

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (“**Agreement**”) is made and entered into on the date the Parties fully execute the Agreement below, by and between the **COMMUNITY REINVESTMENT AGENCY OF WEBER COUNTY**, a community reinvestment agency created under the laws of the state of Utah (“**Agency**”), and **WEBER COUNTY**, a body politic and political subdivision of the State of Utah (“**County**”). Agency and County are referred to herein as the “**Parties**” and sometimes individually as a “**Party**.”

R E C I T A L S:

A. The Agency is governed by the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, as found in UTAH CODE ANN. §17C-1-101 *et seq.* (the “**Act**”), and is authorized and empowered thereby to undertake various activities and actions pursuant thereto;

B. The Agency, together with key stakeholders, has a desire and a mission to bring about purposeful and significant community development activities and to assist in the development of certain key properties and projects, the result of which will advance the policies, goals and objectives of the Weber County general plan, preserve and maintain the natural environment desired by the citizens of the community, contribute to capital improvements which substantially benefit Weber County and the County, create economic benefits to the immediate area, and improve the public health, safety and welfare of its citizens;

C. On or about May 2023, the Agency thoroughly reviewed the Chromalox Reinvestment Project Area Plan which is attached hereto as **Exhibit B** (“**Plan**”) and the Project Area Budget which is attached to the Plan (“**Budget**”), and it is anticipated that the Agency Board will approve the Plan and adopt the Budget on or around June 2023. The Plan and Budget relate to the development within the Chromalox Reinvestment Project Area (“**Project Area**”), which is more fully described in **Exhibit A** attached hereto;

D. Pursuant to certain interlocal agreements with taxing entities, the Act authorizes funding of community reinvestment project areas and plans, such as the Project Area and related Plan, with property tax increment and/or sales tax proceeds;

E. UTAH CODE ANN. § 11-13-215 (2003) authorizes a taxing entity to share its tax and other revenues with other governmental agencies;

F. The Agency is willing to use tax increment (as defined in the Act) from the Project Area (“**Tax Increment**”), and the County has determined it is in the best interests of the constituents of the County for the County to remit such payments to the Agency and is willing to consent to the Agency’s use of tax increment from the Project Area, to fund the Project Area and Plan;

G. For the purpose of providing funds to carry out the purposes and activities set forth in the Plan, the County consents to the Agency receiving certain Tax Increment from the Project Area in accordance with the terms of this Agreement; and

H. This Agreement is made pursuant to the provisions of the Interlocal Cooperation Act, UTAH CODE ANN. §11-13-101, *et seq.*, (the “**Cooperation Act**”).

NOW, THEREFORE, for the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

1. **Recitals.** The above recitals are incorporated herein by reference and made a part hereof.

2. **Additional Tax Revenue.** The County has determined that significant additional Tax Increment will likely be generated by the development of the Project Area as described in further detail in the Plan and Budget. Each of the parties acknowledge, however, that the development activity required for the generation of the Tax Increment is not likely to occur within the foreseeable future or to the degree possible or desired without Tax Increment participation in order to induce and encourage such development activity.

3. **Offset of Development Costs and Expenses.** The County has determined that it is in the best interests of its constituents to pay specified portions of its portion of Tax Increment to the Agency in order for the Agency to offset costs and expenses which will be incurred by Agency or participants in Project Area development, including, without limitation, the construction and installation of buildings, infrastructure improvements, personal property and other development related costs needed to serve the Project Area, to the extent permitted by the Act, the Plan, and the Budget, each as adopted and amended from time to time.

4. **Base Taxable Value.** After combining the Weber County assessed values of all real and personal property within the Project Area for the base year 2022, and pursuant to §17C-1-102(8) of the Act, the Parties agree that the base taxable value for all such properties within the Project Area is \$14,996,992 regardless of the Tax Increment Commencement Date as defined below (“**Base Taxable Value**”).

5. **County Payment of Tax Increment to Agency.** Pursuant Section 17C-5-204 of the Act and Sections 11-13-202.5 and 11-13-215 of the Cooperation Act, the County hereby agrees and consents that for 15 consecutive tax years following the Tax Increment Commencement Date (“**Tax Increment Period**”), the County authorizes Weber County to pay 70% of the County’s Tax Increment generated from the County’s local levy within the Project Area during the Tax Increment Period for the purpose of providing funds to the Agency to carry out the Plan. The Parties understand and agree that payment for the last year of Tax Increment will be paid to the Agency in the year following the Tax increment Termination Date. The County consents to Agency’s use of, for administrative purposes, 2.5% of the County’s Tax Increment paid to the Agency from the Project Area for the full Tax Increment Period. The County further consents to

Agency's use of, for housing purposes outlined in the Act, 10% of the County's Tax Increment paid to the Agency from the Project Area for the full Tax Increment Period. The County shall not proportionally reduce the agreed-upon amount of the tax increment paid to the Agency under this Agreement by the amount of any direct expenditures the County makes within the Project Area for the benefit of the Project Area or the Agency.

