

HEBER CITY CORPORATION
75 North Main Street
Heber City, UT 84032
Heber City Council Meeting

July 7, 2026

4:00 p.m. Work Meeting
6:00 p.m. Regular Meeting

TIME AND ORDER OF ITEMS ARE APPROXIMATE AND MAY BE CHANGED AS TIME PERMITS

I. WORK MEETING - 4:00 P.M.

1. Celebration Housing Development Agreement (Tony Kohler, Community Development Director) - *20 min*
2. Affordable Housing 101: Federal/State Funding Tools-What are Low Income Housing Tax Credits and how are they Used? (Claudia O'Grady (UHC)) - *60 min*
3. 1200 S & Mill Rd Roundabout Design Discussion (Russ Funk, City Engineer) - *20 min*

II. BREAK - 10 MIN

III. REGULAR MEETING - 6:00 P.M.

1. Call to Order
2. Pledge of Allegiance (Sid Ostergaard, Council Member)
3. Prayer/Thought by Invitation (Yvonne Barney, Council Member)

IV. AWARDS, RECOGNITION, and PROCLAMATIONS:

1. Mayor's Award to Don Taylor, Retiring MAG Trail Coordinator
2. Mayor's Contest Awards - Alexis Linford, Bauer Cottle, Esther Linford, Rocky Cottle, Eve Linford

V. CONFLICT OF INTEREST DISCLOSURE:

VI. PUBLIC HEARINGS: (Council May Take Action Following Public Comment and Upon Conclusion of the Public Hearing)

1. Public Hearing for proposed Tava-Highlands Public Infrastructure District (PID) (Tony Kohler, Community Development Director)

VII. PUBLIC COMMENTS: (2 min per person/30 min max)

VIII. CONSENT AGENDA:

1. May 19, 2026, City Council Meeting Minutes, June 2, 2026, City Council Meeting Minutes, and June 25, 2026, Special City Council Meeting Minutes (Trina Cooke, City Recorder)
2. Authorization to approve a Final Design and Construction Services Agreement with Sunrise Engineering for the Public Works Salt Storage Structure Repair/Replacement Project (Russ Funk, City Engineer)
3. Mayoral Nominations for the Arts Advisory Committee: Phil Jordan, Janet Gee, Laurie Turnblom (Heidi Franco, Mayor)

IX. GENERAL BUSINESS ITEMS:

1. Report on Atlas Towers Location of Lease in Cemetery (Tony Kohler, Community Development Director) - *20 min*

X. ACTION ITEMS: (Council can discuss; table; continue; or approve items)

1. Authorization to Commence Main Street Plaza Schematic (30%) Design & Utilization of a Construction Management/General Contractor (CM/GC) (Tony Kohler, Community Development Director, Lars Erickson) - *40 min*

XI. RECESS AS THE HEBER CITY COUNCIL AND CONVENE AS THE CRA BOARD:

1. Leveraging CRA (Community Reinvestment Agency) Owned Properties to Advance Envision Central Heber Long Range Plan (Tony Kohler, Community Development Director) - *45 min*

XII. ADJOURN AS THE CRA BOARD AND RECONVENE AS THE HEBER CITY COUNCIL:

XIII. COMMUNICATION:

XIV. CLOSED SESSION (As Needed by City Council)

XV. ADJOURNMENT:

Ordinance 2006-05 allows Heber City Council Members to participate in meetings via telecommunications media. In accordance with the Americans with Disabilities Act, those needing special accommodations during this meeting or who are non-English speaking should contact Trina Cooke at the Heber City Offices 435.657.7886 at least eight hours prior to the meeting.

Posted on July 1, 2026, in the Heber City Municipal Building located at 75 North Main, the Heber City Website at www.heberut.gov, and on the Utah Public Notice Website at <http://pmn.utah.gov>.



Heber City Council Staff Report

MEETING DATE: 7/7/2026
SUBJECT: Celebration Housing Development Agreement
RESPONSIBLE: Tony Kohler
DEPARTMENT: Planning
STRATEGIC RELEVANCE: Community Development

SUMMARY

Mr. Russ Watts has been working with the City on an affordable housing development at 300 East 1200 South entitled Celebration Housing. The City and Mr. Watts have agreed to partner together to help make the development a reality; the City will be looking to defer the impact fees for the development. Recently, Mr. Watts has modified his plan to accommodate more parking, as the School District has decided not to partner with Mr. Watts on parking.

Policy questions for the Council include:

- Is Council comfortable with the proposed parking for the development?

RECOMMENDATION

Staff recommends Council discuss the proposed development and provide feedback to Mr. Watts.

BACKGROUND

Mr. Russ Watts has petitioned the City for a development agreement on the property located at approximately 301 East 1200 South. This application has been in process since 2023. The Planning Commission discussed the application at a work meeting on July 11, 2023 and held a public hearing on August 22, 2023 and recommended approval of a development agreement for the development. The City Council has reviewed the development agreement term sheet in several work meetings.

See meeting minutes and supplemental information online here:

- Planning Commission Work Meeting, July 11, 2023:
<https://hebercityut.portal.civicclerk.com/event/19/files/agenda/111>
- Planning Commission Public Hearing, August 22, 2023: <https://hebercityut.portal.civicclerk.com/event/32/files/agenda/147>
- City Council Work Meeting, April 2, 2024: <https://hebercityut.v8.civicclerk.com/Meetings/AgendaPreview?id=67>

- City Council Work Meeting, October 7,
2025: <https://hebercityut.v8.civicclerk.com/Meetings/Agenda?id=217>
- City Council Work Meeting, December 16,
2025: <https://hebercityut.v8.civicclerk.com/Meetings/AgendaPreview?id=223>

Since 2023, Mr. Watts has been working on finding parking solutions and financial partners for the development, two of the biggest challenges for the development. The process for approving a development agreement entails a requirement for the Planning Commission to hold a public hearing and make a recommendation on the application, and finally for Council to consider approval of an ordinance. July 7 2026 is the precursor to the City Attorney and Staff finalizing a development agreement for Council to consider at a future meeting.

Section 18.72.030 A. 18. B. of Heber Code requires 2 parking stalls per dwelling unit for multi-family dwellings. 296 parking stalls would be required for the proposed 148 units, with a delta of 25 stalls between the 296 required stalls and the proposed 271 parking stalls. Mr. Watts is asking for Council to consider accepting the proposed 271 parking stalls for Phase 1. This would give time to analyze how the parking situation works before Phase 2 is constructed, and options at that time might include: maintaining the same parking ratio, increasing the amount of parking by negotiation with school district, providing more parking onsite, and/or reducing the number of units in phase 2.

The City adopted a new approach to parking for its future mixed use centers, such as the UVU Center and the Downtown. In this parking requirement found in Section 18.72.A. 22., the code requires a ratio of parking based upon the number of bedrooms per unit. If the City were to apply this parking ratio to Celebration Housing, there would be ample parking, as there would be 266 parking stalls required rather than 284 parking stalls. The different parking ratio was implemented for various reasons, including affordability, walkability and future potential for transit options in the City's centers.

Parking Analysis

Type	Units	Parking Stalls/Unit	Stalls
1 Bd	74	1.25	92.5
2 Bd	24	1.5	36
3 Bd	50	2	100
Guest Stalls	148	0.25	37
SUBTOTAL	148 units		266

Parking Code Reference

https://heber.municipalcodeonline.com/book?type=planzone#name=18.72_Off-Street_Parking_And>Loading

DISCUSSION

One reason the City might consider this approach to parking, is the location of the development is located near large employers such as the hospital and the high school, making it more likely for those

residents working at those facilities to be able to walk and/or bike to work. Mr. Watts has reached out to High Valley Transit and has provided a bus stop along the frontage of 1200 South to accommodate a bus stop to help facilitate the use of public transportation. Celebration Housing also includes new angled parking along the west side of 400 East as part of Phase 1 and existing angled parking exists on the east side of 400 East, both of which can facilitate overflow parking demand if needed. Finally, the development will be required to provide a second point of ingress/egress eastward to 400 East, and that driveway will be able to accommodate overflow parking along the sides of the driveway.

New HUD Lender Financial Rental Requirements

- 10% of the units at 40% AMI
- 40% of the units at 65% of AMI
- 50% of the units at 80% AMI

See attached Exhibit B Rental Rates

FISCAL IMPACT

Council has agreed to finance impact fees for the development in the amount of \$3.2 million. Money for this comes from affordable housing fee-in-lieu money from the Jordanelle Ridge development. This financing would be a loan that would be paid back to the City in a few years when the development is refinanced.

CONCLUSION

None at this time.

