LEANN H KILTS, WEBER CTY. RECORDER 11-APR-22 205 PM FEE \$.00 SW **REC FOR: Marriott Slaterville**

W3229328



MARRIOTT-SLATERVILLE CITY SUBDIVISION DEVELOPMENT AGREEMENT

This Subdivision Development Agreement ("Agreement") is entered into as of the 31st day of March, 2022 (the "Effective Date") by and between Meyerhoffer Meadows, LLC, ("Developer") and MARRIOTT-SLATERVILLE CITY ("City"). Developer and the City are sometimes referred to herein as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, Utah Code §10-9a-604.5 provides for this Agreement;

WHEREAS, the Developer seeks permission to subdivide property within City, to be known as the MEYERHOFFER MEADOWS SUBDIVISION ("Subdivision"), which property is more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference ("Property");

WHEREAS, the City seeks to protect the health, safety, and general welfare of the residents by requiring the completion of various improvements in the Subdivision and thereby to limit the harmful effects of substandard subdivisions, including premature subdivision which leaves property undeveloped and unproductive;

WHEREAS, the purpose of this Agreement is to protect the City from the cost of completing subdivision improvements itself and is not executed for the benefit of laborers, or others providing work, services or material to the Subdivision or for the benefit of third-parties, purchasers, or others affected by the Subdivision;

WHEREAS, the mutual promises, covenants, and obligations contained in this Agreement are authorized by state law and the City's Municipal Code;

THEREFORE, the Parties hereby agree as follows:

DEVELOPER'S OBLIGATIONS

- Legal Description. The Property comprising the Subdivision is legally described as set forth in Exhibit "A" attached hereto and incorporated herein by this reference.
- Improvements. The Developer shall construct and install, at his own expense, those on-site and 2. off-site subdivision improvements listed on Exhibit "B" attached hereto and incorporated herein by this reference ("the Improvements"). The Developer's obligation to complete the improvements will arise immediately upon Plat approval by the City, will be independent of any obligations of the City contained herein and will not be conditioned on the commencement of construction in the development or sale of any lots or improvements within the development.
- Security. To secure the performance of its obligations hereunder, the Developer will deliver to 3. the City as a Cash Deposit ("Financial Guarantee"). The Financial Guarantee shall be established on or prior to the Effective Date, one of the following: (i) cash in the amount of \$1,515,845.11 to be held by Cache Valley Bank ("Cash Bond Holder") pursuant to a Bond Agreement in a form similar to Exhibit "C" attached hereto. The Financial Guarantee is to be in the amount specified in the Improvements completed

prior to recording. The Financial Guarantee will have an expiration date not earlier than the expiration of the warranty period provided below.

The City is allowed to draw upon the Cash Bond provided by the Developer, in accordance with the Bond Agreement. The funds will be disbursed to the City in full or in part, upon presentation of: (i) a request for disbursement; and (ii) a certification executed by an authorized representative of the City stating that the Developer is in default under this Agreement; or (iii) as otherwise provided in the Bond Agreement.

- 4. Standards. The Developer will construct the Improvements according to the Public Works Standards and Technical Specifications, municipal code, applicable building or other codes adopted by City and in effect as of the Effective Date hereof, all of which are incorporated herein by this reference.
- 5. Warranty. The Developer warrants that the Improvements will be free from material defects for a period of one (1) year from the date that the City accepts the Improvements in accordance with Section 15 below.
- 6. Completion Periods. The Developer shall commence work on the Improvements within one year from the Effective Date ("Commencement Period") and the Improvements, each and every one of them, will be completed within two (2) years from the Effective Date ("Completion Period").
- 7. Compliance. The Developer will comply with all approval requirements, relevant laws, code requirements, standards, specifications, and regulations in effect at the time of Plat approval when fulfilling its obligations under this Agreement. When necessary, to protect public health, the Developer will be subject to laws, ordinances and regulations that become effective after final plat approval. The Developer shall specifically comply as follows:
 - a. Conform to the approved Plat attached in Exhibit "D" incorporated herein by this reference.
 - b. Dedicate to the City twenty (20) shares of the Perry Irrigation Company.
 - c. Conform to the Final Approval granted by the Planning Commission and City Council as set forth in the minutes, development plans, associated ordinances, and/or other relevant documents. Ordinance approval is subject to the right of referendum under state law.
 - d. If applicable to the Subdivision, prepare Covenants, Conditions & Restriction to be reviewed and approved by the City Attorney prior to delivery of finished lots.
 - e. A Conservation Easement is hereby approved for all open space as shown on the Plat to run in perpetuity and as further set forth in this Agreement.
- **8. Dedication.** The Developer will dedicate to the City or other applicable agency as designated by the City the Improvements listed on Exhibit "B" attached hereto and incorporated herein by this reference pursuant to the procedure described below. The Developer shall dedicate to the City adequate secondary water in the form of bona fide water rights/shares equal to or exceeding 4.0 acre-feet, per acre, for the gross area of the Subdivision
- 9. Annexation. The Developer hereby requests, petitions, and consents to annexation into the Pioneer Special Service District in order to obtain the required secondary water service and related services provided by the Pioneer Special Service District. The Developer hereby consents to annexation into any other special district providing service to the Subdivision. Each subsequent purchaser, prospective purchaser, transferee, assignee, heir, or any other type of owner (collectively the "Owners") of any or all lot or lots (collectively the "Lots") hereby consents and agrees not to contest, protest, or otherwise object to annexation into the Pioneer Special Service District, any future special assessment area, or any other special district serving the Subdivision. Owners in the Subdivision hereby and forever acknowledge and accept that such are subject to taxes, assessments, and monthly user fees as imposed by Subdivision Development Agreement

Page 2 of 9

any special district, specifically including the Pioneer Special Service District. City agrees and acknowledges that Developer's construction of the Improvements will benefit future development of properties adjacent to or near the Property. As such, City agrees, as part of its permitting and approval process of future developments, to require the developer of any property connecting to the Improvements constructed by Developer hereunder to enter into a cost sharing agreement with City and/or Developer, requiring such developer to reimburse Developer for its pro rata share of the cost of the Improvements benefitting such new development.