6. **Commencement and Termination of the Tax Increment Period.** The Tax Increment Period begins on the first day of January in the year during which the Agency delivers notice to the County that the Agency desires to commence the Tax Increment Period with respect to the Project Area, or January 1, 2026, whichever date is earlier ("**Tax Increment Commencement Date**"). The year of receipt of the first Tax Increment payment will not affect or determine the Tax Increment Commencement Date. The Parties are aware that Tax Increment payments are paid during the year following the year in which Tax Increment is generated or accrued. The Tax Increment Period will end on the 31st day of December preceding the tenth (31st) anniversary of the Tax Increment Commencement Date ("**Tax Increment Termination Date**"). The County's Tax Increment first generated from the Project Area after the Tax Increment Termination Date or after the maximum increment specified in Section 7 is paid to the Agency, whichever occurs first, shall be paid to the County.

7. **Maximum Payment of Tax Increment.** The total payments made to the Agency from the County's Tax Increment generated from the Project Area during the Tax Increment Period shall not exceed \$963,000.

8. **Agreement(s) with Developer(s).** The Agency is authorized to enter into one or more participation agreements with one or more participants which may provide for the payment of certain amounts of Tax Increment (to the extent such Tax Increment is actually paid to and received by the Agency from year to year) to the participant(s) conditional upon the participant (s)'s meeting of certain performance measures as outlined in said agreement. Such agreement shall be consistent with the terms and conditions of this Agreement, shall require as a condition of the payment to the participant(s) that the respective participant or its approved successors in title as owners of all current and subsequent parcels within the Project Area, as outlined in Exhibit "A" (the "Property"), shall pay any and all taxes and assessments which shall be assessed against the Property in accordance with levies made by applicable municipal entities in accordance with the laws of the state of Utah applicable to such levies, and such other performance measures as the Agency may deem appropriate.

9. **Property Tax Increase.** This Agreement provides for the payment of the increase in real and personal property taxes collected from the Project Area by the County acting as the tax collection agency for the County. Centrally assessed property taxes are expressly excluded from the County's Tax Increment and shall not be received by the Agency under this Agreement. Without limiting the foregoing, this Agreement includes Tax Increment resulting from an increase in the tax/levy rate of the County, which is hereby expressly approved as being included in Tax Increment as required by Section 17C-1-407 of the Act. It is expressly understood that the Property Taxes which are the subject of this Agreement are only those Property Taxes actually collected by the County from the Project Area.

10. **Approval of Plan and Adoption of Budget.** If the Agency fails to approve the Plan or adopt the Budget, in the form as attached hereto, or if the Weber County Commission fails to adopt by ordinance the Plan, substantially in the form as attached hereto, then this Agreement shall be void. If the Agency approves a plan or adopts a budget with changes or variations from the Plan and Budget attached hereto, then the County will have the opportunity to approve such changes or variations before this Agreement will be binding upon the Parties. This Interlocal Agreement shall be void if the County does not approve such changes or variations.

11. **Interlocal Cooperation Act.** In accordance with the requirements of the Cooperation Act, the Parties agree as follows:

- a. This Agreement shall be authorized by a resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Cooperation Act;
- b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with Section 11-13-202.5 of the Cooperation Act;
- c. A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Cooperation Act;
- d. The Executive Director of the Agency is hereby designated as the administrator to administer all joint or cooperative undertaking pursuant to Section 11-13-207 of the Cooperation Act;
- e. The term of this Agreement shall commence on the Effective Date as defined below and shall continue for 180 days after the Tax Increment Termination Date, or the date on which the last payment of Tax Increment of the County is paid to the Agency, whichever date occurs first.
- f. This Agreement may be terminated before the end of the Tax Increment Termination Date by mutual written agreement of the Parties.
- g. The Agency will be responsible for budgeting all required funding for the Plan and the County will be responsible for budgeting its activities.

12. **Publication of Notice.** Immediately after execution of this Agreement by the Parties, each of the Parties shall cause to be published a notice regarding this Agreement and the Party's resolution authorizing this Agreement, as provided and allowed pursuant to Section 11-13-219 of the Cooperation Act. The County agrees that the Agency may cause such publication of notice be made on the County's behalf and at the Agency's expense in a joint publication.

13. **No Third-Party Beneficiary.** Nothing in this Agreement shall be deemed or considered to create any obligation in favor of or rights in any person or entity not a party to this Agreement. No person or entity is an intended third-party beneficiary of this Agreement. Any obligation of the Agency to make any payments to a developer, business or any person or entity is to be set forth in written agreements between the Agency and the person or entity, in accordance with terms and requirements satisfactory to the Agency.

14. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation and due diligence regarding the relevant facts concerning the Project Area, Plan and Budget and the expected benefits to the community and to the Parties, and each of the Parties relies on its own understanding of the relevant facts and information, after having completed its own due diligence and investigation.

15. **Modification.** A modification of, or amendment to, any provision contained in this Agreement shall be effective only if the modification or amendment is in writing and signed by the Parties after proper approval of the modification or amendment as required by law. Any oral representation or modification concerning this Agreement shall not be binding upon the Parties, or any one of them.

16. **Further Documents and Acts.** Each of the Parties hereto agrees to cooperate in good faith with the other to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the intent and transactions contemplated under this Agreement.

17. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the Parties pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

18. **Declaration of Invalidity.** In the event that a court of competent jurisdiction declares that the County or the County cannot pay and/or that the Agency cannot receive payments of the Tax Increment, declares that the Agency cannot pay the Tax Increment to developers, or takes any other action which has the effect of eliminating or reducing the payments of Tax Increment received by the Agency, the Agency's obligation to pay the Tax Increment to developers shall be reduced or eliminated accordingly. However, the Agency and the County shall take such steps as are reasonably required to not permit the payment and/or receipt of the Tax Increment to be declared invalid.

19. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

20. **Waivers.** No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of any other covenant

or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

21. **Assignment.** No party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

22. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the state of Utah.

23. **Effective Date.** Pursuant to Section 17C-5-204 of the Act, this Agreement shall become effective upon publication of the notice as required by the Act.

SIGNATURES ON FOLLOWING PAGE

FULLY EXECUTED as of the latest dated signature below.

WEBER COUNTY,

By: _____

Gage Froerer, Commission Chair

Commissioner Froerer voted _____

Commissioner Bolos voted _____

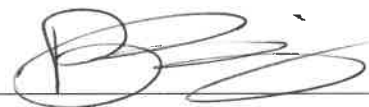
Commissioner Harvey voted _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

By: _____
Ricky Hatch, Clerk/Auditor

By:  _____
Deputy Attorney

**COMMUNITY REINVESTMENT AGENCY OF
WEBER COUNTY**

By:  _____
_____, Chair of the Board

Date: 11/22/2023

ATTEST:

By:  _____

APPROVED AS TO FORM:

By: _____

EXHIBIT A



Exhibit B

Project Area Plan and Budget

(see attached)



Manufacturing Operation Expansion Project Community Reinvestment Project Area Plan and Budget

Chromalox Inc.

April 5, 2023

Table of Contents

Section 1: Background on Participant and Project Area Development Description

Section 2: Boundary Description and Map of the Community Reinvestment Project Area

Section 3: Project Area Characteristics and Effect of Community Reinvestment

Section 4: Standards to Guide the Project Area Development

Section 5: Community Reinvestment Furthers Purpose of Project Area Development

Section 6: Consistency of Proposed Project to the Community's General Plan

Section 7: Reduced Impediments in Community Reinvestment Area through Project Area Development

Section 8: Participant Selections by Agency

Section 9: Reasons Agency Selected the Community Reinvestment Project Area

Section 10: Physical, Social and Economic Conditions in Community Reinvestment Project Area

Section 11: Tax Incentives Offered to Private Entities for Facilities Located in the Project Area

Section 12: Anticipated Public Benefit

Section 13: Agency to Comply with Section 9-8-404 as required under Section 17C-5-106

Section 14: Requirements for Community Reinvestment Project Area Plans Adopted by Agency Prior to May 14, 2019

Section 15: Additional Information for Agency

Exhibit A: Project Area Budget

Exhibit B: Legal Description of Property

Exhibit C: Parcel List

Section 1: Background on Participant and Project Area Development Description

17C-5-105(7)

Chromalox Inc. (hereafter “Chromalox” or “Participant”), with the assistance of JLL, a global commercial real estate services company, provides this Community Reinvestment Project Area Plan and Budget for the creation of the Chromalox Community Reinvestment Area (“CCRA” or “Project Area”) and associated participation agreement for its proposed manufacturing expansion in Weber County, UT “Project”.

Since its establishment in 1976, Chromalox has operated a 184,000 SF manufacturing facility in Weber County providing highly efficient, modular, and scalable electric heating solutions for decarbonization of process heating, hot water, and steam generation systems.

Chromalox is considering upgrades to the existing facility and expansion of the footprint to address critical business needs including increased production capacity as well as employee recruiting, retention and safety initiatives such as improvements to HVAC, roof and parking. This expansion would involve over \$43.5M in building infrastructure improvements including 103,500 SF of expansion space as well as approximately \$12.7M in new machinery and equipment, furniture, IT equipment signage and other personal property and represent a long-term future commitment to operations in Weber County. This expansion has the potential to create approximately 155 additional jobs over 10 years.

Section 2: Boundary Description and Map of the Community Reinvestment Project Area

17C-5-105(1) and 17C-5-105(2)

The proposed Project would be located on Chromalox’s existing owned property located at 2150 N Rulon White Blvd, Ogden, UT 84404 (“Property” or “Chromalox Community Reinvestment Project Area”) as illustrated on Figure 1 Site map and Figure 2 Vicinity Map below. The Property is located on Weber County Tax Parcel 19-064-0014.

