

### Staff Report to the Weber County Commission

Weber County Planning Division

#### **Synopsis**

**Application Information** 

**Application Request:** Discussion and action on a request for final approval of Taylor Landing Phase 1A, a cluster

subdivision consisting of 28 lots, including acceptance of publicly dedicated rights-of-way, acceptance of an open space conservation easement, approval of a Development

Improvement Agreement, and approval of a pioneering agreement.

Type of Decision: Administrative

**Agenda Date:** Wednesday, May 05, 2021 **Applicant:** Jessica Prestwich, Representative

File Number: LVT031120

**Property Information** 

**Approximate Address:** 4000 W 2200 S, Ogden, UT, 84401

Project Area: Total Project Area (5 Development Phases and Open Space):..........109.63

Phase 1A Development Area:.....8.52 acres
Open Space Dedication (Phases 1A and 1B):.....12.81 Acres

Zoning: Agricultural (A-1)
Existing Land Use: Vacant/Agricultural

Proposed Land Use: Residential/Agricultural Open Space

Parcel ID: 15-078-0158, 15-078-0110, 15-078-0006, 15-078-0001

Township, Range, Section: T6N, R2W, Section 28, NW & NE

**Adjacent Land Use** 

North:ResidentialSouth:ResidentialEast:Agriculture/ResidentialWest:Residential

**Staff Information** 

**Report Presenter:** Scott Perkes, AICP

sperkes@co.weber.ut.us

Report Reviewer: SB

### **Applicable Land Use Codes**

- Title 101 (General Provisions) Section 7 (Definitions)
- Title 104 (Zones) Chapter 5 (Agricultural (A-1) Zone)
- Title 106 (Subdivisions)
- Title 108 (Standards) Chapter 3 (Cluster Subdivision)

#### **Background and Summary**

The applicant presented the overall cluster subdivision sketch plan on February 11, 2020. The applicant then submitted for preliminary approval based on the sketch plan design. The proposed subdivision included 5 phases and requested a 50% bonus density to create a total of 156 lots and a total of 55.95 acres of agricultural open space. Preliminary approval was denied by the Western Weber Planning Commission during their May 12, 2020 meeting based on findings that the proposed design did not prioritize the most prime agricultural land within the subdivision boundary for preservation. The Planning Commission's denial of preliminary approval was then appealed by the applicant to the County Commission. This appeal was heard by the County Commission during their June 16, 2020 meeting and resulted in the overturning of the Planning Commissions denial of preliminary approval by a County Commission vote of 2 to 1. With preliminary approval granted by the County Commission, the Western Weber Planning Commission granted final approval of both Phase 1A and 2 on November 10, 2021. Following final approval of Phases 1A and 2 with the Western Weber Planning Commission, the applicant has been working through an appeal that was submitted to district court by a neighboring property owner. This litigation has since been settled between the two parties.

The proposed Phase 1A (see **Exhibit A**) is consistent with the approved preliminary plan and consists of 28 lots or 8.52 acres of developed land. This request for final approval also requires the dedication of a proportionate amount of open space (58.25%, per the preliminary/open space plan). However the applicant is volunteering to dedicate the full acreage of open space for all of Phase 1A and Phase 1B (12.81 acres) with this Phase 1A plat.

Due to the location of this project, a sewer lift station has been required by the Engineering Department to tie into Central Weber Sewer's conveyance system. This lift station will service development in the area and has been oversized to accommodate adjacent land to develop. In order to pay for this oversized lift station, the developer has requested that a pioneering agreement be executed between the county and the developer to reimburse the developer through the collection of sewer impact fees as additional development occurs within the delineated lift station service area. This pioneering agreement anticipates that the County will amend the current impact fees to raise the fees to an amount commensurate with the amount needed to pay back the developer for the installation of the oversized lift station. This pioneering agreement has been enclosed as **Exhibit B**.

The applicant has also agreed to establish an escrow account with the County in the amount of \$2,418,681 to guarantee the necessary improvements for both the sewer lift station and infrastructure costs associated with this Phase 1A (see **Exhibit C**)

### Analysis

<u>General Plan:</u> The proposal conforms to the Western Weber General Plan by creating lots for the continuation of single-family residential development that is currently dominant in the area. The Western Weber General Plan also supports cluster type development as a means to preserve open space (see page 2-12 of the Western Weber General Plan).

<u>Zoning:</u> The subject property is located in the A-1 Zone, and is a cluster subdivision (LUC 108-3). Single-family dwellings are a permitted use in the A-1 Zone.

The proposal has been reviewed against the adopted zoning, subdivision, and cluster subdivision ordinances to ensure that the regulations and standards have been adhered to. The proposed subdivision, based on the recommended conditions, is in conformance with county code.

Lot area, frontage/width and yard regulations: Cluster subdivisions are listed as a permitted use with the A-1 Zone. A cluster subdivision requires a minimum lot area of 9,000 sq. ft. for a single family dwelling and a minimum lot width of 60 feet in the A-1 zone. The minimum yard set-backs for a single family dwelling are 20 feet on the front and rear, and a side yard of 8 feet (20 feet for a side yard adjacent to a street). The proposed lot sizes within Phase 1A will range from 9,000 to 11,816 sq. ft. and lot widths range from 71 to 117 feet.

<u>Common and Open Space</u>: The proposal includes the dedication of 12.81 acres of agricultural open space for all of Phase 1 (including Phase 1A and 1B) that will be individually owned and leased for agricultural production or other approved open space purpose. In addition to the dedicated open space conservation easement granted per the plat's dedication language, and Per LUC 108-3-5(f)(3), the applicant shall enter into an agreement that shall be recorded with the final plat to the title of all open space preservation parcels that details the open space preservation plan and any conditions necessary to execute the open space preservation plan.