CITY'S OBLIGATIONS

- 10. Plat Approval. The City will grant Final Subdivision Plat ("Plat") approval for the Plat that is substantially similar to the Plat attached as Exhibit "D" and incorporated herein. Approval of the Plat and this Subdivision is subject to the applicable state laws and local ordinances in effect at the time of Plat approval.
- Parcel "A" shall be dedicated to the City, and the City shall maintain Parcel "A" as perpetual open space. Developer requires as part of this Subdivision that City lease Parcel "A" to Kent Meyerhoffer to farm for one-dollar (\$1.00) per year, until such time as Kent Meyerhoffer no longer desires to farm. The City in managing Parcel "A", shall preserve the natural resources, aesthetics, storm water, and secondary water for the benefit of the community. Owners hereby acknowledge and accept that any Parcel "A" is dedicated as perpetual Open Space and may be subject to a subsequent Perpetual Conservation Easement and used as provided in this Agreement. The City may, at its sole discretion, use the Open Space in Parcel "A" as follows: agriculture, wildlife habitat, wetlands, recreation, cemetery, parks, trails, and any similar use or uses that protect the openness and conservation values of the property.

12. Subdivision Facilities.

- a. Special District. The Subdivision is part of a Special Service District ("Special District") that provides, among other things, secondary irrigation water system for the Subdivision. The Special District will provide secondary irrigation to each Lot owner who shall pay a monthly utility fee. Lot owners in the Subdivision hereby acknowledge and accept that such are subject to taxes, assessments, connection fees, monthly user fees, utility fees, and other fees as may be imposed by the Special District, any other special district, or an affected entity where the Subdivision is located.
- Irrigation. Each Owner in the Subdivision also acknowledges and understands that the secondary water system and its water may contain debris, material, moss, bromides, or other aquatic life forms. Each Owner in the Subdivision acknowledges and understands that water from the secondary water system may contain iron and other elements, may stain surfaces and materials including brick and concrete, is not fit for human consumption, is not fit for animal consumption or use, is not fit for any use but irrigation, and irrigation water may periodically be treated with chemicals. Each Owner in the Subdivision hereby acknowledges and holds harmless any applicable irrigation company that provides secondary water, the Special District, and the City for any loss, damage, injury, clog, aquatic life, drowning, debris, staining, drought, power failure, water shortage, malfunction, inconvenience, or any other service interruption of any kind resulting from the operation of the secondary water system. Each Owner is required to install, operate, and maintain irrigation system including a secondary water filtration system on each Lot at Owners' expense. Each Owner will be solely responsible to direct or adjust such Owner's irrigation system so as not to spray or discharge secondary water on any material, structure, or other object where staining or damage as a result of the secondary water may occur. It is understood by each Owner that secondary water is a valuable resource, and each Owner agrees not to waste secondary water or use it beyond the Lot where secondary water is intended. Further,

Subdivision Development Agreement

each Owner acknowledges and agrees to abide by any drought restrictions imposed by the state or local government, including any water rationing or related water conservation measures.

- c. Facilities. The Owner of any Lot acknowledges and understands that there is no public or resident access permitted to any storm water facility, irrigation facility, utility, service line, or any related facility of any kind, and that violators may be cited for trespassing or otherwise.
- 13. Inspection and Certification. The City will inspect the Improvements as they are being constructed and, if acceptable to the City Engineer, certify such improvement as following the standards and specifications of the City. Such inspection and certification, if appropriate, will occur within a reasonable time of notice by the Developer that it desires to have the City inspect an Improvement. Before obtaining certification of any such Improvement, the Developer will present to the City valid lien waivers from all persons providing materials or performing work on the Improvement for which certification is sought. Certification by the City Engineer does not constitute a waiver by the City of the right to draw funds under the Financial Guarantee on account of material defects in or failure of any improvement that is detected or which occurs following such certification.
- 14. Notice of Defect. The City will provide timely notice to the Developer whenever inspection reveals that an Improvement does not conform to the standards and specifications shown on the approved subdivision improvement drawings on file in the Marriott-Slaterville City Engineering and Surveyor's Office or is otherwise defective. The Developer will have thirty (30) days from the issuance of such notice to cure or substantially cure the defect. The City may not declare a default under this Agreement during the thirty (30) day cure period on account of any such defect unless it is clear that the Developer does not intend to cure the defect. The Developer will have no right to cure defects in or failure of any Improvement found to exist or occurring after the City accepts dedication of the Improvement(s).
- Improvement certified in accordance with Section 13 within thirty (30) days of the Developer's offer to dedicate the Improvement. The City's or agency's acceptance of dedication is expressly conditioned on the presentation by the Developer of a policy of title insurance, where appropriate, for the benefit of the City showing that the Developer owns the Improvement in fee simple and that there are no liens, incumbrances, or other restrictions on the improvement unacceptable to the City in its reasonable judgment. Subject to Section 16 below, acceptance of the dedication of any improvement does not constitute a waiver by the City of the right to draw funds under the Financial Guarantee on account of any material defect in or failure of the Improvement that is detected or which occurs after the acceptance of the dedication. The Developer shall not request certification and acceptance of dedication of Improvements from the City more often than one (1) time per month.
- 16. Reduction of Security: Upon the acceptance of any Improvement, the amount of the Financial Guarantee shall be reduced by an amount equal to ninety (90) percent of the estimated cost of the Improvement as shown on Exhibit "B". At the request of the Developer, the City will execute a Certificate of Release verifying the acceptance of the Improvement and authorizing the reduction of the Financial Guarantee to the extent of such amount. In the event Developer is in default under this Agreement, Developer will have no right to such a certificate. Upon the acceptance of all of the Improvements and reduction of the amount of the Financial Guarantee as provided in this Section, the remaining balance that may be drawn under the credit will be available to the City until the expiration of the Warranty Period.
- 17. Use of Proceeds. The City will use funds drawn under the Financial Guarantee only for the purposes of completing the Improvements or correcting material defects in or failures of the Improvements as provided in this Agreement; provided, however, that the City must complete the Improvements at fair market, negotiated rates and terms.

