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Gary W. Ott  
Recorder, Salt Lake County, UT  
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BY: eCASH, DEPUTY - EF 60 P.

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Draper City Recorder  
1020 East Pioneer Road  
Draper, UT 84020

## DEVELOPMENT AGREEMENT

6<sup>th</sup> THIS DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_\_ day of December, 2005 (the "Effective Date"), by and between **DRAPER CITY**, a Utah municipal corporation ("City"), and **IKEA Property, Inc.**, a Delaware corporation ("Developer").

### RECITALS:

A. The Developer has entered into a purchase and sale agreement (the "Purchase Agreement") pursuant to which the Developer has the right to purchase approximately 39 acres of real property located at 13490 South Pony Express Road, Draper City, Salt Lake County, State of Utah, as more particularly described in Exhibit A (the "Property").

B. Subject to the satisfaction of certain conditions under the Purchase Agreement, the Developer desires to purchase and develop the Property as a planned commercial center in accordance with applicable City Ordinances and as more particularly provided herein (the "Planned Center").

C. As part of the Planned Center, the Developer intends to construct or cause to be constructed on a portion of the Property a retail home furnishings retail store of not less than two hundred fifty thousand (250,000) square feet of floor area, together with all required amenities, including, but not limited to, a paved surface parking area, parking lot lighting, landscaping, signage and necessary interior utilities (collectively, the "Principal Building").

D. One of the conditions under the Purchase Agreement is that the City and the Developer enter into a development agreement for the Property in form and substance satisfactory to the Developer.

E. Pursuant to Section 9-11-070 of the City's Land Use and Development Code, on September 27, 2005, the City rezoned the property as a Commercial Special District ("CSD"), a copy of which ordinance is attached as Exhibit B (the "CSD Ordinance").

F. Pursuant to Section 17-1-010 et seq. of the City's Subdivision Ordinance, has under consideration a Subdivision Plat known as the Dahle Subdivision, dividing the Property into nine (9) Lots ("Subdivision Plat"), a copy of which plat is attached Exhibit C.

G. The Draper City Council has determined that facilitating the location of the Developer within the boundaries of the City will result in substantial benefits to the citizens of the City and the owners of property in the City, including without limitation additional employment opportunities and significant increases in collections of sales and property taxes. Inasmuch as this will be the Developer's first store in the Intermountain West, the City believes it will attract customers from Salt Lake County, the State and the surrounding region, which will result in additional sales and services to such customers by other businesses within the City.

H. The City Council finds that it is in the best interests of the City and its residents, and that it is also in accord with the public purposes of applicable state and local laws, to enter into this Agreement to promote and support the development of the Planned Center.

I. The purpose of this Agreement is to reduce to writing the respective agreements and understandings of the parties regarding the development of the Property in conformance with the CSD Ordinance and, except as otherwise provided herein, all ordinances, rules and regulations adopted by the City, including but not limited to the provisions of the City's General Plan, the City's Subdivision Ordinance, the City's Land Use and Development Code, including Section 9-5-090 thereof (the "Site Plan Review Ordinance"), fees, and all other applicable ordinances, standards, specifications, regulations and codes (collectively hereinafter referred to as the "City Ordinances") and the specific approvals granted by the City for the Property. The City and the Developer, as well as any permitted successors and assigns, agree to be bound by the terms and conditions of this Agreement as more particularly set forth herein.

#### AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Incorporation of Recitals.** The above Recitals are hereby incorporated into this Agreement.

2. **Development of the CSD.** The Property shall be developed as a planned commercial center within the CSD. All development and use of the Property shall be subject to and shall comply with the terms and conditions of this Agreement, the CSD Ordinance, the Subdivision Plat, the Site Plan Review Ordinance, and all other applicable City Ordinances and all subsequent Individual Site Plans (as defined below). No additional land may be added to the Property or the CSD described herein for the purposes of this Agreement except by written amendment to this Agreement approved and executed by the parties and a formal rezoning of the proposed additional property to be accomplished through procedures established in then existing City Ordinances. In the event there is a conflict between the provisions of this Agreement and the CSD Ordinance, the Site Plan Review Ordinance or the Subdivision Plat, the terms and conditions of this Agreement shall govern. In the event of conflict between any terms within this Agreement, the more restrictive provision shall govern. This Agreement shall be recorded against the Property immediately after the Developer takes title to the Property. No construction, excavation, or other development activities shall be conducted on the Property until and unless this Agreement and the Subdivision Plat are recorded in

the Salt Lake County Recorder's Office and all pre-construction requirements and conditions of this Agreement and City Ordinances have been met.

3. **Principal Building Construction.** It is specifically acknowledged and agreed by the parties that the City's entering into this Agreement is based on the Developer's current plans to acquire the Property pursuant to the Purchase Agreement and to construct the Principal Building within the Planned Center and operate within that building an IKEA store. The City's entering into this Agreement is further based on projections of sales and property taxes to be gained by the State, County and City from the operation of an IKEA store within the City's corporate boundaries and that those projections form a material part of the basis upon which the City has determined to enter into this Agreement. The City acknowledges that it has conducted its own due diligence in forming the projections of sales and property taxes and has not relied on representations from the Developer. In the event the Developer fails to apply for necessary permits for construction of the Principal Building within the Planned Center within three (3) years from the Effective Date, the City may, at its option and in its sole discretion, terminate the terms and provisions of this Agreement and may further repeal the provisions of the Dahle Property CSD ordinance without legal recourse to the Developer or subsequent Developers of the Property. The Developer acknowledges that the City shall not be responsible for installing or causing to be installed any required utilities located within the Planned Center.

4. **Site Plan Approval Required for Individual Lots within Planned Center.** Individual uses and development of Lots within the CSD shall be required to submit and obtain site plan approval from the City in accordance with the Site Plan Review Ordinance, as modified hereby and by the CSD provisions (an "Individual Site Plan"). For the Principal Building, the approval process for the Individual Site Plan shall be an administrative level review requiring only the approval of the Zoning Administrator and the City Engineer. The Developer agrees that, in order for such approval for the Individual Site Plan for the Principal Building to be granted, the Developer must also submit, and the Zoning Administrator must approve, a form of proposed covenants, conditions and restrictions that will apply to all of the Lots within the Subdivision which shall provide, among other things, that each Lot must be legally self-parked and that each Lot shall have reasonable access to IKEA Way and/or Pony Express Road. Notwithstanding the foregoing, for the purposes of the Site Plan Review Ordinance, the development requirements contained in the CSD Ordinance are deemed to be acceptable as the development standards and guidelines referred to in the Site Plan Review Ordinance. The City agrees that no trees will be required as part of the landscaping or screening requirements under the CSD in any area in which a public utility has an easement that prohibits trees. This Agreement is acceptable to the City as the development agreement required under the Site Plan Review Ordinance. The City acknowledges receipt and approval of a Traffic Impact Analysis dated August, 2005 prepared by InterPlan Co. In the event that an application for approval of an Individual Site Plan for the Principal Building is submitted within three (3) years of the date hereof, no additional traffic impact analysis shall be required in connection with such application.

5. **Submissions and Inspections.**

(a) **Plan Submissions.** The City (or its designated contractor) shall, with respect to the Principal Building only: (i) promptly review all plans, drawings and other submissions

(collectively, the "Submissions") required by any applicable Land Use Regulation and either approve or reject the same as soon as possible but in no event later than fifteen (15) business days after submission, (ii) allow plans and drawings to be submitted and permits issued in segments on an expedited basis as may be required for the progress of the design, engineering, construction and occupancy, including up to fifteen (15) packages; and (iii) issue permits for construction for various segments prior to final review and approval of other Submissions.

(b) **Single Point of Contact.** The City shall designate an individual within the City as the single point of contact for the Developer in connection with all development of the CSD.

(c) **Inspection.** The services of qualified inspectors shall be obtained by the City to perform all required inspections and tests for the Planned Center. Such inspectors shall commence any required inspection or test within one business day after request for the same and shall diligently pursue completion of the same.

(d) **Governmental Immunity.** The parties acknowledge that the City retains all governmental immunity protection applicable to the City's plan review and inspection activities pursuant to this Section 5. The parties do not intend for governmental immunity to bar a claim by the Developer based on the City's alleged failure to perform within the time frames agreed upon in this Section 5.

6. **Easement.** Promptly following the recordation of this Agreement, the Developer and the City shall execute and cause to be recorded a Storm Water Easement Agreement in the form of Exhibit G attached hereto.

7. **Purchase of Property.** Promptly following the acquisition of the Property pursuant to the Purchase Agreement, the Developer agrees to convey to the City all of the rights-of-way shown on the Subdivision Plat, on which all Infrastructure Improvements (as defined below) shall be constructed. The City agrees to pay the Developer \$1,626,212 for such property (the "Initial Payment"), payable as follows: \$1,126,212 in immediately available funds within thirty (30) days of the date the document conveying such property to the City is recorded, and five payments of \$100,000 each on August 1<sup>st</sup> of each of the years 2007, 2008, 2009, 2010 and 2011 (\$500,000 in total) (the "Additional Payments"). The Additional Payments shall not bear interest. The Developer understands and agrees that the obligation of the City to make the Additional Payments is a multi-year fiscal obligation, which shall be subject to annual appropriation by the Draper City Council of the required amount. Developer further acknowledges that the City is anticipating receipt of certain funds in order to make the Additional Payments. If the City fails to receive any such funds, then the parties hereto agree that the City shall, to that extent, have no obligation to pay to Developer the Additional Payments. It is expressly understood and agreed that the City's obligation to make the Additional Payments is dependent upon and subject to the City's receipt of such funds which will allow the City to meet its budgeted obligations without any other appropriation from the City General Fund. However, the City agrees that City staff shall, to the extent that the anticipated funds are received, include in the annual budget and appropriation ordinances for the appropriate years for the Draper City Council's consideration the necessary appropriations.

8. **Payment of Fees.** The City agrees that the City will incur all expenditures for fees related to the construction of the Principal Building incurred through the date upon which a certificate of occupancy is issued for the Principal Building, and that the Developer shall not be liable for any such fees. A complete list of such fees is set forth in Exhibit F attached hereto. The City agrees that such payment of fees constitutes an appropriation of City money for corporate purposes that has been validly approved by the City in accordance with Section 10-8-2(3) of the Utah Code Annotated.

9. **City Obligations.** The City hereby agrees as follows:

(a) **Infrastructure Improvements.** The City shall, at its sole expense (except as provided in subsection (g) below), timely design, engineer, construct or cause to be designed, engineered and constructed all road, sewer, water, gas, electrical, communications and other utilities and improvements identified on Exhibit D (the "Infrastructure Improvements") and shown on Exhibit E ("Infrastructure Site Plan"), each attached hereto. All specifications and drawings, and any modifications thereto, for the Infrastructure Improvements shall be subject to the approval of the Developer and the City. The City shall make good faith efforts to support and obtain all additional infrastructure improvements which enhance access to and from, and services rendered to, the Planned Center. The City shall be responsible for the replacement, repair and maintenance of any of the Infrastructure Improvements after the completion thereof by the City. At such time as the Galena Park Boulevard extension (as described in Exhibit D) is completed, the City shall cause it to be officially named in the records of the City and signed as "IKEA Way."

(b) **Compliance.** The City shall prepare all necessary bidding and contract information, forms, invitations and agreements, and conduct competitive bidding for the Infrastructure Improvements in accordance with City Ordinances. In making determinations of whether a contractor is acceptable to the City as a pre-qualified bidder or as the lowest responsive, responsible bidder, the City shall consult with the Developer and obtain the Developer's written approval, which approval shall not be unreasonably withheld or delayed. The City shall complete or cause to be completed all of the Infrastructure Improvements in accordance with all design and construction standards under applicable City Ordinances.

(c) **Contracts.** The City shall supervise and manage all contractors and shall administer such contracts using the City's best skill and attention in consultation with the Developer and shall ensure that all contractors and subcontractors are timely paid. All such contracts shall (i) be in writing, (ii) include satisfactory insurance, warranties, guaranties and duties from such contractors for the benefit of the Developer, (iii) include a provision that the Developer may take over the work specified therein, (iv) require that all changes to plans be approved in advance by the City and the Developer, and (v) be in form and substance acceptable to the Developer.

(d) **Necessary Easements.** The City shall be solely responsible to obtain all required easements, rights-of-way, consents, approvals and permits from all persons, governmental or otherwise, necessary for the Infrastructure Improvements to be timely

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installed. Except as provided in Section 6, the City will not require any other dedications or conveyances of the Property in connection therewith.

(e) Completion Deadline. The City shall complete all of the Infrastructure Improvements no later than August 31, 2006 (the "Outside Completion Date").

(f) Funding. The City represents and warrants that its budget for the current fiscal year (2005/06) contains sufficient funds to pay for all of the Infrastructure Improvements and to make the Initial Payment.

(g) IKEA Way Signal. The Parties acknowledge that one element of the Infrastructure Improvements is the IKEA Way Signal (as defined in Exhibit D). The City estimates that the cost of the IKEA Way Signal is \$160,000. The Developer agrees to pay the City an amount equal to Fifty Percent (50%) of such estimated cost (i.e. \$80,000) within thirty (30) days after the completion of the Infrastructure Improvements.

(h) No Further Requirements. The Developer will not, in connection with obtaining the approval of the Individual Site Plan for the Principal Building or approvals or any building permits for the Principal Building, be required by the City to install or pay for any public utilities or improvements, except for landscaping and irrigation in the parking strips along the southern side of IKEA Way and the western side of Pony Express Road and except as otherwise provided in Section 13(i).

(i) Takeover. If the Developer determines in its reasonable judgment and in good faith that the performance of the Infrastructure Improvements is not proceeding so as to be completed by the Outside Completion Date (it being understood that time is of the essence), the Developer may give notice of such fact to the City. If the City does not present to the Developer reasonable evidence, within ten (10) days of receipt of such notice, that the Infrastructure Improvements will be completed as required, the Developer shall have the right, but not the obligation, to assume control of all or a designated portion of the Infrastructure Improvements and, upon such election, the Developer agrees to proceed to complete the same with all reasonable dispatch. The City hereby grants to the Developer, its contractors, agents and employees a temporary license to enter upon the rights-of-way as shown on the Subdivision Plat for the purpose of performing the Infrastructure Improvements for which the Developer has assumed control. Upon completion of the Infrastructure Improvements, the City shall reimburse the Developer for the reasonable costs so incurred by the Developer upon submittal of reasonable documentation with respect to such costs.

(j) Fill. In the event that the City has the need to export any fill from any other site owned by the City, the City may import such fill to the Property, subject to the Developer's prior approval of the quality and amount of such export.

(k) Abandoned Water Line. The City acknowledges and agrees that the underground water line currently running through the Property in an east-west direction has been abandoned by the City, that the Developer shall have no obligation to maintain such line and that the Developer may remove all or any portion of such line.

