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Ephraim City Announces Potential Sale of Historic Square Property to Granary Arts

Ephraim City, Utah – October 20, 2023 – Ephraim City, a cherished community known for its rich historical heritage, is considering a proposal for the sale of 4 (four) properties located at the corner of 100 N and Main Street encompassing the iconic Ephraim City Co-op building, the Relief Society Granary, the Bishop's Storehouse and adjacent parking areas. The Historic Square, with its storied past, has been at the heart of Ephraim's culture and traditions for decades, and its future is currently under thoughtful consideration.

Over the years, the Historic Square has served various purposes, including as a gift and craft shop, reception center, and a gathering place for community events. The Ephraim City Co-op, a historic landmark, has been a part of the community's identity since its establishment as the Sanpete Stake Academy in 1888, later becoming Snow College. Adjacent to the Co-op are the Relief Society Granary building and the Bishop's Storehouse, both of which hold historical significance in the founding and development of Ephraim.

Ephraim City has received an unsolicited proposal from Granary Arts to purchase the Historic Square. The proposal, initiated after Ephraim City had decided to lease the Co-op space to Snow College, was formally presented to the City Council. The proposal includes a \$1.2 million purchase price and a \$2 million endowment Granary Arts to maintain and preserve the buildings, funded by an anonymous donor. The sale of the property is still under negotiation and requires a public hearing and formal resolution by the Ephraim City Council.

Ephraim City is concerned about the long-term viability and preservation of the Historic Square property. Due to the substantial costs of maintenance and historical preservation, which may range from \$2 million to \$10 million over the next 5 to 10 years, Ephraim City lacks the financial resources to cover these expenses. A sale to a private organization would require them to maintain the historical integrity of the buildings and access to the square as a public gathering place.

Ephraim City is committed to transparency and civic engagement. Before any sale can occur, a public hearing will be held on November 15, 2023, at 6:00 pm in the Ephraim City Council Chambers. The City Council will consider public input before making a final decision. If the sale is approved, it is expected to close in mid to late December. The City Council may also opt to retain ownership and continue negotiations with Snow College for a lease.

Ephraim City values its historical heritage and the square's place in the community's heart. The City remains committed to preserving the legacy of these landmarks while exploring options that benefit both the community and its cherished institutions.

Ephraim Mayor John Scott States, "We were surprised and a little shocked to receive an official offer for our historic Ephraim historic square buildings. We will entertain this offer with the public input that we receive on November 15th. We look forward to a long and lasting partnership with the Granary Arts Foundation and with their historic preservation of our historic square. We believe that they have the capacity and the vision to bring this square up to date with a cash infusion that will provide funds for upgrading the buildings and with the vision of making this a community Cultural Center for Ephraim City."

Granary Arts Foundation Executive Director Amy Jorgenson states, "Granary Arts is excited to be making this offer to purchase the buildings at Ephraim Square. We are dedicated to cultivating a dynamic downtown arts and cultural district while preserving the historical architecture and celebrating the unique regional history of our community. Ephraim Square will continue to be a gathering place for cultural events for the residents of Ephraim and provide a destination for visitors."

President Stacey McIff of Snow College stated, "The Co-op Building is important to Snow College and is part of the college's very fabric. This was where our first class of 150 students met with the principal and one teacher in 1888. Canvas sheets were hung from the ceiling to make partitions, and an academy for learning began. The historical significance of this building is absolute, and our interest is in its preservation. In the late 1980s, a group of citizens joined forces to save the Co-op with the intent to 'show what could be done with our heritage to preserve our future.' We honor and appreciate the sacrifices of so many who made Sanpete Stake Academy (now Snow College) a reality and those who recognized the need to preserve the building nearly 45 years ago. We stand on their shoulders and support continued efforts and investment to preserve the building moving forward. Snow College remains committed to reflecting on and remembering our rich 135-year history while we build a bright future."

About Ephraim City: Ephraim City, nestled in the heart of Utah, is a community of rich heritage and enduring traditions. With a history dating back to the 19th century, Ephraim City embraces its roots while looking toward the future. Our city is known for its commitment to preserving its historical landmarks, fostering educational institutions like Snow College, and providing a warm and welcoming environment for its residents. Ephraim City stands as a testament to the importance of community, culture, and the enduring values that continue to shape our vibrant and thriving municipality.

About Granary Arts: Granary Arts is a nonprofit organization whose mission is to support the contemporary arts through exhibitions, education, and cultural programming, and serve as an anchor for artistic activity and community. We support and exhibit regional and international artists; provide

educational opportunities through programming, outreach, and cultural events; and foster collaborative relationships with individuals, organizations, and communities. Granary Arts is dedicated to the preservation of our historical buildings, the Ephraim Relief Society granary and the C.C.A. Christensen cabin.

Ephraim Square Questions and Answers:

What is Ephraim Historic Square?

The Ephraim City Historic Square is a combination of the Ephraim Co-op, the Relief Society Granary building, and the Bishop's Storehouse located in the heart of Ephraim. The Co-op is a historic building that served as the home of the Sanpete Stake Academy established in 1888, which later became Snow College. In recent years the Co-op building has been used as a gift and craft shop, reception center, and a gathering place for long standing community events. Adjacent to the Co-op is the Relief Society Granary building and the Bishop's Storehouse which were also historical sites of importance to the founding and community of Ephraim.

Is the city selling the Historic Square?