Subdivision Development Agreement Page 4 of 9

OTHER PROVISIONS

- 18. Events of Default. The City may not declare a default until written notice has been given to the Developer and Developer's failure to cure the default within the applicable cure period, if any. The following conditions, occurrences, or actions will constitute a default by the Developer during the Construction Period:
 - a. Developer's failure to commence construction of the Improvements within one (1) year of the Effective Date of this Agreement.
 - b. Developer's failure to complete construction of the Improvements within two (2) years of the Effective Date of this Agreement.
 - c. Developer's failure to cure defective construction of any Improvement within applicable cure period.
 - d. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer.
 - e. Foreclosure of any lien against the Property or a portion of the Property or assignment or conveyance of the Property in lieu of foreclosure.
- 19. Measure of Damages. The measure of damages for breach of this Agreement will be the reasonable cost of completing the Improvements. For Improvements upon which construction has not begun, the estimated cost of the Improvements as shown on Exhibit "B" will be prima facie evidence of the minimum cost of completion. However, neither that amount, nor the amount of the Financial Guarantee, establishes the maximum amount of the Developer's liability. The City will be entitled to complete all unfinished Improvements at the time of default regardless of the extent to which development has taken place in the Subdivision or whether Development ever commenced. Notwithstanding anything to the contrary herein, the Parties acknowledge and agree that the maximum amount of Developer's liability under this Agreement shall be equal to the reasonable cost to complete the Improvements.
- City's Rights Upon Default. When any event of default occurs and continues beyond the 20. expiration of any applicable cure period, the City may draw on the Financial Guarantee to the extent of the face amount of the Financial Guarantee, less ninety (90) percent of the estimated cost (as shown on Exhibit "B") of all Improvements previously accepted by the City. The City will have the right to complete Improvements itself or contract with a third party for completion, and the Developer hereby grants to the City, its successors, assigns, agents, contractors, and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, maintaining, and repairing such Improvements. Alternatively, the City may assign the proceeds of the Financial Guarantee to a subsequent developer (or a lender) who has acquired the Subdivision by purchase, foreclosure, or otherwise who will then have the same rights of completion as the City if and only if the subsequent developer (or lender) agrees in writing to complete the unfinished Improvements. In addition, the City may suspend final plat approval during which time the Developer will have no right to sell, transfer, or otherwise convey lots or homes within the Subdivision without the express written approval of the City or until the Improvements are completed and by the City. These remedies are cumulative in nature except that during the Warranty Period, the City's only remedy will be to draw funds under the Financial Guarantee. Subject to the preceding sentence, the City may file a Certificate of non-compliance on the Subdivision with applicable fines set forth in code or pursue other remedies at law or equity.
- 21. Indemnification and Improvements. The Developer expressly agrees to indemnify and hold the City, its employees, agents, and assigns harmless from and against all claims, costs and liability of every kind and nature, except those arising out of negligence on the part of the City, its employees, agents, and assigns, for injury or damage received or sustained by any person or entity in connection with, or on Subdivision Development Agreement Page 5 of 9

account of the construction of the Improvements on the Property pursuant to this Agreement. Developer further agrees to aid and defend the City if the City is named as a defendant in an action concerning the performance of work or any Improvements pursuant to this Agreement or development, maintenance, and operation of the Subdivision. The Owners of any or all Lots in the Subdivision hereby expressly acknowledge and hold City and Developer harmless for the Secondary Water System (the "System") as provided in the Improvements which will be supplied by one or more third party irrigation companies or entities and is subject to drought, rationing, regulations, and strict conservation measures and agree to comply with same. Owners also acknowledge and hold City and Developer harmless for any third-party negligence, service interruption, power failure, water shortage, drowning, misuse, water staining or discoloration, or any other use or service limitation relating to the System, failure to provide timely service, or otherwise. Owners also acknowledge and hold City and Developer harmless for any chemical treatment or service to the secondary water system and are hereby given notice not to consume, drink, or use secondary water for any purpose other than outdoor irrigation, including not allowing any animals or pets to use or consume secondary water. Also, said System may contain bryozoan or bryozoan colonies, mollusks, crustaceans, moss, algae, debris, or foreign objects that require Owners to provide continuous maintenance and upkeep, winterization measures, and specialized operation or handling. Owners also acknowledge and hold City and Developer harmless for the operation of the pressurized sewer system and agree to operate and maintain such sewer pumps, where installed the individual sewer pumps are installed, according to manufacturer specifications. Owners also acknowledge that the individual sewer pumps are the property and responsibility of the Owners of each Lot and not the City or Developer.

