

AGREEMENT FOR THE DEVELOPMENT OF LAND

This agreement is entered into on this 19th day of July, 2021, between Cedar City, a Utah political subdivision and municipal corporation, hereinafter referred to as "City"; Iron County, a political subdivision of the State of Utah, hereinafter referred to as "County"; and Candor Development Inc., a Delaware Corporation, hereinafter referred to as "Candor".

WHEREAS, Candor is in the business of producing foam and steel structured building panels; and

WHEREAS, Candor has purchased approximately 15 acres of property located in the vicinity of 180 North Airport Road, Cedar City, Utah (hereinafter referred to as the Candor property). The Candor property is identified by County with Parcel Numbers D-0987-0000-0000, D-0967-0000-0000, and D-0968-0000-0000 and are more particularly described as follows:

Property #1: 3-acre parcel, Iron County Parcel Number D-0987-0000-0000, Iron County Account Number 0143005, and legal description:

BEGINNING AT A POINT N0°08'36"W, 1386.22 FEET ALONG THE SECTION LINE FROM THE EAST 1/4 CORNER OF SECTION 9, T36S, R11W, SLB&M; THENCE S89°19'56"W, 508.56 FEET; THENCE N0°39'58"W, 260.03 FEET; THENCE N89°19'56"E, 510.93 FEET TO THE SECTION LINE; THENCE ALONG SAID SECTION LINE S0°08'36"E, 165.79 FEET; THENCE S89°21'42"W, 23.13 FEET; THENCE S0°08'36"E, 80.93 FEET; THENCE N89°21'42"E, 23.13 FEET TO THE SECTION LINE; THENCE ALONG SAID SECTION LINE S0°08'36"E, 13.32 FEET TO THE POINT OF BEGINNING.

Property #2: 12-acre parcel, Iron County Parcel Number D-0967-0000-0000, Iron County Account Number 0142726, and legal description:

BEGINNING AT A POINT N0°08'36"W, 1100.67 FEET ALONG THE SECTION LINE FROM THE EAST 1/4 CORNER OF SECTION 9, T36S, R11W, SLB&M; THENCE S89°19'56"W, 868.81 FEET; THENCE N0°08'36"W, 756.91 FEET; THENCE N89°41'03"E, 868.78 FEET TO THE SECTION LINE; THENCE ALONG SAID SECTION LINE S0°08'36"E, 205.99 FEET; THENCE S89°19'56"W, 510.93 FEET; THENCE S0°39'58"E, 260.03 FEET; THENCE N89°19'58"E, 508.56 FEET TO THE SECTION LINE; THENCE ALONG SAID SECTION LINE S0°08'36"E, 285.55 FEET TO THE POINT OF BEGINNING.

Property #3: 42.39-acre parcel, Iron County Parcel Number D-0968-0000-0000, Iron County Account Number 0142767, and legal description:

BEGINNING AT A POINT N0°08'36"W, 1100.67 FEET ALONG THE SECTION LINE AND S89°19'56"W, 868.81 FEET FROM THE EAST 1/4 CORNER OF SECTION 9, T36S, R11W, SLB&M; THENCE S89°19'56"W, 1787.57 FEET TO THE 1/16TH SECTION LINE; THENCE ALONG SAID 1/16TH SECTION LINE N0°08'31"W, 75.64 FEET; THENCE S89°43'15"W, 1261.59 FEET; THENCE N0°06'48"W, 244.79 FEET; THENCE N89°42'00"E, 846.07 FEET; THENCE N0°07'58"W, 413.78 FEET; THENCE N89°39'51"E, 332.26 FEET; THENCE N0°08'24"W, 32.99 FEET; THENCE N89°41'03"E, 647.50 FFET; THENCE S0°08'17"E, 8.25 FEET; THENCE N89°41'03"E, 16.60 FEET; THENCE N0°08'17"W, 8.25 FEET; THENCE N89°41'03"E, 1206.45 FEET; THENCE S0°08'36"E, 756.91 FEET TO THE POINT OF BEGINNING.

00773518



LESS AND EXCEPTING ANY GAPS BETWEEN CONGLOMERATE DESCRIPTIONS THAT MAKE UP TAX I.D. PARCEL D-968.