ALTERNATIVES

N/A

POTENTIAL MOTIONS

N/A

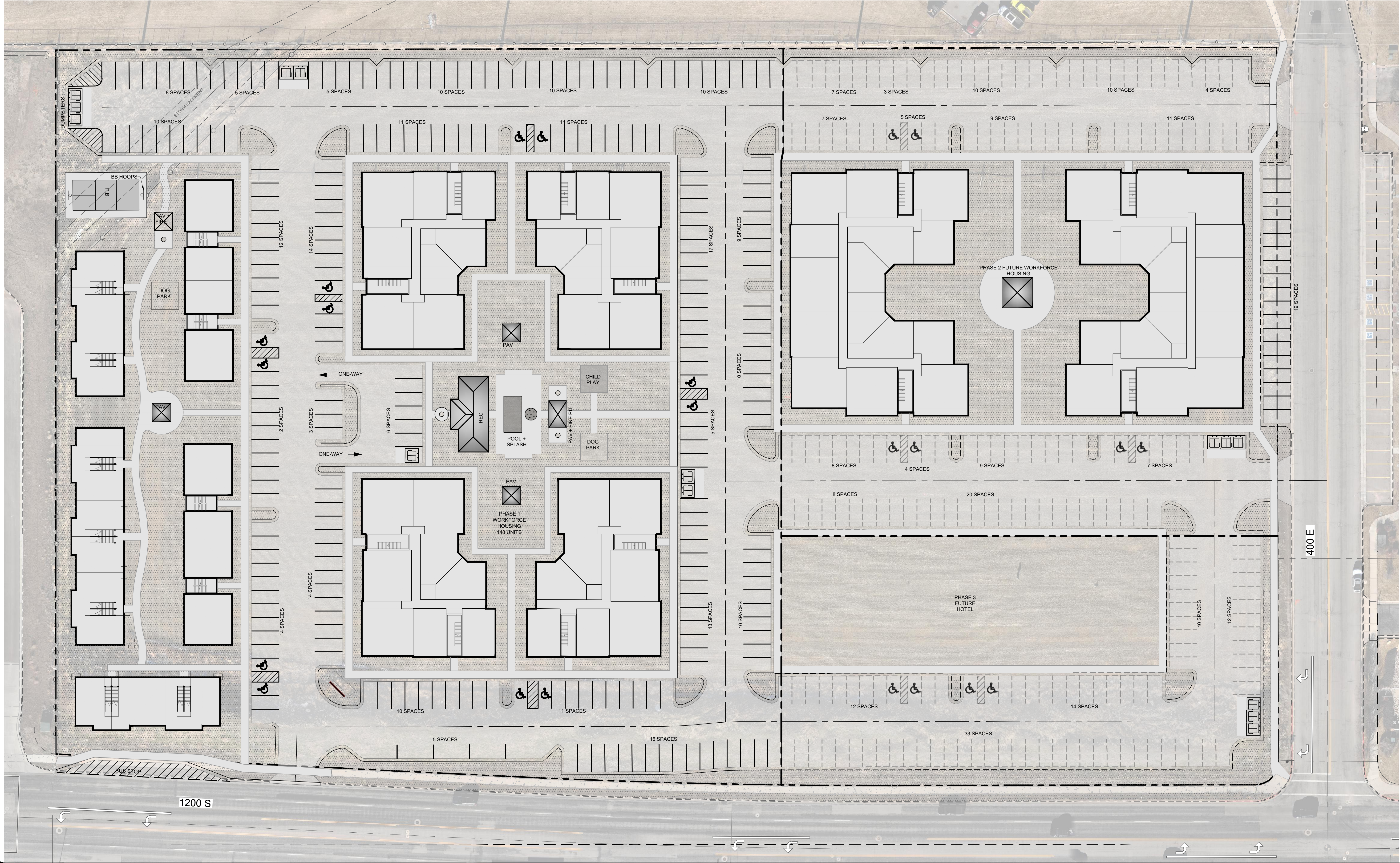
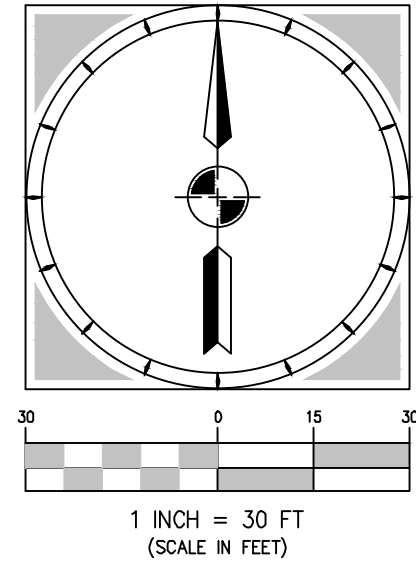
ACCOUNTABILITY

Department: Planning
Staff member: Tony Kohler, Community Development Director

EXHIBITS

1. C23-010 PARKING EXHIBIT-1
2. Celebration Housing Elevations
3. Celebration Housing Exhibit B

PARKING TABULATIONS		
PHASE	UNITS	PARKING STALLS
PHASE 1	148	261
PHASE 2		222



5/15/2026 5:58:00 PM C:\Users\BMB\OneDrive\Projects\C23-010 Watts Workforce Housing\Atwell\DWG\Presentations\C23-010 PARKING EXHIBIT.dwg

PROJECT C23-010	PREPARED FOR WATTS ENTERPRISES
SHEET 1 OF 1	PROJECT HEBER VALLEYS "CELEBRATION"

PARKING TABULATION EXHIBIT

DRAWN BY: SFS	ISSUE DATE 5/15/2026
REVIEWED BY: BMB	
SCALE: 1" = 30'	



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CELEBRATION WORK FORCE HOUSING