- 22. Employment. The Developer is not an agent or employee of the City.
- 23. No Waiver. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both City and Developer; nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The City's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Developer or the acceptance of any improvement.
- 24. Amendment or Modification. The parties to this Agreement may amend or modify this Agreement only by written instrument executed by the City and by the Developer, or authorized agent. Such amendment or modification will be properly notarized before it may be effective.
- 25. Attorney's Fees. Should either party be required to resort to litigation, arbitration, or mediation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If the court, arbitrator, or mediator awards relief to both parties, each will bear its own costs in their entirety.
- **26. Vested Rights.** The City does not warrant by this Agreement that the Developer is or is not entitled to any other approval(s), permits, or licenses required by the City or has vested right to such, before the Developer is entitled to commence development of the Subdivision or to transfer ownership of property in the Subdivision.
- 27. Third Party Rights. No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement, except that if the City does not exercise its rights within sixty (60) days following knowledge of an event of default, a purchaser of a lot or home in the Subdivision may bring an action in mandamus to compel the City to exercise its rights.
- 28. Scope. This Agreement constitutes the entire agreement between the Parties and no statement(s), promise(s) or inducement(s) that is/are not contained in this Agreement will be binding on the parties.

Subdivision Development Agreement Page 6 of 9

- 29. Time. For the purpose of computing the Commencement Period, Abandonment, and Completion Periods, and time periods for City action or performance by Developer, any delays arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, materials shortages, extreme weather conditions, pandemics or epidemics will not be included if such times prevent the Developer or City from performing its obligations under the Agreement.
- 30. Severability. If any part, term or provision of this Agreement is held by the courts to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term, or provision and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.
- 31. Benefits. The rights and obligations of the Developer under this Agreement are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld, conditioned or delayed, but any unapproved assignment is void. There is no prohibition on the right of the City to assign its rights under this Agreement. The City will release the Developer's Financial Guarantee if it accepts new security from another developer or lender who obtains the Property and assumes the obligations of Developer under this Agreement.
- 32. Notice. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or E-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail (in each case, return receipt requested, postage pre-paid). Notices must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a Notice given in accordance with this Section):
 - a. Developer: Daniel Stephens, 1357 North 2000 West, Farr West, Utah 84404. Email: daniel@theblackpinegroup.com.
 - b. Marriott-Slaterville City, 1570 W 400 N, MSC, UT 84404, Attn: Zack Loveland. E-mail: zack@mscityut.org.
- 33. Recordation. Either Developer or City may record a copy of this Agreement at any time in the Recorder's Office of Weber County, Utah.
- **34. Immunity.** Nothing contained in this Agreement constitutes a waiver of any of the City's immunity under any applicable state law or otherwise.
- 35. Personal Jurisdiction and Venue. Personal jurisdiction and venue for any civil action commenced by either party to this Agreement whether arising out of or relating to the Agreement or Financial Guarantee will be deemed proper only if such action is commenced in Second District Court of and for Weber County. The Developer expressly waives his right to bring such action in or to remove such action to any other court whether state of federal.

(Signatures on next page)

FOR DEVELOPER: Developer, Managing Member/Authorized Agent Date		
CORPORATE ACKNOWLEDGMENT		
State of Utah)		
County of Weber)		
On the 31 day of March 2022, personally appeared before me Managing Member/Authorized Agent(s) of Mench Mexicos LLC, duly sworn, and the signer of the within instrument, who duly acknowledged to me that he executed the same in his authorized capacity.		
Notary Public Notary Public WILLIAM MARRIOTT MORRIS NOTARY PUBLIC • STATE of UTAH COMMISSION NO. 701324 COMM. EXP. 07-17-2022		
FOR CITY: COTT AN SECULEN 03.31-2027 Mayor Date		
ATTEST:		
Lity Recorder		
APPROVED AS TO FORM:		
City Attorney		
CITY ACKNOWLEDGMENT		
State of Utah) ss:		
County of Weber)		
On the 31 day of 2022, personally appeared before me 10 line Wome, a Notary Public, SCOTT VAN LEEUWEN, Mayor, duly sworn, and the signer of the foregoing instrument, who duly acknowledged to me that he executed the same in his authorized capacity.		
Notary Public WILLIAM MARRIOTT MORRIS NOTARY PUBLIC • STATE of UTAH COMMISSION NO. 701324 COMM. EXP. 07-17-2022		
Subdivision Development Agreement Page 8 of 9		

SCHEDULE OF EXHIBITS

Exhibit A: Property Description to Be Subdivided

Exhibit B: Required On-site and Off-site Subdivision Improvements (Engineer's Cost Estimate)

Exhibit C: Financial Guarantee

Exhibit D: Ordinance and Final Subdivision Plat

EXHIBIT "A"