(l) **Fire Flow.** The Parties acknowledge that in order for the City to provide the water service flow rate and pressure described in Exhibit D-1 (the "Fire Flow Requirements"), the City will need to complete, in addition to that portion of the Infrastructure Improvements that consists of the water service improvements in IKEA Way, certain other work outside of the Property but within the overall pressure zone in the area that ties into such improvements, based on the City's Master Plan Water Model (collectively, the "Water Service Improvements"). After the Water Service Improvements have been completed, including without limitation a chlorination flushing of the system and pressurization of the water line in IKEA Way, the City shall cause the Unified Fire Authority (the "UFA") to conduct a static flow test to verify that the Fire Flow Requirements have been satisfied. If such test determines that the Fire Flow Requirements are not satisfied, the City shall do additional work on the Water Service Improvements and shall cause the UFA to conduct additional static flow tests to verify that the Fire Flow Requirements have been satisfied. If the UFA has not verified that the Fire Flow Requirements have been satisfied by the Outside Completion Date, the City agrees that the Developer may design and construct temporary holding and/or distribution facilities to provide enough additional temporary capacity (either on the Property or off the Property or both) such that the UFA can verify that the Fire Flow Requirements for the Principal Building are satisfied and that the Developer is able to obtain a permanent certificate of occupancy for the Principal Building (the "Temporary Facilities"). The City agrees to reimburse the Developer for all of the costs incurred by the Developer to construct the Temporary Facilities, including without limitation those for design, materials and labor, fees and testing. Notwithstanding the foregoing, the City agrees to continue to do additional work on the Water Service Improvements until such time as the UFA verifies that the Fire Flow Requirements using only the Water Service Improvements have been satisfied.

10. **Vested Rights; Development Exactions.**

(a) Subject to the terms and provisions of this Agreement and subject to the approvals for Individual Site Plans, by reason of the Developer's completed application for and the City's approval of the CSD Ordinance and the Subdivision Plat, the parties hereby acknowledge certain vested rights of the Developer to develop the Property in accordance with such approved plans. Nothing herein shall be construed to provide the Developer with any further or additional vested rights than those recognized by Utah law. Such vested rights shall be subject to all recognized exceptions, including, but not limited to the pending ordinance, procedural modes and form, clarifying ambiguity, and compelling public interest doctrines. Except as otherwise provided herein, development of the Property shall be permitted in accordance with the approved plans, plats and permits for the Property, the terms and conditions of this Agreement, and all applicable City Ordinances which are in effect on the date of this Agreement. Notwithstanding the foregoing, development of the Property shall be subject to subsequent amendments to City Ordinances regarding fees, procedures and police power provisions as may be allowed under applicable vested rights law in the State of Utah. For instance, any amendments to the site plan approval procedures shall require subsequent site plan applications to comply with the procedural requirements of City Ordinances in place at the time the application for site plan approval or amendment is submitted. The provisions set forth herein are not intended to retroactively require additional

application or permit fees from the Developer for applications or permits which have been completed and approved and for which all fees have been paid in accordance with the fee schedule in effect at the time such fees were due and paid for the subject application or permit in accordance with applicable City Ordinances or to allow the imposition of additional conditions on any pending applications except as may otherwise be allowed under applicable vested rights law in the State of Utah. Development of the Property shall also be subject to subsequent City Ordinances enacted under the City's police power to protect the public health, safety and welfare as may be allowed under applicable vested rights law in the State of Utah.

(b) The parties agree that the Developer has fully satisfied all Development Exactions imposed by the City as a condition of development for the Principal Building. The Developer shall have no obligation to participate in, pay, contribute, or otherwise provide any further Development Exactions imposed by the City, now or in the future, with respect to the Principal Building as vested and approved under the terms of this Agreement. The performance of the obligations of the Developer hereunder shall constitute full payment and satisfaction of any such Development Exactions and any power connection fees imposed or to be imposed by the City.

(c) The Developer acknowledges that the City is restricted in its authority to limit its police power by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to the City all of its police power preserved by law.

11. **Provision of Municipal Services.** Subject to the Developer complying with all of the City's Ordinances and the provisions of this Agreement, the City agrees to provide standard municipal services to the Property equal to those generally provided to other areas by the City, subject to payment of all reasonable fees and charges charged or levied therefor by the City.

12. **Signage.** The City agrees that the Developer will be entitled to use its sign package in Exhibit H attached hereto (including size, colors and locations specified therein). The Developer may make changes to such package so long as the changes do not make the signage inconsistent with any of the limitations specified in the CSD ordinance.

13. **On- Site Construction Standards and Requirements.**

(a) **General.** All construction on any portion of the CSD shall be conducted and completed in accordance with the City's Ordinances, construction standards, and the provisions of this Agreement.

(b) **Building Permits.** No buildings or other structures shall be constructed within the CSD without the Developer first obtaining building permits in accordance with the terms and conditions of this Agreement, Individual Site Plan and City Ordinances.

(c) **Indemnification and Insurance.**

(i) **Indemnification.** During construction and until acceptance of the CSD by the City, the Developer hereby agrees to indemnify and hold the City and its



officers, employees, agents and representatives harmless from and against all liability, loss, damage, costs, or expenses, including attorneys' fees and court costs arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which shall occur within the CSD or any subsequent phase thereof and which shall be caused by acts done thereon, or any errors or omission of the Developer, its agents, servants, employees or contractors. In addition, the Developer shall indemnify and hold the City and its officers, employees and representatives harmless from and against any claims, liability, costs and attorneys' fees incurred on account of any change in the nature, direction, quantity or quality of historical drainage flows resulting from the CSD or the construction of any improvements therein. The Developer and any subsequent developers shall not be responsible for (and such indemnity shall not apply to) any negligent acts or omissions of the City or its agents, servants, employees or contractors. The City agrees to indemnify and hold the Developer harmless from and against any such liability, loss, damage, costs, or expenses, including attorneys' fees and court costs arising from or as a result of the City's negligence. However, nothing herein shall be construed as a waiver of any immunity or defense to liability the City may have pursuant to provisions of the Utah Governmental Immunity Act or other applicable provisions of law.

(ii) Insurance. During the period from commencement of the work on the CSD and ending on the date when a Certificate of Completion has been issued with respect to the entire CSD, the Developer shall furnish, or cause to be furnished, to the City, satisfactory Certificates of Insurance from reputable insurance companies evidencing death, bodily injury and property damage insurance policies in the amount of at least \$2,000,000 single limit naming the City as an additional insured. The Developer shall require all contractors and other employees performing any work on the CSD to maintain adequate workers compensation insurance and public liability insurance.

(d) City and Other Governmental Agency Permits. Before commencement of construction or development of any buildings, structures or other work or improvements upon any portion of the Property, the Developer or Subsequent Developers, as more particularly defined in Section 14, shall, at their sole expense, secure or cause to be secured any and all permits which may be required by the City and/or any other governmental entities having jurisdiction over the work or affected by its construction or development.

(e) Compliance with the Law. The Developer shall comply with all applicable federal, state and local laws, ordinances, rules and regulations pertaining to the Developer's activities in connection with development within the CSD, or any portion thereof, including the City's Ordinances. The parties agree, intend and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of this Agreement shall remain in full force and effect.

(f) Inspection and Approval by the City. The City may, at its option, perform periodic inspections of the improvements being installed and constructed by the Developer. No work involving excavation shall be covered until the same has been inspected by the City's representatives and the representatives of other governmental entities having jurisdiction over the particular improvements involved. The Developer shall warrant the materials and workmanship of all improvements installed in each phase of the CSD for a period required by City Ordinances from and after the date of final inspection and approval by the City of the improvements in that phase. All buildings shall be inspected in accordance with the provisions of the International Building Code, as adopted by the City.

(g) Use and Maintenance During Construction. During construction, the Developer, and any permitted Subsequent Developer, shall keep the area within the CSD and all affected public streets and public easements free and clear from any unreasonable accumulation of debris, waste materials and any nuisances and shall contain construction debris and provide dust control so as to prevent scattering via wind and water or otherwise. Such construction maintenance and control of construction debris shall be conducted in accordance with applicable City, State and Federal laws, regulations and permits, including, but not limited to applicable Utah Department of Environmental Quality regulations and permitting requirements, and in accordance with applicable best management practices.

(h) Time Frames and Deadlines. Nothing in this Agreement is intended to extend or waive any applicable time frame or deadline as set forth in applicable City Ordinances.

(i) Additional Entrance/Exit. The City agrees that the Developer may, at its option and at its sole cost and expense, construct the right-in, right-out only entrance/exit on IKEA Way at the point where Lots 5 and 6 adjoin, as such curb cut is shown in the dashed lines on the Infrastructure Site Plan.

14. Default. The City may pursue any enforcement action deemed necessary and appropriate for any violation of City Ordinances in accordance with applicable enforcement provisions as set forth in City Ordinances or otherwise permitted by law. Notwithstanding and in addition to the City's right to pursue any enforcement action for violation of City Ordinances, in the event any party fails to perform its obligations hereunder or to comply with the terms of this Agreement, the non-defaulting party may have the following enforcement remedies. Prior to the invoking the remedies provided herein, the non-defaulting party shall provide the defaulting party written notice of default and a thirty (30) day cure period; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such thirty (30) day period, then the defaulting party shall have such additional time as is reasonably necessary to cure such default, provided that the defaulting party commences to cure such default within such thirty (30) day period and proceeds to cure such default with diligence and continuity. All notices of default shall be provided in accordance with the Notice provisions set forth below. In the event the defaulting party does not cure the default within the cure period or enter into a written agreement with the non-defaulting party for curing the default within a reasonable time, acceptable to the non-defaulting party in its reasonable discretion, the non-defaulting party may, at its election, have the following remedy or remedies:

(a) All rights and remedies available at law and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.

(b) The right to withhold all further approvals, licenses, permits or other rights associated with the particular Lots, parcel or building to which the default is applicable until such default has been cured.

(c) The right to terminate this Agreement with respect to the particular Lots, parcel or building to which the default is applicable.

(d) The rights and remedies set forth herein above shall be cumulative.

The Developer shall also be in default under the terms of this Agreement under the following circumstances if not cured within thirty (30) days after notice of default is given:

(i) Insolvency. The Developer shall be adjudicated bankrupt or makes any voluntary or involuntary assignment for the benefit of creditors, or bankruptcy, insolvency, reorganization, arrangement, debt adjustment, receivership, liquidation or dissolution proceedings shall be instituted by or against the Developer; and, if instituted adversely, the one against whom such proceedings are instituted consents to the same or admits in writing the material allegations thereof, or said proceedings shall remain undismissed for 150 days.

(ii) Misrepresentation. The Developer has made a materially false representation or warranty in any agreement with or application to the City.

15. Assignment. The parties acknowledge that the provisions of this Agreement and the City's decision to enter this Agreement are specifically based on IKEA being the initial user of the Principal Building in the CSD. Therefore, the Developer shall not assign its obligations under this Agreement or any rights or interests herein without giving prior, express written notice to consent of the City. The City may withhold its consent in the event a proposed assignee does not demonstrate the same potential financial benefit to the City as the Developer is projected to provide; provided, however, the City may not withhold its consent if the assignee is an affiliate of IKEA (i.e., an entity that controls, is controlled by or is under common control with IKEA). Any future assignee shall consent in writing to be bound by the terms of this Agreement as a condition precedent to the assignment. No party shall transfer, assign, sell, lease, encumber, or otherwise convey its rights and obligations under this Agreement separate from that party's interest in the Property except for the sale of Lots or lease of buildings within the CSD. In the event of a sale or transfer of the Property, or any portion thereof, the buyer or transferee ("Subsequent Developer") shall be liable for the performance of each of the obligations contained in this Agreement as it relates to that portion of the Property it is buying, and acceptance of a deed to any portion of the Property shall constitute an agreement to assume and to be bound by the provisions of this Agreement as it relates to the Property covered by the deed. Each buyer or transferee shall sign an assignment and assumption agreement in the form attached hereto as Exhibit I. Any reference to the Developer herein shall be construed to refer to any Subsequent Developer with respect to the portion of the Property owned by such Subsequent Developer.



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Any party may change its address for notice under this Agreement by giving written notice to the other party in accordance with the provisions of this paragraph.

(c) Attorneys Fees. Each party agrees that should it default in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including a reasonable attorneys fee which may arise or accrue from enforcing this Agreement, or in pursuing any remedy provided hereunder or by the statutes or other laws of the State of Utah, whether such remedy is pursued by filing a lawsuit or otherwise, and whether such costs and expenses are incurred with or without suit or before or after judgment.

(d) Entire Agreement. This Agreement, together with the Exhibits attached hereto, documents referenced herein and all regulatory approvals given by the City for the Property and/or CSD, contains the entire agreement of the parties with respect to the subject matter hereof and supersede any prior promises, representations, warranties, inducements or understandings between the parties which are not contained in such agreements, regulatory approvals and related conditions. It is expressly agreed by the parties that this Agreement is intended to and shall govern the development of the Property pursuant to City Ordinances, including, but not limited to, all planning, zoning and subdivision issues.

(e) Headings. Headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.

(f) Construction of Agreement. This Agreement shall be construed so as to effectuate the public purpose of implementing long-range planning objectives, obtaining public benefits, and protecting any compelling countervailing public interest. For purposes of this Agreement and the construction of its terms, the parties acknowledge that both participated in the drafting of this Agreement and neither shall be considered the drafter.

(g) Non-Liability of City Officials, Employees and Others. No officer, representative, agent or employee of the City shall be personally liable to the Developer or any successor in interest or assignee of the Developer in the event of any default or breach by the City, or for any amount which may become due the Developer, or its successors or assigns, or for any obligation(s) arising under the terms of this Agreement.

(h) No Third Party Rights. Unless otherwise specifically provided herein, the obligations of the Developer and the City set forth in this Agreement shall not create any rights in or obligations to any other persons or third parties.

(i) Binding Effect. This Agreement shall be binding upon the parties hereto and their respective officers, agents, employees, successors and assigns, as permitted herein. The covenants contained herein shall be deemed to run with the Property and a copy of this Agreement shall be recorded by the Developer in the office of the Salt Lake County Recorder, State of Utah. Notwithstanding the foregoing, at such time as a certificate of occupancy is issued by the City with respect to the Principal Building on a Lot within the CSD, this Agreement and the covenants contained herein shall be deemed to have been satisfied with respect to all of the Property and the City agrees, upon the request of the Developer at such time, to execute a certificate of completion with respect to the Property.

(j) Termination. In addition to any other enforcement right or remedy provided herein, and notwithstanding anything in this Development Agreement to the contrary, it is hereby agreed by the parties hereto that in the event the CSD, including all phases thereof, is not completed within five (5) years of the date of this Agreement, or in the event the Developer does not comply with the provisions of this Agreement, the City shall have the right, but not the obligation, at the sole discretion of the City, to terminate this Agreement and/or to not approve any additional phases for the CSD. For the purposes of this Agreement, all phases shall be deemed complete when a certificate of occupancy (either temporary or permanent) shall have been issued for a building on each Lot. Any termination may be effected by the City by giving written notice of intent to terminate to the Developer at its last known address, as set forth herein. Whereupon the Developer shall have sixty (60) days during which the Developer shall be given the opportunity to correct any alleged deficiencies and to take appropriate steps to commence and/or complete the CSD. In the event the Developer fails to correct the alleged deficiencies or to take appropriate steps to commence or complete the CSD as provided herein, the City shall be released from any further obligations under this Agreement and may terminate the same by written notice to the Developer. The parties expressly recognize and acknowledge that the development of the CSD is a phased CSD. It is also recognized that it is critical to the City that certain development occurs within a reasonable time from the date of this Agreement. It is expressly acknowledged by the parties that the CSD is intended to be developed in reasonably staged phases and that the Developer shall use its best efforts to proceed with the CSD in a timely fashion.

(k) Governing Law and Jurisdiction. The provisions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Utah. The parties to this Agreement agree that any judicial action associated with the Agreement shall be taken in the Utah state or federal court of competent jurisdiction.

