

**DEVELOPMENT AGREEMENT
FOR
SCENIC RIDGE DEVELOPMENT**

October 29, 2024

WHEN RECORDED, RETURN TO:

**SANTAQUIN CITY
110 SOUTH CENTER STREET
SANTAQUIN, UTAH 84655**

**DEVELOPMENT AGREEMENT
FOR
SCENIC RIDGE ESTATES**

THIS DEVELOPMENT AGREEMENT is made and entered into as of the ____ day of _____, 2024, by and between Santaquin City, a Utah municipality and NJC Development, LLC, a Utah Limited Liability Company (“Developer”).

RECITALS

A. The capitalized terms used in this Agreement and in these Recitals are defined in Section 1.2, below.

B. Developer owns certain real property located in Santaquin, Utah, more particularly described in Exhibit “A” hereto (the “Property”). Developer desires to develop portions of the Property for residential lots.

C. Developer and the City desire that the Property be developed in a unified and consistent fashion pursuant to the Concept Plan.

D. The Parties acknowledge that development of the Property pursuant to this Agreement may result in significant planning benefits to the City and its residents by, among other things requiring orderly development of the Property and increasing safety and protection of residents based on improvements to be constructed on the Property.

E. The Parties desire to enter into this Agreement to specify the rights and responsibilities of the Developer to develop the Property as expressed in this Agreement and the rights and responsibilities of the City to allow and regulate such development pursuant to the requirements

of this Agreement.

F. This Agreement conforms with the intent of the City's General Plan and the Zoning.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Developer hereby agree to the following:

TERMS

1. Incorporation of Recitals and Exhibits/ Definitions.

1.1. **Incorporation.** The foregoing Recitals and Exhibits "A" - "F" are hereby incorporated into this Agreement.

1.2. **Definitions.** As used in this Agreement, the words and phrases specified below shall have the following meanings:

1.2.1. **Act** means the Land Use, Development, and Management Act, Utah Code Ann. § 10-9a-101 *et seq.*

1.2.2. **Agreement** means this Development Agreement and any amendments thereto, including all of its Exhibits.

1.2.3. **Applicant** means a person or entity submitting a Development Application.

1.2.4. **Buildout** means the completion of all of the development on the entire Project in accordance with the approved plans.

1.2.5. **City** means Santaquin City, a Utah municipality.

1.2.6. **City Consultants** means those outside consultants employed by the City in various specialized disciplines such as traffic, hydrology or drainage for reviewing certain aspects of the development of the Project.

1.2.7. **City's Future Laws** means the ordinances, policies, standards, and procedures which may be in effect as of a particular time in the future when a Development Application is submitted for all or part of the Project and which may or may not be applicable to the Development Application depending upon the provisions of this Agreement.

1.2.8. **City's Vested Laws** means Titles 10 and 11 of the Santaquin City Code in effect as of the date of this Agreement.

1.2.9. **Concept Plan** means the plan for the development of the Property, a copy of which is attached hereto as Exhibit "B".

1.2.10. **Council** means the elected City Council of the City.

1.2.11. **Default** means a material breach of this Agreement as specified herein.

1.2.12. **Denied** means a formal denial issued by the final decision-making body of the City for a particular type of Development Application but does not include review comments or "redlines" by City staff.

1.2.13. **Development** means the development of all or part of the Project pursuant to an approved Development Application.

1.2.14. **Development Application** means an application to the City for development of all or part of the Project including a Subdivision or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.15. **Developer or Owner** means NJC Development, LLC, and its assignees or transferees as permitted by this Agreement.

1.2.16. **Notice** means any notice to or from any Party to this Agreement that is either required or permitted to be given to another party.

1.2.17. **Open Space** shall have the meaning specified in Section 10.08.020 of the Santaquin City Code.

1.2.18. **Outsource or Outsourcing** means the process of the City contracting with City Consultants or paying overtime to City employees to provide technical support in the review and approval of the various aspects of a Development Application as is more fully set out in this Agreement.

1.2.19. **Party/Parties** means, in the singular, Developer or the City; in the plural Developer and the City.

1.2.20. **Planning Commission** means the City's Planning Commission.

1.2.21. **Project** means the total development to be constructed on the Property pursuant to this Agreement with the associated public and private facilities.

1.2.22. **Property** means the real property proposed for development by Developer more fully described in Exhibit "A".

1.2.23. **Public Infrastructure** means those elements of infrastructure that are planned to be dedicated to the City as a condition of the approval of a Development Application.

1.2.24. **Subdeveloper** means a person or an entity not "related" (as defined by Section 165 of the Internal Revenue Code) to Developer which purchases a portion of the Property for development.

1.2.25. **Subdivision** means the division of any portion of the Project into developable lots pursuant to State Law and/or the Zoning Ordinance.

1.2.26. **Subdivision Application** means the application to create a Subdivision.

1.2.27. **Zoning** means the zone for the Property in effect on the effective date of this Agreement.

1.2.28. **Zoning Ordinance** means the City's Land Use and Development Ordinance adopted pursuant to the Act that was in effect as of the date of this Agreement and includes the City's Vested Laws.

2. **Development of the Project.**

2.1. **Compliance with the Concept Plan and this Agreement.** Development of the Project shall be in accordance with the City's Vested Laws, the City's Future Laws (to the extent that these are applicable as otherwise specified in this Agreement), the Concept Plan, and this Agreement.

2.2. **Design and Construction Obligations of the City.** The City has sought funding from the federal government for the design and construction of a debris basin and conveyance channel as depicted in Exhibit "F" attached hereto. These property improvements are intended to mitigate the effects of storm run-off. The City shall utilize available federal funding as authorized by the National Resource Conservation Service ("NRCS"), to design and construct the debris basin and conveyance channel as specifically set forth in this Agreement.

2.2.1. In addition to the construction of the improvements described in Section 2.6, so long as federal funds are available to improve the debris basin and the conveyance channel, the City shall also accept responsibility for the design and construction of a conveyance channel located on property owned by Developer,

which property is more particularly described in Exhibit E hereto.

2.3. Lot Size/Parcel Adjustment.

2.3.1. The Parties agree that Developer may seek and City shall permit an exception to current zoning regulations to reduce the minimum lot size from 12,000 square feet to 10,841 square feet, for one building lot located on the west side of an anticipated future extension of 1100 East Street that will be part of the Development Area, as shown on the Concept Plan.

2.3.2. The City will approve the construction of a 30 foot wide driveway on parcel numbers 32:040:0078 and 32:040:0077 located at the east end of the recently completed 430 South and the intersection of 430 South and 1200 East that is adjacent to the property which will satisfy the frontage requirements for construction of a single family residence on said parcel.

2.3.3. The Parties agree that Developer may seek and City shall permit an exception to current zoning regulations to reduce the minimum width and frontage requirement from 100 feet to 60 feet for one residential lot to be located on parcel number 32:040:0080.

2.4. Water Facilities.

2.4.1. Per the studies completed in May and June of 2023 all water service connections “water meters” that have been installed as a part of the currently approved Scenic Ridge Estates subdivision 7-lot subdivision improvements have the city’s and thereby the state’s required minimum pressure and flow requirements. Developer acknowledges that existing City water facilities may not be adequate to provide sufficient service to the building lots within the

Development Area as identified in the Santaquin City Water Master Plans and as modeled and verified by the City's engineering firm. Accordingly, Developer will be allowed to install one private home drinking water lift station to permit the construction of one home at a limited elevation/distance above the existing zone 12E pressure boundary.

Developer shall construct a Utah State permitted private booster pump to provide adequate pressure at the future home located on the estate lot (lot/Parcel numbers 32:040:0078 and 32:040:0077). Developer shall obtain the required permits and provide evidence of the same to the City prior to any building permit being issued.

2.4.2. Notwithstanding Sections of the City's existing Standards, 3A.05 Water Service Laterals, and 3.05 Pressure Irrigation Service Connections, to assist Developer in constructing adequate water facilities, the City will allow the water service laterals to be located on the downhill side of the lot, for a maximum of two lots only.