Legal Description

MEYERHOFFER MEADOWS SUBDIVISION BOUNDARY DESCRIPTION

A PART OF THE NORTHEAST QUARTER OF SECTION 13 AND A PART OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 6 NORTH, RANGE 2 WEST, OF THE SALT LAKE BASE AND MERIDIAN. BEGINNING AT A POINT LOCATED NORTH 89°12'11" WEST 363.00 FEET ALONG THE QUARTER SECTION LINE AND NORTH 00°46'11" EAST 204.76 FEET FROM THE WITNESS CORNER TO THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER; RUNNING THENCE SOUTH 00°46'11" WEST 1065.85 FEET; THENCE NORTH 88°44'05" WEST 633.02 FEET; THENCE SOUTH 10°19'22" EAST 73.97 FEET; THENCE ALONG THE ARC OF A 775.00 FOOT RADIUS CURVE TO THE RIGHT 154.13 FEET, HAVING A CENTRAL ANGLE OF 11°23'42", CHORD BEARS SOUTH 04°37'31" EAST 153.88 FEET; THENCE SOUTH 01°03'38" WEST 62.69 FEET TO THE NORTH RIGHT-OF-WAY LINE OF 200 SOUTH STREET; THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE NORTH 88°30'50" WEST 60.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF THE WILLARD CANAL; THENCE ALONG SAID EAST RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES: (1) NORTH 01°03'38" EAST 62.26 FEET; (2) ALONG THE ARC OF A 715.00 FOOT RADIUS CURVE TO THE LEFT 142.20 FEET, HAVING A CENTRAL ANGLE OF 11°23'42", CHORD BEARS NORTH 04°37'31" WEST 141.97 FEET; (3) NORTH 10°19'22" WEST 599.80 FEET; (4) ALONG THE ARC OF A 485.54 FOOT RADIUS CURVE TO THE RIGHT 95.00 FEET, HAVING A CENTRAL ANGLE OF 11°12'38", CHORD BEARS NORTH 04°43'03" WEST 94.85 FEET; (5) NORTH 00°53'38" EAST 461.02 FEET TO THE SOUTH LINE OF THE TAYLOR SUBDIVISION; THENCE ALONG SAID SOUTH LINE SOUTH 89°15'55" EAST 292.53 FEET; THENCE SOUTH 00°45'47" WEST 104.59 FEET; THENCE SOUTH 89°14'17" EAST 191.40 FEET; THENCE ALONG THE ARC OF A 330.00' RADIUS CURVE TO THE RIGHT 106.42 FEET, HAVING A CENTRAL ANGLE OF 18°28'33", CHORD BEARS NORTH 08°08'53" WEST 105.95 FEET; THENCE SOUTH 89°15'55" EAST 333.59 FEET TO THE POINT OF BEGINNING. CONTAINING 18.838 ACRES.

EXHIBIT "B"

Site Improvements – Engineer's Cost Estimate

EXHIBIT "C"

Financial Guarantee

CASH BOND AGREEMENT AND INSTRUCTIONS

THIS CASH BOND AGREEMENT AND INSTRUCTIONS ("Agreement"), dated March 31, 2022, ("Effective Date"), is by and among MARRIOTT-SLATERVILLE CITY ("City"), MEYERHOFFER MEADOWS LLC, a Utah limited liability company ("Developer") and Cache Valley Bank ("Cash Bond Holder" "Lender") (City, Developer and Cash Bond Holder are referred to individually as a "Party" and collectively as the "Parties"), with reference to the following:

- A. Developer is developing a residential subdivision within the City known as the MEYERHOFFER MEADOWS SUBDIVISION (the "Subdivision") on the property described on Exhibit A attached hereto (the "Property"). In connection with Developer's construction and development of the Subdivision, Developer is required to construct and install certain on-site and off-site subdivision improvements (collectively, the "Improvements") in accordance with that certain Marriott-Slaterville Subdivision Development Agreement between Developer and the City dated March 31, 2022, and recorded in the Office of the Weber County Recorder as part of the Development Agreement (the "Development Agreement").
- B. Pursuant to the Development Agreement, Developer and the City have estimated and determined that the costs attributable to the completion of the Improvements will be \$1,515,845.11 (the "Funds") and have agreed that a cash deposit in the amount of the Funds will be deposited by Developer with Cash Escrow Holder to secure the completion of the Improvements in accordance with the Development Agreement.

FOR GOOD AND VALUABLE CONSIDERATION, the Parties agree as follows:

1. Establishment of Cash Bond; Release of Funds.

- (a) Appointment of the Cash Bond Holder. Developer and the City hereby appoint and designate Cash Bond Holder as cash bond holder to receive, hold, and disburse the Funds in accordance with the terms and conditions of this Agreement. Cash Bond Holder accepts its appointment as the cash bond holder and agrees to receive, hold, and disburse the Funds in accordance with the terms of this Agreement and the Development Agreement.
- (b) **Funds**. The Funds will be deposited into a non-interest-bearing account designated by Developer and the City and administered and disbursed by Cash Bond Holder consistent with this Agreement and the Development Agreement.
- (c) **Period**. The period for which the Funds will be held in an account under this Agreement will begin as of the Effective Date and will terminate upon the disbursement or return of the last of the Funds in the manner provided below.
- (d) **Disbursement and Release of the Funds**. Developer, City and Cash Bond Holder will observe the following process in connection with the disbursement and release of the Funds by Cash Bond Holder:
- Bond Holder ("Notice") from time-to-time as the need arises for the purpose of paying valid obligations incurred in connection with the construction of the Improvements, with a copy to the City. The Notice will specify or include: the amount to be disbursed from the Funds; a statement from Developer or the general contractor generally describing those particular Improvements that are being paid for with the Funds being disbursed, that the Improvements comport with the Development Agreement, and that the City Engineer

Cash Bond Agreement and Instructions

has inspected the Improvements; details as to the party or parties and amounts that should be paid in connection with each disbursement; and such other matters and directions reasonably determined by Cash Bond Holder. Disbursements from the Funds are subject to written approval from the Designated Representative (as defined below) of City and Lender. City agrees to use its best efforts to timely consent to disbursements from the Funds and will work diligently to promptly deliver written approval once a Notice is received. City's designated representative ("Designated Representative") is the City Community Services Director ("City Director"). City maintains the right to designate a substitute Designated Representative by providing written notice to Developer and Escrow Agent of that substitution in accordance with the notice provisions of this Agreement.