HEBER CITY, UT

EXTERIOR VIEWS

D201

13 MAR. 2026



CELEBRATION WORK FORCE HOUSING

HEBER CITY, UT

EXTERIOR VIEWS

D202

13 MAR. 2026



CELEBRATION WORK FORCE HOUSING

HEBER CITY, UT

EXTERIOR VIEWS

D203

13 MAR. 2026



CELEBRATION WORK FORCE HOUSING

HEBER CITY, UT

EXTERIOR VIEWS

D204

13 MAR. 2026



CELEBRATION WORK FORCE HOUSING

HEBER CITY, UT

EXTERIOR VIEWS

D205

13 MAR. 2026



CELEBRATION WORK FORCE HOUSING

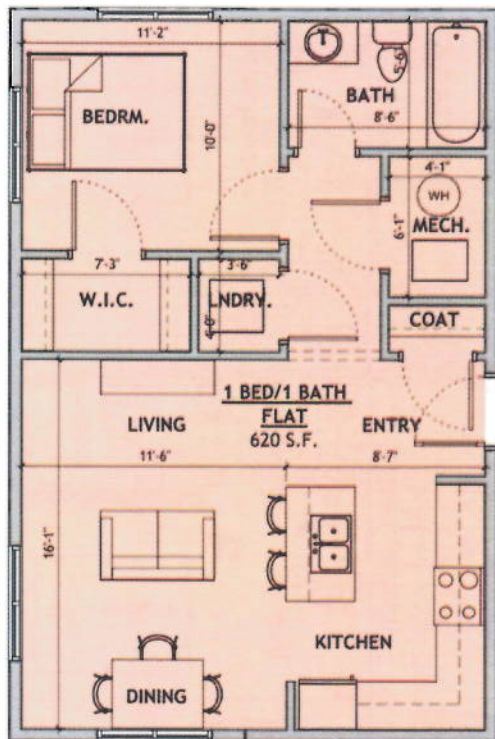
HEBER CITY, UT

EXTERIOR VIEWS

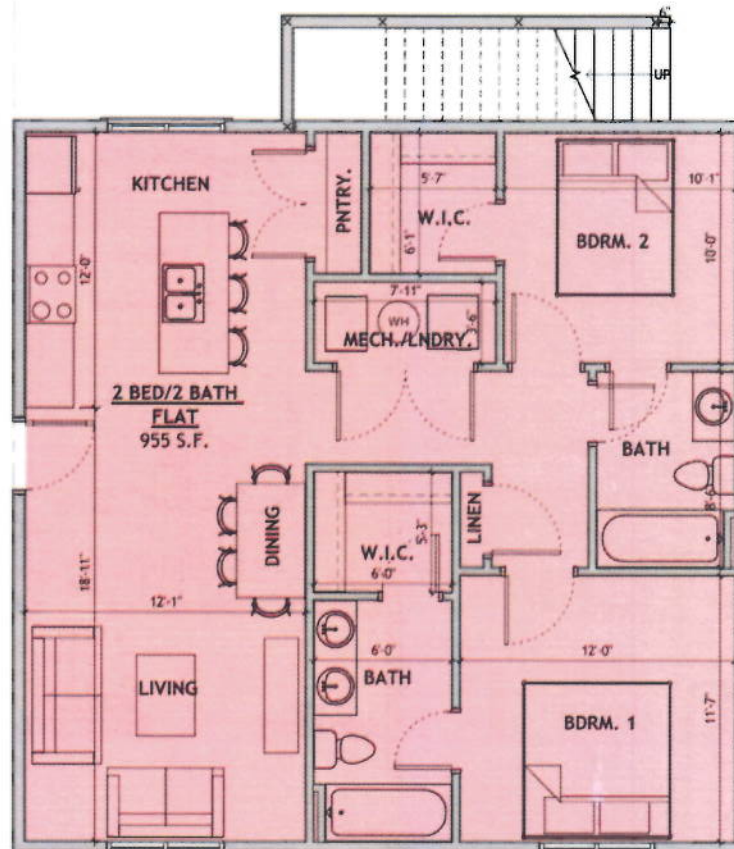
D206

13 MAR. 2026

1



A1



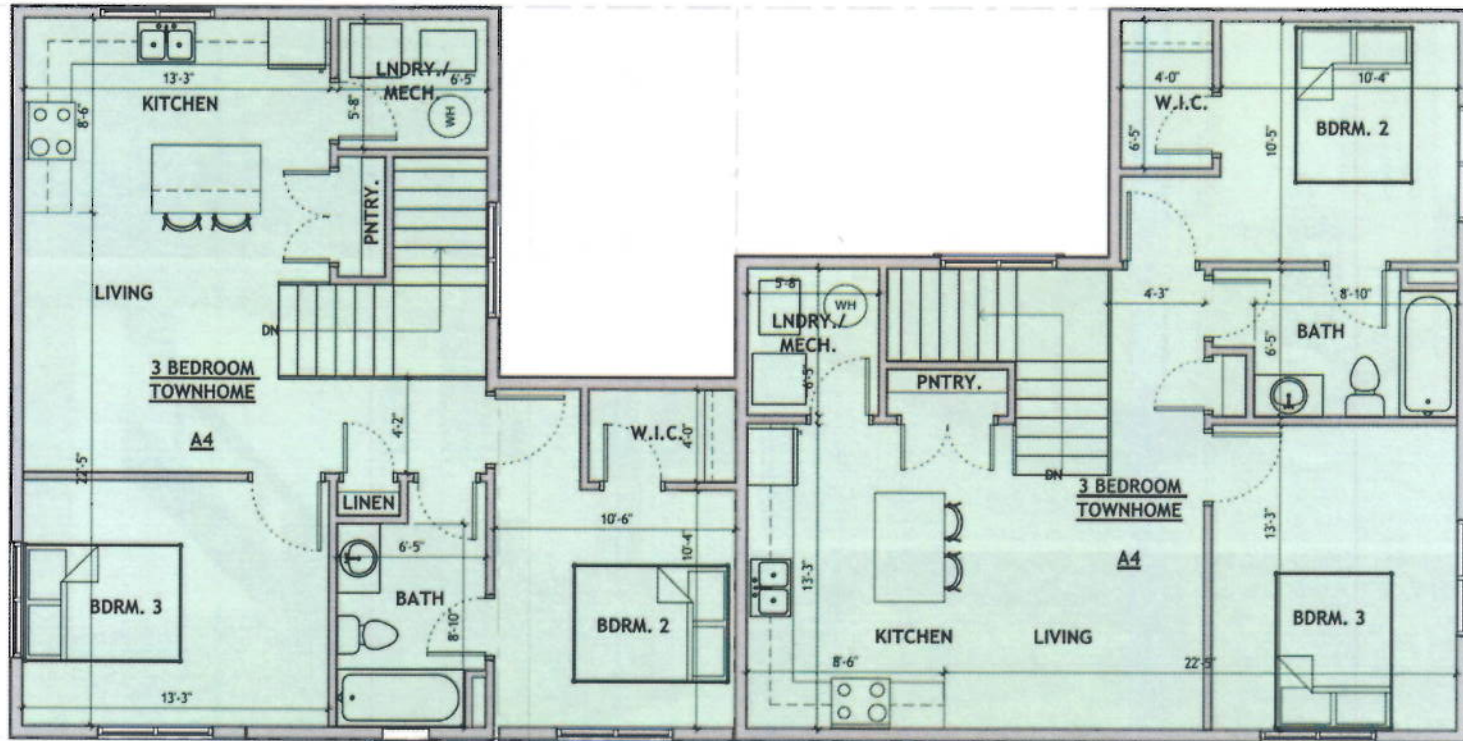
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BLD A – 1st Floor



1

1

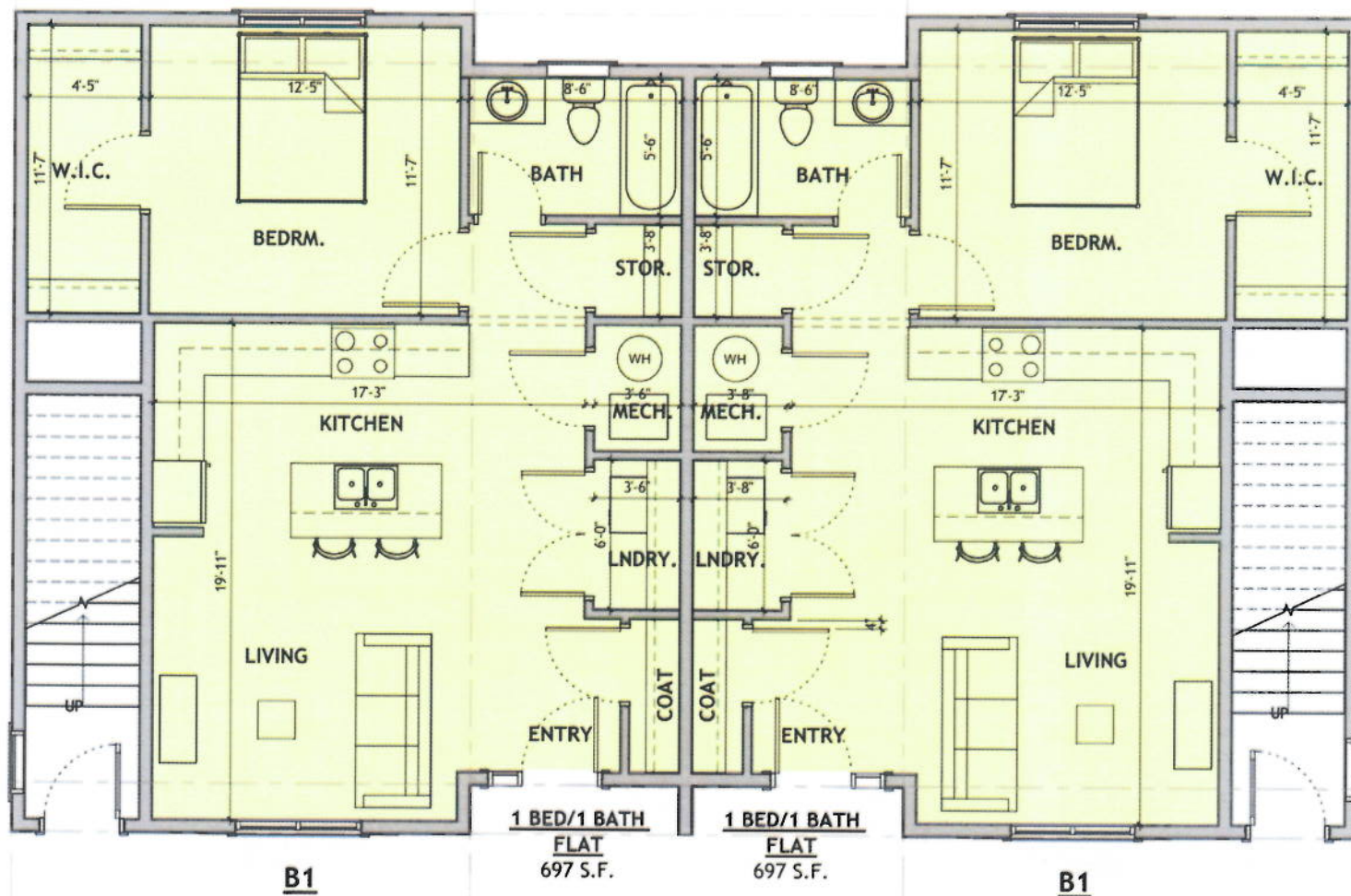


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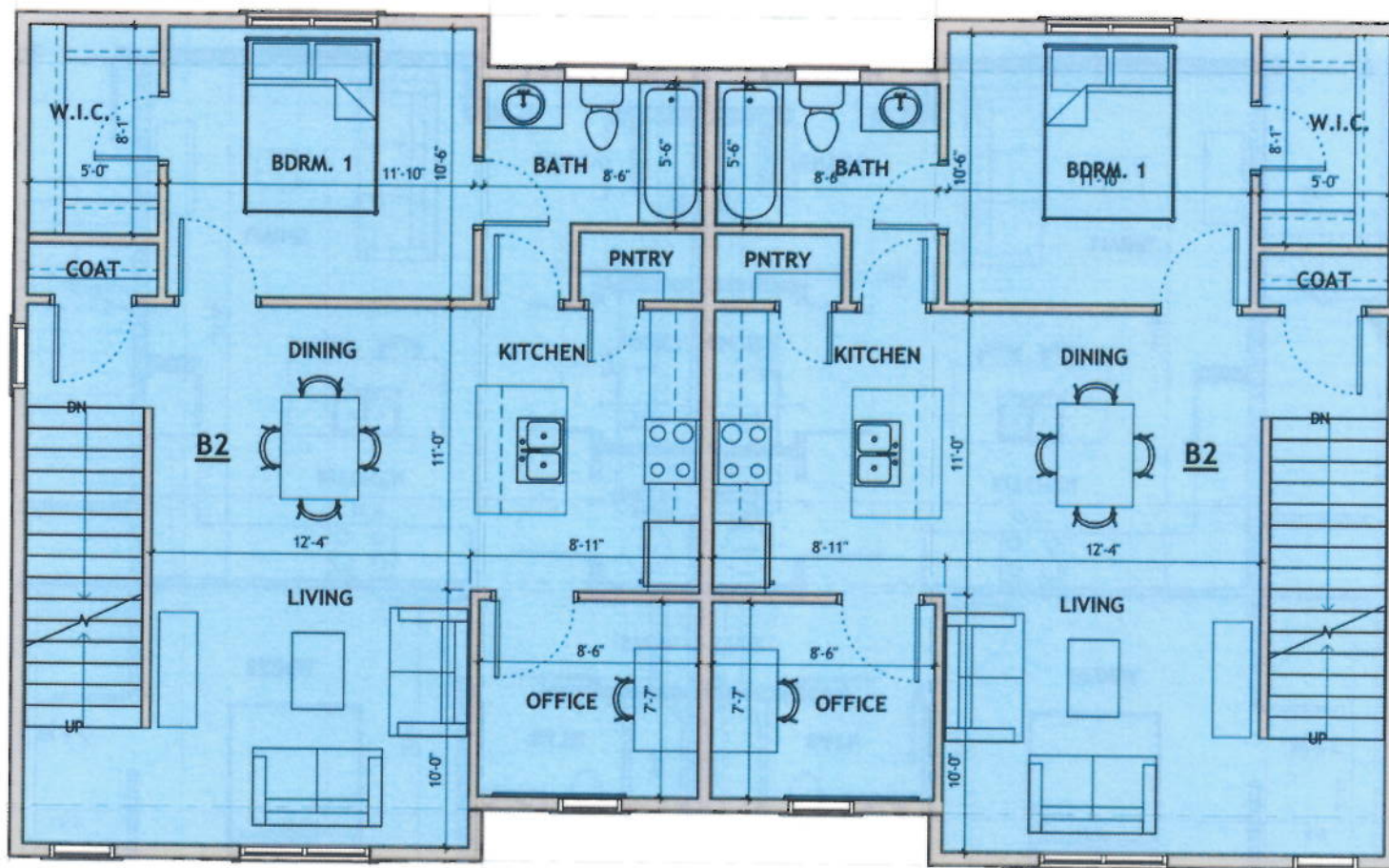
2