(l) No Waiver. Any party's failure to enforce any provision of the Agreement shall not constitute a waiver of the right to enforce such provision. The provisions may be waived only in writing by the party intended to be benefited by the provisions, and a waiver by a party of a breach hereunder by the other party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

(m) Severability. If any portion of this Agreement is held to be unenforceable by court of competent jurisdiction, any enforceable portion thereof and the remaining provisions shall continue in full force and effect.

(n) Exhibits. Exhibits A through I attached hereto are hereby by incorporated herein by this reference.

(o) Time of Essence. Time is expressly made of the essence with respect to the performance of each and every obligation hereunder.

(p) Knowledge. The parties have read this Agreement and have executed it voluntarily after having been apprised of all relevant information and risks and having had the opportunity to consult with legal counsel of their choice.

(q) Supremacy. In the event of any conflict between the terms of this Agreement and those of any document referred to herein, this Agreement shall govern.

(r) No Relationship. Nothing in this Agreement shall be construed to create any partnership, joint venture or fiduciary relationship between the parties.

(s) Priority. This Agreement shall be recorded against the Property senior to any protective covenants and any debt security instruments encumbering the Property.

(t) Amendment. This Agreement may be amended only in writing signed by the parties hereto.

(u) Force Majeure. Neither party hereto shall be liable for any delay or failure in the keeping or performance of its obligations under this Agreement during the time and to the extent that any such failure is due to acts of God, acts of the United States Government or the State of Utah, fires, floods, or other casualties or causes beyond the reasonable control and without the fault or negligence of the party obligated to perform hereunder; provided the party seeking relief under the provisions of this Section: (1) notifies the other party in writing of a force majeure event within fifteen (15) days following the affected party's knowledge of the occurrence of the claimed force majeure event, and (2) promptly resumes the keeping and performance of the affected obligations after such cause has come to an end. Each party shall make every reasonable effort to keep delay in performance as a result of such a cause to a minimum.

(v) Definitions. As used herein, the following terms shall have the following meanings:

“Development Exactions” mean any assortment of techniques, fees, dedications, and exactions, however characterized or denoted, intended to compel the Developer to exchange land, money, materials or services, or to compensate or reimburse the City for the added service, capital or operating costs of the City, by reason of development, expansion or modification of any structure, business or use on the Planned Center. Without limiting the generality of the foregoing, the term

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“Development Exactions” shall specifically include all impact fees adopted by the City and authorized by the Utah Impact Fee Act, Utah Code Ann. § 11-36-101 et seq. or the City’s Municipal Code.

“Development Approval” means any building permit, approval, consent or authorization issued by the City, or which is a condition precedent to any permit approval, consent or authorization required by the City, for the Development of the Planned Center.

“Existing Land Use Regulations” means those certain Land Use Regulations in effect on the Effective Date.

“Land Use Regulations” means laws, statutes, ordinances, codes, resolutions, rules, regulations, approvals, permits of every kind and character, programs, and official policies and action of the City, governing the permitted uses of land, density and intensity of use, and the design, improvement, and construction standards and specifications applicable to the Development of the Planned Center. Land Use Regulations include, but are not limited to, Development Approvals, the Draper City General Plan, the Draper City Land Use and Development Code, the Subdivision Ordinance, Individual Site Plans, zoning ordinances, development moratoria and growth management and phased development programs, and ordinances establishing Development Exactions. The term “Land Use Regulations” does not include, however, regulation relating to the conduct of business, professions, and occupations generally; taxes and assessments other than Development Exactions; regulations for the control and abatement of nuisances; encroachment and other permits and the conveyances of rights and interests that provide for the use of or entry upon public property; and any exercise of the power of eminent domain. The term “Land Use Regulations” also includes the Utah Impact Fee Act. Utah Code Ann. § 11-36-101 et seq.

“Lot” shall mean an individual legal lot as shown on the Subdivision Plat.

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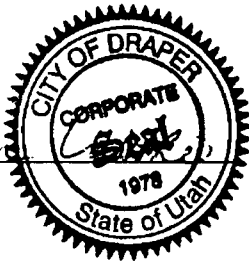
IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

“CITY”

DRAPER CITY

ATTEST:

*Kathryn*  
City Recorder



By: *Donnell H. Smith*  
Mayor

“DEVELOPER”

IKEA PROPERTY, INC.

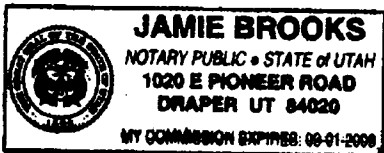
By: *Jan Hoek*  
Its: *Jan Hoek, Vice Pres*

By: *Dan Christensen*  
Its: *President*

CITY ACKNOWLEDGMENT

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

On the 12 day of December 2005, personally appeared before me Darrell H. Smith, who being duly sworn, did say that he is the Mayor of DRAPER CITY, a municipal corporation of the State of Utah, and that the foregoing instrument was signed in behalf of the City by authority of its governing body and said Darrell H. Smith acknowledged to me that the City executed the same.

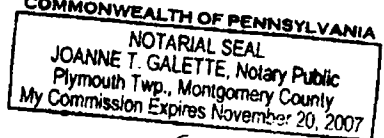


Jamie Brooks  
Notary Public

DEVELOPER ACKNOWLEDGMENT

STATE OF PENNSYLVANIA )  
 : ss.  
COUNTY OF Montgomery )

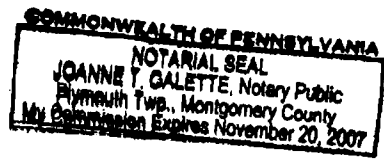
On the 2ND day of December, 2005, personally appeared before me Joanne Galette who being by me duly sworn did say that (s)he is the Vice President of IKEA Property, Inc., and that the foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors; and they acknowledged to me that said corporation executed the same.



Joanne T. Galette  
Notary Public

STATE OF Pennsylvania )  
 : ss.  
COUNTY OF Montgomery )

On the 2ND day of December, 2005, personally appeared before me DAN GUSTAFSSON who being by me duly sworn did say that (s)he is the President of IKEA Property, Inc., and that the foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors; and they acknowledged to me that said corporation executed the same.



Joanne T. Galette  
Notary Public



**Property Legal Description****Parcel 1: Parcel No. 27-36-476-002**

Beginning at a point on the West right of way fence of the West frontage road of Highway I-15 which point is 832.00 feet North and 163.00 feet West of the Southeast corner of Section 36, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and running thence West 528.00 feet; thence South 161.33 feet to a point in an existing fence; thence North 89°55'46" East along said fence 528.08 feet to an existing fence corner at the aforesaid West right of way; thence North 00°01'45" West along said right of way 160.68 feet, more or less, to the point of beginning.

**Parcel 2: Parcel No. 27-36-476-003**

Commencing at a point on the Westerly line of the access public road to Interstate Highway 15 643 feet North and South 89°49' West about 163 feet from the Southeast corner of Section 36, Township 3 South, Range 1 West, Salt Lake Base and Meridian (said point of beginning being also South 89°49' West about 163 feet from the Southeast corner of Lot 9 of said Section 36); and running thence North along the Westerly line of said public highway 189 feet; thence West 528 feet; thence South 190 feet, more or less, to a point South 89°49' West about 528 feet from the point of beginning; thence North 89°49' East 528 feet, more or less, to the point of beginning.

Less and Excepting therefrom the following:

Beginning at a point on the West right of way fence of the West Frontage Road of Highway I-15 which point is 832.00 feet North and 163.00 feet West of the Southeast corner of Section 36, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and running thence West 528.00 feet; thence South 161.33 feet to a point in an existing fence; thence North 89°55'46" East along said fence 528.08 feet to an existing fence corner of the aforesaid West right of way; thence North 00°01'45" West along said right of way; thence North 00°01'45" West along said right of way 160.68 feet, more or less, to the point of beginning.

**Parcel 3: Parcel No. 27-36-476-004**

Beginning at a point of intersection of the Northerly line of Lot 10, Section 36, and the Westerly Right-of-Way line of the West Frontage Road of Interstate I-15, said point being North 649.44 feet and West 161.03 feet from the Southeast Corner of Section 36, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence South 00°10'24" West 647.39 feet along said Right-of-Way line to an existing fence line; thence North 89°37'20" West along said fence line 1217.21 feet to the Easterly bank of the Jordan and Salt Lake City Canal; thence Northwesterly along said bank of canal 154.05 feet along the arc of a 265.60 foot radius curve to the right (chord bears North 16°12'34" West 151.90 feet); thence North 02°53'39" West along said Easterly bank of canal 485.60 feet to the Northerly line of Lot 10; thence North 89°37'14" East along the Northerly line of Lot 10 1286.10 feet to the Westerly Right-of-Way of the West Frontage Road, same said point also being the point of beginning.

**Parcel 4: Parcel No. 27-36-476-005**

Beginning South 89°57'35" East 2471.95 feet and North 00°10'24" East 514.21 feet and South 89°57'35" West 570.1 feet and North 128.21 feet from the South quarter corner of Section 36, Township 3 South, Range 1 West, Salt Lake Meridian; thence South 89°49' West 793.62 feet; thence North 01°56' West 680.93 feet; thence East 1344.59 feet; thence South 488 feet; thence West 528 feet; thence South 190 feet to the point of beginning.

LESS AND EXCEPTING any portion of the afore-described Parcels 1, 2, 3 and 4 which lies North of the line established by that certain Boundary Line Agreement recorded June 22, 2005, as Entry No. 9412169 in Book 9148 at page 8632 of Official Records, as follows:

An apparent line of occupation running along an existing fence line running through the Southeast Quarter of Section 36, Township 3 South, Range 1 West, Salt Lake Base and Meridian, being more particularly described as follows:

Beginning at the intersection of the Easterly extension of said fence and the Westerly right-of-way line of Pony Express Road, which point lies North 00°10'43" West 1322.48 feet along the Section line and South 89°49'17" West 154.34 feet from the Southeast corner of said Section 36, and running thence along said existing fence line and its Westerly extension North 89°38'48" West 1323.85 feet to the Southerly extension of the Westerly line of T K Acres Subdivision, according to the official plat thereof on file and of record in the office of the Recorder of Salt Lake County, Utah, and the point of ending of said line.

**EXHIBIT B**

**CSD Ordinance**

**ORDINANCE NO. 657**

**AN ORDINANCE ESTABLISHING SECTION 9-18-020 OF THE DRAPER CITY MUNICIPAL CODE REGARDING THE DAHLE RETAIL CENTER COMMERCIAL SPECIAL DISTRICT**

WHEREAS, the City Council is interested in encouraging regional commercial development including large scale retail development; and

WHEREAS, the City Council previously zoned the subject property Regional Commercial to facilitate development of the City's retail tax base; and

WHEREAS, the City Council established the Commercial Special District mechanism to allow master-planned projects where customized zoning requirements improve and enhance design flexibility and market choices; and

WHEREAS, the proposed Dahle Retail Center Commercial Special District provides flexibility to facilitate the development of a regional commercial center; and

WHEREAS, the Planning Commission has reviewed and made a recommendation to the City Council concerning the proposed zoning change and amendment to the Official Zone District Map of Draper City and Title 9 Land Use and Development Code, and the City Council has found the proposed zoning change and amendments to be consistent with the City General Plan; and

WHEREAS, the proposed zoning change and amendments set forth herein have been reviewed by the Planning Commission and the City Council, and all appropriate public hearings have been held in accordance with Utah law to obtain public input regarding the proposed revisions to the Zone District Map and Ordinance.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DRAPER, STATE OF UTAH:**

**Section 1. Addition.** Section 9-18-020 is hereby created and added to the Draper City Municipal Code to read in its entirety as follows:

See attached Exhibit A

**Section 2. Severability Clause.** If any section, part or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance, and all provisions, clauses and words of this Ordinance shall be severable.

**Section 3. Effective Date.** This Ordinance shall become effective immediately upon posting.


**PASSED AND ADOPTED BY THE CITY COUNCIL OF DRAPER CITY, STATE OF UTAH, ON THIS 4<sup>th</sup> DAY OF OCTOBER, 2005.**

**DRAPER CITY**

By: *Danell A. Smith*  
Mayor

ATTEST:

*Kathy*  
City Recorder

The seal is circular with a serrated outer edge. The text inside the seal reads "CITY OF DRAPER" at the top, "CORPORATE Seal" in the center, and "1978" at the bottom. The words "State of Utah" are partially visible at the very bottom of the seal.

## **Exhibit 'A'**

### **Chapter 9-18-020 Dahle Retail Center Commercial Special District**

#### **A. Purpose**

The Dahle Commercial Special District (CSD) is hereby created to facilitate commercial development in the West Bangerter Area. The area is characterized by large vacant parcels with freeway frontage and visibility and ample access to frontage roads. It is approximately 39 acres in size. Given the site's prominence, the City anticipates a substantial retail presence within the CSD that forwards the community's economic development goals.

#### **B. Permitted Uses**

1. Bank or financial institution
2. Restaurant without drive-through facility
3. Day care, general
4. Laundry or dry cleaning, limited
5. Office, general
6. Printing and photocopying, limited
7. Recreation and entertainment, indoor
8. Retail, general
9. Medical and dental clinic
10. Department store
11. Health and fitness facility
12. Restaurants or retail with drive-through facilities

#### **C. Schematic Development Plans**

1. Development within the CSD shall be substantially in accordance with a schematic development plan as shown in Exhibit A-1 and Exhibit A-2, or a schematic development plan that combines any substantial elements of such exhibits ("Site Plan"). Development within the CSD may be in phases.

#### **D. Proposed Development Standards**

1. A single building with a floor area in excess of 180,000 square feet shall be designated as the "Principal Building" within the CSD.
2. Maximum building height for all buildings is 45 feet.
3. For the Principal Building, a design consistent with the user's corporate determined architectural style shall be permitted. For the Principal Building, tilt up type construction shall be permitted, with no required added architectural materials, such as brick, rock, or other masonry.
4. Dumpsters containing wet garbage shall be enclosed within a decorative masonry enclosure designed to be compatible with the adjoining building. This does not apply to enclosed compactors or dumpsters and tractor trailers used only for recycling dry wood, glass and paper products.
5. Permanent outdoor storage and display is prohibited, except that the user of the Principal Building may have up to four temporary outdoor promotions, displays or sales events each



year of up to 6,000 square feet, each such display lasting up to 21 days, to be located contiguous to the building and/or in the parking lot.

6. The Principal Building shall be set back from property lines by at least thirty (30) feet on all sides. All other buildings shall be set back from property lines by at least twenty (20) feet.
7. No buffers between land uses on properties outside of the CSD are required.
8. Detention areas shall be allowed slopes of up to 3:1, if the detention facility is maintained by a party other than the City.
9. For the Principal Building, one (1) commercial loading space per every 50,000 square feet of use is required.
10. No minimum lot size or frontage is required.

