

**NORTH EAST COMMERCIAL PROJECT AREA**

**INTERLOCAL AGREEMENT by and between the  
COMMUNITY REINVESTMENT AGENCY OF MARRIOTT SLATERVILLE CITY  
and WEBER COUNTY**

**THIS INTERLOCAL AGREEMENT** is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2021, by and between the **Community Reinvestment Agency of Marriott-Slaterville City**, a political subdivision of the State of Utah (the "**Agency**"), and the **Weber County**, (the "**Taxing Entity**"). The Agency and the Taxing Entity may be referred to individually as a "**Party**" and collectively as the "**Parties**".

**A. WHEREAS** the Agency was created pursuant to the provisions of Utah redevelopment law, and continues to operate under the Limited Purpose Local Government Entities – Community Reinvestment Agency Act, Title 17C of the Utah Code (the "**Act**"), and is authorized thereunder to conduct urban renewal, economic development, community development, and community reinvestment activities within its boundaries, as contemplated by the Act; and

**B. WHEREAS** the Agency has created the North East Commercial Community Reinvestment Survey Area (the "**Project Area**") and will adopt a community reinvestment project area plan for the Project Area (the "**Project Area Plan**") on, or before August 31, 2021, of which the proposed legal description and a map of the Project Area is incorporated herein as Exhibit A and Exhibit B as the Agency desires to provide for redevelopment within such Project Area; and

**C. WHEREAS** the Taxing Entity and the Agency have determined that it is in the best interests of the Taxing Entity to provide certain financial assistance through the use of Tax Increment (as defined below) and other funds in connection with the development of the Project Area; and

**D. WHEREAS** the Agency anticipates providing a portion of the tax increment (as defined in Utah Code Annotated ("**UCA**") § 17C-1-102(60) (hereinafter "**Tax Increment**")), created by development within the Project Area, to assist in the development of the Project Area; and

**E. WHEREAS** UCA § 17C-5-204(4) authorizes the Taxing Entity to consent to the payment to the Agency of a portion of the Taxing Entity's share of Tax Increment generated from the Project Area for the purposes set forth herein; and

**F. WHEREAS** in order to facilitate development of the Project, the Taxing Entity desires to pay to the Agency a portion of the Taxing Entity's share of Tax Increment generated by the Project Area in accordance with the terms of this Agreement; and

**G. WHEREAS** UCA § 11-13-215 further authorizes the Taxing Entity to share its tax and other revenues with the Agency; and

H. **WHEREAS** the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the “Cooperation Act”).

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Tax Increment.**

- a. The base year is 2020. The base year value is \$9,454,478. For the base year value and calculation of tax increment, only real property shall be considered.
- b. Pursuant to Section 17C-4-204 of the Act and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid 60% of the Taxing Entity’s portion of the Tax Increment generated within the Project Area (the “Taxing Entity’s Share”) for 15 years, starting no later than 2023, terminating no later than 2037 (to be paid in 2038), inclusive. Each Taxing Entity’s Share shall be used for the purposes set forth in the Act and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using (a) the Taxing Entity’s tax levy rate during the year for which Tax Increment is to be paid and (b) the base year taxable value established under Subsection 1.a. of this Agreement, which taxable value is subject to adjustment as required by law.
- c. The total cumulative Taxing Entity’s Share paid to the Agency pursuant to this Agreement shall not exceed \$ 1,500,000 (one million five hundred thousand dollars) (“Collection Cap”).
- d. The Taxing Entity hereby authorizes and directs Marriott-Slaterville City officials and personnel to pay directly to the Agency all amounts due to the Agency under this Agreement in accordance with UCA § 17C-5-206 for the periods described herein.
- e. The Taxing Entity’s Share shall be paid to the Agency no later than April 1<sup>st</sup> of the year following the tax year for which the Taxing Entity’s Share is to be paid.

2. **Authorized Uses of Tax Increment and Incentive.** The Parties agree that the Agency shall apply the Entities’ Share to the payment of components of the development related specifically to public infrastructure. Public infrastructure is anticipated and may include: culinary water, secondary water, flood mitigation, sewer, gas, fiber, telecom, power, road and transportation improvements wherein such assets will be owned by a public agency, and or controlled by a public service commission.

3. **Administrative Fee.** An Administrative Fee of no more than 3% of the annual increment received by the Agency in order to carry out the Project Area Plan as authorized by the Act.
4. **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 as Exhibit C, or if the Marriott-Slaterville City Council fails to adopt by ordinance or resolution the Plan, 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 shall 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.
5. **No Third-Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third-party beneficiary under this Agreement.
6. **Termination Upon Transfer to a Public Utility.** In the event the project assets (land, land lease, system equipment and related infrastructure) are sold and or transferred to a public utility, this agreement shall terminate immediately, and in no event shall any tax increment be provided to respective public utility.
7. **Due Diligence.** Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.
8. **Termination.** This Agreement will terminate on the earlier of the following: (i) December 31, 2023, if the Tax Increment Collection Period has not been triggered prior to that date, as evidenced by a written notice from the Agency to the Taxing Entity and the County Auditor prior to that date; (ii) the date that the final payment of the Agency Share is made to the Agency after expiration of the Tax Increment Collection Period; (iii) the date on which the Agency has been paid amounts under this Agreement equal to the Collection Cap; or (iv) termination for cause.
  - a. **Termination for Cause.** This Agreement may be terminated immediately by a Party if the other Party:
    - i. commits a material breach of this Agreement, which breach has not been cured after the breaching Party receives 20 days' advance written notice with the specifics of the breach to be cured;

- ii. assigns or attempts to assign this Agreement in contravention of the terms of this Agreement; or
- iii. if any of the taxing entities listed in the adopted budget do not participate at the participation rate listed in the adopted budget.

9. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Cooperation Act in connection with this Agreement, the Parties agree as follows:

- a. This Agreement shall be authorized and adopted by 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 on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation Act.
- c. Once executed, an executed copy 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 Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act.
- e. The term of this Agreement shall commence on the publication of the notice required by Section 17C-5-205 of the Act and shall continue through the date on which all of the final payment of Tax Increment as described herein has been paid to the Agency as provided herein.
- f. Following the execution of this Agreement by all Parties, the Agency shall cause a notice regarding this Agreement to be published on behalf of all parties in accordance with Section 11-13-219 of the Cooperation Act and Section 17C-5-205 of the Act.

10. **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by all Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

11. **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the others, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the transactions contemplated under this Agreement. Further, in the event of any question regarding the calculation or payment of

amounts contemplated hereunder, the Parties shall cooperate in good faith to resolve such issue.

12. **Inspection of Records.** Upon request, the Agency shall provide to the Taxing Entity all records necessary to verify compliance with this Agreement, including the use of the Tax Entity's contribution of tax increment funds.
13. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.
14. **Interpretation.** The terms "include," "includes," "including" when used herein shall be deemed in each case to be followed by the words "without limitation."
15. **Headings.** The paragraph and section headings herein contained are for purposes of identification only and shall not be considered in construing this Agreement.
16. **Governmental Immunity.** The Agency and the Taxing Entity are governmental entities and subject to the Governmental Immunity Act of Utah, Utah Code Ann. §§ 63G-7-101, et seq. ("Immunity Act"). Subject to the provisions of the Immunity Act, the Agency and the Taxing Entity agree to indemnify and hold harmless the other Party, its agents, officers and employees from and against any and all actions, claims, lawsuits, proceedings, liability damages, losses and expenses (including attorney's fees and costs) arising out of or resulting from the performance of this Agreement to the extent the same are caused by any negligent or wrongful act or omission of that Party, its officers, agents and employees. Nothing in this Agreement shall be deemed a waiver of any rights, statutory limitations on liability, or defenses applicable to the Agency or the Taxing Entity under the Immunity Act.
17. **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,
  - a. such holding or action shall be strictly construed;
  - b. such provision shall be fully severable;
  - c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
  - d. the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and

- e. in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto shall use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.
18. **Authorization.** Each of the Parties hereto represents and warrants to the others that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.
  19. **Time of the Essence.** Time shall be of the essence in the performance of this Agreement.
  20. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as part of this Agreement.
  21. **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated by reference as part of this Agreement.
  22. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
  23. **Assignment.** The Parties hereto may not assign their respective rights or delegate their respective obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. In any event, this Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties to this Agreement.
  24. **Notice.** Any and all notices, demands, or other communications required or desired to be given hereunder by any Party shall be in writing and shall be deemed validly given or made to another Party if served either personally, at the address(es) set forth below, sent via national courier service with tracking capability (i.e., Federal Express), or if deposited in the United States mail, certified, postage prepaid, return receipt requested. If such notice, demand, or other communication is served personally, service shall be deemed made at the time of such personal service. If such notice, demand, or other communication is given by certified mail, such shall be deemed given 3 business days after the deposit thereof in the United States mail addressed to the Party to whom such notice, demand, or other communication is to be given:

To the Agency: Community Reinvestment Agency of Marriott-Slaterville City  
1570 West 400 North  
Marriott-Slaterville City, Utah 84404

To the Taxing Entity: Weber County  
Attn: Commission Office  
2380 Washington Blvd.  
Ogden, UT 84401

ENTERED into as of the day and year first above written.

The Community Redevelopment Agency of  
Marriott-Slaterville City

  
Name: \_\_\_\_\_, Chairperson

ATTEST:

  
Name: \_\_\_\_\_ Secretary

Attorney Review for the Agency:

The undersigned, as counsel for the Community Redevelopment Agency of Marriott-Slaterville City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

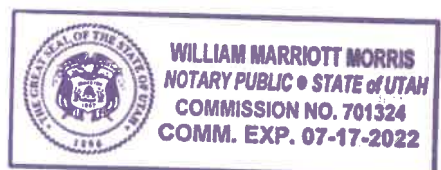
  
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State of Utah                                 }  
  } ss.  
County of Weber                                 }

On the 15 day of June, A.D. 2021

Personally appeared before me: Dennis Illum, and the person authorized to sign on behalf of Marriott-Slaterville City, the signer of the within instrument who duly acknowledged to me that he executed the same.

  
\_\_\_\_\_  
Notary Public



**Weber County Board of County Commissioners**

By: \_\_\_\_\_  
James H. "Jim" Harvey, Chair

Commissioner Froerer voted \_\_\_\_\_  
Commissioner Harvey voted \_\_\_\_\_  
Commissioner Jenkins voted \_\_\_\_\_

**Attest:**

By: \_\_\_\_\_  
Ricky Hatch, CPA  
Weber County Clerk/Auditor

Attorney Review for the Taxing Entity:

The undersigned, as attorney for Weber County has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.



Name:  
Attorney for Weber County