Ephraim City was approached by the Granary Arts organization with a proposal to purchase the Co-op, the granary arts building, and the Bishop's Storehouse along with the parking areas to the east of the Co-op, which comprises the entirety of the Historic Square property. This offer was not solicited by the city nor did the city seek out any offers to sell the property. Following the decision of Ephraim City to lease the Co-op space to Snow College organizers from Granary Arts approached the city about a possible sale. Ephraim city leaders responded that the Granary Arts needed to provide a formal offer to the city if they were interested in purchasing the property and the city would discuss and investigate the possibility of a sale.

A formal offer to sell the property was brought before the City Council in September. Granary Arts proposed to buy the property for \$1.2 million. As part of the transaction, Granary Arts would also be receiving a \$2 million endowment, to be funded over 4 (four years), to establish a fund to maintain and preserve the buildings. These funds are coming from an anonymous donor.

Following a presentation by Granary Arts to the City Council, the Council directed City Manager Sean Lewis, and Mayor John Scott to negotiate with Granary Arts and further discuss whether the offer was viable and would meet the goals of Ephraim City to preserve the historical nature of the buildings and to preserve the financial viability of future city budgets. At the last City Council meeting held on October 18th, 2023, the City Council was presented a formal sales contract and instructed Mr. Lewis and Mayor Scott to further negotiate and refine the contract to better reflect terms that are important to the City's long-term goals. As of the writing of this document on Friday October 20th, no sales contract has been signed by either Ephraim City or Granary Arts, nor has the City Council given final approval to sell the property. Any sale of Ephraim City property requires a public hearing and decision by the City Council in an open meeting, per Ephraim City and Utah law.

What about the lease with Snow College?

In May and June of 2023 Ephraim City requested proposals from organizations who would have an interest in leasing and occupying the Co-op building while maintaining the historical nature of the building and its use as a community gathering place. At the time of receiving proposals, Ephraim City had no intention of selling the property. As a result of receiving proposals and after deliberation by the City Council, the Council elected to award Snow College the opportunity to lease the Co-op building in a long-term agreement. Following that decision by the

City Council, former City Manager Shaun Kjar began negotiations with Snow College on finalizing the terms of a lease. Those negotiations continued after Mr. Kjar's resignation and Mr. Lewis's subsequent hiring as City Manager.

In September when Granary Arts approached the city regarding selling the property, an immediate call was placed between Mayor Scott and President Stacey McCliff of Snow College. President McCliff encouraged Mayor Scott to further investigate the benefits of a sale of the property and has indicated to the city that Snow College is interested in the best long-term viability and preservation of the historical properties and would graciously allow the city to entertain the sales option. Because no lease has been signed between Ephraim City and Snow College, there are no penalties or harm of the city selling the property to a private organization. Should the sale of the property not be completed, Ephraim City would reengage Snow College regarding negotiations for a long-term lease.

Ephraim City is grateful to the leaders of Snow College for their patience and understanding as this process has unfolded. In no instance did Ephraim negotiate in bad faith or with intent to harm or deceive Snow College or the residents of Ephraim. To the contrary, the city has maintained open lines of communication and has kept College leadership apprised of developments as the process has progressed.

If the City sells the property, will the buildings be preserved and remain open to the public?

Ephraim City is concerned regarding the long-term viability and structural integrity of all the structures on the square. Part of the intent of the city taking possession of the property originally was to ensure that the pioneer era structures would not be demolished. While Ephraim City has worked hard to maintain the structures, the reality of costs relating to upkeep and historical preservation are becoming more than our city budgets can handle. There are needs that must be addressed that will require substantial capital to maintain the viability of the structure. Items like roofing, elevator repair, foundation repair, among others. The cost of providing the needed repairs to the building with conservative estimates ranges between a minimum of \$2 million - \$10 million in capital improvements over the next 5 to 10 years. Ephraim City currently does not have the available financial resources to make the needed repairs to maintain these structures. Funding sources such as grants or even property tax increases would be required to fully fund the needed repairs and are not always reliable sources of revenue.

Should the city sell the property, any new owner would be responsible for all costs relating to repair and upgrades that are necessary. The terms of the sales proposal that has been presented to the City Council includes selling the buildings "as is". Ephraim City has negotiated to contractually require any new owners to maintain the structural and historical integrity of the buildings and to maintain access to the square as a public gathering place. Additionally, the City proposes to change the zoning of the property from commercial to a new yet to be defined historical zone that could limit the potential for unwanted uses or look of the site. However, should the city complete the sale of the property Ephraim City would no longer have control over access and maintenance issues and like the residents of the city we would be on the sidelines trusting that the new owners would fulfill the vision of those who want to preserve this precious resource and maintain the historical nature look and use of the buildings on site.

What is the process of selling the property?

Before Ephraim City may sell any property, City and Utah law requires that a public hearing be held, where members of the public may speak either for or against the proposal. A public hearing to discuss the potential sale of the property has been scheduled:

Wednesday, November 15, 2023

Beginning at 6:00 pm

Ephraim City Council Chambers

5 South Main Street, Ephraim, UT 84627

Depending on the number of interested parties who wish to speak on the proposal, the City Council may institute a 2-minute time limit on speakers, with preference in speaking order given to city residents.

Should the Council vote to sell the property, City Staff would then execute the sales contract with Granary Arts, with an expected closing date of mid or late December.

The City Council may also choose not to sell the property, in which instance the city would reestablish negotiations with Snow College on a lease of the Co-op building.

For more information, please contact:

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Ephraimcity.org

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