



WHEN RECORDED, MAIL TO:

JEFFREY N. STARKEY, ESQ.
DURHAM JONES & PINEGAR
192 EAST 200 NORTH, 3RD FLOOR
ST. GEORGE, UT 84770

**DEVELOPMENT AGREEMENT
FOR THE PROPOSED RED FIELD ESTATES PROJECT
WASHINGTON CITY, WASHINGTON COUNTY, UTAH**

This Development Agreement (the "Agreement") is entered into as of this 13th day of June, 2007, by and between Red Field Estates, LLC and/or assigns ("Red Field" or "Developer"), and the City of Washington (the "City"), a municipal corporation and political subdivision of the State of Utah. Red Field is the Developer of certain real property located in Washington City, Washington County, Utah, on which it proposes the development of a project known as Red Field Estates.

RECITALS

- A. Developer is the owner of approximately 19.02 acres of real property located in Washington City, Washington County, Utah, as reflected in Exhibit A, which is attached hereto and incorporated herein by this reference (the "Property"), on which it proposes the development of a single family residential subdivision known as Red Field Estates, as more fully described on Exhibit A, and as more fully set forth herein (the "Project").
- B. This Agreement is intended to set forth the agreement between Developer and the City regarding the development of the Project.
- C. Developer has voluntarily represented to the City that it will enter into this binding development agreement.
- D. Developer is willing to make certain improvements on the Project in a manner that is in harmony with the objectives of the City's General Plan and long range development objectives and which addresses the more specific planning issues set forth in this Agreement and is willing to abide by the terms of this Agreement in order to obtain certain Density Bonus Credits identified hereafter in connection with the development of the Project.
- E. The City has authorized the negotiations and adoption of development agreements under appropriate circumstances in which, among other possible factors, the proposed development contains outstanding features that advance the policies, goals, and objectives of the City's General Plan, preserves and maintains the development objectives of the City, and contributes to capital improvements which benefit the City.
- F. The City, acting pursuant to its authority under Utah Code Ann, § 10-9a-101, et seq., and in furtherance of its land use policies, goals, objectives, ordinances, resolutions and regulations has made certain determinations with respect to the proposed Project, and, in the exercise of its legislative discretion, has elected to approve this Agreement.

AGREEMENT

Now, therefore, in consideration of the mutual covenants, conditions and considerations as more fully set forth herein, Developer and the City hereby agree as follows:

- 1. Recitals; Findings. The foregoing recitals are incorporated herein by reference. The City finds that the development of the Project pursuant to this Agreement and the City ordinances shall result in meaningful planning and economic benefits to and shall further the health, safety and welfare of the City and its residents by, amount other things, (i) requiring development of the Project in a manner consistent with the applicable rules, regulations and policies of the City; and (ii) providing for the installation of open space landscaping and other such improvements to enhance the aesthetic quality and beauty of the Project and the area. The City is entering into and approving this Agreement pursuant to its authority under the Utah Judicial Land Use Development and Management Act (Utah Code Ann.

§ 10-9a-101, et seq.) (“LUDMA”) and the City ordinances and has made certain determinations with respect to the Property and, in the exercise of its legislative discretion, has elected to approve this Agreement as an agreement, compromise and settlement as to the matters covered by this Agreement.

2. Project Plan; Development Pursuant to this Agreement.

(a) Project and Preliminary Plat. Any Project Preliminary Plat, as well as any exhibits attached thereto, which may be submitted hereafter, are an integral part of this Agreement, and the City’s approval of such Plat and the Proposed Project are conditioned upon the Project being developed in accordance with the requirements stated herein.

(b) Development. Upon execution of this Agreement by the City, Developer is authorized to proceed with the Project in accordance with the conditions set forth in this Agreement and the exhibits referenced herein and the provisions and requirements of the City’s subdivision approval process.