2.4.3. Two points of connection will be required for the water supply to the upper future building lots as identified in section 2.5 Future Building Lots. These connections will be located at the western phase line of 430 south and at the north end of the "dry" line in 1200 East, both of which locations are located within the currently approved Scenic Ridge Estates subdivision 7-lot subdivision improvement plan, or as otherwise agreed by the parties.

2.5. Future Building Lots. This Agreement shall entitle Developer to subdivide the

remaining parcels to allow for Eleven (11) additional lots on the south and east sides of the existing approved Scenic Ridge Estates subdivision (with 7 currently approved lots) and the three acres south and east of the currently existing 1250 East Street as shown in Exhibit “B”, so long as said subdivision complies with the current City’s Vested Laws and City’s Future Laws, Subdivision Regulations and all terms and conditions herein.

2.6. Dedication and Transfer of Property to the City.

2.6.1. Owner shall dedicate and transfer to the City by General Warranty Deed approximately 5.19 acres of the Property more particularly described in Exhibit “C” hereto for the improvements to and maintenance of the existing and any future construction of a storm water conveyance mechanism (i.e. the current storm water channel, or future conveyance channel/piping) and a debris basin through or on the Property for the purpose of collecting, controlling, routing, and conveying upstream storm water, debris flows, etc., and for connecting to the existing or future storm water channels at both the north (downstream) and south (upstream) ends of the Property, and for Open Space purposes.

2.6.1.1. The property to be dedicated and transferred to the City pursuant to Section 2.6.1 above includes the dedication of approximately 5.19 acres as open space for development of the Property, as described in Exhibit “C” hereto, which is the future debris basin and a portion of the future conveyance channel. In exchange for approximately 2 acres of the aforementioned dedicated and transferred property, the City will transfer to Developer approximately 2 acres of real

property currently owned by the City and more particularly described in Exhibit “D”.

2.6.1.2.

Developer desires to obtain certain tax credit considerations for the donation of property to the City pursuant to this Agreement. For any property owned by Developer that is donated, but not traded to the City, pursuant to Section 2.6.1.1 of this Agreement, the City agrees to acknowledge and sign IRS form 8283 “Noncash Charitable Contributions”, Part V “Donee Acknowledgement” for possible Developer tax purposes/benefits. City shall not be responsible for the IRS form 8283 Part IV “Declaration of Appraiser”. City will not take part in, or have any responsibility for, determining or agreeing to any appraised amounts shown on IRS form 8283 Part IV “Declaration of Appraiser.” City does not determine or issue charitable donation tax credits and therefore is not responsible for determining eligibility or issuing any possible tax credit for donated property identified and agreed to in the Agreement, which shall be the sole responsibility of Developer.

2.6.1.3.

Developer may, in its sole discretion, choose to install a large diameter pipe, in lieu of the City constructing the above identified storm water conveyance mechanism (i.e. channel). In such event, Developer shall pay all costs for the large diameter pipe and any appurtenances, and the City shall pay all costs for installation of said large diameter pipe. In addition to the pipe, Developer will construct and cover the cost of construction of a berm on the east side of the piped

section of the conveyance channel to satisfy Santaquin City development requirements.

2.6.2. Owner shall grant a perpetual easement to the City in the form set forth in Exhibit “E” hereto, covering approximately 1.0. acre along the existing conveyance channel as depicted in Exhibit “F”.

2.6.3. The dedication and transfer of said property described in Sections 2.6.1 and 2.6.2 above shall satisfy Developer’s open space dedication requirement set forth in Santaquin City Code Section 10.20.230.E.1. Moreover, Developer shall have no obligation to improve said Open Space as would otherwise be required by Santaquin City Code Section 10.20.230.E.1. Except for the paying for any pipe and appurtenances for piping of any portion of the existing debris channel by Developer, the improvement of the property dedicated or transferred to the City by Developer shall be the responsibility of the City and shall also include designing and constructing the debris basin in the location shown and the conveyance channel or piping of conveyance channel by the Developer and City located within the easement to be dedicated by Developer, as depicted in Exhibit “D”. In the event federal funds are not made available to the city, Developer’s obligation to meet Santaquin City requirements to mitigate flood impacts shall be satisfied by construction of the berm referenced in section 2.6.1.4 along the east side of the piped section of the conveyance channel, dedication of the property described above and purchase of the pipe referenced in 2.6.1.4.

2.6.4. Timing of Land and Easement Dedication. Developer shall convey the property and the easement described in Subsections 2.6.1 and 2.6.2 of this

Agreement within 90 days of the execution of this Agreement. Timing of any dedicated or transferred property by the city shall take place concurrently with Developer's conveyance of property and the easement described in 2.6.1 and 2.6.2.

2.6.5. Developer acknowledges and agrees that the dedication of a portion of its property to the City as provided in this Section 2.6 might alter or preclude other potential uses for said property, including potential building lots, but will certainly benefit both the development of the Property and the City, and is central to the Parties' willingness to enter into this Agreement.

2.7. Trail Improvements. Notwithstanding anything to the contrary in this Agreement, Developer shall be responsible to construct trail improvements on the western side of the debris basin and conveyance channel, (or pipeline paid for by Developer), as depicted on Exhibit "E", along the identified fault line, or other location to be determined by the Parties. The debris basin and conveyance channel will be constructed by the City. The trail improvements shall comply with Santaquin City Code Section 10.20.230.E.1.

2.8. Limitation and No Guarantee. Developer acknowledges that the development of every aspect of the Concept Plan requires that each Development Application comply with the City's Vested Laws, and with the City's Future Laws to the extent they are specifically applicable as set forth in the agreement. Notwithstanding any contrary provision of this Agreement, the City's entry into this Agreement does not guarantee that the Developer will be able to construct any aspect of the Project until and unless all applicable requirements are met.

3. Public Infrastructure

3.1. **Construction by Developer.** Except as otherwise specifically provided in this Agreement, Developer shall be responsible for all design and construction of all infrastructure improvements as required by Santaquin City Code. Developer shall have the right and the obligation to design, construct, and install, or cause to be designed, constructed and installed, all Public Infrastructure reasonably and lawfully required as a condition of approval of the Development Application pursuant to the City's Vested Laws. For all property transferred from the City to Developer, Developer shall have the right and the obligation to design, construct, and install, or cause to be designed, constructed, and installed, all Public Infrastructure reasonably and lawfully required as a condition of approval of each Development Application pursuant to the City's Vested Laws and with the City's Future Laws to the extent they are specifically applicable as set forth in the agreement.

For any property transferred from City to Developer that is not contiguous with Developer's Property, City agrees to diligently pursue all rights-of-way necessary for Developer and public access to said traded property. City agrees to obtain said rights-of-way at its own expense.

3.2. **Bonding.** Unless otherwise provided by Chapter 10-9a of the Utah Code as amended, Applicant shall provide security in conjunction with its application for a building permit for any Public Infrastructure or private infrastructure required by the City, in a form acceptable to the City, as specified in the City's ordinances in effect at the

time of application. Partial releases of any such required security shall be allowed as work progresses based on the City's laws then in effect.

4. Upsizing/Reimbursements to Developer.

4.1. Upsizing. All Public Infrastructure shall be of sufficient capacity to service the entire Project at Buildout. The City shall not require Developer to upsize any future Public Infrastructure (i.e., to construct the infrastructure to a size larger than required to service the Project) unless financial arrangements reasonably acceptable to Developer are made to compensate Developer for the incremental or additive costs of such upscaling. For example, if an upscaling to a water pipe size increases costs by 10% but adds 50% more capacity, the City shall only be responsible to compensate Developer for the 10% cost increase. An acceptable financial arrangement for upscaling of improvements means reimbursement agreements, connector agreements, payback agreements, and impact fee credits and reimbursements, as agreed by the Parties. Providing Public Infrastructure with sufficient capacity to serve the entire Project at Buildout is not considered upscaling for purposes of this Agreement, and all associated costs thereof are the sole responsibility of the Developer, and not the responsibility of the City.