WHEREAS, the Candor property is currently in a natural state and Candor intends to construct a facility that Candor will use to construct and manufacture its panels; and

WHEREAS, the Candor property as described above as properties #1 through #3 (hereinafter referred to as the property) are currently located in an unincorporated area of County. Candor is in the process of seeking annexation into City for all of these properties in order to access the various infrastructure items City has to offer. The annexation process is projected to take multiple months, and the final decision to annex or not is a legislative decision of the Cedar City Council. Candor, County, and City enter this agreement with the express understanding that annexation into Cedar City is not guaranteed; and

WHEREAS, Candor understands that it is responsible for seeking and obtaining consent from all owners of adjacent property to allow such dedications and easements as are necessary to facilitate development of the Candor facilities; and

WHEREAS, the construction of Candor's facilities on the Candor property, and the necessary infrastructure on the property will take a number of months and in order to complete the construction of Candor's facilities and all of the associated infrastructure improvements such as roads, curb, gutter, sidewalk, storm drain, water, sewer, rail spurs, and various other utility improvements prior to the next winter season Candor needs to commence development as soon as possible; and

WHEREAS, Candor enters this agreement with the express understanding that City has different development and construction standards than County and that constructing the infrastructure and Candor facilities following City standards may have a cost difference from following the County standards; and

WHEREAS, it is the express intent of this agreement to: (1) facilitate the development of the Candor facilities and the associated infrastructure to City standards; (2) allow Candor to commence construction prior to annexation; (3) recognize that annexation is not guaranteed; (4) establish requirements so that the construction of the Candor facility will comply with County ordinances while the construction and development proceeds prior to annexation; (5) establish a method to allow the construction and infrastructure to remain in the unincorporated county should the annexation request be denied, and; (6) provide a method whereby County and City are able to make the most efficient use of their respective powers by enabling them to cooperate with each other on a basis of mutual advantage thereby providing services and facilities in a manner that will accord the best benefit of the economy of scale, economic development, and utilization of natural resources for the overall promotion of the general welfare of the State of Utah.

NOW THEREFORE Candor, City, and County hereby agree that adequate consideration exists to support the formation of this agreement. Candor, City and County hereby agree as follows:

00773518

B: 1562 P: 1110 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 2 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



1. Candor's responsibilities.

A. Candor will file a conditional use permit application with County and follow all duly adopted and applicable County procedures necessary to secure the issuance of the conditional use permit. The conditional use permit will allow Candor to commence construction prior to completing the annexation of the property. The conditional use permit will also allow Candor to continue the use and development of the property in the County in the event that the annexation is not granted.

B. Candor agrees that all construction on the property and all infrastructure needed to facilitate the construction on the property shall be built in accordance with duly adopted City engineering standards, building codes, fire codes, zoning and subdivision ordinances, Airport/FAA building height restrictions, and all other applicable City standards. Candor agrees that any drainage from settling ponds constructed by Candor shall have to be approved by the State of Utah Department of Environmental Quality. Candor agrees that City standards shall be applied to its construction and all infrastructure regardless of the progress of the annexation petition or the success or failure of the annexation petition. Candor agrees that the choice to build in accordance with City standards is Candor's choice and is not something that County or City have compelled Candor to do.

C. Unless and until the annexation petition is rejected, Candor agrees to abide by the decisions and interpretations made by the City staff and to use the City's processes and structure if Candor has an issue with the manner in which the City administers its ordinances and regulations. Candor waives any right to seek decisions, interpretations, and/or appeals from County.

D. Candor will file a petition to annex the property into the corporate boundaries of City. Candor will cooperate with City's procedures and policies related to its annexation process and provide City such information as may be reasonably required related to the annexation. Candor will comply with City's duly adopted water acquisition ordinance at the time of annexation by either providing the required water rights to City or paying the duly adopted and generally applicable water acquisition fee.

E. Candor agrees to pay all duly adopted and generally applicable City fees associated with building permits, annexation, zoning, subdivision, or any other applicable land use regulation the City has. Candor agrees to pay all duly adopted and generally applicable fees for connection to City services and any duly adopted and general applicable fees for continued use of City services including, but not limited to, water, sewer, and storm drain.

F. Candor agrees that prior to final annexation for the property Candor will be required to pay City applicable and duly adopted and generally applicable impact fees, said impact fees shall be due prior to the issuance of a temporary or final certificate of occupancy.

G. Candor will apply to City for permission to use the City's rail spur. Any agreement for the use of City's rail spur will be negotiated with City separately from this agreement for the development of land.

00773518

B: 1562 P: 1111 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 3 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



H. Candor shall require all of its contractors and/or subcontractors to cooperate with the City Building and Public Works inspections.

I. Candor shall secure the written permission to annex all of the property into City; written dedication of all rights of way to City through the property; and dedication of all necessary easements for access, utilities, and for any other purpose as may reasonably be necessary to facilitate the development of the property.

J. By entering this agreement Candor requests use of City's culinary system for its property which is outside of the City limits. Candor agrees to pay all required connection fees and use fees that are generally applicable in accordance with City's adopted fee schedule.