#### **E. Landscape Standards**

1. The CSD will require landscaping with sensitivity to its low precipitation environment, and the amount of parking required in a large scale commercial development. Drought tolerant trees, shrubs, grasses and perennials are strongly encouraged with a goal of year-round color. Another critical component of the proposed landscaping plan is parking lot landscaping, with the goal of shade and refuge from the heat islands of large parking lots. Portions of commercial sites developed within the boundaries of the CSD will be required to provide a minimum of 15% of the site in landscaping, which includes parking lot tree diamonds and islands and buffer areas.
2. As the CSD develops, each phase shall meet the minimum 15% overall landscape percentage. This is a cumulative total which can be calculated as total landscaped area over developed site area. Landscaping within the public right of way shall not be calculated in the overall landscape percentage.
3. Specific landscaping requirements are:
  - (a) To mitigate the reduced overall landscaping, more intensive plantings in certain areas may be required.
  - (b) Tree diamonds or islands measuring a minimum of twenty five (25) square feet shall be installed throughout the parking area at a rate of one tree for every twenty five (25) parking stalls. Tree diamonds or islands at the end of parking rows and on the perimeter of parking areas are required and shall be counted in calculating the requirements of this Section 3(b). See Exhibit B for typical parking area landscape detail.
  - (c) Screening of parking areas from public streets shall include two (2) foot high shrubs or berming, which may be substituted by a screen wall of equal height.

#### **F. Parking Design**

1. For uses greater than 180,000 square feet, required parking shall be four (4) stalls for every 1,000 square feet of commercial use; for uses greater than 75,000 square feet but less than 180,000 square feet, required parking shall be 4.5 stalls for every 1,000 square feet of commercial use; for uses less than 75,000 square feet, required parking shall be five (5) parking stalls for every 1,000 square feet of commercial use, except that for sit-down restaurants the ratio shall be modified to ten (10) stalls for every 1,000 square feet of commercial use. However, for any anticipated use, or combination of uses, modifications to the standards may be authorized, if justified by a parking study and approved by the Planning Commission, in accordance with section 9-25-090 of the Draper City Municipal Code. Such study must present data on the proposed uses, square footages and floor plans, hours of operation, and shared parking areas within the sites. Notwithstanding the foregoing, in the event that the requirement under Chapter 9-25 Off-Street Parking and Loading of the Draper

City Municipal Code for any particular use is less than specified herein, the lesser requirement in that Chapter shall control and the requirement herein shall not be applicable.

2. Pedestrian corridors shall be identified by a change in color or scoring of pavement material, or striping with an emphasis on pedestrian safety.

#### G. Lighting

1. Parking lot lighting shall provide adequate illumination without spillage into adjacent residential areas, as verified by a photometric plan submitted with the site plan for each lot or phase of development. Site lighting for buildings shall not exceed 35 feet in height. The lighting source must be recessed and shielded.

#### H. Signage

1. Signage is very important to the success of the Dahle CSD. Freeway frontage of more than 1,300 feet warrants special signage consideration. For this reason, the district shall be allowed one (1) project tower sign, not to exceed 100 feet in height. This tower sign may have up to 2,000 square feet in area, and be multi-sided, but shall be supported by three (3) integrally designed supports. Additionally, the CSD shall be afforded a sign budget of three (3) double-sided tower signs each side of each sign up to one hundred (100) square feet in total sign panel square footage, each sign panel a maximum of twenty five (25) square feet, as described in Draper City Municipal Code section 9-26-100 (1)(B). Two of these three tower signs may be up to twenty five (25) feet in height and the third tower sign may be up to twelve (12) feet in height. The tower signs shall be consistent with the quality of signs typically found in class "A" shopping centers and may be multi-tenant. An example of this kind of tower sign is the tower sign installed within the Draper Peaks CSD. Tower sign locations shall be generally as shown on the Site Plan.
2. Wall signs on buildings other than the Principal Building may be installed by individual businesses based on 1.5 square feet per linear foot of building wall, which shall be internally illuminated. For the Principal Building, this ratio will be increased to 2.0 square feet per linear foot of building wall in total, which total square footage can be reallocated among building facades by occupants within the Principal Building. Wall signs on the Principal Building may be illuminated in a manner consistent with the user's corporate determined architectural style (whether internally or externally illuminated).
3. Within the lot on which the Principal Building is located, directional and informational signage shall not exceed thirteen (13) feet in height and may be located throughout the parking and circulation areas of the lot. Within the lot on which the Principal Building is located, signage design consistent with the user's corporate determined architectural style shall be permitted. Separate sign permits are not required for directional and informational signage, and shall be considered approved as noted and located on the approved site plan for each phase or lot. Directional and informational signage shall not be counted as monument or building signage.
4. Decorative flags and banners are also an important component of the CSD. These flags and banners contribute to a festive atmosphere consistent with desirable commercial projects with freeway visibility in Draper City. Poles for flags shall not exceed 40 feet in height. For the Principal Building, a total of twenty-four (24) flags and one (1) building-mounted banner shall be allowed so long as the design is consistent with the user's corporate determined architectural style, and each flag size shall not exceed six (6) feet wide by eighteen (18) feet tall, and the building-mounted banner shall not exceed thirty (30) feet wide by twenty (20) feet high. There shall be no limit to the number of national and state flags flown, poles for which can also be up to forty (40) feet in height. With the exception of national and state flags,

which may be located anywhere on a lot, all flags shall be located at an entrance to the CSD from a public road. Flags and banners shall not be counted as monument or building signage.

5. All signage shall be architecturally generally compatible with the buildings in the CSD. Final design details shall be submitted for administrative review and approval with the site plan submittal as provided in Procedures below. No electronic signage or exposed neon signage will be permitted.

**I. Loading Dock Screening**

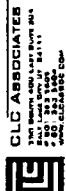
1. Screening of all loading docks shall be sensitively treated. If no permanent masonry wall is constructed to screen any docks, berms and more intensive landscaping, including evergreens, shall be required. This does not apply to a single dock used for customer delivery truck purposes only.

**J. Procedures**

1. Commercial site plan approval for sites with buildings greater than 180,000 square feet within the Dahle CSD may be approved by the Zoning Administrator and the City Engineer with an administrative level review, pending compliance with development standards described herein and all other standard City requirements. Requests for waivers or exceptions not specifically authorized with this CSD shall follow normal resolution procedures, including Planning Commission or City Council review, as applicable. The approval of sites with buildings less than 180,000 square feet shall follow standard commercial site plan approval procedures, through the Planning Commission. All other procedural requirements, such as applications for minor subdivision approval, conditional use approvals, appeals, and any other permits shall be processed in accordance with the Draper City requirements, ordinances and procedures.

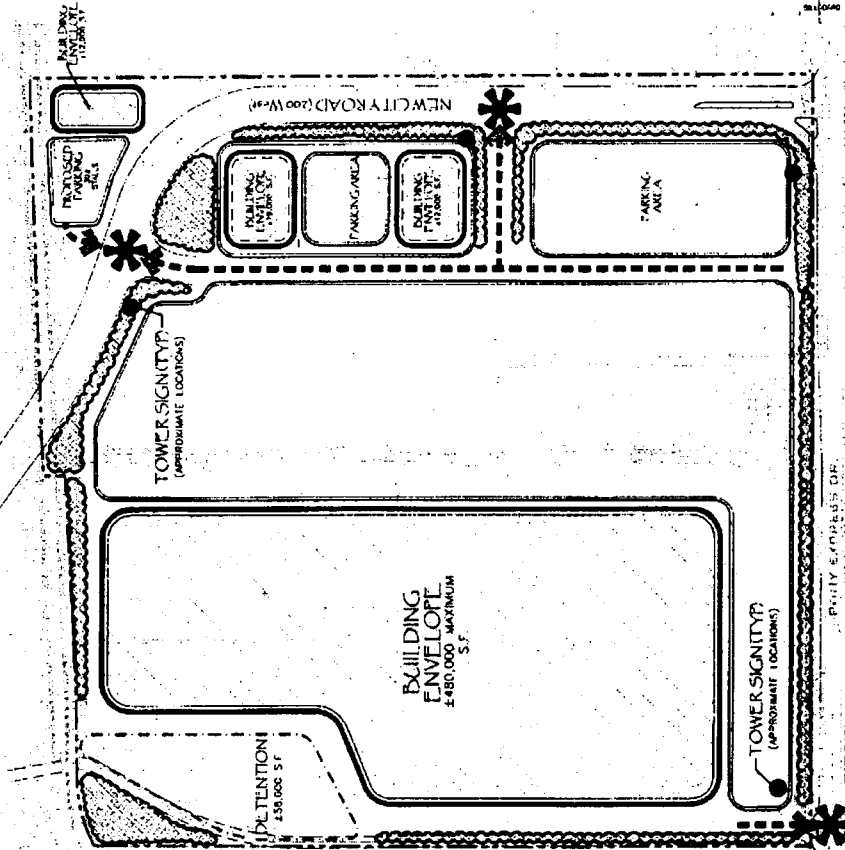
**K. Termination.**

1. In the event that a building permit package application (either temporary or permanent) for a Principal Building within the CSD is not submitted within three (3) years of the date of the adoption of this ordinance, this ordinance shall terminate and no longer be in effect, and the zoning shall be CR, Regional Commercial.



CLC ASSOCIATES  
 201 WEST 2000 SOUTH  
 SUITE 200  
 SALT LAKE CITY, UT 84119  
 TEL: 801.487.8800  
 WWW.CLC-ASSOCIATES.COM

**EXHIBIT A-1 -- SITE PLAN**



Note: Tower signs include two (2) 25' height max. signs, one (1) 12' height sign and one (1) 100' tower. Other smaller monument signs and directional sign locations not shown will be submitted in accordance with the CSD guidelines with the site plan submittal.

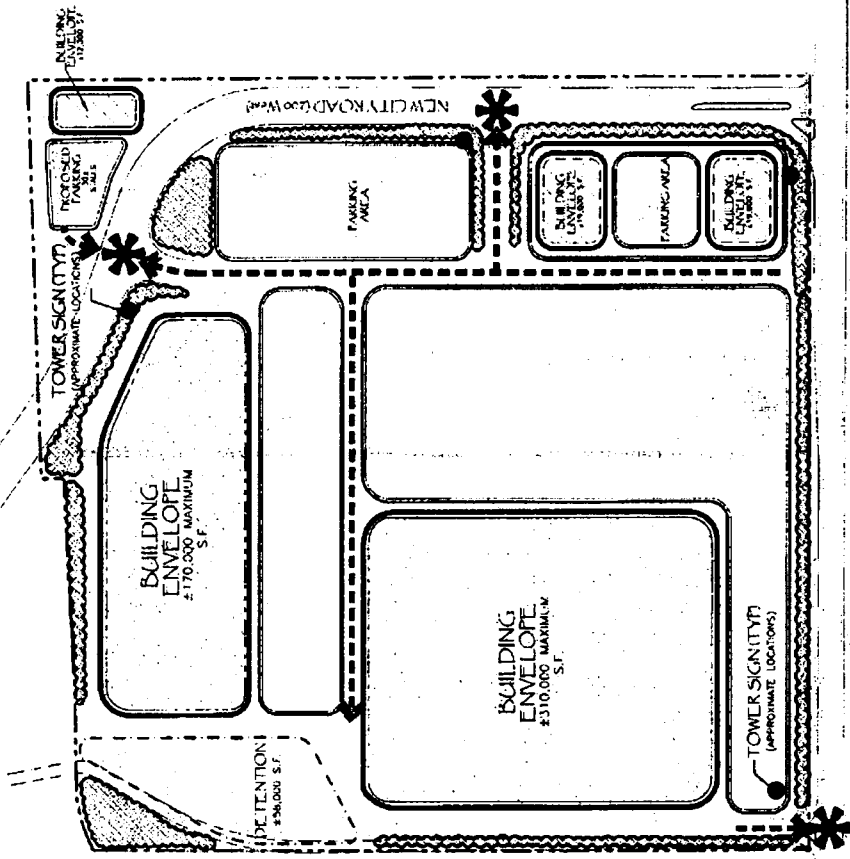
KEYLEGEND	
ACCESS POINT	
LANDSCAPE BUFFER	
TOWER SIGN	
BUILDING ENVELOPE	

**DAHLE RETAIL CENTER**  
**13400 PONY EXPRESS DR. DRAPER, UT**



CLC ASSOCIATES  
 201 WEST 2000 SOUTH  
 SUITE 200  
 SALT LAKE CITY, UT 84119  
 TEL: 801.487.8800  
 WWW.CLC-ASSOCIATES.COM

**EXHIBIT A-2 -- SITE PLAN**



Note: Tower signs include two (2) 25' height max. signs, one (1) 12' height sign and one (1) 100' tower. Other smaller monument signs and directional sign locations not shown will be submitted in accordance with the CSD guidelines with the site plan submittal.

**KEY LEGEND**

- ACCESS POINT
- LANDSCAPE BUFFER
- TOWER SIGN
- BUILDING ENVELOPE

**DAHLE RETAIL CENTER**  
**13400 PONY EXPRESS DR. DRAPER, UT**

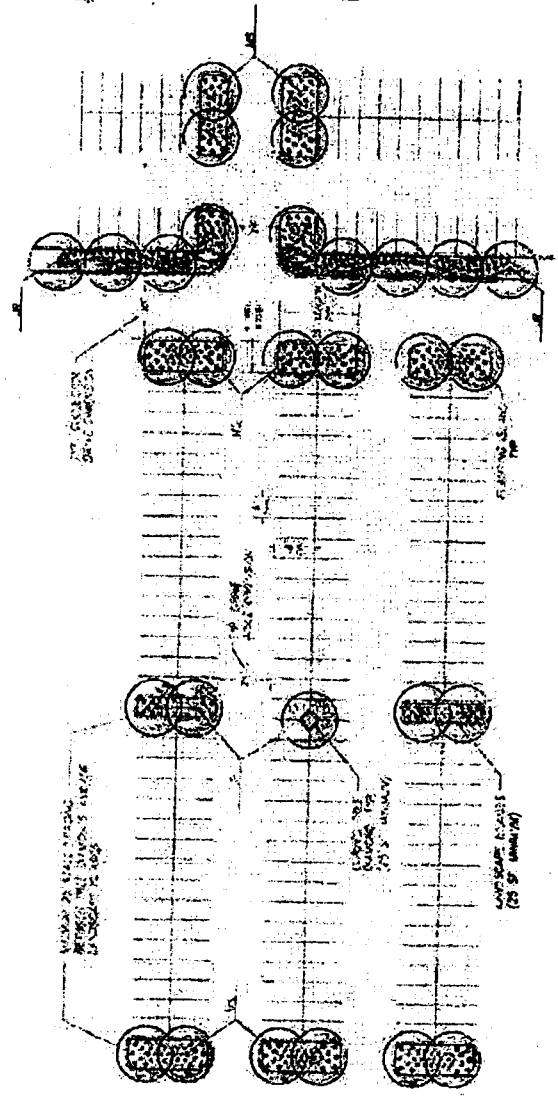
**OLG ASSOCIATES**  
 13400 PONY EXPRESS DR., SUITE 100  
 DRAPER, UT 84020  
 (801) 223-8800