<u>Bonus Density Criteria Request:</u> The applicant has been granted a 50% density bonus as outlined as part of the preliminary approval and "Open Space Preservation Plan". The bonus density is based on meeting the bonus density requirements outlined in LUC§108-3-8:

<u>Culinary water, secondary water, and sanitary sewage disposal</u>: Taylor West Weber Water has given Feasibility and final approval for the 28 lots in Phase 1A. The applicant has also submitted a final approval letter from Hooper Irrigation for secondary water for Phase 1A. Lastly, this subdivision has also been annexed into Central Weber Sewer District.

#### **Staff Recommendation**

Staff recommends final approval of Taylor Landing Cluster Subdivision Phase 1A, consisting of 28 lots, located at approximately 4000 West 2200 South, Ogden. This recommendation is subject to all review agency requirements, and the following conditions:

- An HOA shall be established and properly registered with the State of Utah. Associated Covenants, Conditions
  and Restrictions (CC&R's) shall be reviewed and approved prior to being recorded simultaneously with the final
  mylars.
- 2. Per LUC 108-3-5(f)(3), an agreement shall be recorded with the final plats to the title of all open space preservation parcels that details the open space preservation plan and any conditions necessary to execute the open space preservation plan.
- 3. The small open-space parcel containing the required sewer lift station shall be deeded over to the County simultaneously with the recording of the final plat.

4. Property taxes that are currently due for 2020 shall be paid in full prior to recording any final plats.

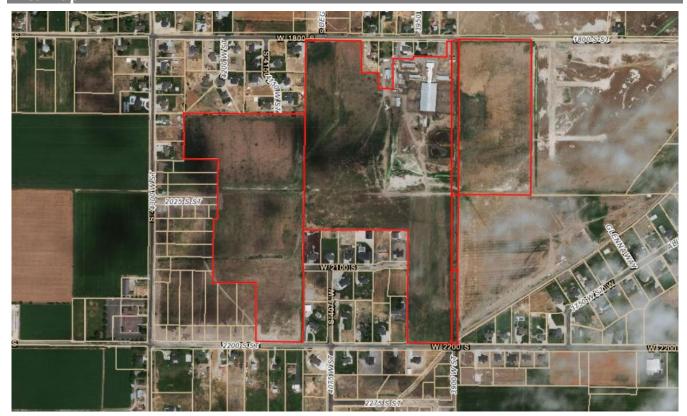
This recommendation is based on the following findings:

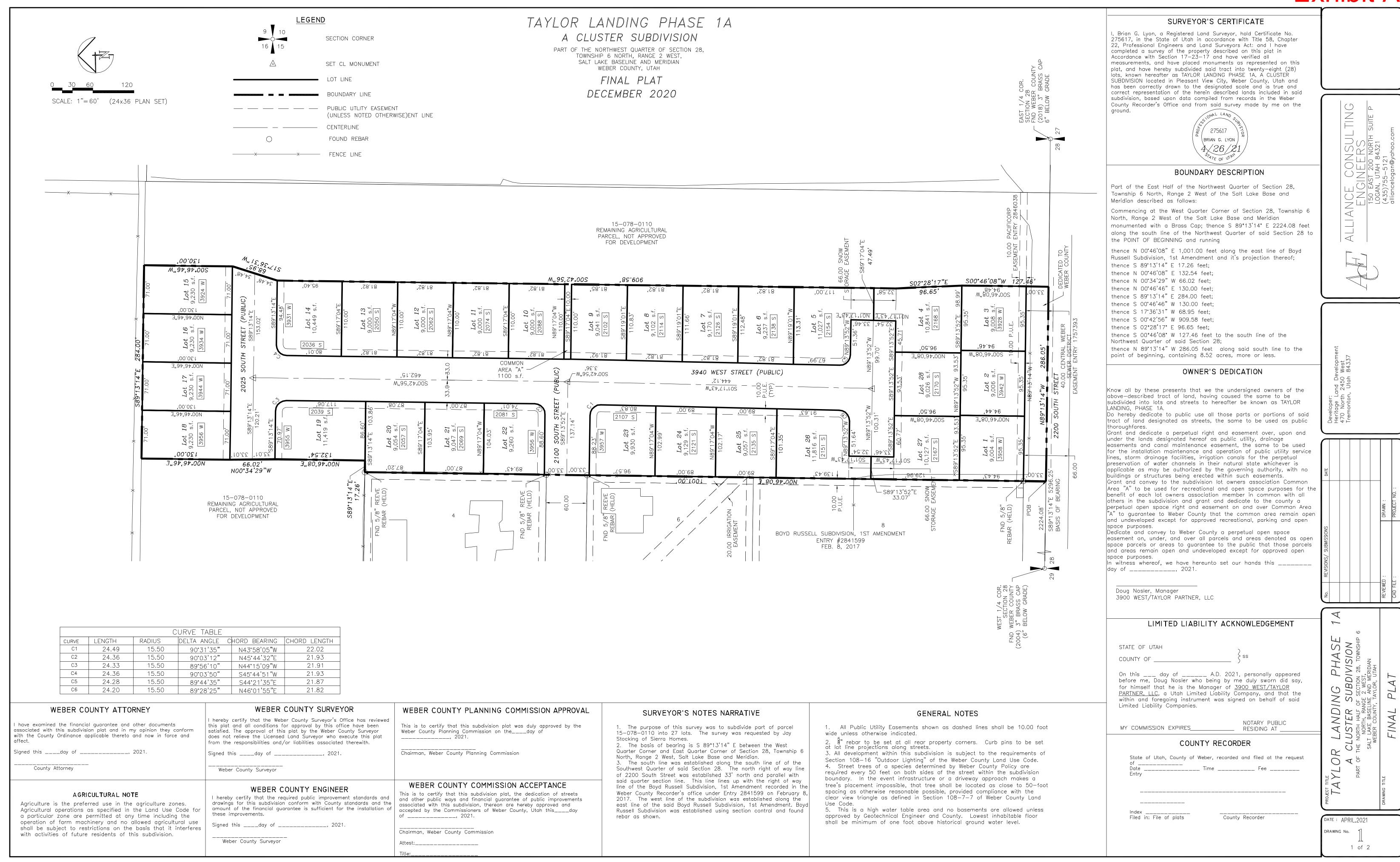
- 1. The proposed subdivision conforms to the Western Weber General Plan.
- 2. The proposed subdivision complies with applicable County ordinances.