Figure 1
Site Map

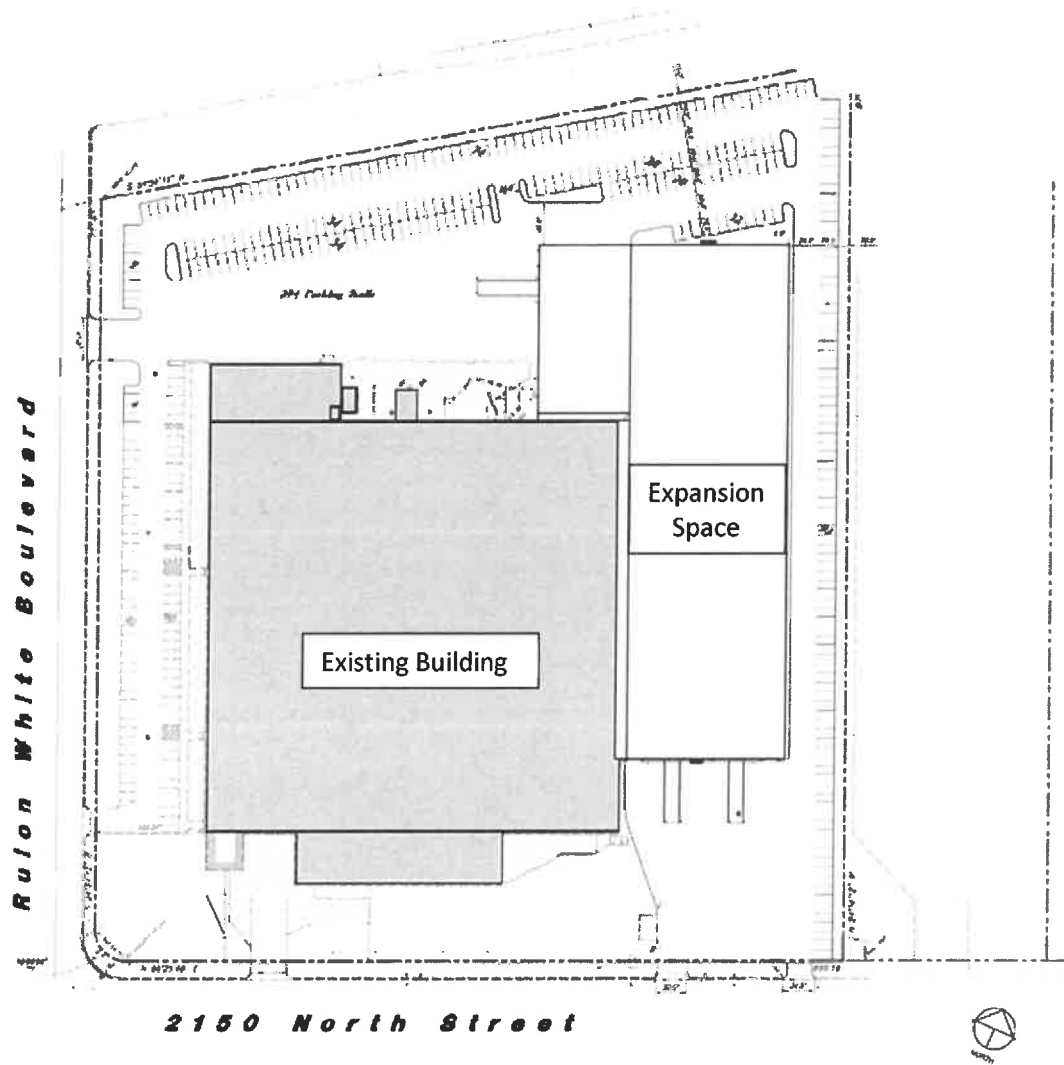


Figure 2
Vicinity Map



Section 3: Project Area Characteristics and Effect of Community Reinvestment

17C-5-105(2)

All improvements made within the Community Reinvestment Project Area shall be properly permitted through Weber County and built in a manner consistent with the applicable building codes and zoning requirements on the parcel.

Existing Land Use

The property is currently owned and held by Heat Asset Acquisition Corp., a real estate holding company and wholly owned subsidiary of Chromalox, Inc. and serves as one of the company's manufacturing facilities producing electric heat and control products. It is anticipated that future real property investments and expansion on the Property will also be owned and held by Heat Asset Acquisition Corp. or another company which is also a subsidiary of Chromalox, Inc's ultimate parent company, Spirax-Sarco Engineering, plc. Current and future personal property will be held by Chromalox, Inc.

Primary Streets Layout

As an existing operational business in Weber County, Chromalox's Property and the proposed expansion thereon shall not require any modifications to the principal streets surrounding the parcel as shown on the below Figure 3 Aerial of Property. The existing roadways and access points shall continue to be utilized.

Figure 3
Aerial of Property



Population Density

This Project is limited to commercial development and there is no residential component. Therefore, population density will not be affected by the Project.

Building Density

The Project would expand the building footprint within the proposed Community Reinvestment Project Area from 184,000 square feet to approximately 287,500 square feet. The enlarged total building (excluding parking) will encompass approximately 47% of the 14.04 acre parcel.

Section 4: Standards to Guide the Project Area Development

17C-5-105(3)

Chromalox will seek to utilize a general contractor with ample experience and quality track record in Weber County and the State of Utah and will abide by all County and other jurisdictions, as applicable, building codes and ordinances. All setback, height, materials and other building standards required by the county will be adhered to.

Section 5: Community Reinvestment Furthers Purpose of Project Area Development

17C-5-105(4)

Chromalox's expansion project and the creation of a Community Reinvestment Project Area aligns with the purposes of Title 17C of the Utah State Code through a variety of attributes and activities of the project including:

- Retention of existing manufacturing related jobs in Weber County,
- Creation of new manufacturing jobs in Weber County,
- Investing in significant building infrastructure and equipment,
- Providing commercial industrial space
- Altering and improving an existing structure

Section 6: Consistency of Proposed Project to the Community's General Plan

17C-5-105(5)

Chromalox's proposed Project and the creation of the CCRA are consistent with Weber County's General Plan.