5. Vested Rights.

5.1. Vested Rights Granted by Approval of this Agreement. To the maximum extent permissible under the laws of Utah and the United States and at equity, the Parties intend that this Agreement grants Developer all rights to develop the Project in fulfillment of this Agreement, the City's Vested Laws, the Zoning and the Concept Plan except as specifically provided herein. The Parties specifically intend that this Agreement grant to

Developer “vested rights” as that term is construed in Utah’s common law and pursuant to Utah Code Ann. § 10-9a-509 (2023).

5.2. Application of City’s Future Laws. The City’s Future Laws in effect on the date of a completed development application apply to the development to the extent they do not contradict the City’s Vested Laws. In the event of a conflict with the City’s Vested Laws, the City’s Future Laws shall apply in the following circumstances:

5.2.1. Developer Agreement. Those City’s Future Laws that Developer has agreed in writing will apply to the Project;

5.2.2. State and Federal Compliance. Those City’s Future Laws which are generally applicable to all properties in the City and which are required to comply with State and Federal laws and regulations affecting the Project;

5.2.3. Codes. Any City’s Future Laws that are updates or amendments to existing building, plumbing, mechanical, electrical, dangerous buildings, drainage, fire, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are generated by a nationally or statewide recognized construction/safety organization, or by the State or Federal governments and are required to meet legitimate concerns related to public health, safety or welfare;

5.2.4. Taxes. Taxes, or modifications thereto, so long as such taxes are lawfully imposed and charged uniformly by the City to all properties, applications, persons and entities similarly situated;

5.2.5. Fees. Changes to the amounts of fees for the processing of Development

Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law;

5.2.6. Impact Fees. Impact Fees or modifications thereto which are lawfully adopted, and imposed by the City and which meet all requirements of the U. S. Constitution, Utah Constitution, law and applicable statutes, including but not limited to Utah Code Ann. Section 11-36a-101 (2023) *et seq.*;

6. **Term of Agreement**. This Agreement shall take effect on the date when both Parties have executed the Agreement, and shall expire on December 31, 2039, or at Buildout, whichever is earlier.

7. **Processing of Development Applications**.

7.1. **Processing of Development Applications**. City Code will govern Processing of Development Applications.

7.2. **Acceptance of Certifications Required for Development Applications**. Any Development Application requiring the signature, endorsement, or certification and/or stamping by a person holding a license or professional certification required by the State of Utah in a particular discipline shall be so signed, endorsed, certified or stamped signifying that the contents of the Development Application comply with the applicable regulatory standards of the City.

7.3. **Independent Technical Analyses for Development Applications**. If the City needs technical expertise beyond the City's internal resources to determine impacts of a Development Application such as for structures, bridges, water tanks, and other similar matters which are not required by the City's Vested Laws to be certified by such experts

as part of a Development Application, the City may engage such experts as City Consultants at its own cost.

7.4. City Denial of a Development Application. If the City denies a Development Application the City shall provide a written determination advising the Applicant of the reasons for denial including specifying the reasons the City believes that the Development Application is not consistent with this Agreement, the Zoning and/or the City's Vested Laws (or, if applicable, the City's Future Laws). The City shall work with the Applicant in good faith to explain the reasons for the denial.

7.5. City Denials of Development Applications Based on Denials from Non-City Agencies. If the City's denial of a Development Application is based on the denial of the Development Application by a Non-City Agency, Applicant shall appeal any such denial through the appropriate procedures for such a decision and not through the processes specified below. Applicant's failure to successfully appeal any such denial shall preclude any action by Applicant against City for City's denial so long as the City did not otherwise cause the Non-City Agency to issue the denial.

7.6. Mediation of Development Application Denials.

7.6.1. Issues Subject to Mediation. Issues resulting from the City's Denial of a Development Application that the parties are not able to resolve shall be mediated.

7.6.2. Mediation Process. If the City and Applicant are unable to resolve a disagreement which is subject to mediation pursuant to Section 7.6.1, the parties shall attempt within thirty (30) calendar days to appoint a mutually acceptable mediator with knowledge of the legal issue in dispute. If the City and Applicant

are unable to agree on a single acceptable mediator, they shall each, within fifteen (15) calendar days, appoint their own representative. These two representatives shall, between them, choose the single mediator. In the alternative, the City and the Applicant may submit the matter to the Office of the Property Rights Ombudsman for mediation at the earliest available time for the Ombudsman, the Applicant, and the City. Applicant and the City shall split the fees of the chosen mediator, each Party paying 50% of the fees. The chosen mediator shall within thirty (30) calendar days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall not be binding on the parties.

8. **Default.**

8.1. **Notice.** If Developer or the City fails to perform their respective obligations hereunder or to comply with the terms hereof, the Party believing that a Default has occurred shall provide written Notice to the other Party.

8.2. **Contents of the Notice of Default.** The Notice of Default shall:

8.2.1. Specific Claim. Specify the claimed event of Default;

8.2.2. Applicable Provisions. Identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default;

8.2.3. Materiality. Identify why the Default is claimed to be material; and

8.2.4. Cure Period. If appropriate, the City will propose in a Notice to Developer a

time for Developer to cure the Default which shall be of no less than thirty (30) calendar days duration.

8.3. **Remedies.** As to any uncured Default, the parties shall submit the matter to mediation consistent with the procedures set forth in Section 5.6. If the parties are not able to resolve the Default by mediation, the parties may have the following remedies, except as otherwise specifically limited in this Agreement:

8.3.1. Law and Equity. All rights and remedies available at law and in equity, including, but not limited to, administrative or legal appeals, injunctive relief, and/or specific performance.

8.3.2. Security. The right to draw on any security posted or provided in connection with the Project and relating to remedying of the particular Default.

8.3.3. Future Approvals. The right to withhold all further reviews, approvals, licenses, building permits and/or other permits for development of the Project in the case of a default by Developer, until the Default has been cured.

8.4. **Emergency Defaults.** Notwithstanding anything in this Agreement to the contrary, if the City Council finds on the record that a default materially impairs a compelling, countervailing interest of the City and that any delays in imposing such a default would also impair a compelling, countervailing interest of the City, then the City may impose the remedies of Section 8.3 without the requirements of Section 7.6. The City shall give specific written Notice to Developer and/or any applicable Subdeveloper of any public meeting at which an emergency default is to be considered and the Developer and/or any applicable Subdeveloper shall be provided with a full and fair opportunity to respond to the Notice.

8.5. **Default of Assignee.** A default of any obligations assumed by an assignee of Developer shall not be deemed a default of Developer.

8.6. **Authority of City Inspectors.** Nothing in this Section 8 shall be construed to limit the ability or authority of City's inspectors to assure compliance with construction standards and practices through the procedures applied generally to construction projects in the City.

9. **Notices.** All notices required or permitted under this Agreement shall, in addition to any other means of transmission, be given in writing by certified mail and regular mail to the following address:

To the Developer:

Email:
Phone:

To the City:

Santaquin City
Attn: City Manager
Norm Beagley
110 South Center Street
Santaquin, UT 84655
nbeagley@santaquin.org
(801) 754-3200

With a Copy to:

Brett B. Rich
Nielsen & Senior, P.C.
P.O. Box 970663
Orem, UT 84097
bbr@ns-law.com
(801) 701-7074

9.1. **Effectiveness of Notice.** Except as otherwise provided in this Agreement, each Notice shall be effective and shall be deemed delivered on the earlier of:

9.1.1. Hand Delivery. Its actual receipt, if delivered personally, by courier service, or by facsimile provided that a copy of the facsimile Notice is mailed or personally delivered as set forth herein on the same day and the sending party has confirmation of transmission receipt of the Notice. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.2. Electronic Delivery. Its actual receipt if delivered electronically by email, provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending party has an electronic receipt of the delivery of the Notice. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.3. Mailing. On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail. Any party may change its address for Notice under this Agreement by giving written Notice to the other party in accordance with the provisions of this Section.