- (ii) **Delivery of the Funds**. If a Notice is given and written approval from City and Lender is received, Cash Bond Holder, subject to subsection (iii) below, will disburse to the party or parties specified in the Notice the amount(s) specified in the Notice. At such time as all of the Improvements are completed in accordance with the Development Agreement, Cash Bond Holder is authorized to release up to ninety percent (90%) of the Funds. The remaining ten percent (10%) of the Funds will be held in an account and disbursed by Cash Bond Holder during the warranty period provided in the Development Agreement (the "Warranty Period") as provided herein.
- (iii) Lien Releases. Each Notice shall include a lien release executed by the party or parties specified in the notice to receive the disbursement of the portion of the Funds specified in such Notice. Such release shall be in a form which has been approved by Developer and delivered to Cash Bond Holder within ten (10) business days after the Effective Date.
- (iv) Warranty Period. During the Warranty Period (defined in the Development Agreement), the City shall be entitled to draw upon the Funds to repair any accepted Improvements. At such time as the Warranty Period has expired, Cash Bond Holder is authorized to immediately release any remaining and unused portions of the Funds to Developer.

2. Duties of Escrow Agent.

- (i) **Reasonable Judgment.** Cash Bond Holder will exercise reasonable judgment in fulfilling its obligation under this Agreement.
- (ii) Actions. Cash Bond Holder may act upon any instruments or advice believed by it to be genuine and may assume that any person purporting to give advice or instruction hereunder, reasonably believed by it to be duly authorized, has been authorized to do so.
- 3. Legal Consultation. Cash Bond Holder may consult with legal counsel in the event of any dispute or question as to the construction of this Agreement or Cash Bond Holder's duties hereunder, and Cash Bond Holder will incur no liability and will be fully protected in acting in accordance with the opinion and the instruction of such counsel made in good faith. Unless the Parties consent, Cash Bond Holder will only utilize legal counsel who is not representing any of the Parties hereto to avoid the appearance or actuality of conflict of interest by such legal counsel with respect to the other parties.
- 4. **Disputed or Adverse Claims**. In the event of any disagreement relating to this Agreement resulting in adverse claims and conflicting demands being made in connection with the release of any portion of the Funds, or if at any time Cash Bond Holder is unable to determine, to Cash Bond Holder's sole satisfaction, the proper disposition of any portion of the Funds or Cash Bond Holder's proper actions with respect to its obligations under this Agreement, Cash Bond Holder, in its sole discretion, will be entitled to continue to refrain or refuse to act until:

- (a) the rights of the adverse claimants have been finally adjudicated or arbitrated; or
- (b) Cash Bond Holder has been notified in writing, signed, by all of the interested parties, that the claimants have resolved their differences.

Notwithstanding anything set forth in the foregoing provisions of this section 4 to the contrary, if the City declares an event of default under the Development Agreement, then upon notice to Cash Bond Holder, the City shall have the right to direct disbursements of Funds in accordance with section 9 below, and the Cash Bond Holder shall act in compliance with such directions. Nothing set forth in this section 4 is intended to limit Cash Bond Holder's rights under section 5 below.

- 5. Resignation of Cash Bond Holder. Cash Bond Holder may resign from the performance of its duties at any time by giving thirty (30) days prior written notice to Developer and the City or may be removed, with or without cause, by Developer and the City at any time by the giving of thirty (30) days prior written notice to Cash Bond Holder. That resignation or removal will take effect upon the appointment of a successor Cash Bond Holder. Upon any notice of resignation or removal, Developer and the City will appoint a successor Cash Bond Holder, which will be a commercial bank, trust company, or other financial institution or other title company or agency. Upon the acceptance in writing of any appointment as Cash Bond Holder by a successor Cash Bond Holder, that successor Cash Bond Holder will thereupon succeed to and become vested with all the rights, powers, privileges, and duties of the retiring Cash Bond Holder, and the retiring Cash Bond Holder will be discharged from its duties and obligations, but will not be discharged from any liability for actions taken as Cash Bond Holder prior to such succession. After any retiring Cash Bond Holder's resignation or removal, the provisions of this Agreement will inure to its benefit as to any actions taken or omitted to be taken by it while it was Cash Bond Holder under this Agreement. In the event of resignation or removal of Cash Bond Holder as outlined above, the retiring Cash Bond Holder will reasonably cooperate with the successor Cash Bond Holder in transitioning any remaining portion of the Funds, documents, or other information or material pertaining thereto.
- 6. Receipt. By its execution and delivery of this Agreement, Cash Bond Holder acknowledges receipt of the Funds.
- 7. **Fees**. Developer and City will each pay one-half of the compensation to Cash Bond Holder for its services under this Agreement upon receipt of an invoice from Cash Bond Holder.
- 8. **Termination of Duties**. After the release of all Funds from the Account, the duties and responsibilities of the Cash Bond Holder under this Agreement will cease and terminate.
- 9. **Default**. In the event of default under the Development Agreement beyond any applicable notice and cure periods, City, upon notice to Cash Bond Holder, will have the right to direct disbursements of Funds for the completion of the Improvements in accordance with the Development Agreement. In such event, the City will direct those disbursements by stepping into Developer's shoes for purposes of providing the notices and statements that are referred to in, and will otherwise comply with, among other things, Section 1(d)(i).
- 10. **Notices**. All notices, requests, demands, claims, and other communications must be in writing and will be deemed given if delivered personally, sent by facsimile or E-mail, or sent by nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the Parties at the addresses set forth below (or at such other address for a Party as will be specified by like notice). All notices and other communications will be deemed to have been received: (a) in the case of personal delivery, on the date of the delivery; (b) in the case of facsimile, when the Party sending the facsimile will have confirmed successful transmission of the facsimile; (c) in the case of E-mail, on the date of delivery if the notice is also sent by one of the means in subsections (a), (d) or (e); (d) in the case of delivery by nationally-recognized

overnight courier, on the business day following dispatch; and (e) in the case of mailing, on the third business day follow the mailing.