### **Exhibits**

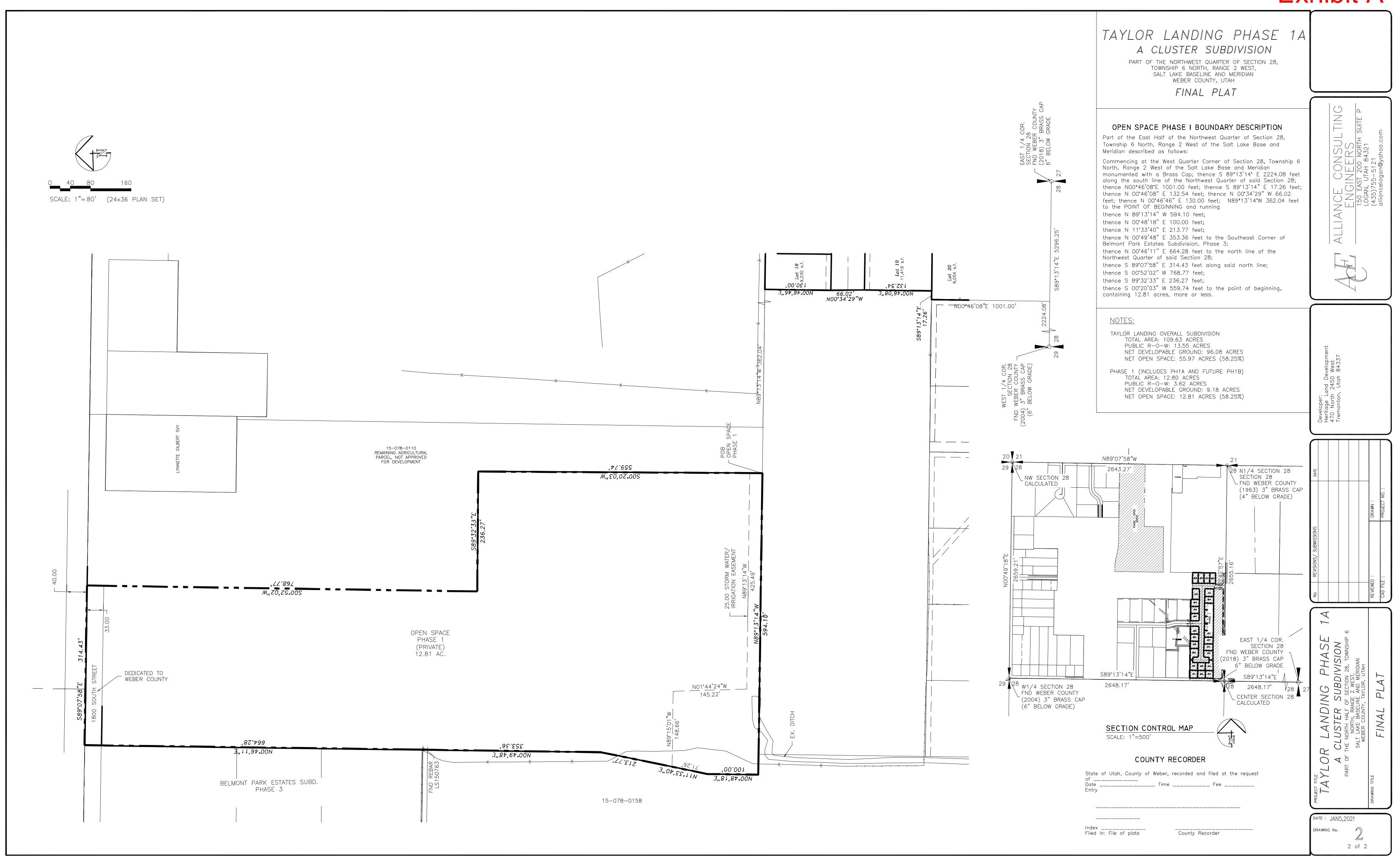
- A. Taylor Landing Phase 1A Subdivision Plat
- B. Sewer Lift Station Pioneering Agreement
- C. Subdivision Improvement Agreement

### Area Map





# Exhibit A



## HERITAGE LAND DEVELOPMENT, LLC, A UTAH LIMITED LIABILITY COMPANY & WEBER COUNTY SEWER DEVELOPMENT REIMBURSEMENT AGREEMENT

This Agreement is entered into between Weber County, Utah, a political subdivision and body politic of the State of Utah, hereinafter referred to as "County", and Heritage Land Development, LLC, a Utah limited liability company, hereinafter referred to as "Developer."

#### **RECITALS**

**WHEREAS**, Developer has been working with the County and the Central Weber Sewer District in order to provide sewer services to its development project along 1800 South in Taylor, Weber County, State of Utah; and,

**WHEREAS**, County is willing to assume ownership and maintenance of the lift station installed by Developer, which is expected to serve the service area #1 in the County's master plan (a copy of a map depicting service area #1 is attached hereto as <u>Exhibit A</u> and incorporated herein by this reference); and,

**WHEREAS**, Developer is willing to install the sewer lift station with capacity in excess of that which is needed for Developer's particular development and assume the initial costs related thereto; and,

**WHEREAS**, County and Developer have negotiated the terms of this Reimbursement Agreement, which terms are acceptable to both parties;

**WHEREAS,** Developer shall deed to the County, simultaneously with the recording of the final plat of Phase 1A and Phase 2, the small open-space parcel on which the sewer lift station is located; and,

NOW THEREFORE, Developer and County agree as follows:

### SECTION ONE PURPOSE OF AGREEMENT

The purpose of this Agreement is to reimburse Developer for certain costs incurred for the sewer lift station which exceed the costs related to the demand imposed by Developer's development.