10. **Headings.** The captions used in this Agreement are for convenience only and are not intended to be substantive provisions or evidences of intent.

11. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Developer.

Further, the parties do not intend this Agreement to create any third-party beneficiary rights. The Parties acknowledge that this Agreement refers to a private development and that the City has no interest in, responsibility for, or duty to, any third parties concerning any improvements to the Property, unless the City has accepted the dedication of such improvements, at which time all rights and responsibilities—except for warranty bond requirements for the dedicated public improvement, shall be the City's.

12. **Assignability**. The rights and responsibilities of Developer under this Agreement may be assigned in whole or in part, respectively, by Developer..

12.1. **Sale of Lots**. Developer's selling or conveying lots in any approved Subdivision or Parcels to builders, users, or Subdevelopers, shall not be deemed to be an "assignment" subject to the above-referenced approval by the City unless specifically designated as such an assignment by Developer.

12.2. **Related Entity**. Developer's transfer of all or any part of the Property to any entity "related" to Developer (as defined by regulations of the Internal Revenue Service in Section 165), or Developer's entry into a joint venture for the development of the Project shall also be deemed to be an "assignment" subject to the above-referenced approval by the City.

12.3. **Notice**. Developer shall give Notice to the City of any proposed assignment within fifteen (15) calendar days after the event has occurred and provide such information regarding the proposed assignee that the City may reasonably request in making the evaluation permitted under this Section. Such Notice shall include providing the City with all necessary contact information for the proposed assignee.

12.4. **Partial Assignment**. If any proposed assignment is for less than all of Developer's

rights and responsibilities, then the assignee shall be responsible for the performance of each of the obligations contained in this Agreement to which the assignee succeeds.

Upon any such approved partial assignment, Developer shall not be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations herein.

13. **Insurance and Indemnification.** To the fullest extent permitted by law, Owner shall indemnify and hold harmless the City, which for purposes of the section includes its elected and appointed officials, representatives, officers, employees, and agents, from and against any and all claims, demands, causes of action, orders, decrees, judgements, losses, risks of loss, damages, expenses (including litigation expenses and attorneys' fees), and liabilities arising out of or related to (1) acts, errors or omissions of Owner or its agents, servants, employees, or contractors in performance of this Agreement. Nothing in this section shall be construed to mean that Owner shall defend, indemnify, or hold the City or its elected and appointed officials, representatives, officers, employees, and agents, harmless from any claims of personal injury, death or property damage or other liabilities arising from (i) the willful misconduct or negligent acts or omissions of the City, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the City of improvements that have been offered for dedication and accepted by the City for maintenance. Prior to any construction on the Property, Owner shall furnish or cause to be furnished to the City duplicate originals or appropriate certificates of insurance as might be required by the City's Vested Laws within the R-12 Residential zone.

13.1. **Hazardous, Toxic, and/or Contaminating Materials.** Owner further agrees to defend and hold the City and its elected and/or appointed boards, officers, agents, employees, and consultants, harmless from any and all claims, liability, costs, fines,

penalties, charges and/or claims of any kind whatsoever relating to the existence and removal of hazardous, toxic and/or contaminating materials on the Property, except where such claims, liability, costs, fines, penalties, charges and/or claims are due to the actions of the City.

14. **Binding Effect**. If Developer sells or conveys portions of the Property to Subdevelopers or related parties, the property so sold and conveyed shall bear the same rights, privileges, configurations, and conformity to the Concept Plan as applicable to such property and be subject to the same limitations and rights of the City as when owned by Developer, and as set forth in this Agreement without any required approval, review, or consent by the City except as otherwise provided herein.

15. **No Waiver**. Failure of any Party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future date any such right or any other right it may have.

16. **Severability**. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid for any reason, the Parties consider and intend that this Agreement shall be deemed amended to the extent necessary to make it consistent with such decision and the balance of this Agreement shall remain in full force and affect.

17. **Force Majeure**. Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature, governmental restrictions, regulations or controls, judicial orders, enemy or hostile government actions, wars, civil commotions, fires or other casualties or other causes beyond the reasonable control of the Party obligated to perform hereunder shall excuse performance of the obligation by that Party for a

period equal to the duration of that prevention, delay or stoppage.

18. **Time is of the Essence.** Time is of the essence to this Agreement and every right or responsibility shall be performed within the times specified.

19. **Applicable Law.** This Agreement is entered into in Utah County in the State of Utah and shall be construed in accordance with the laws of the State of Utah irrespective of Utah's choice of law rules.

20. **Venue.** Any action to enforce this Agreement shall be brought only in the Fourth District Court for the State of Utah, Provo Department.

21. **Entire Agreement.** This Agreement, including all Exhibits thereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

22. **Mutual Drafting.** Each Party has participated in negotiating and drafting this Agreement and therefore no provision of this Agreement shall be construed for or against any Party based on which Party drafted any particular portion of this Agreement.

23. **Recordation and Running with the Land.** This Agreement shall be recorded in the chain of title for the Project. This Agreement shall be deemed to run with the land. The data disk of the City's Vested Laws, shall not be recorded in the chain of title. A secure copy of City's Vested Laws shall not be filed with the City Recorder but each party shall have a copy.

24. **Authority.** The Parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to Resolution No. _____ adopted by the City on _____, 20____.

(This portion left blank intentionally.)

**SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT**

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

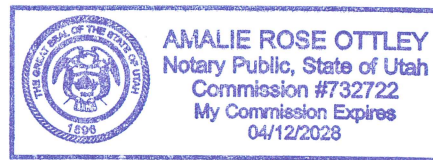
DEVELOPER:

By: Neil Craig
Name: Neil Craig
Title: Manager
Date: 10-30-2024

STATE OF UTAH)
 :ss.
COUNTY OF UTAH)

On the 30th day of October, 2024, personally appeared before me Neil Craig, who being by me duly sworn, did say that he/she is the manager of NJC Development, a Utah LLC and that he/she signed the foregoing instrument, which was duly authorized by the company at a lawful meeting held by authority of its operating agreement.


NOTARY PUBLIC



**SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT (CONT.)**

**CITY:
SANTAQUIN CITY**

By: _____
Name: _____
Title: Mayor
Date: _____

Attest: Amalie R. Ottley

City Recorder

CITY ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF UTAH)

On the ___ day of _____, 2024, personally appeared before me _____ who being by me duly sworn, did say that he is the Mayor of Santaquin City, a political subdivision of the State of Utah, and that he signed said instrument on behalf of the City by authority of its City Council.

NOTARY PUBLIC

TABLE OF EXHIBITS

Exhibit “A”	Legal Description of Property
Exhibit “B”	Concept Plan
Exhibit “C”	Property Deeded to City
Exhibit “D”	Property Deeded to Developer
Exhibit “E”	Form of Conveyance Channel Easement
Exhibit “F”	Debris Basin Site Plan

**EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY**

PARCEL NUMBER 32:040:0077

COM S 62.75 FT & E 2695.07 FT FR SW COR. SEC. 6, T10S, R2E, SLB&M.; N 0 DEG 50' 0"
W 422.72 FT; W 1486.78 FT; S 16 DEG 6' 49" E 80.6 FT; S 16 DEG 6' 39" E 56 FT; S 17 DEG 12' 55" E 110.52
FT; S 75 DEG 54' 50" W 100 FT; S 80 DEG 14' 25" W 56.52 FT; S 80 DEG 1' 28" W 114.23 FT; S 5 DEG 59' 48"
E 76.49 FT; N 89 DEG 40' 41" W 82.57 FT; N 89 DEG 40' 41" W 80 FT; N 89 DEG 40' 41" W 87 FT; N 89 DEG
40' 41" W 109 FT; S 11.65 FT; S 88 DEG 40' 0" E 2038.8 FT TO BEG.