**EXHIBIT B - TYPICAL PARKING AREA PLAN**

**TYPICAL PARKING AREA PLANTING SCHEME**

PLANT CODE	COMMON NAME	HEIGHT	SPACING
1	ASH	12-15'	12' x 12'
2	DOGWOOD	12-15'	12' x 12'
3	DOGWOOD	12-15'	12' x 12'
4	DOGWOOD	12-15'	12' x 12'
5	DOGWOOD	12-15'	12' x 12'
6	DOGWOOD	12-15'	12' x 12'
7	DOGWOOD	12-15'	12' x 12'
8	DOGWOOD	12-15'	12' x 12'
9	DOGWOOD	12-15'	12' x 12'
10	DOGWOOD	12-15'	12' x 12'
11	DOGWOOD	12-15'	12' x 12'
12	DOGWOOD	12-15'	12' x 12'
13	DOGWOOD	12-15'	12' x 12'
14	DOGWOOD	12-15'	12' x 12'
15	DOGWOOD	12-15'	12' x 12'
16	DOGWOOD	12-15'	12' x 12'
17	DOGWOOD	12-15'	12' x 12'
18	DOGWOOD	12-15'	12' x 12'
19	DOGWOOD	12-15'	12' x 12'
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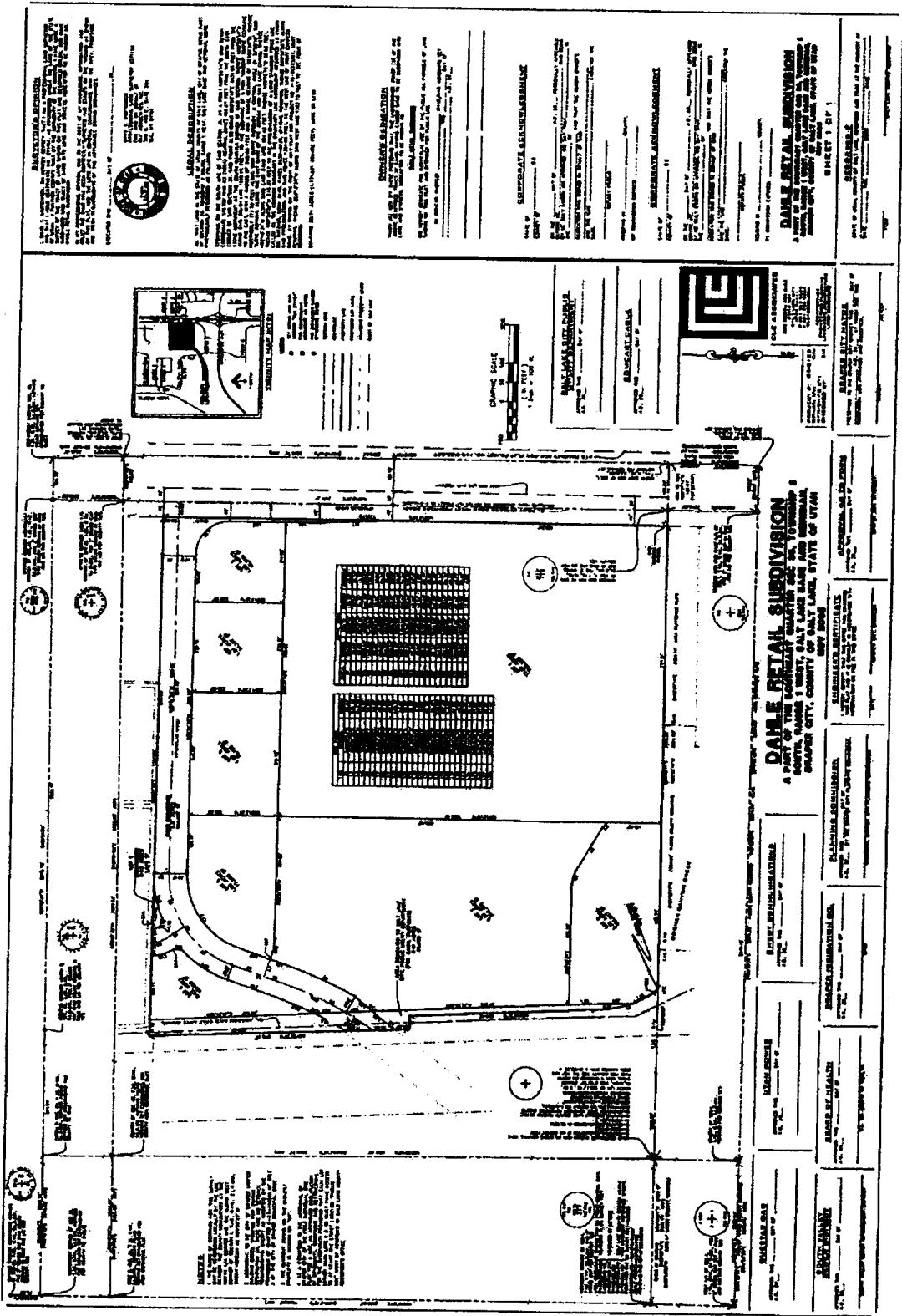


**DAHLE RETAIL CENTER**  
**13400 PONY EXPRESS DR. DRAPER, UT**



EXHIBIT C

**Dable Subdivision  
Final Plat**



**AMENDMENTS**  
 THIS PLAN IS SUBJECT TO THE AMENDMENTS TO THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH, WHICH MAY BE APPLIED TO THIS PROJECT AT ANY TIME.

**LEGAL DESCRIPTION**  
 THE PROPERTY DESCRIBED IN THIS PLAN IS THE SAME AS THAT DESCRIBED IN THE DEED OF CONVEYANCE TO THE CITY OF SALT LAKE CITY, UTAH, DATED AND RECORDED AS FOLLOWS: DEED NO. 123456, BOOK 12345, PAGE 6789, SALT LAKE COUNTY, UTAH.

**EXHIBIT A - ZONING**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**EXHIBIT B - SUBDIVISION**  
 THIS SUBDIVISION IS SUBJECT TO THE SUBDIVISION ACT OF THE STATE OF UTAH, AND THE SUBDIVISION REGULATIONS OF THE CITY OF SALT LAKE CITY, UTAH.

**EXHIBIT C - UTILITIES**  
 THE UTILITIES SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

**EXHIBIT D - EASEMENTS**  
 THE EASEMENTS SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

**EXHIBIT E - NOTES**  
 ALL DIMENSIONS ARE IN FEET AND INCHES. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE PROPERTY LINE UNLESS OTHERWISE NOTED.



**NOTES**  
 1. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE PROPERTY LINE UNLESS OTHERWISE NOTED.  
 2. THE UTILITIES SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.  
 3. THE EASEMENTS SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

**LEGEND**  
 - - - - - UNIMPROVED LOT  
 - - - - - IMPROVED LOT  
 - - - - - UNIMPROVED LOT  
 - - - - - IMPROVED LOT

**PROPOSED IMPROVEMENTS**  
 - - - - - IMPROVED LOT  
 - - - - - UNIMPROVED LOT

**EXISTING UTILITIES**  
 - - - - - WATER  
 - - - - - SEWER  
 - - - - - GAS  
 - - - - - ELECTRIC

**EXISTING EASEMENTS**  
 - - - - - EASEMENT

**PROPOSED EASEMENTS**  
 - - - - - EASEMENT

**SECTION 1**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 2**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 3**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 4**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 5**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 6**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**SECTION 7**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**DAME RETAIL SUBDIVISION**  
 A PART OF THE COMMERCIAL QUARTER OF SALT LAKE CITY, UTAH, SALT LAKE COUNTY, UTAH, CITY OF SALT LAKE CITY, COUNTY OF SALT LAKE, STATE OF UTAH.

**EXHIBIT A - ZONING**  
 THE PROPERTY IS ZONED AS COMMERCIAL (C-1) UNDER THE ZONING ORDINANCE OF THE CITY OF SALT LAKE CITY, UTAH.

**EXHIBIT B - SUBDIVISION**  
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**EXHIBIT C - UTILITIES**  
 THE UTILITIES SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

**EXHIBIT D - EASEMENTS**  
 THE EASEMENTS SHOWN ON THIS PLAN ARE BASED ON THE RECORD DRAWINGS OF THE CITY OF SALT LAKE CITY, UTAH, AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.



**Infrastructure Improvements**

All offsite infrastructure as required by City, necessary for the Developer to obtain its Planning and Building approvals, including but not limited to:

<b>13490 South Improvements</b>	Improve 13490 South to a three-lane road from 200 West to Pony Express Road, together with all City required striping, lighting and signage.
	Turn signal with left (south) arrow at intersection of 200 West and 13490 South.
<b>Pony Express Road Improvements</b>	Improve Pony Express Road to a three lane road from 13490 South to IKEA Way, together with all City required shoulders and slope areas, roadway drainage features, roadway signage and traffic control features, curbs and gutters, sidewalks, lighting and striping.
	Northbound left-turn lane at intersection of IKEA Way and Pony Express Road.
	Pipe and bury irrigation ditch, or remove if not needed.
	Relocation of Pacificorp (UP&L) overhead electrical line to east side of Pony Express Road.
	Construct and install all utilities (water, electricity, gas, cable, telephone, high-speed data and sewer) with such capacities as shown on Table D-1 attached hereto.  All such utilities shall be stubbed out and marked along Pony Express Road in one location, as generally shown on the Infrastructure Site Plan and in each case at least five feet into the Developer's Property. In the case of water, there shall be separate stubs for fire flow, culinary and irrigation.
<b>Galena Park Boulevard Extension (IKEA Way) Improvements</b>	Create IKEA Way by extending Galena Park Boulevard to the east to connect with Pony Express Road, as a four lane road, together with all City required shoulders and slope areas, roadway drainage features, roadway signage and traffic control features, curbs and gutters, sidewalks, lighting and striping.
	Acquire land from Pacificorp (UP&L) as necessary.

	<p>Obtain right of way encroachment easement and a permit from Salt Lake City Corporation to construct a bridge over the Jordan and Salt Lake Canal.</p>
	<p>Construct a 22 feet by 176 feet bridge across the Jordan and Salt Lake Canal.</p>
	<p>Construct and install all utilities (water, electricity, gas, cable, telephone, high-speed data, stormwater, and sewer) with such capacities as shown on Table D-1 attached hereto.</p> <p>All such utilities shall be stubbed out and marked along IKEA Way in four locations, as generally shown on the Infrastructure Site Plan and in each case at least five feet into the Developer's Property. In the case of water, there shall be separate stubs for fire flow, culinary and irrigation.</p>
	<p>Laterals for culinary water to be sized according to peak demand, with a minimum delivery of 3,300 gallons per minute at a pressure of 40 pounds per square inch.</p>
	<p>Electronic traffic signal (four way) with video traffic controls at intersection of IKEA Way and curb cut for Lot 7 (the "IKEA Way Signal") (costs to be shared as provided in Section 9(g)).</p>

TABLE D-1

## Specifications for Utilities

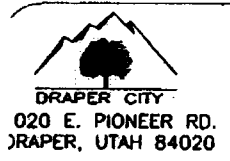
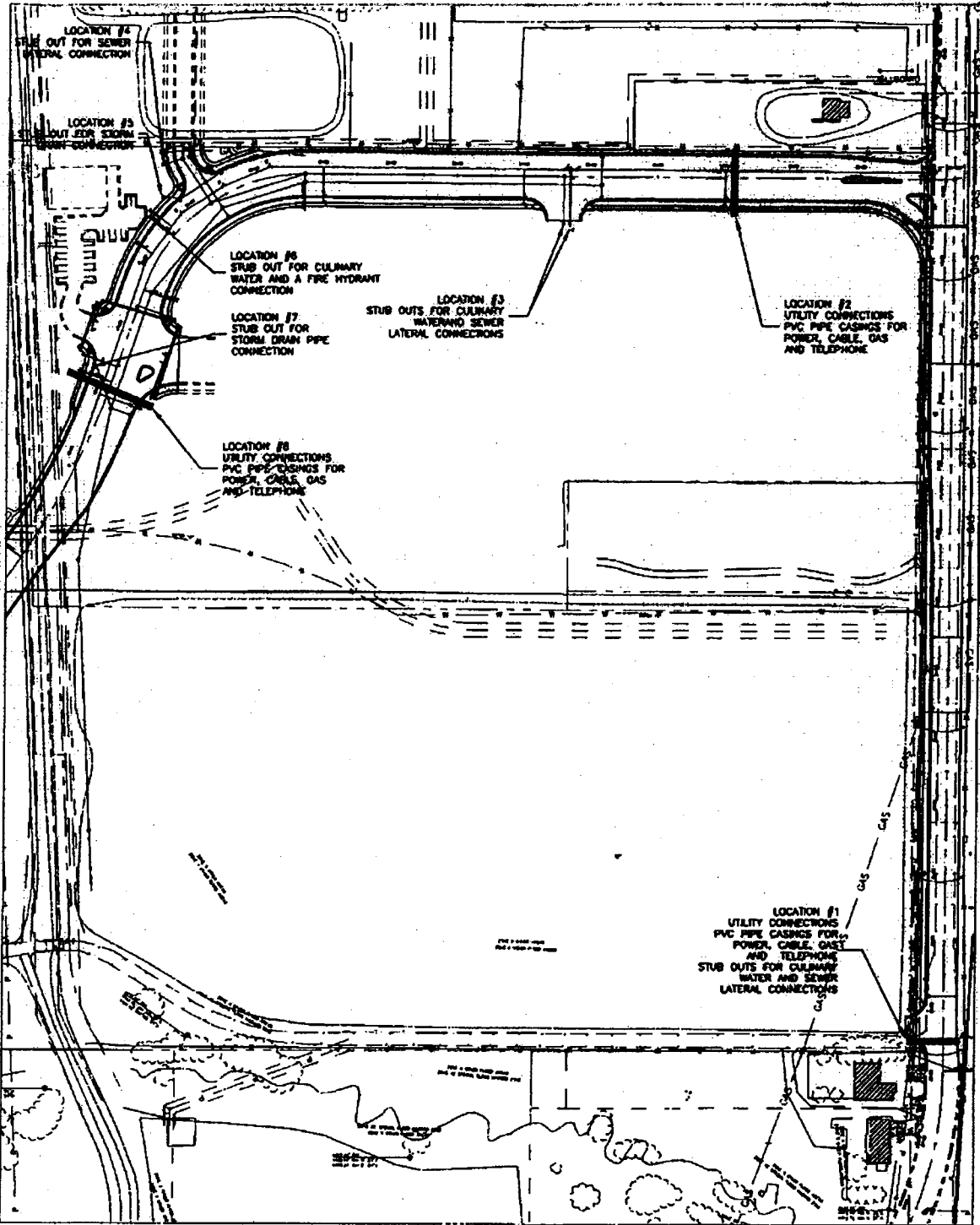
**UTILITY DEMAND  
DAHLE RETAIL DEVELOPMENT  
DRAPER, UTAH**

Utility	Service capacity needed for 400,000 square foot development	Draper City to provide for the following capital facility
<b>Water</b>	4000 GPM @ 40 psi for 4 hours	- 10" water main in IKEA Way w/minimum of 3 fire stubs (see fig. D-1)
		- Minimum of 3 domestic/irrigation stubs with stops & waste and meters – size to be determined
<b>Storm Water</b>	168,900 cubic feet of detention volume	City has no obligation to provide storm water services to the development
<b>Sewer</b>	Using 2000 gallons/day/acre => (39.5)(2000) = 79,000 GPD	- Minimum 8" sewer main in IKEA Way w/minimum 3 service stubs 5 feet into property (see fig. D-1)
<b>Gas</b>	17.46 million BTU's @ 5 psi	Questar Gas to coordinate with IKEA and Draper City on appropriate pipe size
<b>Power</b>	Minimum of 7 services: 4000A@ 277/480V – 3 phase	- Minimum 4" conduit w/ 3-phase transformers, where necessary
<b>Telephone/ Cable</b>	Minimum of 6 service connections, as needed, per tenant/user. This includes phone, data, broadband and fax. Qwest to coordinate with IKEA and Draper City on new vault locations and minimum pair bundles of fiber-optic lines (conduit size) for this development.	