### SECTION TWO AGREEMENT PERIOD

This Agreement is for a period not to exceed 15 years effective upon the date of this Agreement unless otherwise extended by County in writing. The Agreement will terminate immediately upon the occurrence of any of the following events:

- a. Developer fails to commence construction of the sewer lift station by January 1, 2022.
- b. Developer notifies the County in writing that it no longer intends to install the sewer lift station.
- c. After starting the installation of the sewer lift station, Developer stops construction of the lift station for a period of one year, unless such failure is caused by any act, condition, or occurrence outside the control of Developer in which case the one year will be automatically extended by the length of duration of such act, condition or occurrence plus an additional 60 days.
- d. Developer ceases to exist as a legal entity and Developer did not first assign its rights and obligations under this agreement to a successor entity.
- e. Developer receives reimbursement payments that reach or exceed 85% of Developer's costs in installing the sewer lift station. This provision is intended as a cap on reimbursements, to prevent developers and owners from having to continue to pay Developer after its respective proportionate share of the costs have been reimbursed.

### SECTION THREE REIMBURSEMENT PAYMENTS

Other developers or owners of future subdivisions or other developments or structures who apply, during the term of this Agreement, for approval to connect to the lift station will be required to reimburse Developer in the amount of \$1,130.00 per equivalent residential unit (ERU). The County is responsible for collecting those payments from those developers and owners, and forwarding those payments to Developer. Payment shall be made to the County, through Impact Fees, and, within THIRTY DAYS from receipt, the County shall then make the payments to the Developer on at least a quarterly basis or more frequently if determined by the County. Building permits and other permits required for occupancy or business operation will not be issued until after the required payment has been collected by the County. The County is responsible for amending its impact fee ordinance(s) and schedules in order to collect the reimbursement amounts specified, and if the County does not, then the County will be required to fund the reimbursement amounts from other County funds. Similarly, if the County fails to collect the required reimbursement amounts and/or impact fees from any other development or landowner, then the County will be responsible for paying Developer the uncollected amounts from other County funds. Before receiving any reimbursement payments, the County must verify substantial completion of the sewer lift station has occurred. Developer reserves the right to enter into cost sharing agreements with benefiting landowners in exchange for such landowners not paying an Impact Fee for the sewer lift station, and in that event the County agrees not to impose on such landowner(s) any overlapping impact fees for the sewer lift station. Should any such cost sharing agreement(s) be entered into by Developer, the reimbursement amount committed to by the County will be reduced dollar for dollar for the cost shared, so long as the County does not collect Impact Fees from that contributing landowner for the sewer lift station.

The County agrees that it will not construct or permit to be constructed any sewer lift station(s) or other sewer improvements that would compete with, or eliminate the demand of surrounding properties to connect to, the sewer lift station contemplated by this Agreement. The County acknowledges that Developer is relying on the collection of reimbursement payments under this Agreement and the County agrees to require any properties, developments, or other improvements located, in whole or in part, within service area #1, to connect to the lift station; however, despite the foregoing, the County has notified the developer that a small portion of property within the Northeast corner of service area #1 may not be able to be served by the sewer lift station without excessive infrastructure costs, so that small portion of property within the Northeast corner of service area #1, solely as specifically depicted in <a href="Exhibit B">Exhibit B</a> attached hereto and incorporated herein by this reference, is exempt from the requirement to connect to the sewer lift station.

### SECTION FOUR OWNERSHIP, MAINTENANCE FEES AND BILLINGS

County shall assume ownership, maintenance, operation, and repair of the sewer lift station installed by Developer after the lines are completed and approved by the County. County may also impose a reasonable monthly service fee on each sewer connection. County shall assume responsibility for all billings related to monthly service fees.

### SECTION FIVE GOVERNING LAW

This Agreement shall be governed and construed by the laws of the State of Utah. If any action at law or in equity is instituted by either Party against the other Party to enforce this Agreement or any rights arising hereunder, or in connection with the subject matter hereof, the prevailing Party shall be entitled to recover all costs of suit and reasonable attorneys' fees. For purposes of this Section, the term "prevailing Party" shall, in the case of a claimant, be the Party who is successful in obtaining substantially all of the relief sought, and in the case of the defendant or respondent, the Party who is successful in denying substantially all of the relief sought by the claimant.

### SECTION SIX ENTIRE AGREEMENT

This Agreement shall constitute the entire agreement between Developer and County and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

### SECTION SEVEN DECLARATION OF INVALIDITY

#### Exhibit B

If a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) declares that the County cannot reimburse Developer as provided in this Agreement, the County's obligation to reimburse Developer hereunder shall be accordingly reduced or eliminated. Developer, however, specifically reserves and does not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of funds by the County to the Developer hereunder. The County will not oppose Developer and, if requested by Developer, will cooperate with Developer if Developer challenges a ruling by any court. The County's agreement to cooperate means the County agrees to (i) testify on behalf of Developer if properly compelled to testify, and (ii) provide information and data necessary to defend against such action, if properly requested. Such cooperation shall not require any Party to waive any rights against the other Party.

DATED this da	ay of 20	21.
County:		
Attest:		Chair Weber County Board of Commissioners
Ricky Hatch		
Weber County Clerk/Audi	tor	
Developer:		
Heritage Land Developme	nt, LLC	
Ву:		
Printed Name:	Boyd Cook	
Title:	Authorized Signer	

## $\frac{Exhibit\ A}{\text{Map depicting Service Area } \#1}$

### Exhibit B

Map depicting exempt property in NE corner of Service Area #1

LETTER OF CREDIT Page 1 of 13

### WEBER COUNTY IMPROVEMENTS GUARANTEE AGREEMENT

THIS AGREEMENT (herein "Agreement") is entered into this 6th day of May, 2021.