3. Construction Standards on Project. All improvements in the Project contemplated by this Agreement shall be installed in accordance and consistent with (a) the conditions of this Agreement and any exhibits referred to herein, (b) Washington City Design and Construction Standards, (c) the City’s subdivision approval process and (d) all other governmental and regulatory standards.

4. Obligations of Developer.

(a.) Improvements. Developer shall install, construct, provide for and complete at its sole cost the following improvements (the “Improvements”) in order to qualify for the Density Bonus Credits outlined below. All such improvements shall be constructed in a good and workmanlike manner and in accordance with applicable regulations and governmental standards and within the time periods for development set forth herein, the City’s subdivision approval process, or as otherwise agreed to by the City:

- i. Landscaped Open Space. Not less than 2.05 acres of open space landscaping in the form of (1) a 20-foot wide strip along Sandia Road, (2) a 20-foot wide strip along the west side of Salt Cedar Drive, (3) a 20-foot wide strip along the southern boundary of the Project, and (4) two internal private parks at the southwest and east ends of the Project totaling a minimum of .095 acres, all as shown in Exhibit A.
- ii. Interconnected Interior Streets. Interconnectivity among interior streets located within the Project, with no more than 20% of the lots located on cul-de-sacs.
- iii. Interconnected Exterior Streets. Interconnectivity between exterior streets and interior streets of the Project, with a minimum of one additional connecting street beyond Project access requirements.
- iv. Tree-lined Streets. Trees to line all streets within the Project, with tree spacing of not more than forty (40) feet and planted in a landscape area between the curb and the sidewalk or trail.
- v. Houses Fronting onto Major Collector Street. Houses will front or side onto Sandia Road (no double frontage lots) and be accessed by way of a side street or the stem portions of the flag lots.

- vi. Public Trail. A public ten-foot wide meandering asphalt trail that meets AASHTO standards along Salt Cedar Drive, along the southern boundary of the Project, and between two of the lots located on each cul-de-sac, as shown in Exhibit A.

(b) Costs Associated with the Improvements

- (i) Construction Costs. Developer will pay all costs to install, construct and complete the improvements.
- (ii) Maintenance Costs. Until such time as a particular component of the Improvements is dedicated to and accepted by the City and standard maintenance thereof is assumed by the City, Developer shall maintain, at its cost, such component of the Improvements.

(c) Bonus Density Credits. Consistent with Washington City's General Plan and the criteria for establishing Bonus Density Credits applicable to property zoned RA-1, and conditioned upon Developer's compliance with the obligations stated herein, the City shall allow the following Bonus Density Credits to Developer in the development of the Project:

(i)	Landscaped Open Space:	(25.00%)
(ii)	Interconnectivity of Internal Streets:	(25.00%)
(iii)	Interconnectivity of External Streets:	(15.00%)
(iv)	Tree-lined Streets:	(25.00%)
(v)	Houses Fronting onto Major Collector	(25.00%)
(vi)	Public Trail	<u>(25.00%)</u>
	Total Possible Credits:	140.00%
	Maximum Credits Given:	140.00%

Based upon the above credits and the maximum number of lots proposed by Developer, Developer will be allowed to develop and construct no more than 44 finished building lots with a gross overall Project density equal to or less than 2.31 dwelling units per acre.

(d) Inspection of Improvements. Upon completion of the Improvements, the City shall inspect the Improvements within a reasonable time after receipt of written notice of completion of such Improvements from Developer. The City shall approve the Improvements so long as they are constructed in accordance with this Agreement and the City's adopted standards therefore, as verified by the City's inspection.

(e) Documentation Supporting Provisions Herein. If the City determines that any provision of this Agreement requires a separate (recordable or otherwise) document/agreement to protect or clarify the City's rights consistent with the intent of the parties under this Agreement, both parties shall cooperate in preparing and completing such documents.

(f) Adjustment of Setback and Lot Size Regulations. Lots in the Project may be clustered, the areas of the lots may be reduced and the minimum widths for lots and the minimum yard setbacks for structures may be modified, all in accordance with Section 15-7 of the Zoning Ordinance (the "Bonus Density Program"). Lot setbacks must be noted on the final plat.