Location of all utility connections will be coordinated with Draper City Public Works and Engineering Departments. See fig. D-1 for general location of stubs.

**EXHIBIT E**

**Infrastructure Site Plan**



# EXHIBIT E

## INFRASTRUCTURE SITE PLAN

DESIGNER	NHG	CAD	NHG
REVIEWED	DD	PROJECT NO.	
SHEET	1 OF 1		
BK 9227 PG 3438			

**EXHIBIT F**

**Fees to be Paid by City**

Commercial Special District Zone Text Amendment  
Commercial Site Plan Review  
Any Conditional Use Permits  
Preliminary and Final Plat Review and Approval  
Building permits  
Building plan review fees  
Fire and life safety review  
Electrical permit and plan review  
Mechanical permit and plan review  
Plumbing permit and plan review  
Racking permit and plan review  
Signage permits  
Grading and site work permit (Land Disturbance Permit)  
Culinary Water impact fee  
Culinary water hook up fee  
Fire flow hook up fee  
Fire and EMS impact fee  
Police impact fee  
Transportation impact fee  
Storm water impact fee  
All inspection fees  
First year of business license fee

The Developer acknowledges that the following fees are imposed by agencies other than the City and therefore will need to be paid to such agencies:

Restaurant review: Salt Lake Valley Health Department  
Sanitary sewer impact fee and hook up charge: South Valley Sewer District

EXHIBIT G

**Form of Easement Agreement**

When Recorded, Return To:

Draper City, Recorder  
1020 East Pioneer Road  
Draper, Utah 84020

### STORM WATER EASEMENT AGREEMENT

THIS STORM WATER EASEMENT AGREEMENT (this "Agreement") is made as of the \_\_\_\_\_ day of December, 2005 by and between IKEA Property, Inc., a Delaware corporation (the "Grantor"), and the Draper City, a Utah municipal corporation (the "Grantee").

#### RECITALS:

WHEREAS, the Grantor owns certain lots within Draper City (the "Grantor's Lots"), which are depicted on Exhibit B (the "Site Plan");

WHEREAS, the Grantor is willing to provide the Grantee with an easement through the Grantor's Lots for piping storm water drainage from IKEA Way (a public street that will be constructed by the Grantee) to the detention basin as shown on the Site Plan (the "Detention Pond");

WHEREAS, the parties have mutually agreed on the location of such easement, which is more particularly described on Exhibit A and which is depicted on the Site Plan (the "Easement Property");

NOW, THEREFORE, the parties agree as follows:

1. **Grant of Easement.** Subject to compliance with the requirements contained herein, the Grantor hereby grants to the Grantee a perpetual, non-exclusive easement in, to and under the Easement Property for the following purposes: (a) at its sole expense, to construct, install, reconstruct, operate, use, maintain, repair, replace, and remove an underground twenty-four (24) inch pipe system (the "Storm Drainage Piping"); and (ii) to discharge storm water runoff from IKEA Way into the Storm Drainage Piping and the Detention Pond in amounts that do not exceed the capacity of the Storm Drainage Piping. The Storm Drainage Piping must be at least twenty-four (24) inches underground along its entire length within the Easement Property, in accordance with Draper City design standards. The storm water that may be discharged into the Storm Drainage Piping is limited to storm water created on IKEA Way only, and storm water created elsewhere that subsequently drains onto IKEA Way may not be discharged into the Storm Drainage Piping. The Grantee has the right of access over and across the Easement Property for itself and its agents to the extent reasonably necessary in order to



exercise the Grantee's rights under this Agreement. The Grantee accepts the condition of the Easement Property in its "AS IS" condition, and waives and releases the Grantor from any liability, obligation, damage, or claim of whatsoever nature relating to the condition of the Easement Property, whether apparent or hidden.

2. **Initial Construction; Installation of the Required BMP's.** The Grantee shall install the Storm Drainage Piping within the Easement Property prior to the time that the Easement Property is paved. At the same time as and in connection with the initial construction of the Storm Drainage Piping, the Grantee shall, at its sole expense (a) install, in the public right of way of IKEA Way at the point the Storm Drainage Piping intersects with IKEA Way, a storm water treatment system in accordance with current engineering best management practices, such as a Vortsentry system (the "SWT System") and (b) install, next to the Storm Drainage Piping that is closest to the Detention Pond as shown on Exhibit C, a low-flow bypass system substantially in accordance with the plans in Exhibit C (the "Bypass System", and, together with the SWT System, the "Required BMP's"). From time to time as either of the SWT System or the Bypass System need to be replaced, the Grantee shall, at its sole expense, replace such Required BMP with another device or system substantially similar to such Required BMP designed in accordance with then current engineering best management practices.

3. **Reservation of Grantor's Rights.** The Grantor reserves the rights to use the Easement Property and to grant further easement interests in the Easement Property to others so long as such interest and uses do not materially or unreasonably interfere with the use of the Easement Property by the Grantee in accordance with this Agreement. Without limiting the generality of the foregoing, the Grantee agrees that the Grantor may landscape the Easement Property and may construct, pave and maintain one or more roads or parking lots or fences over and across any portion of the Easement Property, but the Grantor shall not build or construct any building or other improvement (other than signs) over or across the Easement Property.

4. **Maintenance and Restoration; Restrictions on Scheduling.** At all times, and at its sole expense, the Grantee shall maintain the Storm Drainage Piping and the Required BMP's in a safe condition and in compliance with all applicable governmental requirements. The Grantee shall, at its sole expense, clean out the Storm Drainage Piping and the Required BMP's from time to time as is necessary to keep each of them unblocked and fully functional. Upon completion of any activities of the Grantee which disturb the surface of the Easement Property, the Grantee shall promptly restore the Easement Property to the condition it was in immediately prior to such disturbance or as otherwise required by this Agreement, including compaction necessary to restore the soil to its previous condition. The Grantee shall give reasonable prior written notice (except in case of an emergency, in which case Grantee shall give as much notice as is reasonable under the circumstances) of its intent to construct, maintain, remove or replace the Storm Drainage Piping or the Required BMP's which would involve any disturbance of the surface of the Easement Property, and the Grantee agrees that any such construction, maintenance, repair, removal or replacement by the Grantee will be done in a reasonably expeditious manner; provided, however, that except in case of an emergency, the Grantee shall not exercise its rights under this Section 4 during any of the following time periods each year: January 1 through January 20, June 15 through July 15, August 10 through September 10 and November 15 through December 31 (in each case inclusive of such dates).

The Grantee shall be responsible for all costs and expenses associated with the exercise of its rights hereunder.

5. **Indemnity.** The Grantee shall indemnify, defend, and hold the Grantor harmless from and against any and all losses, claims, actions, damages, liabilities, penalties, fines, or expenses, of whatsoever nature, including, without limitation, reasonable attorneys' fees and costs on account of mechanics' lien claims, injury to persons, the death of any person, or damages to property ("Claims") arising from its use of the Easement Property, its breach of this Agreement or from its negligence (or any of its employees, contractors or agents) in exercising its rights under this Agreement, including without limitation the release into the Detention Pond of any hazardous materials as defined under any federal, state or local law or regulation.

6. **Mechanics' Liens.** The Grantee shall, at all times, keep the Easement Property free from mechanics' lien claims or similar liens arising on account of any act by or on behalf of the Grantee. Prior to commencing or contracting for any work to be performed on or about the Easement Property, the Grantee shall provide written notice to all contractors, subcontractors, and material suppliers with respect to such work that any mechanics' lien claim on account of the provision of such work or materials shall attach only to the Grantee's interest in the Easement Property under this Agreement and shall not, in any event, attach to any interest of the Grantor in the Easement Property. In the event any mechanics' lien is recorded with respect to the Grantor's Parcel (other than only against the easement interest of the Grantee) on account of any activity of the Grantee or any use of the Easement Property by or on behalf of the Grantee, the Grantee shall, within 30 days of notice by the Grantor (or, if earlier, within 30 days of a complaint being filed to enforce such mechanics' lien), cause such mechanics' lien to be removed from the Grantor's Parcel or, alternatively, place into an escrow acceptable to the Grantor an amount equal to 150% of the amount in dispute.

7. **Performance of the Grantee's Obligations by the Grantor.** In the event the Grantee fails to perform any obligations under this Agreement within five days of written notice by the Grantor, the Grantor may, but is not required to, perform any such obligation of the Grantee at the sole cost and expense of the Grantee. Except as may be necessary to prevent damage or injury on an emergency basis, Grantor shall not commence performance of any unperformed obligation of the Grantee as long as, within such five-day period, the Grantee shall have commenced curative action and thereafter shall prosecute such curative action diligently to completion. Any amount required to be paid by the Grantee to the Grantor pursuant to this Section shall bear interest until paid at the prime rate of interest then announced by Wells Fargo Bank National Association or other major national banking association in Salt Lake City, Utah identified by the Grantor.

8. **Relocation.** The Grantor reserves the right to hereafter relocate the Easement Property, provided that the Grantor shall pay all expenses associated with the relocation of the Storm Drainage Piping, and the relocated Storm Drainage Piping must be constructed to Draper City design standards in effect at the time of the relocation. The Grantee agrees to execute any amendment hereto relocating the Easement Property upon the satisfactory relocation of the Storm Drainage Piping.

9. **Other Agreements.**

(a) **Run with the Land.** The easements hereby conveyed and granted, the restrictions hereby imposed, and the agreements herein contained, shall be easements, restrictions, and covenants running with the land and shall inure to the benefit of, and be binding upon, the Grantor and its respective successors and assigns, including, without limitation, all subsequent owners of the Easement Property and all persons claiming under them.

(b) **No Dedication.** Nothing contained herein shall be deemed to be a gift or dedication of any portion of the Easement Property to the general public or for the general public or for any public issues whatsoever other than those specifically granted herein, it being the intention of the parties hereto that this Agreement shall be strictly limited to and for the purposes herein expressed.

(c) **Attorneys' Fees.** In the event of any litigation, arbitration, or other proceeding brought to enforce or interpret this Agreement, the prevailing party shall receive an award of its reasonable attorneys' fees and costs.

(d) **Remedies.** The remedies of a Party hereunder shall be specifically enforceable by the aggrieved Party without the necessity of demonstrating an adequate remedy at law exists and damage to the Easement Property shall be presumed to be irreparable harm. In connection with any such action, a Party shall not be required to post a surety bond.

(e) **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

(f) **Amendment; Entire Agreement; Counterparts.** Any additions or changes to this Agreement must be in writing and signed by all parties hereto. This Agreement contains the entire understanding among the parties hereto, and any other agreements among the parties hereto are merged or revoked by this Agreement. This Agreement may be executed in counterparts.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

GRANTOR:

IKEA Property, Inc.

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

GRANTEE:

Draper City

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

Attest:

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

Approved as to form:

\_\_\_\_\_  
City Attorney

STATE OF UTAH            )  
                                  ) SS.  
COUNTY OF SALT LAKE    )

On the \_\_\_\_ day of December, 2005, personally appeared before me \_\_\_\_\_, who being by me duly sworn did say (s)he is the \_\_\_\_\_ of IKEA Property, Inc., and that the within and foregoing instrument was signed on behalf of the corporation.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at:

STATE OF UTAH            )  
                                  ) SS.  
COUNTY OF SALT LAKE    )

On the \_\_\_\_ day of December, 2005, personally appeared before me \_\_\_\_\_, who being by me duly sworn did say (s)he is the \_\_\_\_\_ of Draper City, and that the within and foregoing instrument was signed on behalf of Draper City.

\_\_\_\_\_  
NOTARY PUBLIC  
Residing at:

---

**EXHIBIT A**

**Legal Description of the Easement Property**

**Legal Description of the Easement Property**

AN 15 FOOT WIDE EASEMENT, FOR STORM DRAIN PURPOSES, IN THE STATE OF UTAH, COUNTY OF SALT LAKE, CITY OF DRAPER, BEING PART OF SECTION 36, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING ON THE SOUTH LINE OF SAID SECTION 36, SAID POINT BEING S89°58'14"E GRID (UTAH COORDINATE SYSTEM NAD 83 (1994) CENTRAL ZONE) 1221.70 FEET, FROM THE STONE MONUMENT AT THE SOUTH QUARTER OF SAID SECTION 36; SAID POINT BEING THE BEGINNING OF A NON TANGENT CURVE CONCAVE TO THE EAST, WITH A RADIUS OF 265.60 FEET AND A RADIAL BEARING OF S53°09'50"W, THENCE NORTHERLY 17.75 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 3°49'48", SAID CURVE RUNNING ALONG THE EAST BANK OF THE JORDAN AND SALT LAKE CANAL; THENCE N26°34'23"W 57.15 FEET; THENCE N01°52'19"W 170.00 FEET; THENCE N02°46'31"W 519.47 FEET; THENCE N38°53'03"E 22.57 FEET; THENCE S02°46'31"E 536.45 FEET; THENCE S01°52'19"E 166.84 FEET; THENCE S26°34'23"E 53.02 FEET TO THE BEGINNING OF A NON TANGENT CURVE CONCAVE TO THE EAST, WITH A RADIUS OF 250.60 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE 8.50 FEET, THROUGH A CENTRAL ANGLE OF 01°56'37"; THENCE S89°58'14"E 68.14 FEET; THENCE S00°40'47"W 15.00 FEET TO THE SOUTH LINE OF SAID SECTION 36; THENCE N89°58'14"W ALONG SAID SOUTH LINE 75.61 FEET TO THE POINT OF BEGINNING.