	*****PARTIES****
"APPLICANT": Herita	ge Land Development LLC, a Utah, limited liability company.
	0 West, Tremonton, Utah, 84337
telephone: (435) 257-4	
2380 V	County, a political subdivision of the State of Utah, /ashington BLVD, Ogden, UT 84401, 99-8374.
	*****RECITALS****
WHEREAS, APPLICAN	T desires to post the following improvement guarantee(s) (check):
	○ Off-site improvement guarantee
with the COUNTY for:	aylor Landing Cluster Subdivision Phase 1A (description or name of Project)
located at: 4000 W 22	00 S. Ogden, UT 84401 (address of Project)
of any permit(s) or appro	ordinances require APPLICANT to guarantee the construction of certain the recordation of the above described subdivision plat or the actual issuance val(s) related to the above-described Project; and of either the subject subdivision plat approval or the issuance of the subject quire APPLICANT to complete the following improvements, (herein "the ne and complete):
⊠ specified in I	reference;
☐ described as	- Or -
WHEREAS, COUNTY wi	follows:; and I not record the subject subdivision or grant the subject permit(s)/approval(s) unti- been made to guarantee completion of the Improvements and to warrant the
REVISED 09/05/17	

Improvements shall be maintained and remain free from any defects or damage, which improvements and required warranty are estimated to cost the amount set forth herein, and which improvements shall be installed in accordance with the specifications of COUNTY, and inspected by COUNTY;

NOW THEREFORE, For good and valuable consideration, the parties agree as follows:

### \*\*\*\* TERMS AND CONDITIONS \*\*\*\*\*

- PURPOSE FOR AGREEMENT. The parties hereto expressly acknowledge that the purpose of
  this Agreement is not only to guarantee the proper completion of the Improvements named herein, but also,
  among other things, to eliminate and avoid the harmful effects of unauthorized subdivisions and other land
  developments which may leave property or improvements improperly completed, undeveloped or
  unproductive.
- 2. UNRELATED OBLIGATIONS OF APPLICANT. The benefits and protection of the Proceeds specified herein shall inure solely to COUNTY and not to third parties, including, but not limited to, lot purchasers, contractors, subcontractors, laborers, suppliers, or others. COUNTY shall not be liable to claimants or others for obligations of APPLICANT under this Agreement. COUNTY shall further have no liability for payment of any costs or expenses of any party who attempts to make a claim under this Agreement, and shall have under this Agreement no obligation to make payments to, give Notices on behalf of, or otherwise have obligations to any alleged claimants under this Agreement.
- 3. AGREEMENT DOCUMENTS. All data which is used by COUNTY to compute the cost of or otherwise govern the design and installation of the Improvements is hereby made a part of this Agreement, and is incorporated herein by this reference. This Agreement incorporates herein by reference any subject subdivision plat, plan, construction drawing, permit, condition of approval, and any and all other relevant data and specifications required by the Weber County Land Use Code.

4.	COMPLETION DATE. APPLICANT shall complete the Improvements: (check one and complete)
	- or -  as specified in Exhibit (Completion Schedule), attached hereto and incorporated herein by this reference.

- 5. **FEES.** APPLICANT agrees to pay all Fees required by COUNTY for the entire Project prior to the issuance of any subsequent permit or approval within the Project.
- 6. **SPECIFIC PERFORMANCE.** APPLICANT has entered into this Agreement with COUNTY for the purpose of guaranteeing construction of the Improvements and payment of the Fees. COUNTY shall be entitled to specifically enforce APPLICANT'S obligation under this Agreement to construct and install the Improvements in a manner satisfactory to COUNTY, and to pay the Fees.
- 7. APPLICANT'S INDEPENDENT OBLIGATION. APPLICANT EXPRESSLY ACKNOWLEDGES, UNDERSTANDS AND AGREES that its obligation to complete and warrant the Improvements and pay the Fees and fulfill any other obligation under this Agreement, COUNTY ordinances, or other applicable law is independent of any obligation or responsibility of COUNTY, either express or implied. APPLICANT agrees that its obligation to complete and warrant the Improvements and pay the Fees is not and shall not be conditioned upon the commencement of actual construction work in the subdivision or development or upon the sale of any lots or part of the subdivision or development. APPLICANT further acknowledges (a) that

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its contractual obligation to complete and warrant the Improvements and pay the Fees pursuant to this Agreement is independent of any other remedy available to COUNTY to secure proper completion of the Improvements and payment of the Fees; (b) that APPLICANT shall not assert as a defense that COUNTY has remedies against other entities or has other remedies in equity or at law that would otherwise relieve APPLICANT of its duty to perform as outlined in this Agreement or preclude COUNTY from requiring APPLICANT'S performance under this Agreement; (c) that APPLICANT has a legal obligation, independent of this Agreement, to timely complete and pay for the Improvements in full and timely pay the Fees in full; and (d) should APPLICANT Default under this Agreement in any degree, APPLICANT agrees to compensate COUNTY for all costs, including Incidental Costs, related to APPLICANT'S failure to perform its obligation to complete and warrant the Improvements or pay the Fees to the extent that such costs are not adequately covered by the Proceeds ("Proceeds" defined in paragraph 10).

- 8. **INCIDENTAL COSTS.** "Incidental Costs", as used in this Agreement, shall mean engineering and architect fees, administrative expenses, court costs, attorney's fees (whether incurred by in-house or independent counsel), insurance premiums, mechanic's or materialmen's liens, and any other cost and interest thereon incurred by COUNTY, occasioned by APPLICANT'S Default under this Agreement.
- 9. **DEFAULT.** "Default," as used in this Agreement, shall mean, in addition to those events previously or subsequently described herein, a party's failure to perform, in a timely manner, any obligation, in whole or in part, required of such party by the terms of this Agreement or required by COUNTY ordinance or other applicable law. In addition, the following shall also be considered Default on the part of APPLICANT: APPLICANT'S abandonment of the Project, as determined by COUNTY; APPLICANT'S insolvency, appointment of a receiver, or filing of a voluntary or involuntary petition in bankruptcy; APPLICANT'S failure to file with COUNTY a renewed Financial Guarantee, as defined in paragraph 10, more than 60 days before a Financial Guarantee will expire, unless APPLICANT'S obligations have been terminated under paragraph 36(b); APPLICANT'S Escrow Repository's or Financial Institution's insolvency, appointment of a receiver, filing of a voluntary or involuntary petition in bankruptcy, or failure to perform under the terms of this agreement; the commencement of a foreclosure proceeding against the Project property; or the Project property being conveyed in lieu of foreclosure.