BLD A – 3rd Floor



BLD B - 1st Floor



3 BED/3 BATH
TOWNHOME
 799 S.F. - L2

BLD B – 2nd Floor

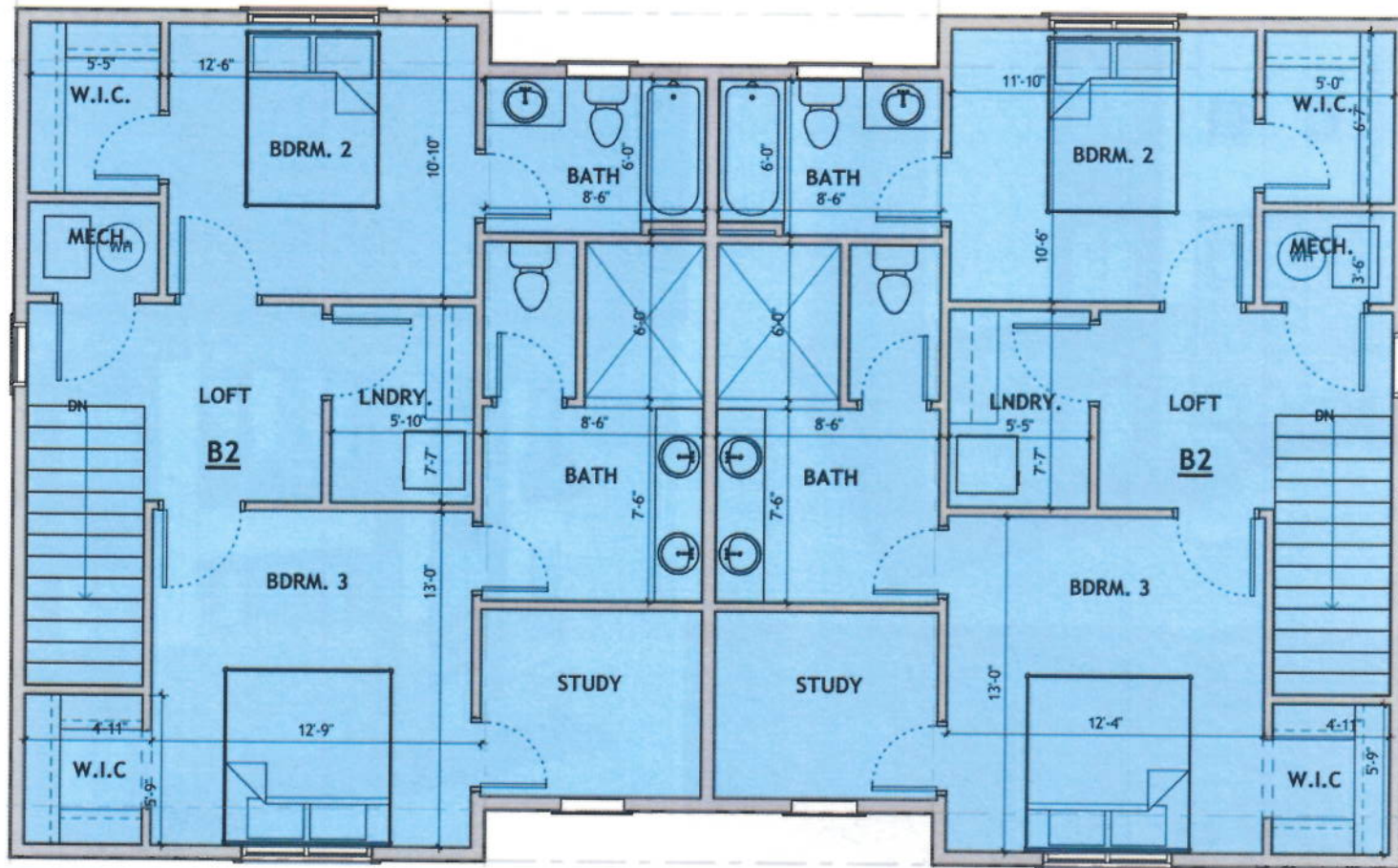
3 BED/3 BATH
TOWNHOME
 799 S.F. - L2

1

2

1

2



3

4



BLD B – 3rd Floor

Exhibit B

**May 13, 2026
CELEBRATION
Workforce Housing Update
Phase 1 148 Units**

A. Parking Stalls Required

(1) Bedroom	74 Units	148
(2) Bedrooms	24 Units	48
(3) Bedrooms	50 Units	<u>100</u>
Total Required		296
Onsite/Phase 1 stalls		<u>226</u>
Short Stalls		<u>70</u>

(See Site Plan)

B. HUD Lender / AMI percentage requirement/Deal

- 10% of the units at 40% AMI
- 40% of the units at 65% AMI
- 50% of the units at 65% AMI

(See Rental Chart Attached)

C. Review New project vivid vision elevations.

D. Next steps with Wasatch County School District - Meeting
5/21/26

N APARTMENTS

Unit Size	40% AMI Count	40% AMI Rent	65% AMI Count	65% AMI Rent	80% AMI Count	80% AMI Rent	Proposed Market	Blended
	10%		40%		50%			
620	4	\$ 1,091	15	\$ 1,650	17	\$1,650	\$1,650	
456	3	\$ 1,091	10	\$ 1,500	11	\$1,500	\$1,500	
697	2	\$ 1,091	6	\$ 1,650	6	\$1,650	\$1,650	
955	3	\$ 1,228	10	\$ 1,995	11	\$2,000	\$2,000	
1093	4	\$ 1,364	15	\$ 2,216	17	\$2,400	\$2,400	
1598	2	\$ 1,364	6	\$ 2,216	6	\$2,728	\$2,750	
	18	\$21,687	62	\$116,136	68	\$133,618		\$

Sources and Uses			
Sources	Initial	\$/SF	Total (%)
Equity	\$9,583,677	\$ 75.1	21.62%
Non Cash			
Land Equity	3,570,000	\$ 28.0	8.05%
Prepaid Expenses	-	\$ -	0.00%
Waived Impact Fees	3,200,000	\$ 25.1	7.22%
Cash to Close	\$2,813,677	\$ 22.0	6.35%
Debt	\$34,739,363	\$ 272.1	78.38%
HUD 221(d)(4) Construction Loan	33,989,363	\$ 266.2	76.69%
Other Debt Sources			
Housing Authority Loan	750,000	\$ 5.9	1.69%
Public (PID, CPACE)	-	\$ -	0.00%
Other	-	\$ -	0.00%
Total Sources	\$44,323,040	\$ 347.2	100.00%
Uses	Initial	\$/SF	Total (%)
Land Costs	3,570,000	\$ 28.0	8.05%
Soft Costs	6,896,991	\$ 54.0	15.56%
Hard Costs	30,527,693	\$ 239.1	68.88%
Financing Costs	3,328,356	\$ 26.1	7.51%
Total Uses	\$44,323,040	\$ 347.2	100.00%

ANNUAL | CELEBRATION APARTMENTS

Dates																
Project Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Year Starting		4/1/2026	4/1/2027	4/1/2028	4/1/2029	4/1/2030	4/1/2031	4/1/2032	4/1/2033	4/1/2034	4/1/2035	4/1/2036	4/1/2037	4/1/2038	4/1/2039	4/1/2040

Development																
Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Construction Costs	6,770,000	-	32,287,704	5,265,886	-	-	-	-	-	-	-	-	-	-	-	-
Cash Utilized	6,770,000	-	2,813,677	-	-	-	-	-	-	-	-	-	-	-	-	-

Operations																
Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Total Operating Revenues	-	-	-	2,484,362	3,542,237	3,634,686	3,727,134	3,819,582	3,912,031	4,004,479	4,096,928	4,189,376	4,281,825	4,374,273	4,466,722	4,559,170
Total Operating Expenses	-	-	-	(808,089)	(1,113,791)	(1,143,996)	(1,174,200)	(1,204,405)	(1,234,609)	(1,264,814)	(1,295,018)	(1,325,223)	(1,355,427)	(1,385,632)	(1,415,836)	(1,446,041)
Total Fee & CapEx	-	-	-	(125,137)	(173,697)	(177,588)	(181,480)	(185,372)	(189,263)	(193,155)	(197,046)	(200,938)	(204,830)	(208,722)	(212,613)	(216,505)
Net Income	-	-	-	1,551,136	2,254,749	2,313,101	2,371,454	2,429,806	2,488,158	2,546,511	2,604,863	2,663,215	2,721,568	2,779,920	2,838,272	2,896,624
NI Margin	-	0.00%	0.00%	62.44%	63.65%	63.64%	63.63%	63.61%	63.60%	63.59%	63.58%	63.57%	63.56%	63.55%	63.54%	63.53%
Operating Debt Service	-	-	-	(2,304,461)	(2,513,957)	(2,513,957)	(2,513,957)	(2,513,957)	(2,513,957)	(2,513,957)	(2,513,957)	(2,513,957)	(5,904,778)	(2,315,854)	(2,315,854)	(2,315,854)
DSCR	-	0.00x	0.00x	0.67x	0.90x	0.92x	0.94x	0.97x	0.99x	1.01x	1.04x	1.06x	0.46x	1.20x	1.23x	1.25x
Operating Cash Flow	-	-	-	(257,666)	(225,169)	(166,817)	(108,465)	(50,112)	8,240	66,592	124,945	183,297	(3,033,611)	498,104	556,457	614,809