5. Reserved Legislative Power. Nothing in this Agreement shall limit the City's future exercise of its police powers in enacting zoning, subdivision, development, transportation, environment, open space and related land use plans, policies, ordinances and regulations after the date of this Agreement.

6. Subdivision Plat Approvals and Compliance with City Design and Construction Standards. Developer expressly acknowledges and agrees that nothing in this Agreement shall be deemed to relieve Developer from the obligation to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats for the Project, including the payment of fees and compliance with all other applicable ordinances, resolutions, regulations, policies and procedures of the City, including but not limited to, Washington City Subdivision Ordinance and Standards and Specifications for Design and Construction.

7. Bonding for Improvements. Developer shall comply with all bonding for completion, restoration and guarantee of improvement requirements of the City. Specifically, as a condition of recording any final plat for the Project, Developer shall provide the following bonds, or equivalent security, as allowed by Washington City ordinances:

(a) Completion of all Improvements or Completion Security. If Developer does not complete all improvements prior to recordation of the final plat of the Project's first phase, or any other phase, a completion bond shall be provided to the City. Such completion bond (or other form of security provided by the City's Subdivision Ordinance) shall be in an amount equal to 125% of the estimated construction costs necessary to complete such improvements. The security must be in a form acceptable to the City.

(b) Restoration Bond. If Developer intends to install improvements rather than provide a completion bond, Developer must provide a restoration bond to the City in the amount determined by the City. (If a restoration bond is not provided, plat recording may not occur until all improvements are installed and approved by the City.)

(c) Warranty Security. At the completion of the improvements for which completion security is required in paragraph 7(a), Developer shall provide the City with a warranty bond (or other form of security provided by the City's Subdivision Ordinance) in an amount equal to the greater of (i) ten percent (10%) of the construction costs referred to in Paragraph 7(a), or (ii) ten percent (10%) of the actual construction costs for such improvements. The security must be in a form acceptable to the City.

(d) Application. In case of any discrepancy between the bonding/security provisions in this Agreement and the City's Subdivision Ordinance provisions regarding bonding/security, the provision providing greater protection to the City (as such is determined by the City) shall be applicable.

8. Agreement with the Land. This Agreement shall be recorded against the Property described in Exhibit A and shall be deemed to run with the land and shall be binding on all successors and assigns of Developer in the ownership or development of any portion of the Property.

9. Assignment. Neither this Agreement nor any of the provisions, terms or conditions hereof may be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement and without the prior written consent of the City, which consent shall not be unreasonably withheld.

10. No Joint Venture, Partnership or Third Party Rights. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Developer and the City. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

11. Binding Effect. Subject to the provisions of Paragraph 9, all of the provisions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

12. Integration. This Agreement contains the entire Agreement with respect to the subject matter hereof and integrates all prior conversations, discussions or understandings of whatever kind or nature and may only be modified by a subsequent writing duly executed by the parties hereto.

13. Severability. If any part or provision of this Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Agreement except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Agreement shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

14. Previous Agreements. Except as otherwise expressly provided herein, this Agreement is the exclusive agreement of the parties and replaces and supersedes all prior agreements between parties pertaining to this Project.

15. Miscellaneous.

A Legal Fees. Should any party default in any of the covenants or agreements herein contained, such defaulting party shall pay all costs and expenses, including a reasonable attorney's fee, which may arise or accrue from enforcing this Agreement or in pursuing any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise. This obligation of the defaulting party to pay costs and expenses includes, without limitation, all costs and expenses, including a reasonable attorney's fee, incurred on appeal and in bankruptcy proceedings.

B Survival. It is expressly agreed that the terms, covenants and conditions of this Agreement shall survive any legal act or conveyance required under this Agreement.

C Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

D Plat Notes. Primary provisions of this Agreement, as determined by the City, shall be included as notes on the final plan(s) of the Project, as well as incorporated into Project Restrictive Covenants and Homeowners Association corporate documents, if any.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written above.

