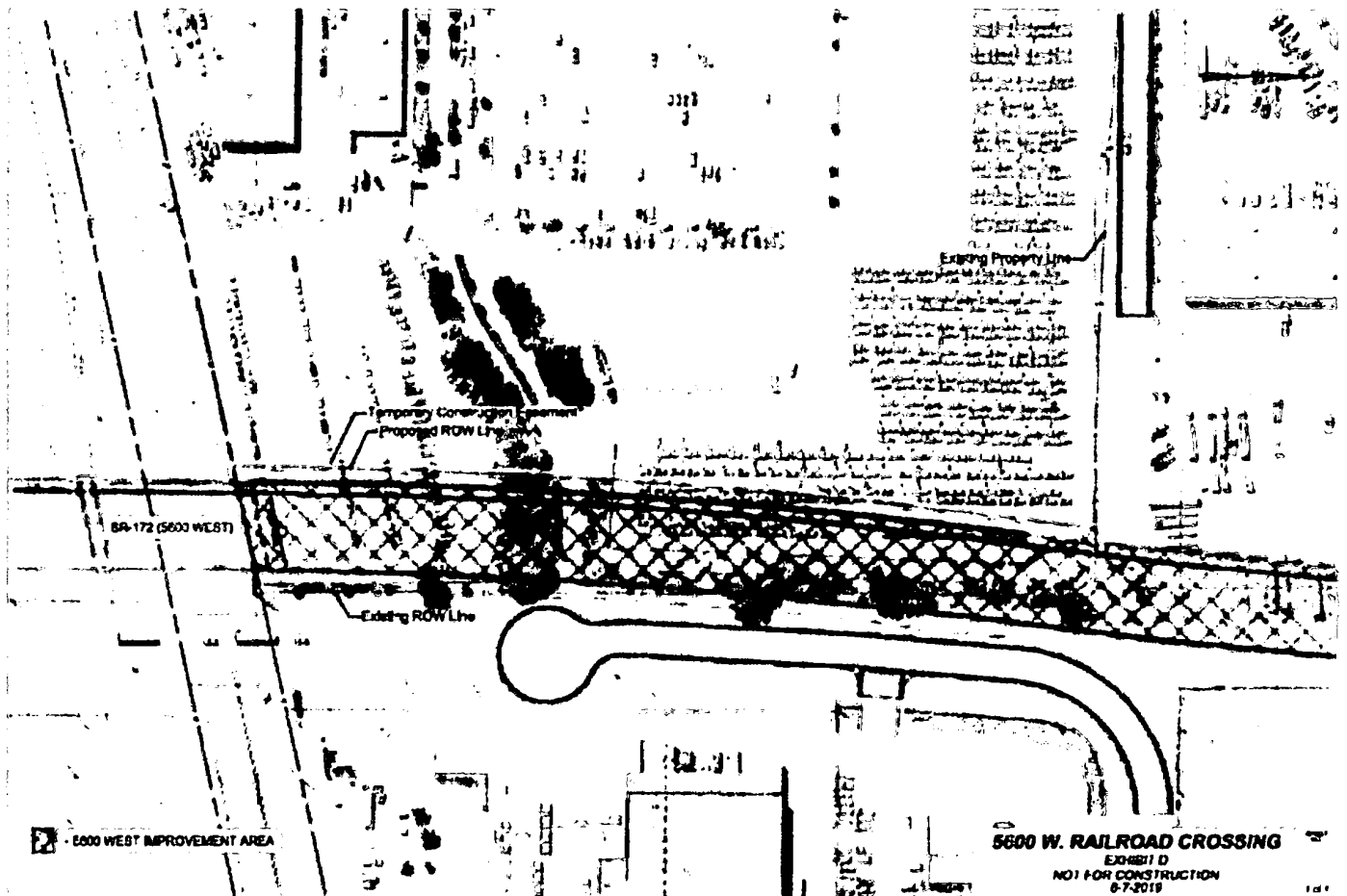


EXHIBIT "D"

Depiction of 5600 West Improvements Area



[illegible]

				2020 PRORATION (LAND & BLDG)										
PARCEL NO. 14-11-200-017-0000														
DAYS EXEMPT	DAYS IN YEAR	%	ACREAGE EXEMPT	PARCEL ACRES	%	% EXEMPT FOR 2020		ORIGINAL LAND TAXABLE VALUE	EXEMPT AMOUNT	NEW LAND TAXABLE VALUE	BUILDING VALUE	TAXABLE VALUE 2020	TAX RATE FOR 2020	TAX FOR 2020
365	365	1.0000	2.58	67.69	0.0381	0.04		\$ 13,378,800.00	\$ 535,152	\$ 12,843,648	\$4,741,700	\$ 17,585,348	0.0122270	\$ 215,016.05
2.58 ac of land exempt as of 11/7/2019														
													Paid	221,559.35
													Should have been	215,016.05
													Refund	6,543.30

[illegible]