AREA 14.273 AC.

LESS AND EXCEPTING THAT WHICH LIES IN SCENIC RIDGE ESTATES PHASE1 RECORDED IN THE
UTAH COUNTY RECORDERS OFFICE ENTRY#31745-2024
FORMERLY PARCEL NUMBER 32-040-0042

PARCEL NUMBER 32:040:0078

COM N 759.97 FT & E 2656.09 FT FR SW COR. SEC. 6, T10S, R2E, SLB&M.; N 0 DEG 50' 0" W 401.29 FT;
W 1055.99 FT; S 21 DEG 49' 56" E 70.08 FT; S 21 DEG 4S' 56" E 125.87 FT; S 21 DEG 49' 56" E 82 FT; S 65
DEG 10' 3" W 115 FT; S 57 DEG 5' 40" W 57.06 FT; S 62 DEG 6' 11" W 82.37 FT; S 62 DEG 6' 11" W 3.69 FT;
S 64 DEG 57' 32" W 27.27 FT; S 15 DEG 14' 8" E 18.3 FT; E 1209.08 FT TO BEG.

AREA 9.598 AC.

LESS AND EXCEPTING THAT WHICH LIES IN SCENIC RIDGE ESTATES PHASE1. RECORDED IN THE
UTAH COUNTY RECORDERS OFFICE. ENTRY#31745-2024
FORMERLY PARCEL NUMBER 32-040-0045

PARCEL NUMBER 32:040:0079

COM N 759.57 FT & E 2656.1 FT FR SW COR. SEC. 6, T10S, R2E, SLB&M.; W 1209.09 FT; S 15 DEG 14' 8" E
63.55 FT; S 15 DEG 14' 8" E 102.72 FT; S 15 DEG 14' 8" E 140.04 FT; S 78 DEG 17' 57" W 136.39 FT; S 78
DEG 17' 57" W 108.26 FT; S 78 DEG 17' 57" W 4 FT; S 76 DEG 45' 7" W 76.46 FT; S 76 DEG 45' 7" W 43.32
FT; S 16 DEG 6' 49" E 27.76 FT; E 1486.78 FT; N 0 DEG 50' 0" W 400.13 FT TO BEG.

AREA 11.215 AC.

LESS AND EXCEPTING THAT WHICH LIES IN SCENIC RIDGE ESTATES PHASE1. RECORDED IN THE
UTAH COUNTY RECORDERS OFFICE. ENTRY#31745-2024
FORMERLY PARCEL NUMBER 32-040-0047

PARCEL NUMBER 32:040:0080

COM N 1161.22 FT & E 2650.26 FT & W 1055.98 FT FR SW COR. SEC. 6, T10S, R2E, SLB&M.; N 21 DEG 49' 57" W 144.24 FT; ALONG A CURVE TO L (CHORD BEARS: N 42 DEG 49' 36" E 8.43 FT, RADIUS -- 1763.98 FT); N 41 DEG 46' 2" E .27 FT; ALONG A CURVE TO R (CHORD BEARS: N 84 DEG 21' 40" E 24.36 FT, RADIUS -- 18 FT); S 53 DEG 2' 40" E 36.16 FT; N 25 DEG 27' 26" E 63.07 FT; N 13 DEG 32' 48" E 86.11 FT; N 89 DEG 46' 36" E 276.49 FT; S 47 DEG 59' 40" E 142.48 FT; N 89 DEG 46' IS" E 612.72 FT; S 0 DEG 0' 55" W 169.28 FT; W 1048.71 FT TO BEG.

AREA 4.845 AC.

LESS AND EXCEPTING THAT WHICH LIES IN SCENIC RIDGE ESTATES PHASE1. RECORDED IN THE UTAH COUNTY RECORDERS OFFICE. ENTRY#31745-2024 FORMERLY PARCEL NUMBER 32-040-0070.

PARCEL NUMBER 66:991:0007

LOT 7, SCENIC RIDGE ESTATES SUBDIVISION PHASE 1

CONTAINING 40,807 S.F. OR 0.94 AC.

EXHIBIT B CONCEPT PLAN

- Existing building lots
- Conceptual building lots
- Existing and Future ROW

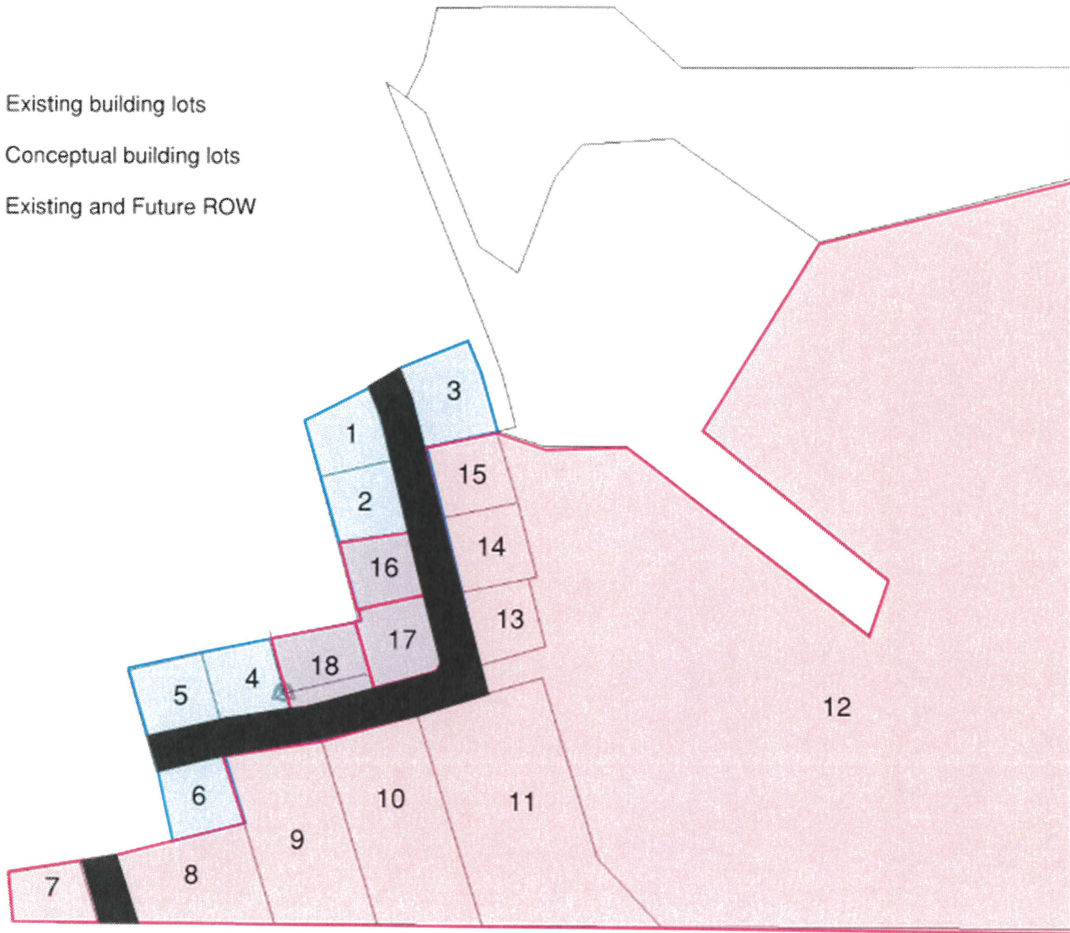
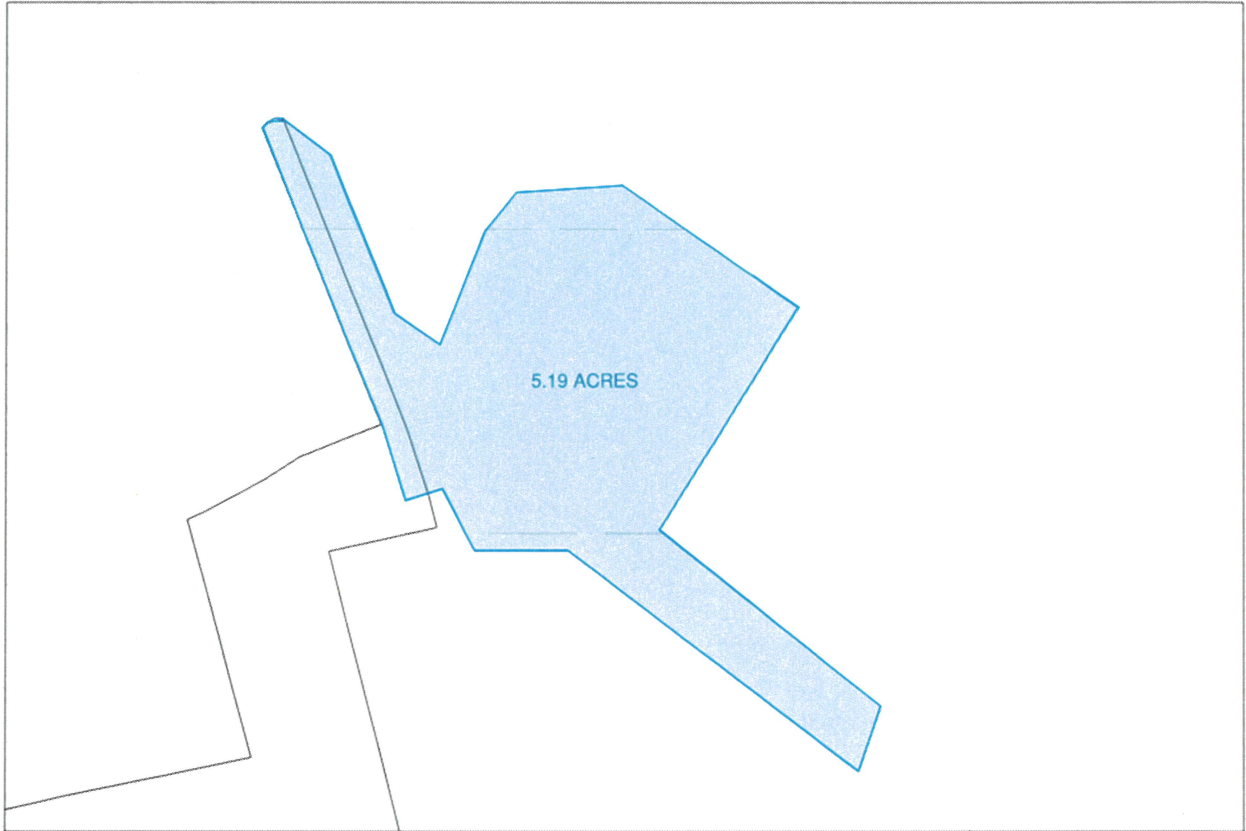