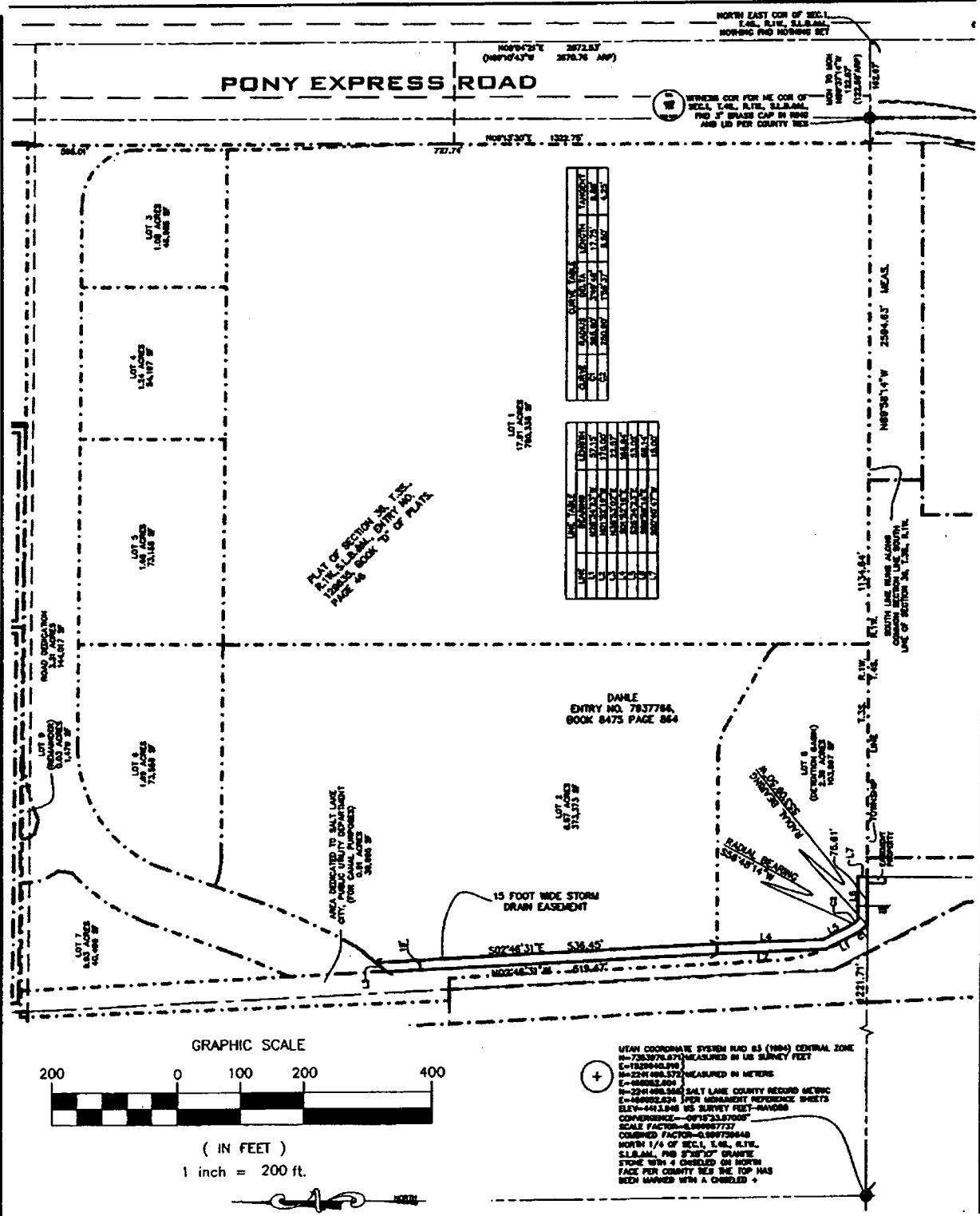
CONTAINS 0.29 ACRES (12,547 SQUARE FEET), MORE OR LESS

**EXHIBIT B**

**Site Plan**

**(Depiction of the Grantor's Lots, the Easement Property and the Detention Pond)**





PROJ #: 05-0133  
 DATE: 11/29/05  
 REV #:  
 ASI #:  
 SCALE: 1" = 200'

**DEPICTION OF EASEMENT**  
**STORM DRAIN EASEMENT**  
**DRAPER UTAH**

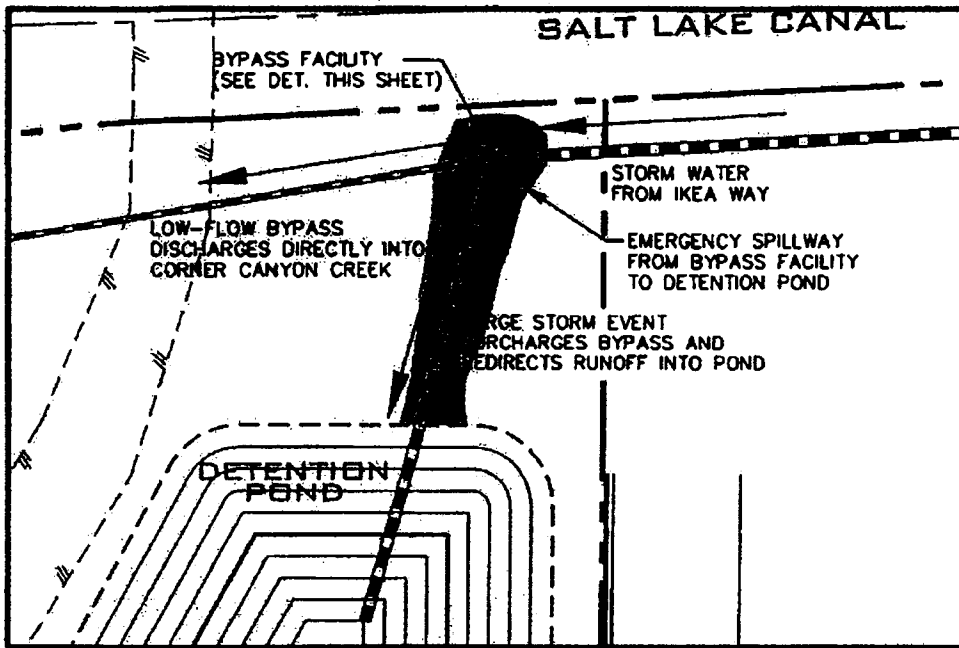
**CLC ASSOCIATES**  
 350 SOUTH 400 EAST  
 SUITE 304  
 SALT LAKE CITY  
 UTAH 84111  
 P 801 343 5405  
 F 801 363 5404  
 CLCASSOC.COM



---

**Bypass System**

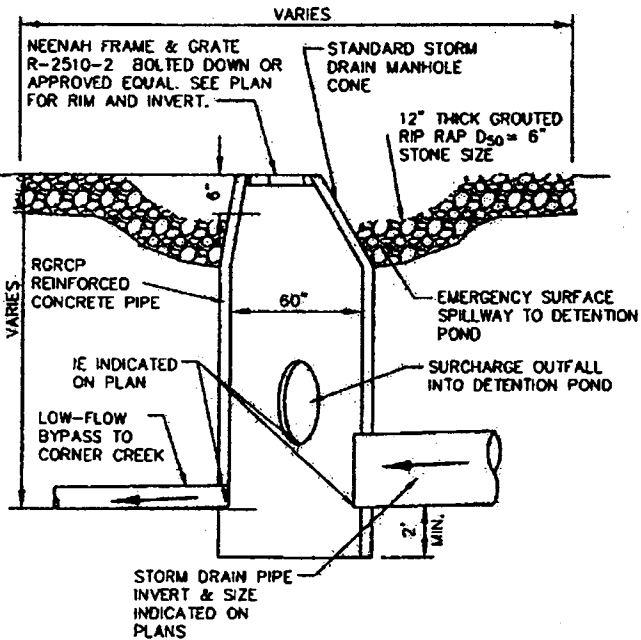
**EXHIBIT C**



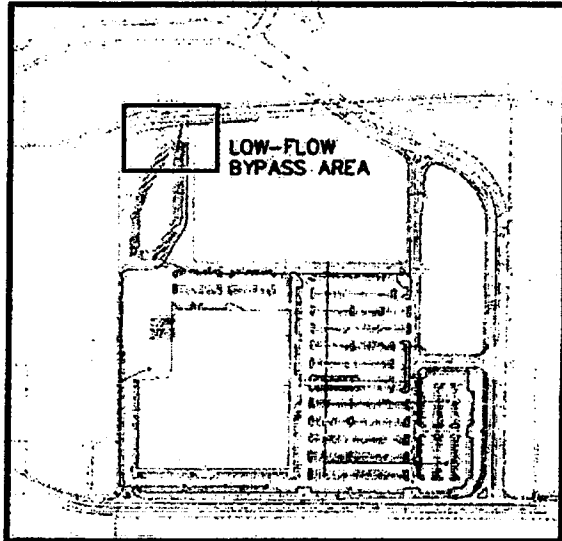
**LOW-FLOW BYPASS PLAN**



**KEY MAP**



**BYPASS FACILITY DETAIL**



PROJ #: 05-0133  
 DATE: 11/18/05  
 REV #: 1  
 ASI #: 1  
 SCALE: 1" = 30'

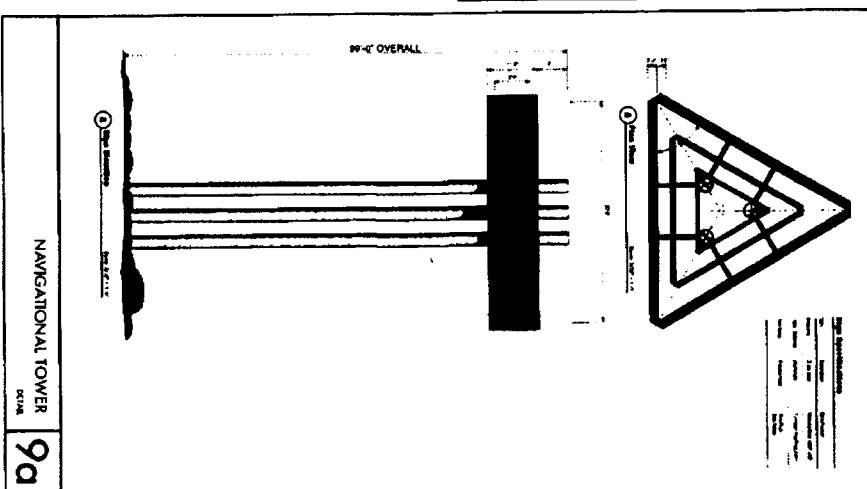
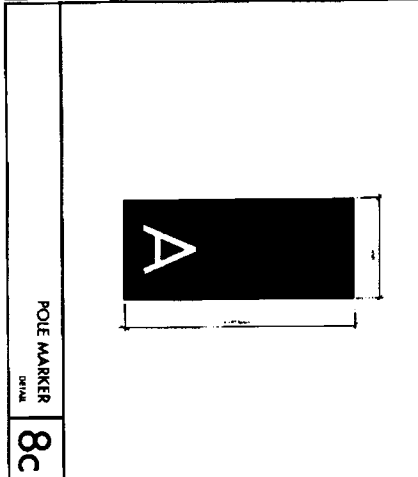
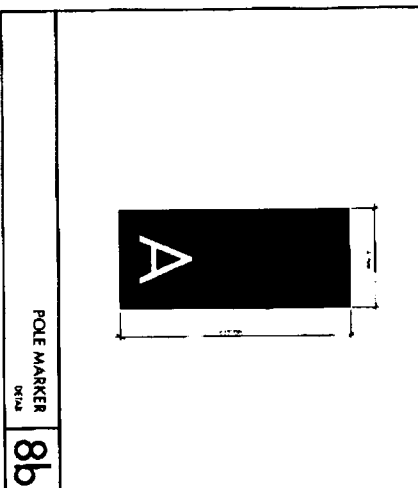
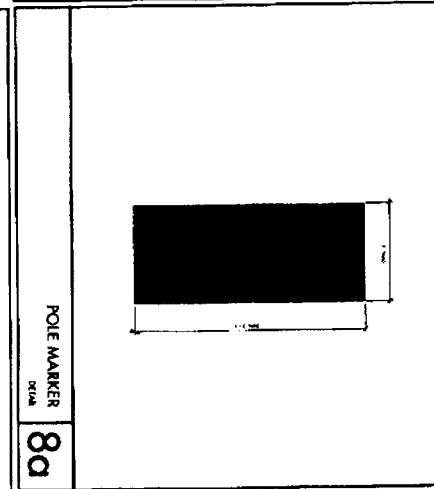
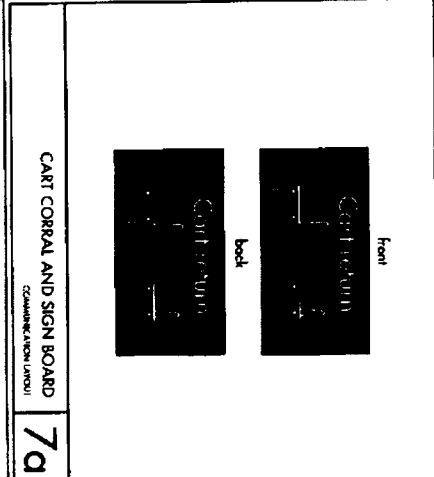
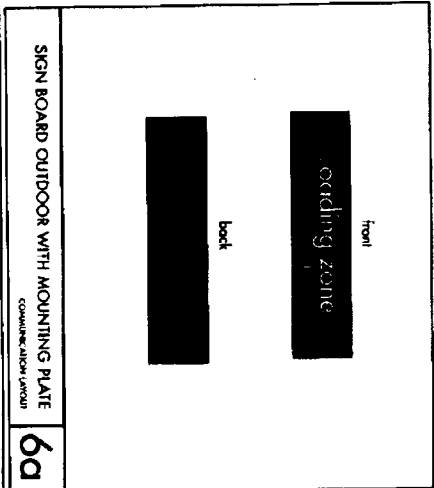
DEPICTION OF  
**STORM WATER LOW-FLOW BYPASS DETAIL**  
 DAHLE RETAIL CENTER  
 DRAPER, UTAH

**CLC ASSOCIATES**  
 350 SOUTH 400 EAST  
 SUITE 304  
 SALT LAKE CITY  
 UTAH 84111  
 P 801 363 5605  
 F 801 363 5604  
 CLC@CLC.COM  
 ARCHITECTURE  
 ENGINEERING PLANNING  
 LANDSCAPE ARCHITECTURE  
 LAND SURVEYING



**EXHIBIT H**

**Sign Package**

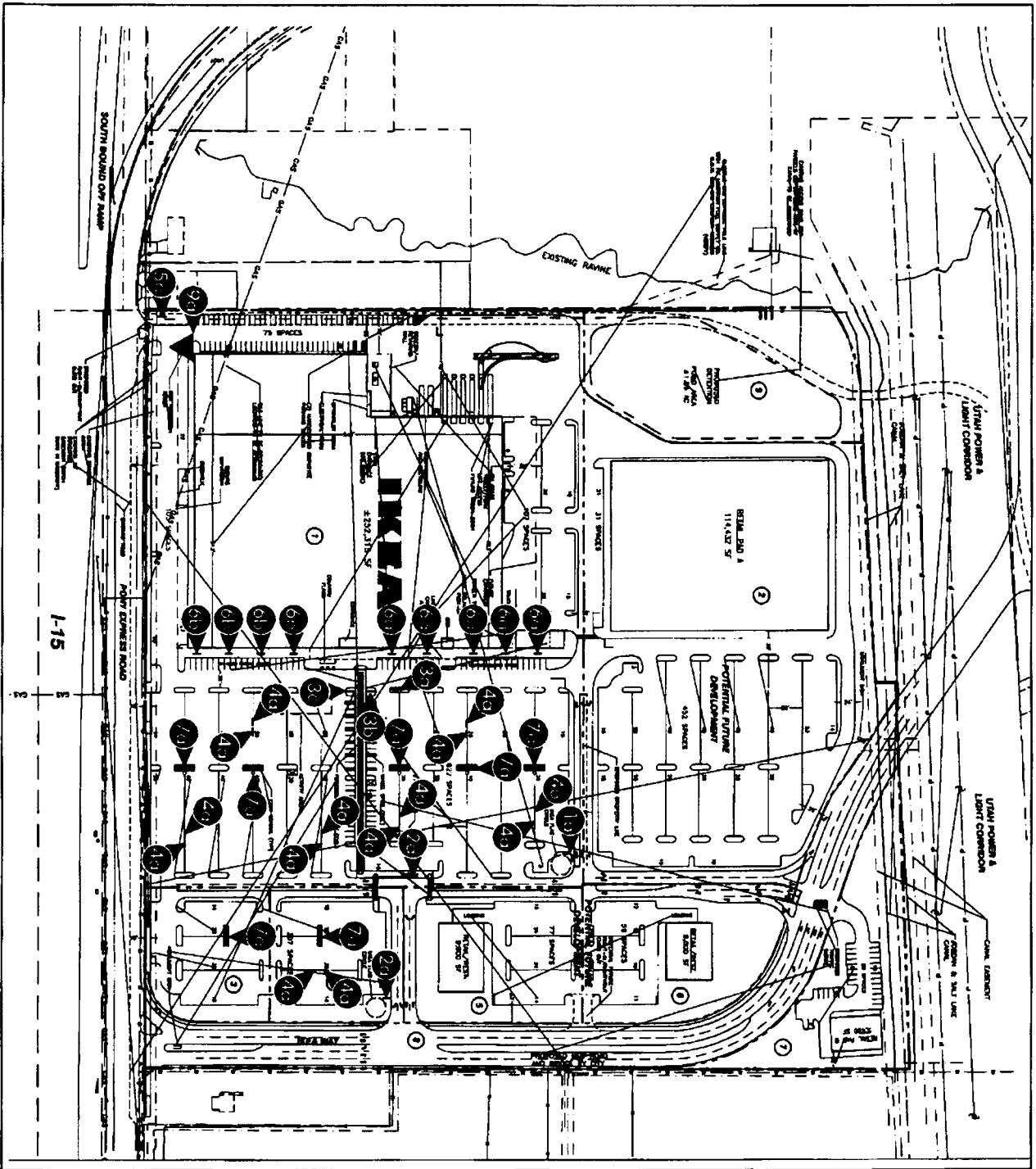


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8815 South Riverway, Suite 100  
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Fax: 801-944-1101  
Internet: www.ikea.com  
E-mail: ikea@ikea.com  
Last Revised: 11/18/2000