If to Marriott-Slaterville City:

Marriott-Slaterville City

Attention: Community Services Director

1570 W 400 N

Marriott-Slaterville, Utah 84404 E-Mail: trent@mscityut.org

If to Cash Bond Holder:

Cache Valley Bank

Attention: Tyler Low

2380 Washington Blvd, Suite 285

Ogden, UT 84401

E-Mail: tlow@cachevalleybank.com

If to Developer:

Blackpine, LLC

Attention: Daniel Stephens 1357 North 2000 West Farr West, Utah 84404

Email: daniel@theblackpinegroup.com

With a Copy to:

Brian C. Cheney

Cheney Law Group

10808 S. River Front Pkwy, Suite 365

South Jordan, UT 84095

E-mail: bcheney@cheneylawgroup.com

- 11. **Computation of Time**. Whenever the last day for the exercise of any privilege or the discharge of any duty under this Agreement falls upon a Saturday, Sunday, or any date on which banks in Salt Lake City, Utah are closed, the Party having the privilege or duty may exercise that privilege or discharge on the next succeeding day which is a regular business day.
- 12. Successors in Interest. This Agreement will be binding upon and will inure to the benefit of the Parties and their permitted successors and assigns, and any reference to a Party will also be a reference to a permitted successor or assign.
- 13. Captions; Interpretation. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. Unless otherwise specifically indicated, any references in this Agreement to paragraphs or sections are to paragraphs or sections in this Agreement.
- 14. Amendments; Integration; Waiver. To the extent permitted by law, this Agreement may be amended by a subsequent writing signed by all Parties. The failure of any Party at any time or times to require performance of any provisions of this Agreement will in no manner affect the right to enforce the same. No waiver by any Party of any conditions, or of the breach any terms, provision, warranty, representation, agreement, or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more

instances will be deemed or construed as a further or continuing waiver of any such condition or breach of any other term, provision, warranty, representation, agreement, or covenant contained in this Agreement.

- 15. Governing Law. This Agreement is governed by the laws of Utah.
- 16. Additional Actions and Documents. Each of the Parties will use reasonable efforts and exercise reasonable diligence to accomplish and effect the matters contemplated by this Agreement and will execute and deliver all further documents as may be reasonably requested by the other Party or Parties in order to fully carry out matters contemplated by this Agreement.
- 17. Severability. The invalidity or unenforceability of a particular provision of this Agreement does not affect the other provisions of this Agreement, and this Agreement will be construed in all respects as if the invalid or unenforceable provision were omitted.
- 18. **Counterparts**. This Agreement may be executed in any number of counterpart signatures with the same effect as if the Parties had all signed the same document. All counterpart signatures shall be construed together and shall constitute one agreement.
- 19. Construction. The Parties acknowledge that (i) each Party is of equal bargaining strength; (ii) each Party has actively participated in the drafting, preparation, and negotiation of this Agreement; (iii) each Party has consulted with its own independent counsel, and those other professional advisors as it has deemed appropriate, relating to any and all matters contemplated under this Agreement; (iv) each Party and its counsel and advisors have reviewed this Agreement; (v) each Party has agreed to enter into this Agreement following that review and the rendering of that advice; and (vi) any rule of construction to the effect that ambiguities are to be resolved against the drafting Parties does not apply in the interpretation of this Agreement.
- 20. Authority. Each individual executing this Agreement represents that they have been duly authorized to execute and deliver this Agreement in the capacity and for the entity for whom that individual signs.
- 21. **Entire of Agreement**. This Agreement sets forth the entire agreement of the Parties as to the matters described in this Agreement and cannot be amended except pursuant to an instrument in writing signed by all Parties.

[Signature Pages Follow]

This Agreement is entered into by the Developer, City and Cash Bond Holder as of the Effective Date defined above.

DEVELOPER:

MEYERHOFFER MEADOWS LLC,

a Utah limited liability company

Print Nam

Title:

CASH BOND HOLDER:

Cache Valley Bank -DocuSigned by:

Print Name: Title: V.P.

CITY:

MARRIOTT-SLATERVILLE CITY, a political subdivision of the State of Utah

APPROVED AS TO FORM:

City Attorney

Print Name: Scartitle: Waster

Attest

city Records

EXHIBIT A TO CASH BOND AGREEMENT AND INSTRUCTIONS

Legal Description of Property

The real property referenced in the foregoing Agreement as the "Property" is located in Weber County, Utah and are more particularly described as follows:

MEYERHOFFER MEADOWS SUBDIVISION BOUNDARY DESCRIPTION

A PART OF THE NORTHEAST QUARTER OF SECTION 13 AND A PART OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 6 NORTH, RANGE 2 WEST, OF THE SALT LAKE BASE AND MERIDIAN. BEGINNING AT A POINT LOCATED NORTH 89°12'11" WEST 363.00 FEET ALONG THE QUARTER SECTION LINE AND NORTH 00°46'11" EAST 204.76 FEET FROM THE WITNESS CORNER TO THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER; RUNNING THENCE SOUTH 00°46'11" WEST 1065.85 FEET; THENCE NORTH 88°44'05" WEST 633.02 FEET; THENCE SOUTH 10°19'22" EAST 73.97 FEET; THENCE ALONG THE ARC OF A 775.00 FOOT RADIUS CURVE TO THE RIGHT 154.13 FEET, HAVING A CENTRAL ANGLE OF 11°23'42", CHORD BEARS SOUTH 04°37'31" EAST 153.88 FEET; THENCE SOUTH 01°03'38" WEST 62.69 FEET TO THE NORTH RIGHT-OF-WAY LINE OF 200 SOUTH STREET; THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE NORTH 88°30'50" WEST 60.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF THE WILLARD CANAL, THENCE ALONG SAID EAST RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES: (1) NORTH 01°03'38" EAST 62.26 FEET; (2) ALONG THE ARC OF A 715.00 FOOT RADIUS CURVE TO THE LEFT 142.20 FEET, HAVING A CENTRAL ANGLE OF 11°23'42", CHORD BEARS NORTH 04°37'31" WEST 141.97 FEET; (3) NORTH 10°19'22" WEST 599.80 FEET; (4) ALONG THE ARC OF A 485.54 FOOT RADIUS CURVE TO THE RIGHT 95.00 FEET, HAVING A CENTRAL ANGLE OF 11°12'38", CHORD BEARS NORTH 04°43'03" WEST 94.85 FEET; (5) NORTH 00°53'38" EAST 461.02 FEET TO THE SOUTH LINE OF THE TAYLOR SUBDIVISION; THENCE ALONG SAID SOUTH LINE SOUTH 89°15'55" EAST 292.53 FEET; THENCE SOUTH 00°45'47" WEST 104.59 FEET; THENCE SOUTH 89°14'17" EAST 191.40 FEET; THENCE ALONG THE ARC OF A 330.00' RADIUS CURVE TO THE RIGHT 106.42 FEET, HAVING A CENTRAL ANGLE OF 18°28'33", CHORD BEARS NORTH 08°08'53" WEST 105.95 FEET; THENCE SOUTH 89°15'55" EAST 333.59 FEET TO THE POINT OF BEGINNING. CONTAINING 18.838 ACRES.

Exhibit A
Cash Bond Agreement and Instructions

EXHIBIT "D"

Ordinance and Final Subdivision Plat

MARRIOTT-SLATERVILLE CITY ORDINANCE 2022-01

MEYERHOFFER MEADOWS SUBDIVISION

AN ORDINANCE OF MARRIOTT-SLATERVILLE CITY, UTAH, APPROVING THE MEYERHOFFER MEADOWS SUBDIVISION; SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Marriott-Slaterville City (hereafter "City") is a municipal corporation, duly organized and existing under the laws of the State of Utah;

WHEREAS, Utah Code Annotated §§ 10-8-84 and 10-8-60 allow municipalities in the State of Utah to exercise certain police powers and nuisance abatement powers, including but not limited to providing for safety and preservation of health, promotion of prosperity, improve community well-being, peace and good order for the inhabitants of the City;

WHEREAS, Title 10, Chapter 9a, of the *Utah Code Annotated*, 1953, as amended, enables municipalities to regulate land use and development;

WHEREAS, the City received an application that was duly filed for the Meyerhoffer Meadows Subdivision (hereafter" Subdivision");

WHEREAS, Section 12.01.060 of the Marriott-Slaterville Municipal Code required this Subdivision to be adopted by Ordinance;

WHEREAS, after publication of the required notice the Planning Commission held a Public Hearing on October 19, 2021, and subsequently gave its recommendation to approve this Ordinance;

WHEREAS, the City Council received the recommendation from the Planning Commission;

NOW, THEREFORE, be it ordained by the City Council of Marriott-Slaterville as follows:

Section 1: Repealer. Any ordinance or portion of the municipal code inconsistent with this Ordinance is hereby repealed and any reference thereto is hereby vacated.

Section 2: Adoption. In accordance with Section 12.01.060 of the *Marriott-Slaterville Municipal Code*, the Subdivision Plat and Development Agreement attached in Exhibit "A" is hereby approved, subject to the requirements for approval as set forth in the record (i.e.: meeting minutes, staff reports, notice of action, memorandums, service letters, and other documentation related to this

Marriott-Slaterville City, Utah Ordinance No. 2022-01 – Meyerhoffer Meadows Subdivision

Subdivision) which is incorporated herein. The open space access road shall be twenty-five (25) feet.

- Section 3: Severability. If a court of competent jurisdiction determines that any part of this Ordinance is unconstitutional or invalid, then such portion of this Ordinance, or specific application of this Ordinance, shall be severed from the remainder, which shall continue in full force and effect.
- Section 4: Effective date. This Ordinance take effect immediately upon mayoral approval and posting.

and posting.	
PASSED AND ADOPTED by the City Council on this 17 day of DENNIS ILLUM, President Marriott-Slaterville City Council	February , 2022.
PRESENTED to the Mayor this 17 day of February, 2022 APPROVAL of the Mayor granted this 17 day of February SCOTT VANLEEUWEN, Mayor	_, 2022. Municipal Council Roll Call Vote Tally:
ATTEST: tance pince City Recorder	Yes No Mr. Slater Mr. Christofferson Mrs. Holley Mr. Smout Mr. Illum
RECORDED this 23 day of <u>Feb</u> , 2022. PUBLISHED OR POSTED this 23 day of <u>Feb</u> , 2022.	

CERTIFICATE OF PASSAGE AND PUBLICATION OR POSTING

In accordance with *Utah Code Annotated* §10-3-713, as amended, I, the City Recorder of Marriott-Slaterville City, hereby certify that foregoing Ordinance was duly passed and published or posted at: 1) City Hall, 2) Marriott Park, and 3) Slaterville Park on the above referenced dates.

Sana Spincer DATE: 2.23.2022
City Recorder