EXHIBIT C Property Dedicated to City



<p>NOTES:</p> <p>1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF UNLESS OTHERWISE SPECIFIED.</p> <p>2. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE SPECIFIED.</p> <p>3. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE SPECIFIED.</p>	<p>DRAWN BY:</p> <p>CHECKED BY:</p>	<p>DATE: 6-22-2024</p> <p>SCALE: 1" = 150'</p> <p>CAD FILE:</p>	<p>SANTAQUIN CITY 110 SOUTH CENTER STREET SANTAQUIN, UT 84655 (801) 754-3211 santaquin.org</p>	<p>Property Decided to City</p>																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">NO.</th> <th style="width: 10%;">DATE</th> <th style="width: 80%;">DESCRIPTION</th> <th style="width: 5%;">BY</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NO.	DATE	DESCRIPTION	BY																
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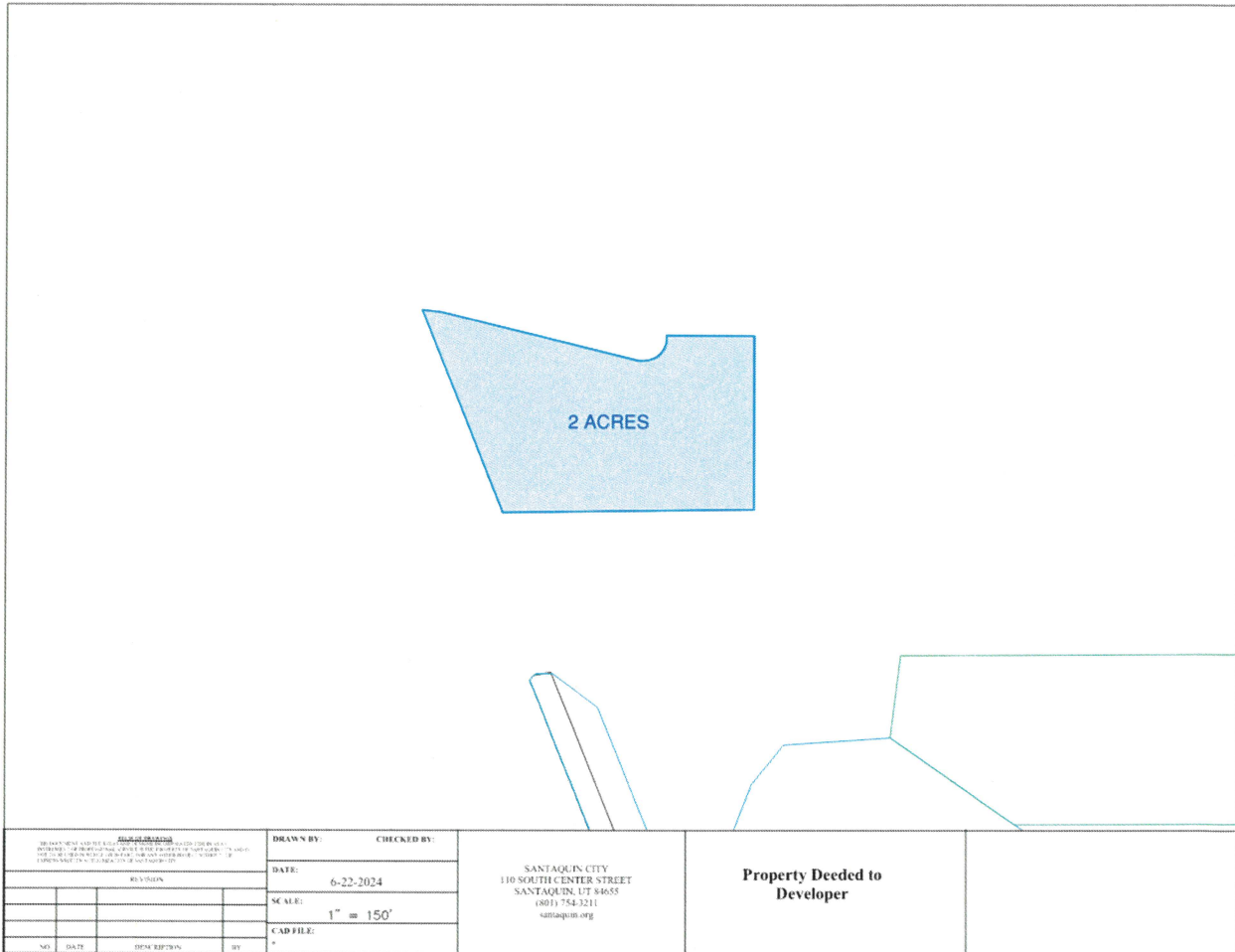
Legal Description:

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 10 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT A POINT 1772.44 FEET SOUTH 89° 40' 47" EAST AND 770.91 FEET NORTH FROM THE SOUTHWEST CORNER OF SECTION 6, SAID POINT BEING THE SOUTHEAST CORNER OF LOT 3 SCENIC RIDGE ESTATES SUBDIVISION PAHSE 1; THENCE NORTH 77° 32' 20" EAST 30.01 FEET TO THE EAST LINE OF SAID SUBDIVISION; THENCE NORTHERLY ALONG SAID EAST LINE THE FOLLOWING SIX (6) COURSES (1) NORTH 14° 09' 41" WEST 42.81 FEET TO THE BEGINNING OF A 672.82 FOOT RADIUS CURVE TO THE LEFT (2) 91.17 FEET (DELTA=7° 45' 49" CHORD BEARS NORTH 18° 02' 36" WEST 91.10 FEET); (3) NORTH 21° 55' 30" WEST 20.28 FEET; (4) NORTH 21° 50' 02" WEST 420.91 FEET; TO A POINT ON AN 18.00 FOOT RADIUS CURVE TO THE RIGHT (5) 2.21 FEET (DELTA=7° 01' 38" CHORD BEARS SOUTH 56° 33' 51" EAST 2.21 FEET; (6) SOUTH 53° 02' 45" EAST 36.16 FEET; THENCE SOUTH 52° 05' 34" EAST 37.97 FEET; THENCE SOUTH 21° 48' 05" EAST 224.86 FEET; THENCE SOUTH 55° 33' 08" EAST 74.42 FEET; THENCE NORTH 21° 09' 34" EAST 159.70 FEET; THENCE NORTH 39° 10' 39" EAST 67.17 FEET; THENCE NORTH 86° 09' 30" EAST 141.31 FEET; THENCE SOUTH 55° 01' 20" EAST 281.63 FEET; THENCE SOUTH 31° 45' 55" WEST 346.17 FEET; THENCE SOUTH 51° 20' 25" EAST 372.37 FEET; THENCE SOUTH 19° 16' 30" WEST 91.16 FEET; THENCE NORTH 52° 21' 00" WEST 479.34 FEET; THENCE WEST 126.45 FEET; THENCE NORTH 72° 26' 09" WEST 80.09 FEET TO THE POINT OF BEGINNING.

CONTAINING 226,097 S.F. OR 5.19 AC.

EXHIBIT D Property Deeded to Developer



<small> I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief. I am a duly licensed Professional Engineer in the State of Utah. My license number is 12345. I am the author of this drawing. I have prepared this drawing in accordance with the Utah Professional Engineering Act, Chapter 33A, Utah Code. I have not been convicted of a crime involving moral turpitude. I have not been disciplined by the Board of Professional Engineering. I have not been suspended or debarred from practicing as a Professional Engineer. I have not been found guilty of a crime involving moral turpitude. I have not been found guilty of a crime involving moral turpitude. </small>	DRAWN BY: CHECKED BY:	SANTAQUIN CITY 110 SOUTH CENTER STREET SANTAQUIN, UT 84655 (801) 754-3211 santaquin.org	Property Deeded to Developer																	
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	6-22-2024 1" = 150' *																			
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Legal Description:

A PARCEL OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 10 SOUTH, RANGE 2 EAST, SALT LAKE BASE AND MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS.

Beginning at a point 1117.54 feet South 00° 06' 06" East along the section line and 1538.32 feet East from the West Quarter Corner of Section 6 Township 10 Range 2 East Salt Lake Base and Meridian

Thence, North 21° 51' 17" West for a distance of 290.23 feet to a point on a line; Thence, South 75° 34' 54" East for a distance of 100.16 feet to a point on a line; Thence, South 77° 00' 38" East for a distance of 190.90 feet to the beginning of a non-tangential curve; Said curve turning to the left through an angle of 96° 50' 25", having a radius of 34.90 feet, and whose long chord bears North 50° 40' 00" East for a distance of 52.22 feet to a point of intersection with a non-tangential line; Thence, South 89° 30' 29" East for a distance of 117.14 feet to a point on a line; Thence South 00° 02' 46" East a distance of 230.47 feet; Thence, South 89° 27' 26" West for a distance of 332.70 feet to the point of beginning

±2.0 acres

Exhibit E
Form of Conveyance Channel Easement

When Recorded Return to:
Santaquin City Corporation
110 South Center Street
Santaquin, Utah 84655

Conveyance Channel Easement

NJC Development, LLC, a Utah limited liability company, **GRANTOR**, for and in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby Grant to Santaquin City Corporation, a municipal corporation organized and existing under the laws of the State of Utah, a perpetual easement with the right to construct, install, inspect, maintain, operate, repair, protect, remove and replace pipelines, access roads, conveyance channel armoring, and other similar facilities and appurtenances related to the conveyance channel, over, across, under, and through the following described real property (the "Conveyance Channel Easement"):

Legal Description:

Containing 20.00 feet to either side of a centerline described as follows

Beginning at a point North 172.69 feet and West 655.49 feet from the South Quarter corner of Section 6 Township 10 Range 2 East Salt Lake Base and Meridian.

Thence 169.70 Feet North 20° 59' 42" West to a point on a line; Thence 364.60 feet North 14° 07' 56" West to a point on a line; Thence 172.25 feet North 17° 16' 14" West to the end point.

Any facilities contemplated hereunder shall be maintained, with the right of ingress and egress to and from said Conveyance Channel Easement for the purpose described herein. During temporary periods, the Grantee may use such portion of the property along and adjacent to said Conveyance Channel Easement as may be reasonably necessary in connection with the construction, maintenance, inspection, repair, removal, or replacement of the Conveyance Channel. To the extent practicable, Grantee will give Grantor a minimum one week notice prior to accessing the Conveyance Channel. In the event of an emergency or in the event of other circumstances requiring access to the conveyance without giving one week notice, Grantee will do its best to notify the owner of its need to immediately access the Conveyance Channel.

All construction work of the Conveyance Channel and related facilities in the easement by Grantee shall be done in a good and workmanlike manner and in accordance with Santaquin City Corporation's standards and specifications and shall be done to minimize the impact on the Easement property to the extent reasonably possible. Grantee as a condition to the granting of the easements shall pay damages, restore or replace in kind, at the Grantee's discretion and at Grantee's expense, fences, crops, underground pipes, and other improvements in the event such are damaged by the construction, maintenance, repair, replacement, or removal of the facilities.

The Grantor shall not build or construct, nor permit to be built or constructed, any building, bridge, concrete, paving, or other similar improvement over, across, or under the said Conveyance Channel Easement, nor change the contour thereof, nor install landscaping or apply irrigation water on the easement without written consent of the Grantee. This Conveyance Channel Easement grant shall be binding upon Grantor, its successors and assigns, and shall inure to the benefit of Grantee, its successors and assigns, and may be assigned in whole or in part by the Grantee.

Grantee shall save and hold Grantor harmless from any and all liability for personal injury and property damage resulting from, or in any way connected with, the said Conveyance Channel, or any related facilities or activities conducted or located within the said easement, except to the extent that such liability for personal injuries or property damage is caused by the negligence, intentional act, or wrongdoing of Grantor or Owner, or any representatives or successors thereof.

It is hereby understood that any party securing this Grant on behalf of the Grantee is without authority to make any representations, covenants, or agreements not herein expressed.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the hand of said Grantor, this 30th day of October, 2024.