The occurrence of such shall give the other party or parties the right to pursue any and all remedies available at law, in equity, or otherwise available pursuant to the terms of this Agreement. Only the parties hereto are authorized to determine Default. Default shall not be declared prior to the other party receiving written notice.

10. **GUARANTEE OF IMPROVEMENTS.** APPLICANT hereby files, as an independent guarantee (herein "Financial Guarantee") with COUNTY for the purpose of insuring construction and installation of the Improvements and payment of the Fees, one of the following (check one and complete applicable information):

☑ CASH CEDTIFICATE identified by the following:

23 OAON CERTIFICATE, Identified by the following.
Escrow Account:
Escrow Account Repository:
☐ IRREVOCABLE LETTER OF CREDIT (herein the "Letter of Credit"), identified by the following
Letter of credit account or number:
Financial Institution:



The Financial Guarantee shall be in the amount of one hundred ten percent (110%) of the County Engineer's Cost Estimate (see also Exhibit A attached hereto). The Escrow Certificate or Letter of Credit shall be issued in favor of COUNTY to the account of APPLICANT herein, in the amount of \$2,418,681 (herein the "Proceeds"), and is made a part of this Agreement as Exhibit C (Escrow Certificate or Letter of Credit).

- 11. PARTIAL RELEASE OF PROCEEDS. As the Improvements are initially accepted by COUNTY and the Fees are paid, the APPLICANT may submit written request to COUNTY for authorization for a partial release of Proceeds. APPLICANT is only entitled to make a request once every 30 days. The amount of any release shall be determined in the sole discretion of COUNTY. No release shall be authorized by COUNTY until such time as COUNTY has inspected the Improvements and found them to be in compliance with COUNTY standards and verified that the Fees have been paid. Payment of Fees or completion of Improvements, even if verified by COUNTY, shall not entitle APPLICANT to an automatic authorization for a release of the Proceeds. At no time may APPLICANT request a release of funds directly from Escrow Account Repository or Financial Institution.
- 12. **NOTICE OF DEFECT.** COUNTY will provide timely notice to APPLICANT whenever an inspection reveals that an Improvement does not conform to the standards and specifications shown on the Improvement drawings on file in COUNTY's Engineering and Surveyor's Office or is otherwise defective. The APPLICANT will have 30 days from the issuance of such notice to cure or substantially cure the defect.
- 13. **FINAL ACCEPTANCE.** Notwithstanding the fact that Proceeds may be released upon partial completion of the Improvements, neither any partial release nor any full release of the Proceeds shall constitute final acceptance of the Improvements by COUNTY. Final acceptance of the Improvements shall be official only upon written notice to APPLICANT from COUNTY expressly acknowledging such and only after APPLICANT provides a policy of title insurance, where appropriate, for the benefit of the County showing that the APPLICANT owns the improvement in fee simple and that there are no liens, encumbrances, or other restrictions on the improvement unacceptable to the County in its reasonable judgment.
- 14. WARRANTY OF IMPROVEMENTS. Following initial acceptance of the Improvements, APPLICANT hereby warrants that the Improvements shall be maintained by APPLICANT and remain free from defects or damage as determined by COUNTY, such that the Improvements continue to meet COUNTY standards for \_\_\_\_\_ years following said initial acceptance.
- 15. **RETAINAGE.** APPLICANT expressly agrees that, notwithstanding any partial release of any of the Proceeds, the Proceeds shall not be released below 10% of the estimated cost of the Improvements (herein the "Retainage"), as specified herein, for the timeframe specified in paragraph 14. The Retainage shall be held to insure that the Improvements do not have any latent defects or damage as determined by COUNTY, such that the Improvements do not continue to meet COUNTY standards for the timeframe specified in paragraph 14. Notwithstanding said Retainage, APPLICANT shall be responsible for bringing any substandard, defective, or damaged Improvements to COUNTY standard if the Retainage is inadequate to cover any such Improvements.
- 16. **APPLICANT INDEMNIFICATION.** APPLICANT agrees to indemnify, defend, and save harmless COUNTY, its elected officials, officers, employees, agents, and volunteers from and against any and all liability which may arise as a result of the installation of the Improvements prior to COUNTY'S initial acceptance of the Improvements as defined herein, and from and against any and all liability which may arise as a result of any Improvements which are found to be defective during the warranty period covered by this Agreement. With respect to APPLICANT'S agreement to defend COUNTY, as set forth above, COUNTY shall have the option to either provide its own defense, with all costs for such being borne by APPLICANT, or require that APPLICANT undertake the defense of COUNTY.