Reversion																
Year	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Sale Price	-	-	-	-	-	-	-	-	-	-	-	-	53,820,233	-	-	-
Outstanding Loan	-	-	-	-	-	-	-	-	-	-	-	-	(28,464,966)	-	-	-
Cost of Sale	-	-	-	-	-	-	-	-	-	-	-	-	(807,303)	-	-	-
Sale Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	24,547,964	-	-	-

Combined Cash Flows	(6,770,000)	-	(2,813,677)	(257,666)	(225,169)	(166,817)	(108,465)	(50,112)	8,240	66,592	124,945	183,297	21,514,352	-	-	-
Cash on Cash			-44.08%	-4.04%	-3.53%	-2.61%	-1.70%	-0.79%	0.13%	1.04%	1.96%	2.87%	537.02%	0.00%	0.00%	0.00%
AVG Cash on Cash	26.0%															
Equity Multiple	2.11x															
Profit	11,505,520															
IRR	6.91%															
DSCR		0.00x	0.00x	0.67x	0.90x	0.92x	0.94x	0.97x	0.99x	1.01x	1.04x	1.06x	0.46x	1.20x	1.23x	1.25x
Debt Yield		0.0%	0.0%	4.6%	6.6%	6.8%	7.0%	7.1%	7.3%	7.5%	7.7%	7.8%	8.0%	8.2%	8.4%	8.5%



Heber City Council Staff Report

MEETING DATE: 7/7/2026
SUBJECT: Affordable Housing 101: Federal/State Funding Tools-What are Low Income Housing Tax Credits and how are they Used?
RESPONSIBLE: Claudia O'Grady (UHC)
DEPARTMENT: Planning
STRATEGIC RELEVANCE: Community Development

SUMMARY

This is the second discussion in the City's Affordable Housing 101 series. Mrs. Claudia O'Grady is the Vice President of Utah Housing Corp. She will discuss Low Income Housing Tax Credits (LIHTC).

RECOMMENDATION

N/A

BACKGROUND

Affordable Housing 101 was kicked off last month with Jason Glidden providing a summary of affordable housing definitions to ensure participants share common foundations leading into future sessions. The presentation may be viewed online at:

- <https://hebercityut.portal.civicclerk.com/event/423/media> 02:13

Next month's discussion will explore the economics of affordable housing projects and what it takes to make them financially feasible. Speakers include Jason Glidden (MCHT), Tony Tyler (Columbus Pacific) and Ryan Davis (Wayfinder Strategies). This will occur in July, date TBD.

The City has set up a website for affordable housing information, <https://www.heberut.gov/454/Affordable-Housing>. This website will be updated to include links to all videos from the Affordable Housing 101 Learning Series.

DISCUSSION

LIHTC Summary

The Low-Income Housing Tax Credit (LIHTC) program offers tax credits to investors who finance the development of affordable rental housing. These credits serve as a significant incentive for private developers to create and maintain low-income housing. Investors receive a direct reduction in their federal income tax liability. Properties developed with LIHTC must maintain affordable rents for a

minimum of 30 years.

To qualify for LIHTC, developers must adhere to specific regulations, including setting aside a percentage of units for low-income residents and maintaining affordability standards throughout the compliance period.

Artificial Intelligence (AI) assisted in generating this summary.

FISCAL IMPACT

N/A

CONCLUSION

N/A

ALTERNATIVES

N/A

POTENTIAL MOTIONS

N/A

ACCOUNTABILITY

Department: Planning
Staff member: Tony Kohler, Community Development Director

EXHIBITS

1. Affordable Housing 101 Syllabus

Affordable Housing 101 Syllabus

Program Overview

The Affordable Housing Learning Series is designed to build a shared foundation of knowledge among community leaders, partners, and stakeholders as Heber City develops its long-term housing strategy. Through a sequence of focused sessions, the series explores the full landscape of affordable housing—from core concepts and financing tools to state policy, partnerships, local incentives, needs assessment, and strategic planning. Together, these topics create a comprehensive learning arc that prepares participants to make informed, collaborative decisions about the future of housing in the Heber Valley.

- 1. Introduction to Affordable Housing. May 19, 2026.** A foundational overview of what affordable housing is, why it matters, and how it is delivered. Speaker: Jason Glidden (MCHT)
 - <https://hebercityut.portal.civicclerk.com/event/423/media> 02:13
- 2. Federal & State Funding Tools. July 7, 2026.** Covers Low-Income Housing Tax Credits (LIHTC) and other major funding mechanisms used to support affordable housing. Speakers: Anna Sullivan (UHC), Claudia O’Grady (UHC)
- 3. Financial Modeling.** Explores the economics of affordable housing projects and what it takes to make them financially feasible. Speakers: Jason Glidden (MCHT), Tony Tyler (Columbus Pacific), Ryan Davis (Wayfinder Strategies)
- 4. State Housing Plans & Legislation.** Reviews Utah’s statewide housing strategy, legislative priorities, and policy direction. Speaker: Steve Waltrip (Governor’s Office)
- 5. Public/Private Partnerships.** Examines how cities, nonprofits, and private developers collaborate to deliver affordable housing, including partnership models and case studies. Speakers: Jake Wood (J. Fisher Companies), Karly Brinla (Brinshore Development)
- 6. Project Tours.** On-site learning at Engine House, Slopeside, and Parkview Place, focusing on design, financing, operations, and lessons learned. Speakers: Jake Wood (J. Fisher Companies), Tony Tyler (Columbus Pacific), Jason Glidden (MCHT)
- 7. Local Tools & Incentives.** Explores municipal policies and programs that can support affordable housing, such as zoning tools, fee waivers, density incentives, and land contributions. Speakers: Jason Glidden (MCHT), Shellie Burras (Habitat for Humanity)
- 8. Housing Needs Assessment.** Provides a data-driven analysis of current and projected housing needs in the Heber Valley, including demographics and affordability gaps. Speaker: Dejan Eskic (Kem C. Gardner Institute)
- 9. Goal Setting.** Facilitates discussion on potential housing goals for Heber City, aligning needs, values, and policy direction. Speaker: Jason Glidden (MCHT)
- 10. Strategic Housing Plan.** Outlines how to translate goals into an actionable, long-term housing strategy with implementation steps and accountability. Speaker: Jason Glidden (MCHT)



Heber City Council Staff Report

MEETING DATE: 7/7/2026
SUBJECT: 1200 S & Mill Rd Roundabout Design Discussion
RESPONSIBLE: Russ Funk
DEPARTMENT: Engineering
STRATEGIC RELEVANCE: Infrastructure Sustainability

SUMMARY

Future intersection improvements for 1200 South Mill road were discussed during 2026 Council Retreat earlier this year. Since that time updated information has become available and staff wants to verify direction from Council before moving forward with design.

RECOMMENDATION

Confirm prior direction or provide staff with updated direction based on updated information.

BACKGROUND

During the 2026 Council Retreat earlier this year, staff presented some options pertaining to the future intersection improvements at 1200 South and Mill Road. Direction was provided to move forward with construction of a smaller roundabout for now (Option 2), but to pursue ROW acquisition for a larger future roundabout (Option 1).

Through coordination with Horrocks (our project design consultant), clarification was provided indicating that neither option would result in a LOS (Level of Service) C in 2050. Consequently, Horrocks added a few more concepts (Options 3 & 4) which would provide for a LOS C in 2050. They also provided additional projections of how long Options 1 and 2 would provide a LOS C (see attached Traffic Memo).

DISCUSSION

Based on the updated information provided and long-term needs for the intersection, which option is supported by Council? Some factors to consider include:

- Long-term LOS.
- Longer-term options result in more disruption to and property acquisition from adjacent property owners.
- Is it better to phase into the larger future options, or reduce future impacts by constructing a longer-term solution initially?

- More conflict points with longer-term solutions.
- Improvements would also be needed to connecting roads in the future to match capacity of Options 3 & 4. Would it be better to include future expansion with those future projects?

FISCAL IMPACT

Master Plan Estimate is \$1,518,000 for the Project.

Options 1 & 2 could likely be completed with this budget (property acquisition costs are unknown).

Options 3 & 4 are anticipated to exceed this budget.

CONCLUSION

Based on Discussion

ALTERNATIVES

POTENTIAL MOTIONS

ACCOUNTABILITY

Department: Engineering
Staff member: Russ Funk, City Engineer

EXHIBITS

1. Traffic Memo
2. Option 1 Concept
3. Option 2 Concept
4. Option 3 Concept
5. Option 4 Concept

MEMORANDUM

TO: Russell Funk, PE
FROM: Tyson Grant, PE
DATE: June 17, 2026
SUBJECT: Heber 1200 South Mill Road Traffic Memo

Horrocks has extended the future traffic projections for the proposed round-a-bout (RAB) located at 1200 South Mill Road to 2050 as requested by the city. Our design criteria and findings are below.

The growth rate was modeled at 3.7% annually, which corresponds with the rate used in our preliminary memo dated December 9, 2025. In 2050, both a single lane signal and a single lane roundabout will be at a level of service F. The signal will have a max delay of 177.64 sec in the AM and a delay of 217.10 sec in the PM. The RAB will have a max delay of 192.96 sec in the AM and 272.10 in the PM. Heber City requested a residual LOS of C in 2050, therefore we have modified the layout to a dual lane RAB to achieve a LOS of C. Either of the attached dual lane RAB options will achieve a LOS of C in 2050, with the AM max delay reduced to 23.5 sec and the PM max delay reduced to 13.7 sec.

Upon request RAB options 1 and 2 were evaluated to estimate the approximate year in which each alternative would no longer maintain LOS C or better operations under the assumed traffic growth rate. Option 1, which includes two eastbound lanes consisting of a dedicated through lane with a right-turn option and a second dedicated left-turn lane, as well as dedicated right-turn lanes on the westbound and southbound approaches, is projected to operate at LOS C or better through approximately 2043.