2. City's responsibilities.

A. City agrees to accept, consider, process, and not unreasonably condition or delay Candor's annexation petition. City does not guarantee approval of Candor's annexation petition.

B. City will be responsible for building and infrastructure inspections, necessary occupancy certificates either temporary or final, and approval or rejection of public infrastructure. City will inspect the project using duly adopted and generally applicable specifications, engineering standards, building and fire codes, subdivision and zoning ordinances, and all other applicable land use ordinances, rules, or regulations as adopted by City.

C. City will follow its normal inspection processes for buildings and the public and private infrastructure.

D. City will accept from County the authority to conduct inspections and issue applicable permits. By accepting this authority from County, City in no way accepts more authorization than County has to offer. City only applies its ordinances, specifications, rules, and regulations by this agreement with Candor. City's ability to issue land use permits for infrastructure or buildings located in County is limited to this one project, and City in no way interprets this limited grant as the ability to grant permits or conduct inspections on other projects outside City boundaries.

E. City expressly acknowledges that the responsibility to issue permits, charge fees, collect fees, or otherwise have any ability to regulate the Candor project will cease to exist if the Candor annexation petition is formally rejected by a majority vote of the Cedar City Council.

F. City agrees to hold County harmless from City's actions associated with the inspections and regulations of the construction and development within the development property.

G. City agrees to allow Candor to connect to the City's culinary water system to serve the buildings constructed on the Candor property. If the annexation petition is rejected by City, the allowance for Candor to connect to and use City's culinary water system will survive the expiration of this agreement and act as formal permission from the City Council for a water connection outside the City limits in accordance with Cedar City Ordinance 37-20.

00773518

B: 1562 P: 1112 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 4 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



3. County's responsibilities.

A. Unless and until a majority of the Cedar City Council formally rejects Candor's annexation petition County hereby delegates to City all authority and ability related to this project only to issue relevant building and development permits, collect fees, conduct inspections, and otherwise have authority over the building and development of the development property. City will not be responsible to pay or remit any of the collected fees to County, and County shall have no claim on said fees even if the annexation is not accepted. The fees will be considered payment for the services rendered by City.

B. County only delegates to City such authority as County actually has. County shall not be deemed to delegate to City the authority to require any other standard than the adopted County standards for building and infrastructure. The agreement by Candor to develop to City standards is not a delegation of authority from County to City, it is a knowing and voluntary act of Candor.

C. If the annexation petition filed by Candor is formally and officially rejected by a majority vote of the Cedar City Council, inspection of the construction and development within the development property reverts to County. County agrees to accept such responsibility and County agrees to hold harmless City for any inspection work completed by City. City shall have no liability for any inspection work completed by County. County agrees to accept any occupancy certificates issued by City, and any City accepted or rejected infrastructure.

D. County hereby consents to the annexation of the property and directs County officials and staff to execute such documents as may be customary and necessary to document the County's consent.

4. Miscellaneous provisions.

A. This agreement includes the sharing of corporate authority between two (2) governmental entities in order to cooperatively provide services they are each authorized by statute to provide. As such this agreement follows the provisions of UCA §11-13-202. This agreement is in no way intended to create an interlocal entity as that term is used in UCA §11-13-203.

B. This agreement is not intended to create any rights for any third parties. Any party that does not specifically sign this agreement is not entitled to rely on any of the provisions of this agreement and may not seek to enforce any of the rights or obligations created by this agreement.

C. The rights and responsibilities created by this agreement are rights and responsibilities that the parties to this agreement may not assign or otherwise transfer to another without the express written consent of the rest of the parties to this agreement.

D. This is an integrated agreement. The terms and provisions of this agreement may not be interpreted by use of outside material not referenced herein. Also, this is the parties' final expression

00773518

B: 1562 P: 1113 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 5 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



of their agreement and no prior or subsequent written or oral discussions or agreement may be used to interpret this agreement. All amendments to this agreement must be reduced to writing and duly adopted by all of the parties hereto in order to be effective.

E. If portions of this agreement are found by a court of competent jurisdiction to violate any provision of law, that portion of the agreement shall be deemed to be severed from the agreement. Upon severance of a provision the remainder of the agreement shall be interpreted to fulfill the purposes stated herein.

F. Each party signing this agreement has had an opportunity to review the agreement and to have the agreement reviewed by their respective legal counsel. Nothing in this agreement shall be interpreted against the author of the agreement due to the authorship of the agreement.

G. In the event of a dispute related to this agreement where one party incurs costs associated with negotiation, dispute resolution, litigation, or any other method of resolving a dispute between the parties, each party agrees to pay its own costs and attorney fees.