- 17. **FINAL RELEASE OF PROCEEDS.** In the event the Improvements have been installed to the satisfaction of COUNTY and the Fees have been paid pursuant to this Agreement and COUNTY ordinances within the above stated time period(s), COUNTY agrees to execute a written release to Escrow Account Repository or Financial Institution of the remaining Proceeds.
- 18. **DEMAND FOR AND USE OF PROCEEDS.** In the event APPLICANT fails to install Improvements to the satisfaction of COUNTY, or the Fees are not paid pursuant to this Agreement and COUNTY ordinances within the above stated time period(s), or APPLICANT Defaults on any obligation under this Agreement or COUNTY ordinances, as determined at the sole discretion of COUNTY, COUNTY shall send Notice of APPLICANT'S Default to Escrow Account Repository or Financial Institution with a written demand for the release of Proceeds. COUNTY may, at its sole discretionary option, use and expend all the Proceeds or such lesser amount as may be estimated by COUNTY to be necessary to complete Improvements, pay Fees, and/or reimburse COUNTY for Incidental Costs as required herein.. COUNTY may, at its sole discretionary option, convert the Proceeds to a COUNTY held cash escrow for future satisfactory installation of Improvements.
- 19. **INADEQUATE PROCEEDS.** If the Proceeds are inadequate to pay the cost of the completion of the Improvements according to COUNTY standards or to pay the Fees or to compensate for Incidental Costs, for whatever reason, including previous reductions, APPLICANT shall be responsible for the deficiency independent of the Financial Guarantee. Additionally, no further approvals, permits or business licenses applicable to the location of the Improvements may be immediately suspended or revoked by COUNTY'S Community and Economic Development Director until the Improvements are completed and the Fees are paid, or, until a new guarantee acceptable to the COUNTY has been executed to insure completion of the Improvements shall include reimbursement to COUNTY for all costs including, but not limited to, construction costs and any Incidental Costs incurred by COUNTY in completing the Improvements or collecting the Proceeds.
- 20. **ACCESS TO PROPERTY.** Should COUNTY elect to use the Proceeds to complete the Improvements, APPLICANT herein expressly grants to COUNTY and any contractor or other agent hired by COUNTY the right of access to the Project property to complete the Improvements.
- 21. **IMPROVEMENT STANDARDS.** Improvements shall be done according to the specifications and requirements of the COUNTY. All work shall be subject to the inspection of COUNTY. Any questions as to conformity with COUNTY specifications or standards, technical sufficiency of the work, quality, and serviceability shall be decided by the County Engineer. The County Engineer's decision shall be final and conclusive.
- 22. **SUBSTANDARD IMPROVEMENTS.** Should any Improvements prove to be substandard or defective within the timeframe specified in paragraph 14, COUNTY shall notify APPLICANT in writing of such substandard or defective Improvements. APPLICANT shall then have 15 days from Notice from the COUNTY in which to commence repair of the Improvements, and a reasonable amount of time, as determined by COUNTY, which shall be specified in the Notice, to complete repair of the Improvements. Should APPLICANT fail to either commence repair of the Improvements or complete repair of the Improvements within the required time periods, COUNTY may exercise its option to remedy the defects and demand payment for such from APPLICANT, should the Proceeds be insufficient to cover the costs incurred by COUNTY.
- 23. **INSURANCE.** Should COUNTY elect to install, complete, or remedy any defect or damage in the Improvements, APPLICANT shall be responsible for the payment of the premium for an insurance policy covering any liability, damage, loss, judgment, or injury to any person or property, including, but not limited to, damage to APPLICANT or its property as a result of the work of any contractor or agent hired by

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LETTER OF CREDIT Page 5 of 13 COUNTY to complete or remedy the Improvements. The minimum dollar amount and the scope of coverage of the insurance policy shall be determined and set by COUNTY. APPLICANT shall indemnify, defend, and hold harmless COUNTY, its officers, employees, and agents for any liability which exceeds the insurance policy limit. COUNTY, at its option, may collect and expend the Proceeds to make the premium payments should APPLICANT fail to pay said premium. No permit, approval or business license shall be issued by COUNTY, and any existing permit, approval, or business license shall be suspended until said premium is initially paid and a bond is in place to cover subsequent payments.

- 24. **NOTICE.** Notice to any party herein shall be mailed or delivered to the address shown in this Agreement. The date Notice is received at the address shown in this Agreement shall be the date of actual Notice, however accomplished.
- 25. **MECHANIC/MATERIAL LIENS.** Should COUNTY elect to complete or remedy the Improvements, APPLICANT shall indemnify, defend, and hold harmless COUNTY from and against any liability which exceeds the Proceeds for the payment of any labor or material liens as a result of any work of any contractor (including subcontractors and materialmen of any such contractor or agent) hired by COUNTY or which may arise due to either a defect in or failure of this Agreement or insufficient Proceeds to cover such costs.
- 26. **WAIVER.** The failure by any party to insist upon the immediate or strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a Default thereof shall not constitute a waiver of any such Default or any other covenant, agreement, term, or condition. No waiver shall affect or alter the remainder of this Agreement, but each and every other covenant, agreement, term, and condition hereof shall continue in full force and effect with respect to any other then existing or subsequently occurring Default.
- 27. **ATTORNEY'S FEES.** In the event there is a Default under this Agreement and it becomes reasonably necessary for any party to employ the services of an attorney in connection therewith, either with or without litigation, on appeal or otherwise, the losing party to the controversy shall pay to the successful party reasonable attorney's fees incurred by such party, and, in addition, such costs and expenses as are incurred in enforcing this Agreement.
- 28. **TIME IS OF THE ESSENCE.** Time is of the essence of this Agreement. In case either party shall Default on its obligations at the time fixed for the performance of such obligations by the terms of this Agreement, the other party may pursue any and all remedies available in equity or law.
- 29. **GOVERNING LAW.** This Agreement shall be interpreted pursuant to, and the terms thereof governed by, the laws of the State of Utah. This Agreement shall be further governed by COUNTY ordinances in effect at the time of the execution of this Agreement. However, the parties expressly acknowledge that any subdivision or other development regulations enacted after the execution of this Agreement, which are reasonably necessary to protect the health, safety, and welfare of the residents of COUNTY, shall also apply to the subdivision or development which is the subject of this Agreement.
- 30. **SUCCESSORS.** "APPLICANT" and "COUNTY," as used in this Agreement, shall also refer to the heirs, executors, administrators, successors, or assigns of APPLICANT and COUNTY respectively.
- 31. **INDUCEMENT.** The making and execution of this Agreement has been induced by no representations, statements, warranties, or agreements other than those herein expressed.
- 32. **INTEGRATION.** This Agreement embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter herein.
- 33. MODIFICATION. Except as otherwise authorized by this Agreement, this instrument may be

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LETTER OF CREDIT
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amended or modified only by an instrument of equal formality signed by the respective parties.