Option 2, which removes the dedicated right-turn lanes on the southbound and westbound approaches to reduce the overall roundabout footprint, is projected to operate at LOS C or better through approximately 2041.

These projected years should be considered planning-level estimates based on the traffic volumes and growth assumptions used in the analysis. Actual operations may vary depending on future development patterns, changes in background traffic growth, land use changes, or other roadway network improvements in the surrounding area

Therefore, Horrocks recommends a dual lane roundabout at this intersection to improve the 2050 level of service and lengthen the design life of the intersection improvements. Below is a list of the pros & cons of the design concept options.



Concept Option 1

Option 1 consists of two eastbound lanes with a dedicated thru lane with a right turn option and a second dedicated left turn lane. Westbound lanes and southbound lanes have dedicated right turn lanes with separate thru/left turn lanes.

Pro's: higher capacity will result in a longer life, free right movements assisting with the high demand movements, freely accommodating WB-67 truck movement.

Con's: Large footprint requiring additional ROW.

Concept Option 2

Option two removes the dedicated right turn lanes on the southbound and westbound lanes to reduce the footprint of the roundabout.

Pro's: Smaller footprint requiring less ROW.

Con's: WB-67 will consistently off track through RAB, shorter design life requiring upgrades earlier.

Concept Option 3

Option 3 consists of two eastbound lanes, two westbound lanes, two northbound lanes, and two southbound lanes. Each direction will have two thru lanes, one with a right turn option and one with a left turn option.

Pros: higher capacity will result in a longer life. The dual lanes will assist with high demand movements, accommodating WB-67 truck movement.

Cons: Large footprint requiring additional ROW.

Concept Option 4

Option 4 consists of two eastbound lanes, two westbound lanes, two northbound lanes, and two southbound lanes, with a shared center lane (left turn lane) in all directions outside of the roundabout. Each direction into the roundabout will have two thru lanes, one with a right turn option and one with a left turn option.

Pros: higher capacity will result in a longer life. The dual lanes will assist with high demand movements, accommodating WB-67 truck movement. Shared center lane outside of roundabout for left hand turns.

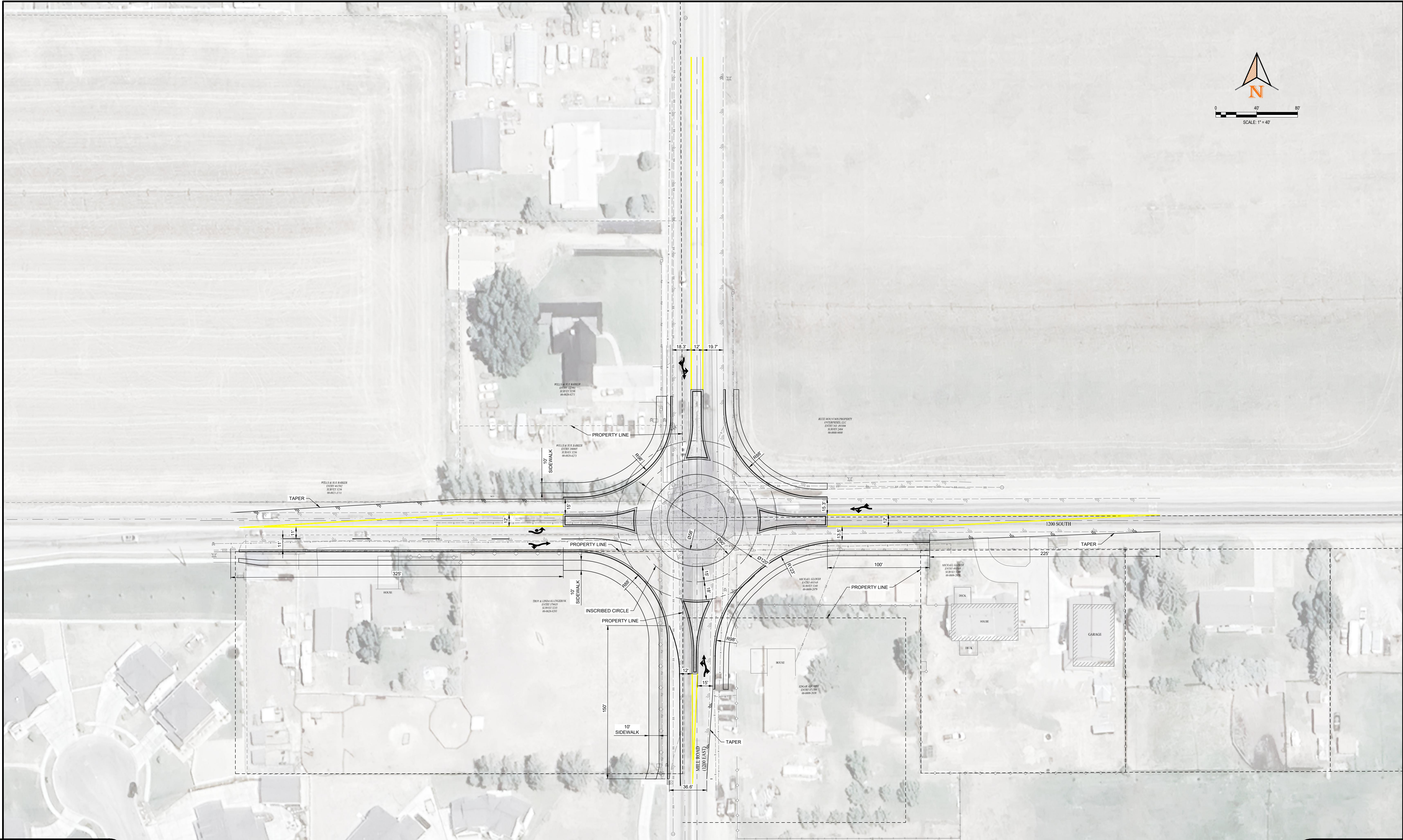
Cons: Large footprint requiring additional ROW.



DRAWING INFO	
DATE	02/3/2026
SCALE	1" = 40'
REV #	DATE
PROJ. NO: 313.0512315.999	


EXHIBIT
PAGE 1

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2162 West Grove Pkwy., Suite 100
Pleasant Grove, UT 84062

(801) 763-5100
www.horrocks.com

OWNER:

CITY:

WARNING



IF THIS BAR DOES NOT
MEASURE 2" THEN
DRAWING IS NOT TO SCALE

1200 S MILL ROAD HEBER CITY, UT

ROUNDAABOUT CONCEPT OPTION 2

DRAWING INFO

DATE 02/3/2026

SCALE 1" = 40'

REV # DATE

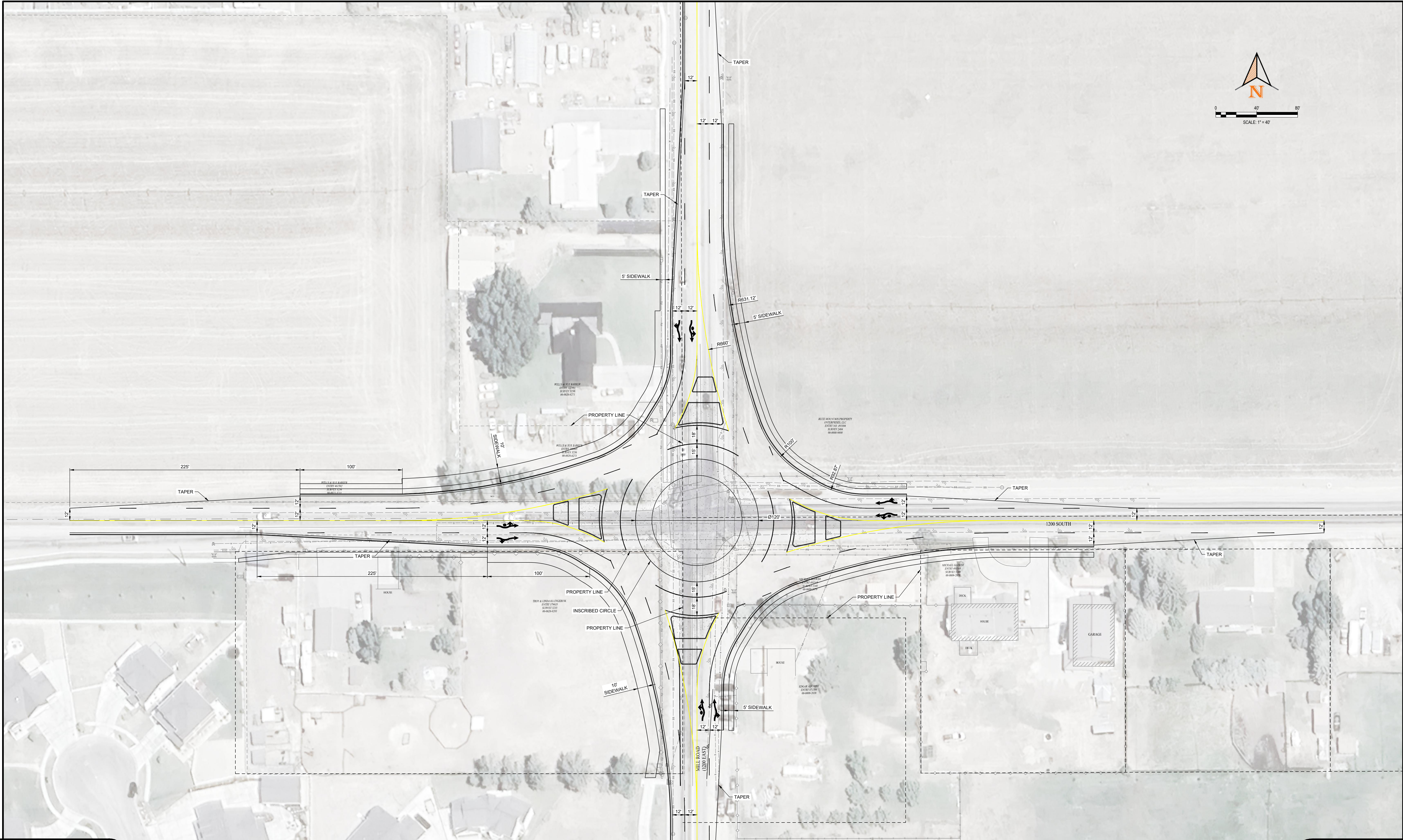
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EXHIBIT