NJC Development, LLC, a Utah

limited liability company

By: Neil Craig
Its: Manager

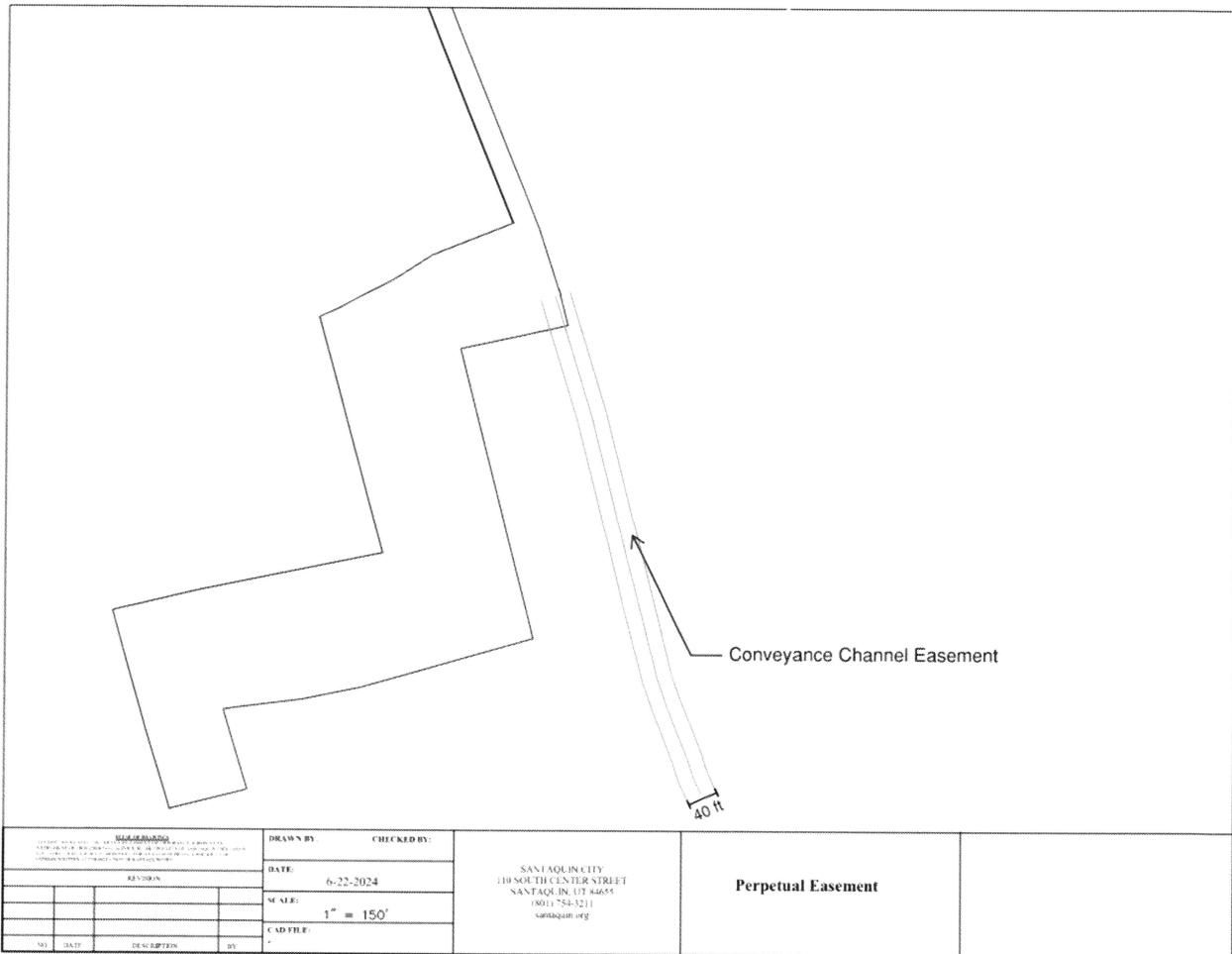
STATE OF UTAH)

COUNTY OF UTAH) ss.

The foregoing instrument was acknowledged before me this 30th day of October, 2024, by Neil Craig, the Manager of NJC Development, LLC, a Utah limited liability company, on behalf of NJC Development, LLC, the signer of the foregoing instrument.

Amalie Rose Ottley
Notary Public





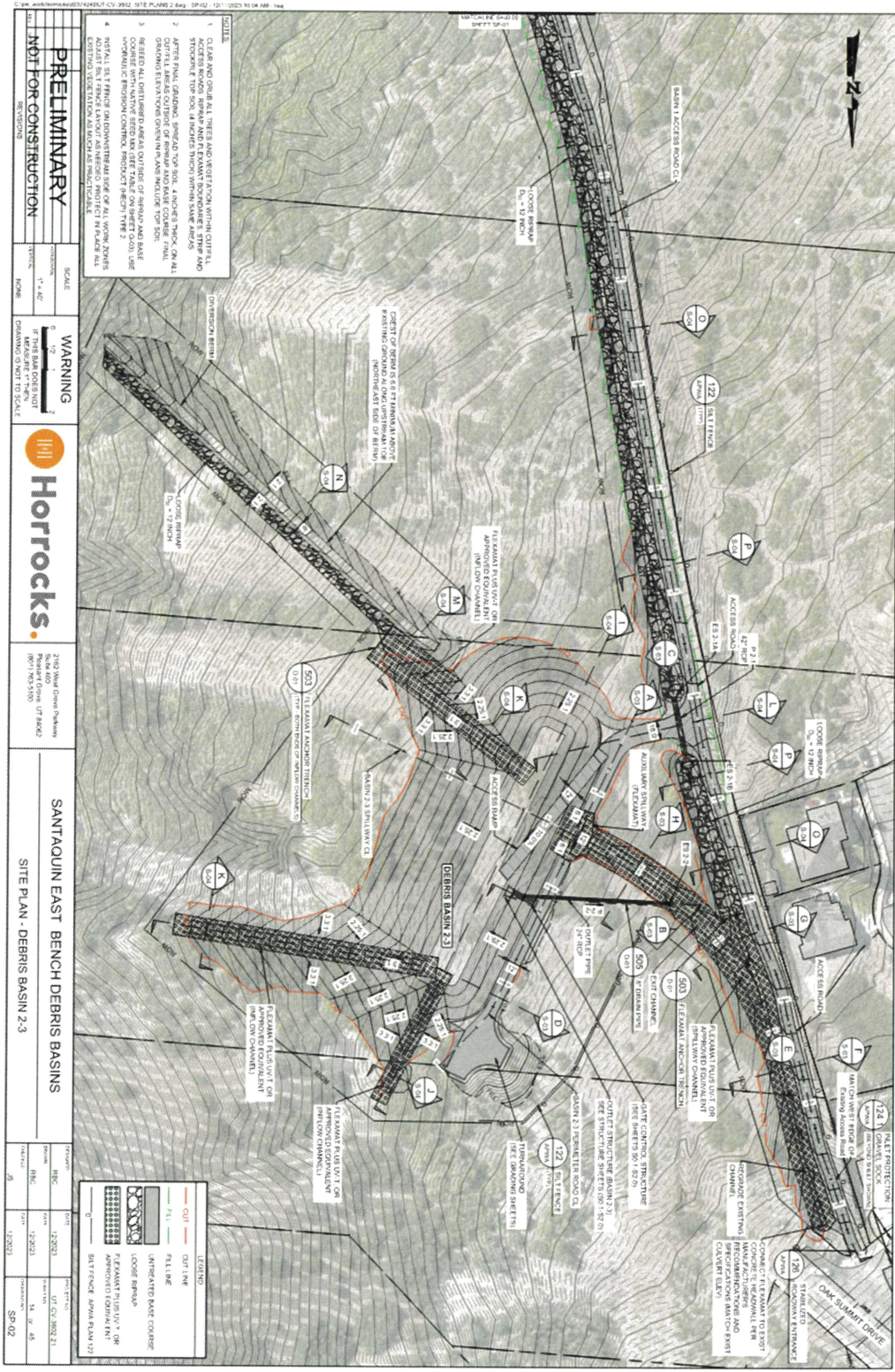
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Thence 169.70 Feet North 20° 59' 42" West to a point on a line; Thence 364.60 feet North 14° 07' 56" West to a point on a line; Thence 172.25 feet North 17° 16' 14" West to the end point.

EXHIBIT "F"
Debris Basin Site Plan



PRELIMINARY
NOT FOR CONSTRUCTION

WARNING
IF THIS DRAWING IS NOT DRAWING TO SCALE

Horrocks

2742 Ward Drive, Oakville, ON L6M 4G9
905.335.1111

SANTAQUIN EAST BENCH DEBRIS BASINS
SITE PLAN - DEBRIS BASIN 2-3

DATE: 12/2023
BY: [Name]
CHECKED: [Name]
APPROVED: [Name]