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Communication  
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COMM 301



● = no lighting      ● = power needed for lighting

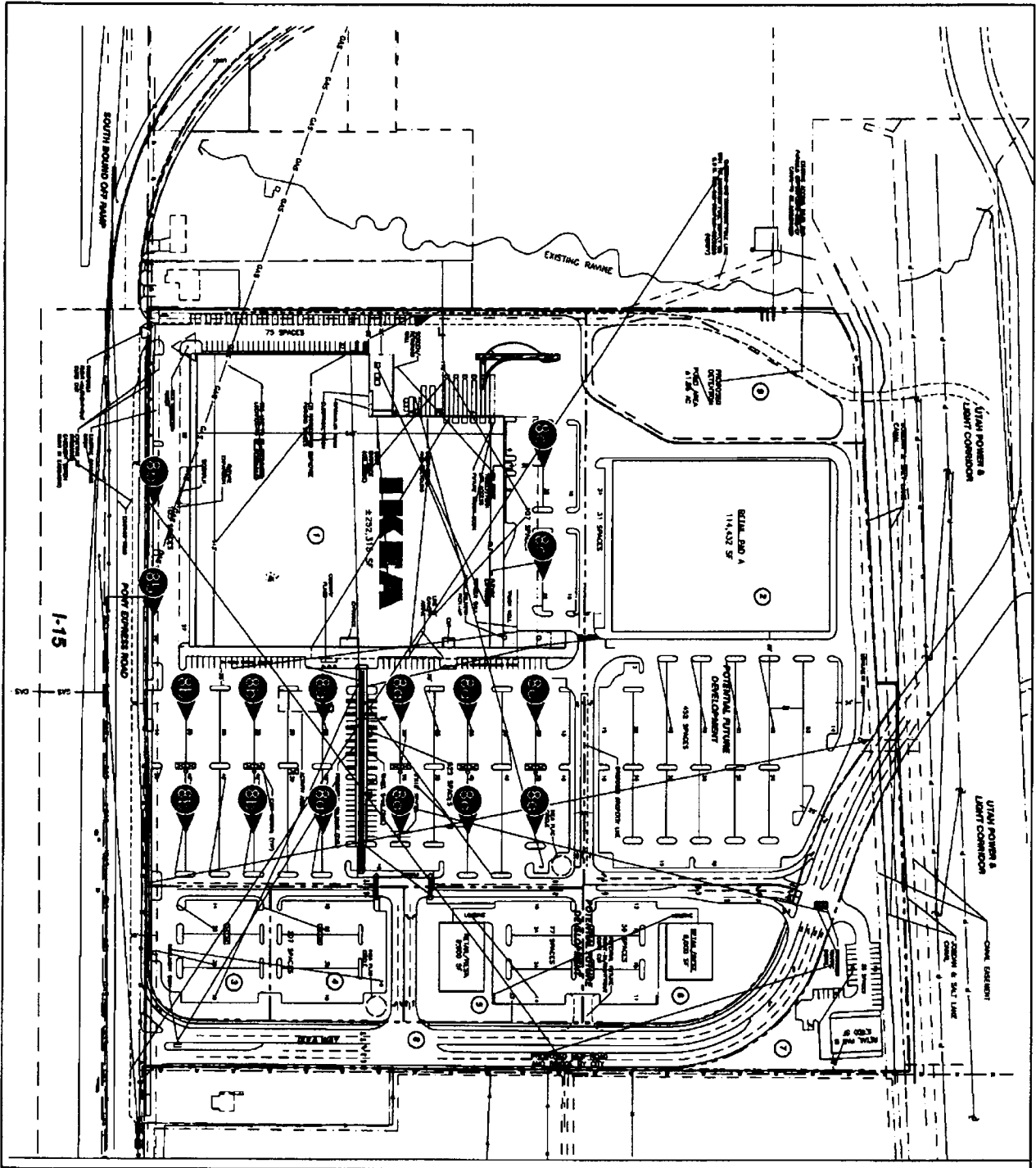
L-15

COMM 100

NOT TO SCALE  
 IKEA Signage  
 Locations

**IKEA** Home Furnishings  
 DRAPER, SALT LAKE CITY

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 Draper, UT 84020  
 Phone: (801) 223-4400  
 Fax: (801) 223-4401  
 Website: www.ikea.com



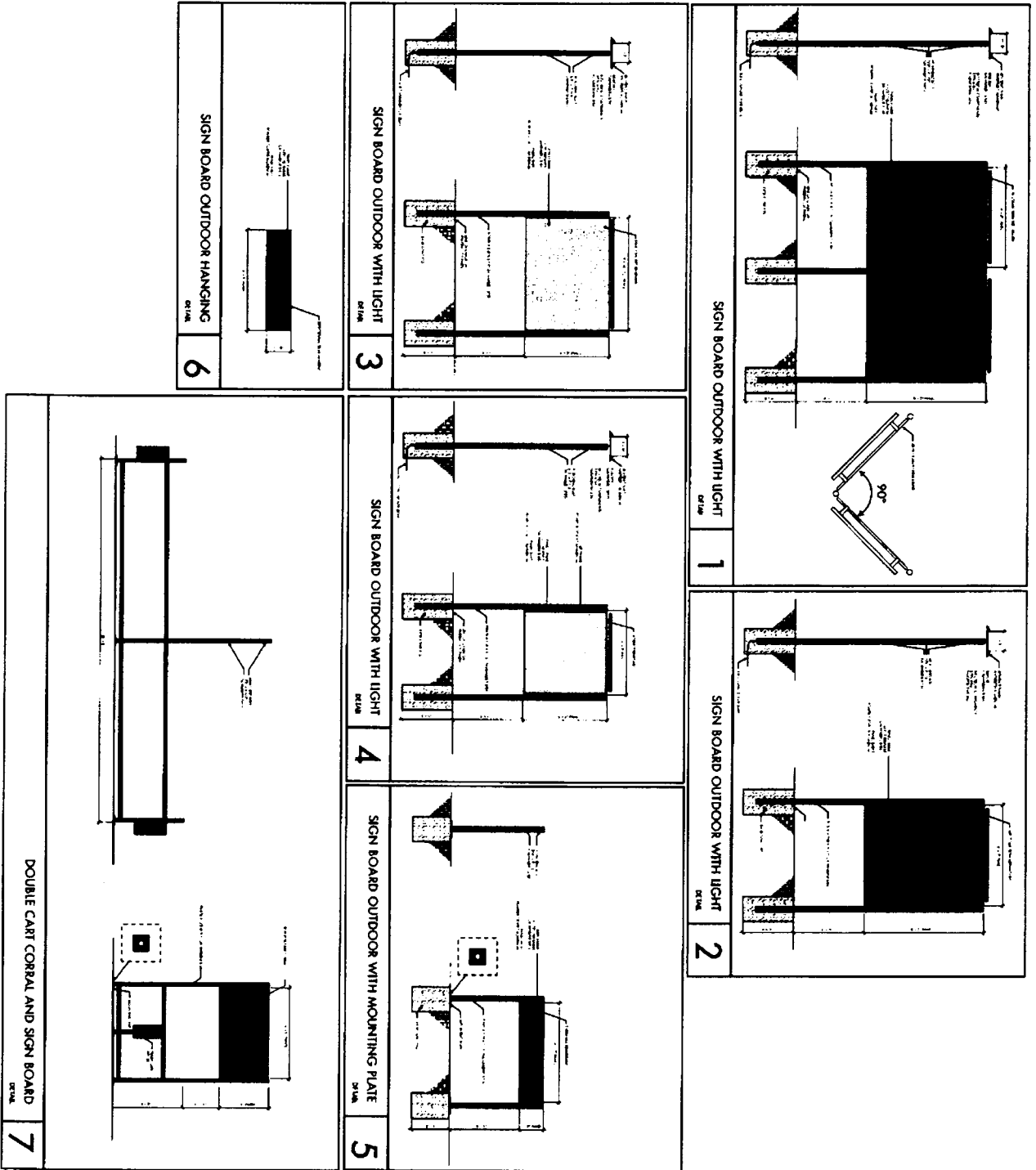
**IKEA**  
Home Furnishings

10000 South Redwood Street, Suite 100  
Draper, Utah 84020  
Phone: 801-223-4400  
Fax: 801-223-4401  
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Draper, Utah 84020  
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Fax: 801-223-4401  
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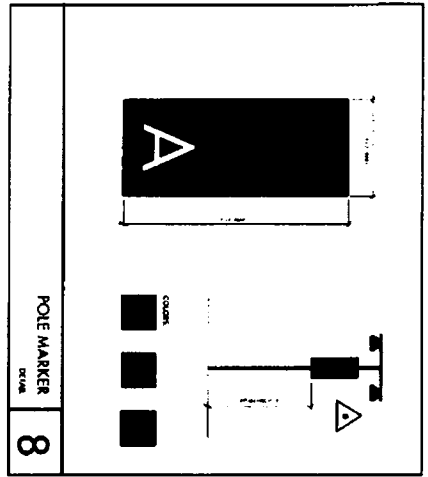
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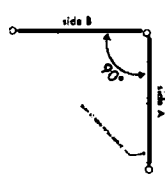
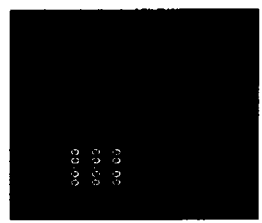
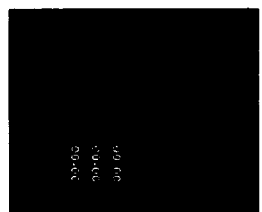
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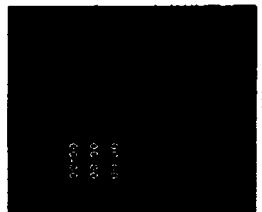
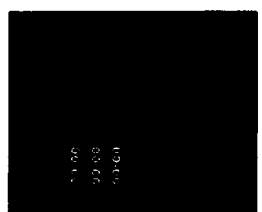
COMM 201

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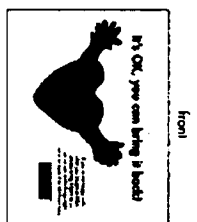
SIGN BOARD OUTDOOR WITH LIGHT  
COMMUNICATION LAYOUT

1a



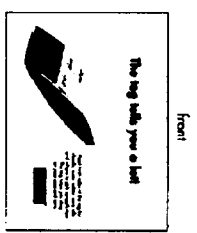
SIGN BOARD OUTDOOR WITH LIGHT  
COMMUNICATION LAYOUT

2a



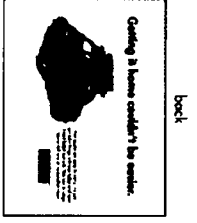
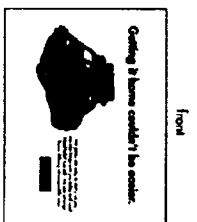
SIGN BOARD OUTDOOR  
COMMUNICATION LAYOUT

3a



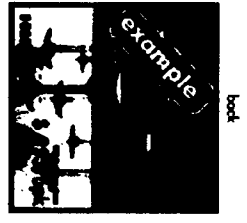
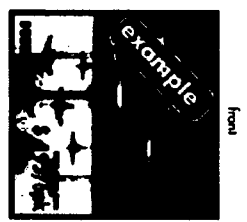
SIGN BOARD OUTDOOR  
COMMUNICATION LAYOUT

3b



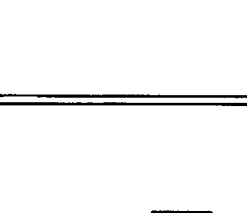
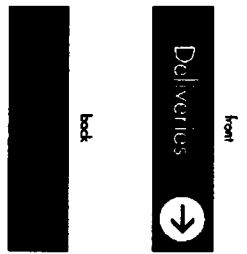
SIGN BOARD OUTDOOR WITH MOUNTING PLATE  
COMMUNICATION LAYOUT

3c



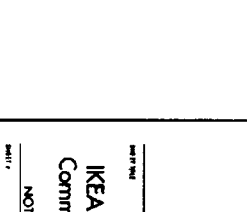
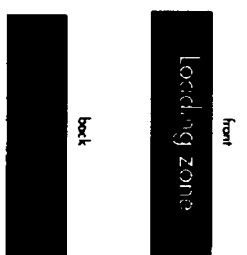
SIGN BOARD OUTDOOR WITH MOUNTING PLATE  
COMMUNICATION LAYOUT

4a



SIGN BOARD OUTDOOR WITH MOUNTING PLATE  
COMMUNICATION LAYOUT

5a



SIGN BOARD OUTDOOR WITH MOUNTING PLATE  
COMMUNICATION LAYOUT

6a

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**Form of Assignment and Assumption Agreement**

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Assignment and Assumption Agreement is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_ (the "Effective Date") by and between IKEA Property, Inc., a Delaware corporation (the "Assignor"), and \_\_\_\_\_, a \_\_\_\_\_ (the "Assignee").

WHEREAS, the Assignor and Draper City (the "City") entered into that certain Development Agreement dated as of December \_\_, 2005 (the "Agreement") relating to certain property located in Draper City (now known as the "Dahle Retail Subdivision");

WHEREAS, on the date hereof, the Assignee purchased Lot \_\_\_\_ of the Dahle Retail Subdivision (the "Subject Property") from the Assignor; and

WHEREAS, the Assignor desires to assign the Agreement to the Assignee as it relates to the Subject Property;

NOW, THEREFORE, the parties agree as follows:

J. Assignment. As of the Effective Date, the Assignor hereby assigns its right, title and interest in and to the Agreement to the Assignee with respect to the Subject Property only.

K. Acceptance and Assumption. The Assignee hereby accepts such assignment and agrees to assume all of the obligations of the Assignor under the Agreement with respect to the Subject Property only.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be duly executed as of the date first above written.

ASSIGNOR:  
IKEA PROPERTY, INC.  
a Delaware corporation

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

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

ASSIGNEE:

\_\_\_\_\_

a \_\_\_\_\_

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

Its: \_\_\_\_\_