PAGE 3

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IF THIS BAR DOES NOT
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1200 S MILL ROAD HEBER CITY, UT

ROUNDAABOUT CONCEPT OPTION 3

DRAWING INFO

DATE 04/3/2026

SCALE 1" = 40'

REV # DATE

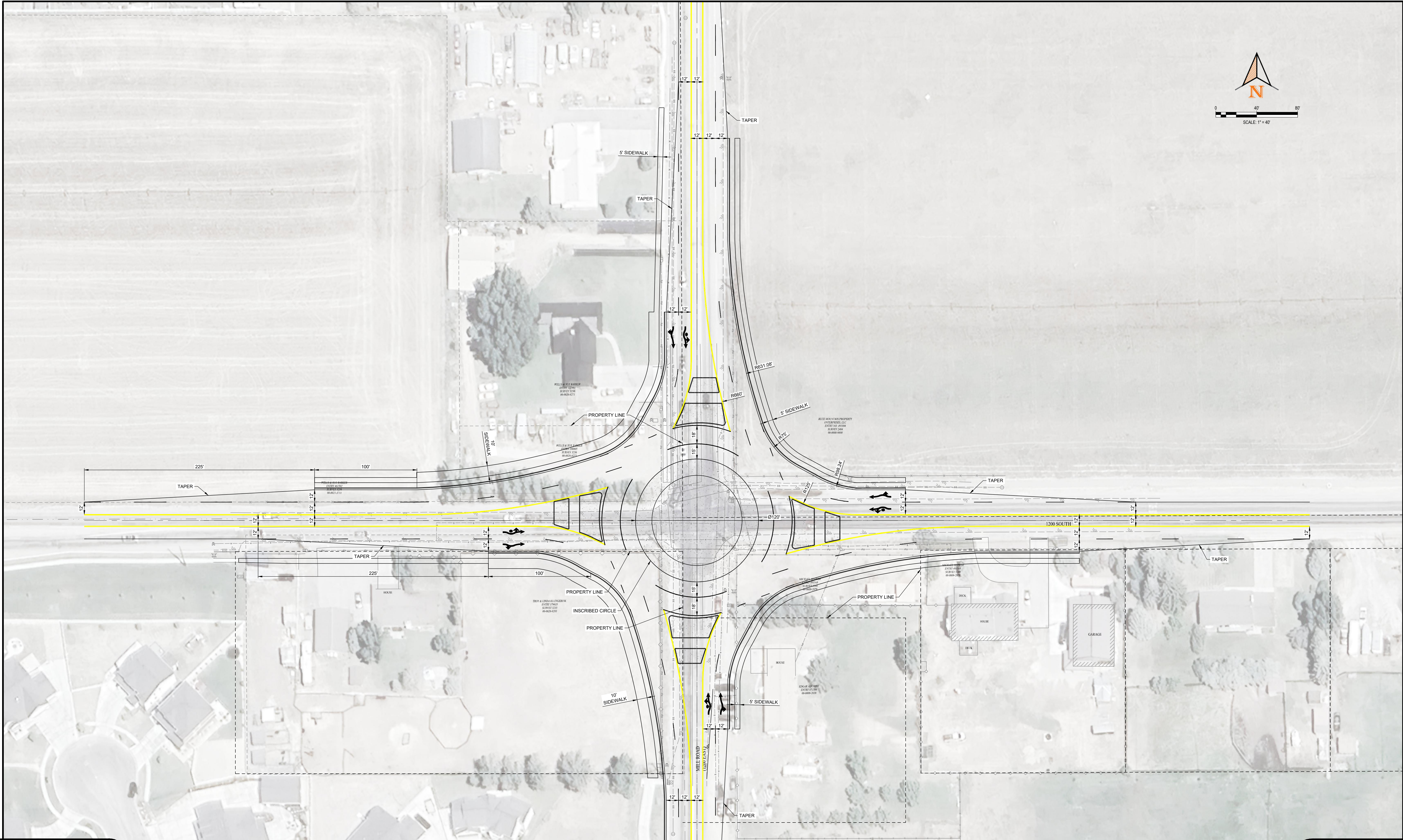
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EXHIBIT

PAGE 3

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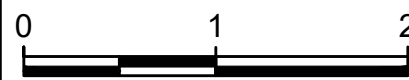
2162 West Grove Pkwy., Suite 100
Pleasant Grove, UT 84062

(801) 763-5100
www.horrocks.com

OWNER:

CITY:

WARNING



IF THIS BAR DOES NOT
MEASURE 2" THEN
DRAWING IS NOT TO SCALE

1200 S MILL ROAD HEBER CITY, UT

ROUNDAABOUT CONCEPT OPTION 4

DRAWING INFO

DATE 04/3/2026

SCALE 1" = 40'

REV # DATE

PROJ. NO: 313.0512315.999



EXHIBIT

HEBER CITY COUNCIL STAFF REPORT

MEETING DATE: 6/16/2026

SUBJECT: Mayor's Award to Don Taylor



RESPONSIBLE: Mayor Heidi Franco

STRATEGIC RELEVANCE: Administrative Item

RECOMMENDATION

Don Taylor, the MAG Trail Coordinator is retiring this month. Mayor Franco wants to acknowledge the tremendous work he's done in our City and County as MAG Trail Coordinator for the past six years.

We honor and thank him for his extensive experience as well as the significant work he's done to expand trails in Heber City, Wasatch County and across our State. We also recognize his decades of dedicated service and how he's improved the quality of life in all the places that he's lived. He is receiving the Mayor's Coin as a token of his excellent public service. We will miss him as Trail Coordinator and are grateful he'll continue to serve in his current City POSTT appointment.

Don Taylor- Trails Bio

June 9, 2026

Moab, Park City, Wasatch County, Utah

History:

Member of the Moab Dirtbike Club that built the Slickrock Trail-1970.

Charter member of the Mountain Trails Foundation, in Park City- 1980's.

Started the Mtn Bike operation, at Deer Valley Resort -1980's. Design and built Naildriver, Mid-Mountain, and Twist and Shout,

Hosted a World Cup Mtn Bike race and 5 NORBA National Mtn Bike races-1990's.

Nominated for Mtn Bike Hall of Fame, by Team Big Bear- 1990's.

General Manager at Deer Crest, and design/ built their Mtn Bike trail system, notably Spin Cycle, Snow Top, and Pipeline.

Board member of Friends of Wasatch Mountain State Park- 6 years.

Founding member of the Wasatch Trails Alliance and Board President for 3 years.

Built numerous backcountry trails at Wasatch Mountain State Park, among them in Dutch Canyon (The Barrel, Flatline, lower WOW, and Phosphate.)

Jordanelle State Park- Design/built Ross Creek Trail and Perimeter Trail Extension to marina.

Heber Envision 2050 Committee member.

Chairman of the Utah State Outdoor Recreation Initiative (UORI) ranking committee.

Vail Corp, PCMR Epic Wasatch Back Recreation program board member.

Heber Valley Corridor EIS Local Government Committee member.

Wasatch Parks and Rec Advisory member- currently Chair.

Heber City POST advisory committee member from inception.

Mountainlands Association of Governments (MAG)- Wasatch Region Trail Planner (6 yrs) :

- Worked with city staff of review of numerous developments trail plans such as Jordanelle Ridge, Red Ledges, New London, Highlands, Slopes and Finch Creek.

- Worked with County staff of review over 200 developments' trail plans such as Tuhaye, Skyridge, Blue Sage, Benloch Ranch and Big Pole.

- MAG liaison with Consor Engineering for the Feasibility Study, EIS, surveying and engineering, for the future Heber Valley Railroad Rail With Trail.

Heber City Council Staff Report

MEETING DATE: 7/7/2026

SUBJECT: Mayor's America 250 Contest Winners



RESPONSIBLE: Mayor Heidi Franco

STRATEGIC RELEVANCE: America 250 Celebration

Mayor Franco wants to congratulate these America 250 Celebrate Contest Winners! Each of these will receive the Mayor's Coin and Certificate for their submission. America's future is in good hands with these youth!

11-14 Year Old Winners

Alexis Linford

Submission: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness."

-This is important because people are given rights by their creator, and the government cannot put those rights in jeopardy.

Bauer Cottle

"That they are endowed by their creator with certain unalienable rights, among these are life, liberty and the pursuit of happiness."

I think happiness is the most important thing. I have friends at school that have a different skin color and I would not be happy if I was not in their class. Without freedom we would not have the same rights. I am grateful for the Declaration of Independence because everyone deserves to be free and happy.

8-10 Year Old Winners:

Esther Linford

Submission: "The Laws of nature and of nature's God."

-I believe that God is the creator of nature and He is my Creator.

Eve Linford

Submission: "the laws of nature and of natures of God"

- I believe that God is the creator of every living thing in this world.

Rocky Cottle

"We hold these truths to be self-evident, that all men are created equal."

I like this because we are God's children. Men should all be equal. I feel sad when people are treated differently because of how they look. We are doing better, but we have room for improvement.



