

Alta Town Council

Staff Report



To: Town Council

From: Chris Cawley, Town Manager

Re: Discussion and possible action to authorize a Real Estate Contract for the purchase of Our Lady of the Snows Center

Date: April 23, 2025

Attachments:

The following is a compilation of information and reflections for the council's consideration as it discusses whether to enter into a contract to purchase Our Lady of the Snows (OLS)

Timeline of Events

December 2024: Alta Community Enrichment (ACE) informed Town staff that the Catholic Diocese of Salt Lake City was considering divesting of OLS

Early January 2025: Town staff contacted USFS and Diocese to discuss future of OLS

February 4, 2025: Zoom meeting including TOA, USFS, Diocese

- Diocese's options: continue to own and operate, sell, demolish and restore site
- Diocese stated interest in selling to a government entity (Town or USFS)

February 12, 2025:

- ACE informed Town Council that ACE intended to pursue purchase of OLS
- Council closed meeting re: OLS

February 14, 2025:

- Closed meeting re: OLS. Should the Town consider purchasing?
- Council instructed staff to discuss ACE Right of First Offer (ROFO) to TOA for future OLS purchase

February 27, 2025

- ACE provided ROFO in writing to TOA

March 4, 2025

- Closed meeting re: OLS
- Council discussed the Diocese's interest in selling to a government, and a Council majority decided it was best to pursue purchasing OLS, Council instructed staff to communicate with ACE and decline ROFO

March 7, 2025

- Staff met with ACE to share council's direction re: OLS purchase

March 27, 2025

- Received appraisal of OLS from Diocese

April 8

- TOA submitted Letter of Intent to make an offer to purchase OLS

April 9

- Diocese formally decided to "alienate" OLS
- Diocese informed TOA it had decided to pursue a sale to TOA

April 17th

- Diocese returned signed LOI to TOA, confirming Diocese's decision to consider offer from TOA

Pros and Cons

Arguments for and against the Town purchasing OLS are well outlined in Jen Clancy's April 9 staff report, which is accessible on pages 2-5 in the [April 15 meeting packet](#). Highlights include:

- For: The Town is a public entity with a public purpose and governance, and hence is well suited to manage the facility as a public and community asset
- For: Acquiring the facility could allow the Town flexibility as it plans the future of its other facilities—*although the Town does not assume the function of OLS would change significantly for the foreseeable future if it does acquire the building*
- Against: ACE could acquire the building and ensure a future home in perpetuity, without depending on the Town or any other entity to lease, permit, or share the space with ACE
- Against: The Town has many other financial needs and acquiring OLS would not directly or immediately enhance the Town's provision of essential services

Financial Considerations

The Town has experienced growth in both revenues and expenses over the past several years. In recent years, revenues have exceeded the Town's revenue projections and annual expenses, and the Town has been able to make annual transfers to its capital projects account, where the Town allocates funds to capital expenses in future fiscal years. The Town of Alta Capital Projects Fund has a balance of roughly \$1.7M as of March 31, 2025.

The Town currently owns three buildings, two of which are over forty years old and exhibit structural problems, building code deficiencies, and significant accessibility challenges, among other issues. The Town has not invested substantial resources in any of its existing buildings recently in part because it has assumed it will replace one of its buildings in the near future. The Town is developing a facility condition assessment and alternative concepts for a new building

that would house Town of Alta functions currently offered in facilities that could be considered end-of-life. Preliminary, high-level cost estimates for a new facility range from \$6M to \$12M.

Capital Projects Fund Plan										
Fund Balance: March 31, 2025										
\$ 1,697,026										
Fund Balance			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
As of July 1 (start) of the fiscal year			1,188,590	1,469,590	498,678	583,638	(8,248,853)	(8,346,318)	(8,446,708)	(8,550,109)
Projected Year-End Balance			1,469,590	498,678	583,638	(8,248,853)	(8,346,318)	(8,446,708)	(8,550,109)	(8,656,612)
GL Code	Project Name	FY 2025 YTD	FY 2025 Budget	FY 2026 Budget	FY 2027 Budget	FY 2028 Budget	FY 2029 Budget	FY 2030 Budget	FY 2031 Budget	FY 2032 Budget
45-45-740	Town Website	8,270	15,000							
45-45-750	Replace a Building	-				9,000,000				
45-45-750	Facilities Master Plan	53,113	75,000							
45-45-750	Facilities Planning Phase 2	-		75,000						
45-45-750	Our Lady of the Snows Center (inc earnest \$ and closing costs)		100,000	950,000						
45-45-750	OLS repairs (patio, stairs, windows)			100,000						
45-45-750	Tom Moore Historic Structure Stabilization*	-		25,000						
45-54-741	Marshals Office Security Cameras	-	13,000							
45-54-742	New AMO Truck	-	55,000							
45-54-743	AMO Mobile Data Terminals	-	25,000							
45-54-743	Alta Central Dispatch Console Upgrade	-		15,000						
45-54-743	Alta Central Dispatch Radio System Upgrade Centracom Phase 2	-			30,000					
45-54-743	Speed Trailer #3	59	13,000							
45-70-740	Trailhead-Style Public Restroom 24/7*	-			50,000					
45-70-741	Master Water and Sewer Plan (1/3 cost)	9,811	15,000							
Total Projects		71,254	311,000	1,165,000	80,000	9,000,000	-	-	-	-
* Any items in red are proposed, not approved.						Budgeted Total 2025 - 2035				10,761,248
* Projects or programs toward which the Town collects revenue from other sources. Amounts indicated are net Town of Alta expenses.										