Section 7: Reduced Impediments in Community Reinvestment Area through Project Area Development

17C-5-105(6)

Chromalox's current manufacturing facility located in the proposed Community Reinvestment Area was originally designed in the 1970s to produce electric heaters with flange diameters up to 20" (6.1 meters) and lengths up to 12' (3.7 meters). The heaters have doubled in size since the facility was built. The current portfolio, including products in development, boasts heaters with 60" (18.3 meters) flanges diameters and lengths up to 23' (7.0 meters). As such, the

products have evolved in the electric heat and control products industry requiring significant upgrades to the facility to address the following challenges:

- Colleague safety, satisfaction, retention, and recruiting issues
- Almost six months of past due backlog due to limited production capacity impacting customer satisfaction
- Compliance with the One Planet Initiative, as Ogden is one of the largest consumers of energy and producers of GHG emissions in the Group
- Productivity due to outdated manufacturing technology
- Lack of cooling during the summer months has dramatically impacted employee retention and MGO quality

Section 8: Participant Selections by Agency

17C-5-105(8)

The property is currently owned by Heat Asset Acquisition Corp., but it is expected that for internal administration purposes, ownership may soon be transferred to another US company which is also a subsidiary of Spirax-Sarco Engineering, plc (“Spirax-Sarco”), Chromalox, Inc.'s ultimate parent company. Spirax-Sarco is a UK-based industrial engineering company that was founded in 1888, has been listed on the London Stock Exchange since 1959, and acquired the Chromalox business in 2017. Therefore, the selection of the Participant by the Agency would be Chromalox and other subsidiaries of Spirax-Sarco Engineering plc.

Section 9: Reasons Agency Selected the Community Reinvestment Project Area

17C-5-105(9)

Chromalox’s consideration of expanding operations on its existing owned Property is preferred over other potential development sites in Weber County and would be far less disruptive to current production processes. Through Chromalox’s due diligence, it was determined that the Property is worthy of additional investment in building infrastructure improvements and is large enough and configured appropriately to meet Chromalox’s needs.

Section 10: Physical, Social and Economic Conditions in Community Reinvestment Project Area

17C-5-105(10)

Chromalox’s consideration of expanding operations in the Project Area will improve the physical, social and economic conditions of the site. From a physical perspective, expanding the footprint of the manufacturing operation will further demonstrate the highest and best use of the Project Area. Socially, the improvements planned for the building including roof and HVAC enhanced will benefit both the current and future employees and allow Chromalox to

better recruit and retain talent in Weber County. And lastly, economic conditions will improve in the Project Area as a result of this expansion project through the significant investment in the property driving incremental taxes, the creation of additional jobs in Weber County leading to additional disposable income and spending in Weber County.

Section 11: Tax Incentives Offered to Private Entities for Facilities Located in the Project Area

17C-5-105(11)

Tax Increment resulting from an expansion of operations on the Property within the Project Area shall be allocated by Chromalox over the 15 year term to offset the cost of expanding the building by approximately 100,000 SF in Weber County and allowable uses under the Act. This Tax Increment Financing (“TIF”) Incentive would represent meaningful tax savings to Chromalox and beneficial to its pursuit of an operational expansion in Weber County.

It is the intent of this plan to have the Agency negotiate and execute an interlocal agreement with the below entities to allow Agency to receive the Tax Increment generated by the expansion over the term as shown in Figures 4 (Request for Tax Increment) and Figure 5 (Proposed Allocation of Tax Increment) below.

Figure 4
Request for Tax Increment

Taxing Jurisdiction	Duration (Years)	Participation Level
Weber County	15	70%
Weber County School District	10	50%
Weber Fire District	10	50%

Figure 5
Proposed Allocation of Tax Increment

TIF Allocations	% of TIF
CRA Project	87.5%
CRA Housing Requirement*	10.0%
Project Area Administration	2.5%

** When TIF proceeds to Agency do not exceed \$100K in a given year, the CRA Housing Requirement shall be 0% and the CRA Project % revised to 97.5% for the year.*

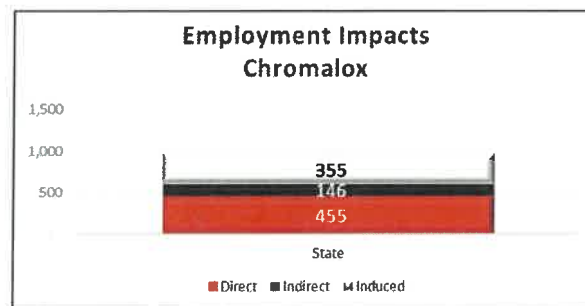
Section 12: Anticipated Public Benefit

17C-5-105(12)

Upon achieving full ramp up of the facility with expected capital investment of over \$56M, and the potential creation of 155 new, over the next 10 years, of full-time jobs above its current

headcount of approximately 300 at the site, the project is projected to have a significant positive economic and fiscal impact on Weber County and the State of Utah. In this scenario, using Lightcast™ (formerly known as EMSI) economic data, it's estimated that the project would have an employment “multiplier” effect of 2.10 – i.e., for each full-time job maintained or created by Chromalox, 1.10 additional positions (a total of 146 indirect, and 355 induced, jobs) may result in Utah (Figure 6). This model shows over a 15-year period, these direct, indirect and induced jobs would be projected to produce total earnings of \$761.4M (Figure 7), and state and local tax revenues of \$163.5M (Figure 8).