WASHINGTON CITY:

WASHINGTON CITY
A Utah Municipality



By: Terrill Clove
Terrill Clove, Mayor

Attest:

Danice B. Bulloch
Danice B. Bulloch, City Recorder

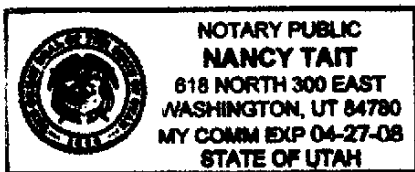
DEVELOPER:

RED FIELD ESTATES, LLC

By: AK Patel
Its: Director

STATE OF UTAH)
 ss.
COUNTY OF WASHINGTON)

On this 22 day of February 2008~~2007~~, before me personally appeared TERRELL CLOVE and DANICE B. BULLOCH whose identities are personally known to be proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that they are respectively the Mayor and Recorder of WASHINGTON CITY, and that the foregoing document was signed by them by authority, and they acknowledged before me that Washington City executed the document and that the document was the act of Washington City for its stated purpose.



Nancy Tait

Notary Public
Residing at: Washington

STATE OF UTAH)
COUNTY OF Salt Lake

On the 23rd day of January 2008, personally appeared before me Allen Patel whose identity is personally known to be proved to me on the basis of satisfactory evidence, and who, being by me duly sworn (or affirmed), did say the he/she is the _____ of RED FIELD ESTATES, LLC, and did duly acknowledge to me that the foregoing document was entered into on behalf of such entity by authority of its organizational documents and that the document was the act of RED FIELD ESTATES, LLC, for its stated purpose.

Salome Hernandez

Notary Public
Residing at: Salt Lake City



File No.144700

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EXHIBIT "A" - LEGAL DESCRIPTION

A parcel of land being located in the Southeast Quarter (SE¼), Section 27, Township 42 South, Range 15 West, Salt Lake Base and Meridian and being more particularly described as follows:

Beginning at a point being located North 01°02'48" East, 1637.00 feet along the Section line and West 234.81 feet from the Southeast Corner of said Section 27, said point also being a point on the Southerly boundary line of the RIVER WILLOW SUBDIVISION according to the Official Plat thereof, records of Washington County, and running thence along the Southerly and Westerly boundary lines of said RIVER WILLOW SUBDIVISION the following Four (4) courses: North 01°01'23" East, 60.64 feet; thence North 81°05'06" West, 667.16 feet to a point on the Westerly line of said boundary, said point being on a 300.00 foot radius non-tangent curve to the left, the center point of which bears North 81°04'07" West; thence along the arc of said curve 254.51 feet through a central angle of 48°36'29" to the point of tangency; thence North 39°40'36" West, 244.99 feet along said Westerly boundary and the extension thereof to a point on the Southeasterly right of way line of Sandia Road; thence along said right of way line South 50°19'24" West, 320.00 feet to the Northeast Corner of PINE VIEW ESTATES PHASE 4 according to the Official Plat thereof, records of Washington County; thence South 14°13'24" West, 123.95 feet along a portion of the Easterly line of said PINE VIEW ESTATES PHASE 4; thence South 53°22'51" East, 163.69 feet; to a non-tangent point on a 230.00 foot radius curve to the left (radius point bears South 53°22'51" East); thence Southwesterly along said curve 82.35 feet through a central angle of 20°30'48"; thence departing said curve on a radial line bearing South 73°53'39" East, 50.00 feet; thence South 70°42'51" East, 134.43 feet; thence South 8°13'13" East, 167.68 feet; thence North 59°39'02" East, 67.06 feet; thence South 30°20'58" East, 134.00 feet; thence South 59°39'02" West, 7.26 feet; thence South 30°20'58" East, 190.24 feet; thence North 59°40'35" East, 749.88 feet; to the point of beginning.

(Proposed "RED FIELD ESTATES - PHASE 1")

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