H. The persons signing this agreement have completed the necessary approval process within their respective corporate entities and received all permission necessary to bind each entity to the terms and conditions contained herein.

I. This agreement shall be interpreted in accordance with the laws of the State of Utah. In the event of a dispute requiring court action, jurisdiction is vested solely in the Utah District Court. Venue is vested solely in the Fifth Judicial District Court, Cedar City precinct.

J. This agreement is not intended to create joint liability among any of the parties. Each party is an independent corporate entity and while the County and City may delegate defined responsibilities to each other they remain separate corporate entities each responsible for their own work product and actions. Nothing in this agreement may be interpreted to create any agency from one governmental entity to the other. Nothing in this agreement may be interpreted to create any agency between Candor, County, and City. Each entity is responsible for their own methods of work, their own employees, and their own policies.

K. A judgment by any third party against any of the parties to this agreement shall not create liability on any of the other parties to this agreement. This contract does not create joint liabilities for any of the parties.

L. Candor expressly acknowledges that it is assuming risk in this agreement by agreeing to develop to City standards which may be more costly than County standards. Candor is responsible for its performance and nothing in this agreement may be interpreted to create liability for the increase in development standards upon County or City.

M. This agreement shall not terminate until the purposes provided for herein are completed.

00773518

B: 1562 P: 1114 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 6 of 10
07/19/2021 02:51:28 PM By IRON COUNTY

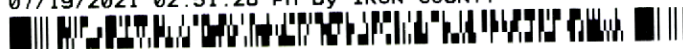


N. No party to this agreement will be held responsible for delay or default caused by events of force majeure including, but not limited to, fire, riot, acts of God, war, terrorism, or other such acts which are beyond the party's reasonable control.

Remainder of page intentionally left blank.

00773518

B: 1562 P: 1115 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 7 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



Cedar City's Signature Page.

Dated this 15th day of July, 2021.

Maile L. Wilson-Edwards
Maile L. Wilson-Edwards
Mayor



[Seal]
Attest:

Renon Savage
Renon Savage
Recorder
STATE OF UTAH)

) :ss.
COUNTY OF IRON)

This is to certify that on the 15th day of July, 2021, before me, the undersigned, a Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared Maile L. Wilson-Edwards, known to me to be the Mayor of Cedar City Corporation, and Renon Savage, known to me to be the City Recorder of Cedar City Corporation, and acknowledged to me that she the said Maile L. Wilson and she the said Renon Savage executed the foregoing instrument as a free and voluntary act and deed of said corporation, for the uses and purposes therein, and on oath state that they were authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.



Kariane Coleman
NOTARY PUBLIC

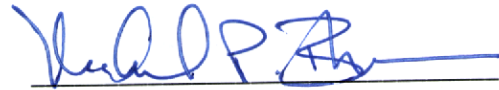
00773518

B: 1562 P: 1116 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 8 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



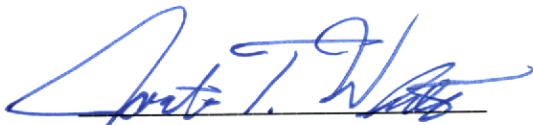
Iron County's Signature Page.

Dated this 19th day of July, 2021.



Michael P. Bleak
Iron County Commission Chair

[Seal]
Attest:



Jon Whittaker
Iron County Clerk

STATE OF UTAH)

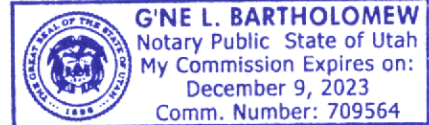
:ss.

COUNTY OF IRON)

On this 19th day of July, 2021, personally appeared before me Michael P. Bleak and Jon Whittaker who duly acknowledged to me that they signed the above and foregoing document.



NOTARY PUBLIC



00773518

B: 1562 P: 1117 Fee \$0.00
Carri R. Jeffries, Iron County Recorder Page 9 of 10
07/19/2021 02:51:28 PM By IRON COUNTY



Candor's Signature Page.

Dated this 30 day of June, 2021.



Andrew Kudelka CEO

(Please print name and title of Candor's representative signing this agreement).

STATE OF UTAH)

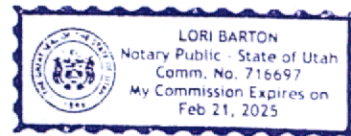
:ss.

COUNTY OF IRON)

On this 30th day of June, 2021, personally appeared before me who duly acknowledged to me that he signed the above and foregoing document.



NOTARY PUBLIC



00773518