Figure 6



Figures 7

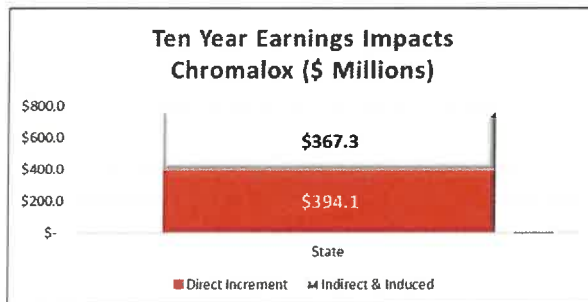
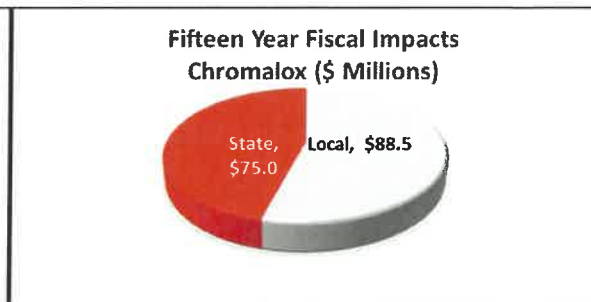


Figure 8



Section 13: Agency to Comply with Section 9-8-404 as required under Section 17C-5-106

17C-5-105(13)

Not Applicable

Section 14: Requirements for Community Reinvestment Project Area Plans Adopted by Agency Prior to May 14, 2019

17C-5-105(14)

Not Applicable

Section 15: Additional Information for Agency

17C-5-105(15)

Project Timeline

It is expected that the Project would complete construction and equipping the expanded facility by 12/31/2024. The project has the potential to create an estimated 155 new jobs over the first 10 years of operations after completion of construction and start of production.

Project Investment Breakdown

Below is the anticipated capital investment breakdown for the proposed project in Figure 9. Chromalox seeks to invest over \$56M to expand and improve its operations in Weber County. Funding for this Project would be from internal company resources.

Figure 9
Capital Investment Breakdown

Investment Category	Capital Investment
Building Infrastructure Costs	\$ 43,601,891
<i>Design Build Base Building</i>	<i>\$ 24,700,000</i>
<i>Geothermal HVAC</i>	<i>\$ 9,500,000</i>
<i>Photovoltaic</i>	<i>\$ 4,700,000</i>
<i>Consultant Fees</i>	<i>\$ 1,530,000</i>
<i>Contingency</i>	<i>\$ 3,171,891</i>
Manufacturing Equipment	\$ 11,474,749
<i>Manufacturing Eqpt</i>	<i>\$ 10,260,000</i>
<i>Equipment Inflation</i>	<i>\$ 380,000</i>
<i>Contingency</i>	<i>\$ 834,749</i>
Furniture	\$ 841,194
<i>Furniture</i>	<i>\$ 780,000</i>
<i>Contingency</i>	<i>\$ 61,194</i>
IT Equipment	\$ 334,321
<i>IT Equipment</i>	<i>\$ 310,000</i>
<i>Contingency</i>	<i>\$ 24,321</i>
Signage & Branding	\$ 107,845
<i>Signage & Branding</i>	<i>\$ 100,000</i>
<i>Contingency</i>	<i>\$ 7,845</i>
Grand Total	\$ 56,360,000

Exhibit A

Project Area Budget

17C-5-303

The following information is provided to Weber County, Weber County School District and Weber Fire District “Taxing Entities” to assist in understanding the positive economic impact of Chromalox’s manufacturing expansion considering Weber County, Utah.

2022 Base Taxable Value

17C-5-303-1(a)

Existing Property	Taxable Value
Real Property - Parcel 19-064-0014	\$ 9,719,000.00
Personal Property on Real Property	\$ 5,277,992.00
Total	\$ 14,996,992.00

Tax Increment to be Generated within the Community Reinvestment Area “CRA” for Project

17C-5-303-1(b) and 17C-5-303-1(c)

Taxing Jurisdiction	Duration (Years)	Total Tax Increment	Total Tax Increment NPV at 5%
Weber County	15	\$ 1,374,740.06	\$ 967,502.53
Weber County School District	15	\$ 3,761,741.34	\$ 2,647,405.41
Weber Fire District	15	\$ 730,167.84	\$ 513,871.13
Total		\$ 5,866,649.24	\$ 4,128,779.08

Tax Increment to be Paid to Taxing Entities

17C-5-303-1(d)

Taxing Jurisdiction	Duration (Years)	Total Tax Increment to Taxing Entities	Total Tax Increment NPV at 5%
Weber County	15	\$ 412,422.02	\$ 290,250.76
Weber County School District	15	\$ 2,451,153.02	\$ 1,626,856.03
Weber Fire District	15	\$ 475,777.82	\$ 315,778.74
Total		\$ 3,339,352.86	\$ 2,232,885.54

Portion of Community Reinvestment Project Area that Tax Increment Applies
17C-5-303-1(e)

100% of Community Reinvestment Project Area will collect the tax increment

**Percentage of Tax Increment the Agency is
 Authorized to Receive from the CRA for Project**
17C-5-303-1(f), 17C-5-303-1(g) and 17C-5-303-5

Taxing Jurisdiction	CRA Share as % of Total TIF	Total Tax Increment to CRA	Total Tax Increment NPV at 5%
Weber County	70% - 15 Yr	\$ 962,318.04	\$ 677,251.77
Weber County School District	50% - 10 Yr	\$ 1,310,588.32	\$ 1,020,549.38
Weber Fire District	50% - 10 Yr	\$ 254,390.02	\$ 198,092.39
Total		\$ 2,527,296.38	\$ 1,895,893.54
Uses of CRA Share	Breakout of CRA Share		
CRA Project	87.5%	\$ 2,240,561.94	\$ 1,674,417.22
CRA Housing Requirement*	10%	\$ 223,552.03	\$ 174,078.99
Project Area Administration	2.5%	\$ 63,182.41	\$ 47,397.34
Total	100%	\$ 2,527,296.38	\$ 1,895,893.54