Above is a screenshot of the Town of Alta Capital Projects Fund Plan with some changes highlighted in red that have not been approved by the council, which include costs to purchase OLS, as well as an updated cost estimate for a new building. The “replace a building” line item in the Town’s current, approved capital projects plan shows a \$7.5M project in FY 28, and we anticipate proposing to increase the amount in this line pending the outcomes of the Town’s facility planning work.

Assuming the expenses defined above are funded as shown, the Town’s total capital projects outlay over the next several years would be about \$10.7M. If the Town decides not to purchase OLS but continues to assume a \$9M new facility in FY 28, the Town’s capital outlay over the same period would be \$9.6M. The decision to purchase OLS would increase the Town’s capital outlay by 12 percent in this scenario and its need for additional capital to pursue a major project would increase by the same amount.

Cash Reserve Projections		FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Beginning Balance		1,188,590	1,469,590	498,678	583,638	(8,248,853)	(8,098,853)	(7,948,853)	(7,798,853)
Revenue									
	Prior Year's - Capital Fund Transfe	522,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
	Loan &/or Bond				?				
	Interest	70,000	44,088	14,960	17,509				
	Total Revenue	592,000	194,088	164,960	167,509	150,000	150,000	150,000	150,000
Expenses									
	Projects	311,000	1,165,000	80,000	9,000,000	-	-	-	-
	Total Expenses	311,000	1,165,000	80,000	9,000,000	-	-	-	-
Year-End		1,469,590	498,678	583,638	(8,248,853)	(8,098,853)	(7,948,853)	(7,798,853)	(7,648,853)

Above is a screenshot from our April 23 Budget Committee presentation showing Capital Fund balance projections. These projections show that the Capital Projects Fund balance would drop to roughly \$500,000 if the Town spends \$1M to purchase OLS, assuming all other capital projects are funded.

It is somewhat likely the Town will need to obtain funding to replace a building from outside the Town's normal revenue streams. Options include issuing a general obligation or revenue bond, which would be paid down by tax revenues over time; obtaining a grant; or partnering with other entities such as UDOT or Salt Lake County Sheriff's Office, amongst other possibilities. If the Town purchases OLS, the Town's need for additional revenue would increase by the amount of the purchase.

Staff is grateful the current Town Council has supported revenue increases to fund payroll adjustments, increases in Marshals Office staffing, and other needs, while facilitating planning and discussion about long-term capital and other financial needs and how the Town can meet them. This has not always been the norm over the Town's 55-year history. We are hopeful that whatever happens with OLS will not disrupt support to fund important Town of Alta projects over the next 10 years.

[Click here to find the entire April 24th Budget Committee presentation.](#)

Arrangements with Alta Community Enrichment

If the council decides to purchase OLS, staff strongly recommends the Town establish an agreement with ACE that provides the organization a stable, long-term home. ACE, the Town, and community members have discussed such an arrangement in recent days, and we are hopeful that we'll be able to move forward with a mutually beneficial arrangement very soon.

ACE and the Town's Relationship with ACE

It is impossible to overstate the importance of ACE to Alta's community. Alta is more accessible and socially diverse because of ACE programming. ACE events provide opportunities for people who love Alta and legitimately consider it their home, who vastly outnumber official Alta residents, to convene and relate and explore their interests together, outside of their workplaces or whichever outdoor recreation venues they enjoy. In many ways, ACE is so vibrant because of the love, energy, and inspiration that people have for Alta; but without ACE; much of that energy would have no outlet, and Alta's culture would be diminished for it. ACE has welcomed many thousands of people to Alta's community, and it provides sanctuary for Alta folks who need it.

The Town's decision to explore and pursue an acquisition of OLS, despite ACE's stated intent to do so, has impacted the Town's relationship with ACE and it has impacted the Town's public image to some extent. I am confident that we will resolve the conflict that has ensued between our organizations and that our constituents will appreciate the value in whatever outcome is reached for the future of OLS. The Town cannot be in a position of conflict with ACE because our

constituents depend on the organization, and we look forward to settling the future of OLS for the benefit of Alta's community.