- CAPTIONS. The titles or captions of this Agreement are for convenience only and shall not be deemed in any way to define, limit, extend, augment, or describe the scope, content, or intent of any part or parts of this Agreement.
- SEVERABILITY. If any portion of this Agreement is declared invalid by a court of competent jurisdiction, the remaining portions shall not be affected thereby, but shall remain in full force and effect.

#### **TERMINATION.** 36.

- (a) APPLICANT cannot unilaterally terminate its obligations under this Agreement.
- (b) If, under the terms of this Agreement, COUNTY releases the full amount of the Proceeds or demands and receives the full remaining amount of the Proceeds, then APPLICANT'S obligations under paragraphs 4 and 10 shall terminate.
- (c) All rights and obligations in this Agreement that are not terminated under sub-paragraph (b) shall survive until all applicable statutes of limitations have run with respect to the types of claims that may be associated with those rights and obligations.
- (d) The entire Agreement shall terminate when all applicable statutes of limitations have run or when the parties jointly execute an agreement to terminate this Agreement.
- CONFLICT. Any conflict between this Agreement and its exhibits or any other document shall be 37. interpreted against the exhibit or other document and in favor of statements made in the numbered paragraphs of this Agreement.

**REVISED 09/05/17** LETTER OF CREDIT

WHEREUPON, the parties hereto have set their hands the day and year first above written. "APPLICANT" Heritage Land Development, LLC By: 05/06/21 **Applicant Signature** Date (10) Title: (Signature must be notarized on following pages.) "COUNTY" By: Commission Chair Date ATTEST: County Clerk Date: **APPROVED AS TO CONTENT:** Ву Planning Division Director Date Ву County Engineer Date Ву County Treasurer Date APPROVED AS TO FORM: Ву County Attorney Date

### **APPLICANT NOTARIZATION**

COMPLETE ONLY	IF APPLICANT IS	AN INDIVIDUAL		
State of				
County of		:ss )		
On this	day of		, 20 name of perso	_, personally appeared before me on(s)], whose identity is
personally known to name(s) is/are subs	me or proved to me cribed to this instrun	on the basis of sa	itisfactory evid	dence to be the person(s) whose she/they executed the same.
		N	lotary Public	
COMPLETE ONLY	IF APPLICANT IS A	A CORPORATION		
State of				
County of		:ss )		
On this	day of	Iname of	, 20	_, personally appeared before me hose identity is personally known
to me or proved to n	ne on the basis of sa	ntisfactory evidence	e, and who aff	hose identity is personally known irmed that he/she is the
of		[/	name of corpo	pration], a corporation, and said
document was signe of its Board of Direct	ed by him/her in beha tors, and he/she ack	alf of said corporati nowledged to me t	on by authorit hat said corpo	ty of its bylaws or of a Resolution pration executed the same.
		N	otary Public	
COMPLETE ONLY	IF APPLICANT IS A	PARTNERSHIP		
State of	W	_ )		
County of		:ss )		
		ſr	name of perso	_, personally appeared before me n(s)], whose identity is
personally known to he/she is the			isfactory evide	ence, and who affirmed that
a partnership, and the meeting held or by a	[title], one at the foregoing instruction of its bylaws	rument was duly a	uthorized by the	[name of partnership], he partnership at a lawful tnership.
		Al	otani Bublia	
		N	otary Public	

COMPLETE ONLY IF APPLICANT IS A LIM	ITED LIABILITY COMPANY
State of Utah	)
County of BOX Elder	:ss )
of Heritage Land Developme	
	CAROLE FARNSWORTH Notary Public - State of Utah Comm. No. 715464 My Commission Expires on Nov 25, 2024

Exhibit A: County Engineer-Approved Cost Estimate

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Exhibit B: County Engineer-Approved Construction Drawings

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Exhibit C: Reserved for Escrow Certificate or Letter of Credit

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### **ESCROW CERTIFICATE**

TO WEBER COUNTY, UTAH:	
\$ 2.418.681	ereby certify that it has in its possession and custody, cash in the sum of which
said sum said Escrow Agent is holding in escrow all on and or off-site improvements, as specified Utah to wit:	to guarantee the installation and completion, according to Ordinance, of in Exhibit "B" on the following described tracts of land in Weber County,
All of Taylor Landing Cluster	Subdivision Phase 1A, Weber County, Utah.
	in do not pay for and complete in full all of the specified improvements se then and in that event, subdivider\developer agrees to forthwith pay to Webe complete such improvements.
(other than as is hereinafter provided) without the that if said improvements are not satisfactorily it two years from the date hereof, that the said Escriptor the sole purpose of making and/or completing	ad agrees that it will not release said funds to any person, firm or corporation express written consent and direction from said Weber County, Utah, an installed and completed according to Ordinance within one month short or ow Agent will upon demand deliver said funds to said Weber County, Utah and all of said improvements, with said County to return to the said Escrove in excess of the actual cost to the County to make and/or complete said
It is understood that the County may, at improvements upon request of the Escrow Agent is proper.	its sole option, extend said period of two years for such completion of suc or the Subdivider, if the County Commission determines that such extension
It is further understood and agreed the provisions of the ordinances of Weber County, U	at all matters concerning this agreement shall be subject to the pertinentath.
DATED this	
	Escrow Agent
	Signature  Title:

State of Utah )

Escrow Certificate			Exhibit (
county of Weber )			
On thebefore me	day of	, 20	appeared
the signer(s) of the within instrument, who duly a	acknowledged to me that he/s	he executed the same.	
	Notary Public Residing at:		
************	*******	*********	****
APPROVED AS TO FORM:			
Weber County Attorney		Date	
APPROVED:			
Chairperson, Weber County Commission	17 17 X-12	Date	
ATTEST:			

Weber County Clerk