** When TIF proceeds to Agency do not exceed \$100K in a given year, the CRA Housing Requirement shall be 0% and the CRA Project % revised to 97.5% for the year.*

Percentage and Collection of Sales Tax Revenue to be Received by Agency
17C-5-303-2(a) and 17C-5-303-2(b)

Not Applicable

Sale of Agency Owed Property
17C-5-303-6

Not Applicable

**Project Area Funds Used by Agency to Implement the Community Reinvestment Project
 Area Plan and Agency's Combined Incremental Value**
17C-5-303-3 and 17C-5-303-4

As outlined in Section 15 of the Community Reinvestment Project Area Plan, Chromalox seeks to investment over \$56M to expand and improve its operations in Weber County. Funding for this project would be from internal company resources. The estimated \$2.5M of project area funds are expected to be used by the Agency to implement the Community Reinvestment Project Area Plan for building infrastructure improvements.

Detailed Investment Projections and Full Project Area Budget

Year	15	TOTAL	NPV	1	2	3	4	5	6	7
Year				2025	2026	2027	2028	2029	2030	2031
Total base year taxable value				\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992
Real property taxable value				\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891
Personal property taxable value				\$12,373,101	\$11,803,678	\$11,213,656	\$10,504,896	\$9,485,325	\$8,223,966	\$6,714,130
TOTAL Incremental value				\$55,974,992	\$55,405,568	\$54,815,546	\$54,106,786	\$53,087,216	\$51,825,856	\$50,316,021
TOTAL assessed value				\$70,971,984	\$70,402,560	\$69,812,538	\$69,103,778	\$68,084,208	\$66,822,848	\$65,313,013
Base Year Tax Revenues to Taxing Entities										
Weber County	0.001847	\$415,492	\$287,511	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699
Weber County School District	0.005054	\$1,136,922	\$786,724	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795
Weber Fire District	0.000981	\$220,681	\$152,706	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712
Total	0.007882	\$1,773,094	\$1,226,941	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206
100% of Tax Increment										
Weber County	0.001847	\$1,374,740	\$967,503	\$103,386	\$102,334	\$101,244	\$99,935	\$98,052	\$95,722	\$92,934
Weber County School District	0.005054	\$3,761,741	\$2,647,405	\$282,898	\$280,020	\$277,038	\$273,456	\$268,303	\$261,928	\$254,297
Weber Fire District	0.000981	\$730,168	\$513,871	\$54,911	\$54,353	\$53,774	\$53,079	\$52,079	\$50,841	\$49,360
Total	0.007882	\$5,866,649	\$4,128,779	\$441,195	\$436,707	\$432,056	\$426,470	\$418,433	\$408,491	\$396,591
Contribution Amounts of Taxing Entities										
70%	0.001847			70%	70%	70%	70%	70%	70%	70%
50%	0.005054			50%	50%	50%	50%	50%	50%	50%
50%	0.000981			50%	50%	50%	50%	50%	50%	50%
Incremental Tax Revenues to Taxing Entities										
Weber County	0.001847	\$412,422	\$290,251	\$31,016	\$30,700	\$30,373	\$29,981	\$29,416	\$28,717	\$27,880
Weber County School District	0.005054	\$2,451,153	\$1,626,856	\$141,449	\$140,010	\$138,519	\$136,728	\$134,151	\$130,964	\$127,149
Weber Fire District	0.000981	\$475,778	\$315,779	\$27,456	\$27,176	\$26,887	\$26,539	\$26,039	\$25,421	\$24,680
Total	0.007882	\$3,339,353	\$2,232,886	\$199,920	\$197,887	\$195,779	\$193,248	\$189,606	\$185,101	\$179,709
Incremental Tax Revenues to Agency										
Weber County	0.001847	\$962,318	\$677,252	\$72,370	\$71,634	\$70,871	\$69,955	\$68,636	\$67,006	\$65,054
Weber County School District	0.005054	\$1,310,588	\$1,020,549	\$141,449	\$140,010	\$138,519	\$136,728	\$134,151	\$130,964	\$127,149
Weber Fire District	0.000981	\$254,390	\$198,092	\$27,456	\$27,176	\$26,887	\$26,539	\$26,039	\$25,421	\$24,680
Total	0.007882	\$2,527,296	\$1,895,894	\$241,275	\$238,820	\$236,277	\$233,222	\$228,827	\$223,390	\$216,882
AGENCY BUDGET										
Revenues										
Incremental Tax Revenues to Agency										
Weber County	0.001847	\$962,318	\$677,252	\$72,370	\$71,634	\$70,871	\$69,955	\$68,636	\$67,006	\$65,054
Weber County School District	0.005054	\$1,310,588	\$1,020,549	\$141,449	\$140,010	\$138,519	\$136,728	\$134,151	\$130,964	\$127,149
Weber Fire District	0.000981	\$254,390	\$198,092	\$27,456	\$27,176	\$26,887	\$26,539	\$26,039	\$25,421	\$24,680
Total	0.007882	\$2,527,296	\$1,895,894	\$241,275	\$238,820	\$236,277	\$233,222	\$228,827	\$223,390	\$216,882
Expenditures										
Administrative Percent				2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Administrative Costs		(\$63,182)	(\$47,397)	(\$6,032)	(\$5,971)	(\$5,907)	(\$5,831)	(\$5,721)	(\$5,585)	(\$5,422)
Housing Percent				10%	10%	10%	10%	10%	10%	10%
Housing Costs		(\$223,552)	(\$174,079)	(\$24,127)	(\$23,882)	(\$23,628)	(\$23,322)	(\$22,883)	(\$22,339)	(\$21,688)
Remaining Increment for Projects		\$2,240,562	\$1,674,417	\$211,115	\$208,968	\$206,742	\$204,069	\$200,224	\$195,466	\$189,772

Detailed Investment Projections and Full Project Area Budget (Cont.)

Year	15	8	9	10	11	12	13	14	15
Year	2032	2033	2034	2035	2036	2037	2038	2039	2039
Total base year taxable value		\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992	\$14,996,992
Real property taxable value		\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891	\$43,601,891
Personal property taxable value		\$5,443,280	\$4,057,683	\$2,795,460	\$1,533,238	\$1,533,238	\$1,533,238	\$1,533,238	\$1,533,238
TOTAL incremental value		\$49,045,171	\$47,659,573	\$46,397,351	\$45,135,128	\$45,135,128	\$45,135,128	\$45,135,128	\$45,135,128
TOTAL assessed value		\$64,042,163	\$62,656,565	\$61,394,343	\$60,132,120	\$60,132,120	\$60,132,120	\$60,132,120	\$60,132,120
Base Year Tax Revenues to Taxing Entities									
Weber County	0.001847	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699	\$27,699
Weber County School District	0.005054	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795	\$75,795
Weber Fire District	0.000981	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712	\$14,712
Total	0.007882	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206	\$118,206
100% of Tax Increment									
Weber County	0.001847	\$90,586	\$88,027	\$85,696	\$83,365	\$83,365	\$83,365	\$83,365	\$83,365
Weber County School District	0.005054	\$247,874	\$240,871	\$234,492	\$228,113	\$228,113	\$228,113	\$228,113	\$228,113
Weber Fire District	0.000981	\$48,113	\$46,754	\$45,516	\$44,278	\$44,278	\$44,278	\$44,278	\$44,278
Total	0.007882	\$386,574	\$375,653	\$365,704	\$355,755	\$355,755	\$355,755	\$355,755	\$355,755
Contribution Amounts of Taxing Entities									
	70%	0.001847	70%	70%	70%	70%	70%	70%	70%
	50%	0.005054	50%	50%	50%	50%	50%	50%	50%
	50%	0.000981	50%	50%	50%	50%	50%	50%	50%
Incremental Tax Revenues to Taxing Entities									
Weber County	0.001847	\$27,176	\$26,408	\$25,709	\$25,009	\$25,009	\$25,009	\$25,009	\$25,009
Weber County School District	0.005054	\$123,937	\$120,436	\$117,246	\$117,246	\$117,246	\$117,246	\$117,246	\$117,246
Weber Fire District	0.000981	\$24,057	\$23,377	\$22,758	\$22,758	\$22,758	\$22,758	\$22,758	\$22,758
Total	0.007882	\$175,170	\$170,221	\$165,713	\$165,713	\$165,713	\$165,713	\$165,713	\$165,713
Incremental Tax Revenues to Agency									
Weber County	0.001847	\$63,411	\$61,619	\$59,987	\$58,355	\$58,355	\$58,355	\$58,355	\$58,355
Weber County School District	0.005054	\$123,937	\$120,436	\$117,246	\$0	\$0	\$0	\$0	\$0
Weber Fire District	0.000981	\$24,057	\$23,377	\$22,758	\$0	\$0	\$0	\$0	\$0
Total	0.007882	\$211,404	\$205,432	\$199,991	\$58,355	\$58,355	\$58,355	\$58,355	\$58,355
AGENCY BUDGET									
Revenues									
Incremental Tax Revenues to Agency									
Weber County	0.001847	\$63,411	\$61,619	\$59,987	\$58,355	\$58,355	\$58,355	\$58,355	\$58,355
Weber County School District	0.005054	\$123,937	\$120,436	\$117,246	\$0	\$0	\$0	\$0	\$0
Weber Fire District	0.000981	\$24,057	\$23,377	\$22,758	\$0	\$0	\$0	\$0	\$0
Total	0.007882	\$211,404	\$205,432	\$199,991	\$58,355	\$58,355	\$58,355	\$58,355	\$58,355
Expenditures									
<i>Administrative Percent</i>		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Administrative Costs		(\$5,285)	(\$5,136)	(\$5,000)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)	(\$1,459)
<i>Housing Percent</i>		10%	10%	10%	10%	10%	10%	10%	10%
Housing Costs		(\$21,140)	(\$20,543)	(\$19,999)	\$0	\$0	\$0	\$0	\$0
Remaining Increment for Projects		\$184,979	\$179,753	\$174,992	\$56,896	\$56,896	\$56,896	\$56,896	\$56,896

Exhibit B

Legal Description of Property

All of lot 34, Weber Industrial Park Plat "B", Weber County, Utah containing 14.04 acres.

(Reference: Weber County Utah website (<https://www3.co.weber.ut.us/psearch/>) tax parcel search for tax purposes only)

Exhibit C
Parcel List

Parcel Number: 19-064-0014