MEMORANDUM

TO: The Honorable Mayor and Members of the City Council
Heber City, Utah
75 North Main Street
Heber City, Utah 84032

FROM: Forestar (USA) Real Estate Group Inc. – Max Martin

DATE: June 30, 2026

RE: Tava-Highlands PID Nos. 1–3, Public Hearing July 7, 2026

Dear Mayor and Members of the City Council:

Thank you for your feedback at the Council Working Session on June 16, 2026, regarding the proposed Tava-Highlands Public Infrastructure District Nos. 1–3. Your comments were valuable as we work to build a development that serves the public and aligns with the City's vision for the future. We have revised the Governing Document to reflect your comments and have provided a redlined draft reflecting the following changes:

Section VI. – The Board Member transition to an elected seat has been moved forward to begin at 20% of certificates of occupancy issued.

Section VI.F. – The Conflicts of Interest section has been clarified to identify where each trustee's Conflicts of Interest Form can be found online.

Section VII.C. – The mill levy rate is now described consistently throughout the document as "5 mills, or \$500.00 per \$100,000.00 of taxable value." The same language has been added to

Section X.B. (Notice to Buyers and Lessees) and **Section X.C.1.** (Annual Notice Disclosure Statement). **Exhibit D** (Disclosure Notice) has also been updated with the same language.

The presentation deck has also been revised to include an updated tax table reflecting 2025 Wasatch County tax rates, cost-benefit slides using current pricing models for each home model within the project, and details regarding the Central Park Conceptual Plan.

We look forward to receiving feedback from the Council and the public at the hearing on July 7, 2026.

Thank you,

Max Martin

TAVA-HIGHLANDS

Public Infrastructure District Nos. 1–3

Heber City, Utah

Presented by: Forestar (USA) Real Estate Group Inc.

Heber City Council – Public Hearing | July 7, 2026

Governing Document Approval

THE
HIGHLANDS
DEVELOPMENT

Wasatch County
Heber City, Utah



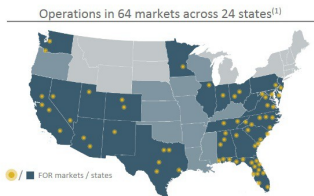
Forestar (USA) & DR Horton

Nationally Proven. Locally Invested

FORESTAR OVERVIEW



Forestar Group Inc. ("Forestar" or "FOR") is a highly differentiated, pure-play, residential lot developer for the affordably-priced single-family home market

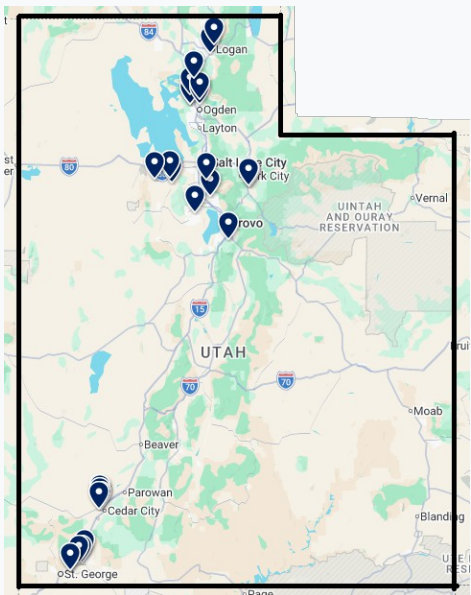


(1) As of March 31, 2026

- RETURNS FOCUSED Track record of solid operational results
- PRUDENT Fully-entitled projects with short durations
- DISCIPLINED Investing capital across a diverse, national footprint which mitigates risk
- STRATEGIC Strong relationship with D.R. Horton, the nation's largest homebuilder
- EFFICIENT Capturing market share while maintaining a low overhead model
- STRONG LIQUIDITY Balance sheet provides financial and operational flexibility
- LEADERSHIP Proven management team with significant land development experience



As of March 31, 2026



Agenda

01

Highlands Development & Tava-Highlands PIDs

Project description, boundaries, phasing, PID Nos. 1–3

02

Public Infrastructure

Infrastructure to be financed and public benefits

03

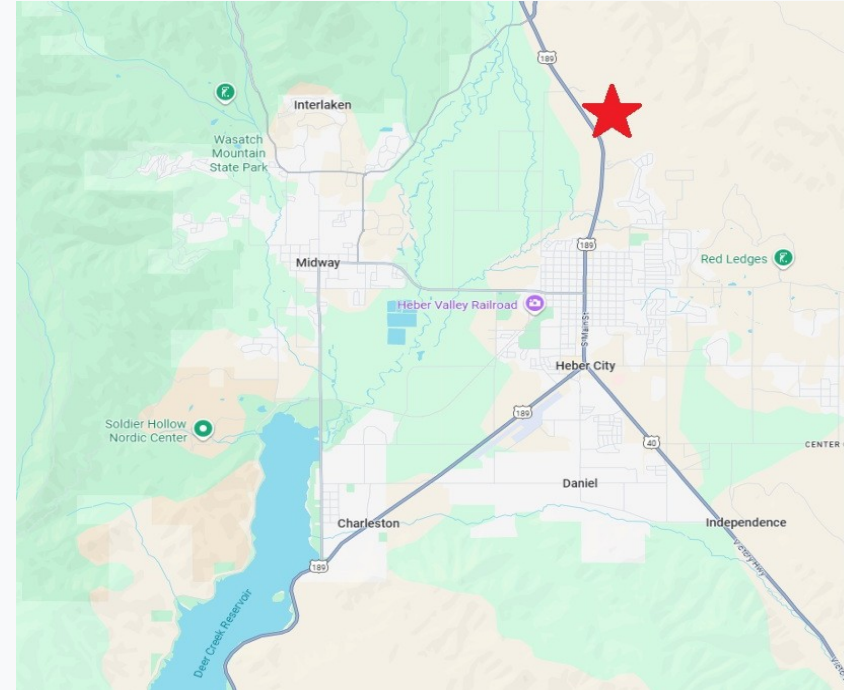
Financial Plan

Mill levy, bond structure, and fiscal analysis

04

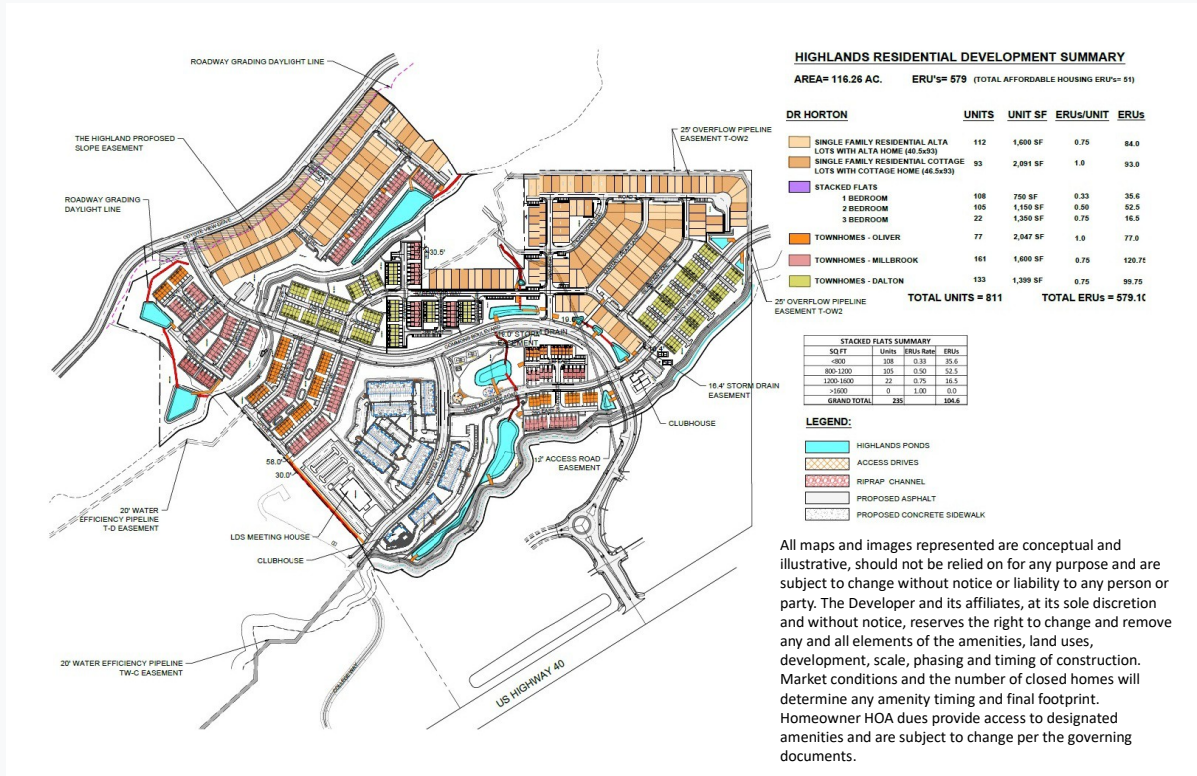
Governing Document

Limitations, board composition and property owner protections



▲ Project Location — Heber Valley, Wasatch County, Utah

Overall Development Plan — 116.26 Acres, 811 Total Units



UNIT SUMMARY

Alta Lots (SF) approx. 1,600 SF
 112 units 0.75 ERU

Cottage Lots (SF) approx. 2,091 SF
 93 units 1.0 ERU

TH – Oliver approx. 2,047 SF
 77 units 1.0 ERU

TH – Millbrook approx. 1,600 SF
 161 units 0.75 ERU

TH – Dalton approx. 1,399 SF
 133 units 0.75 ERU

Stacked Flats* 750–1,350 SF
 235 units 0.33–0.75

TOTAL: 811 units | 579.10 ERUs

* Stacked Flats by DHI Communities (outside PID boundaries). DR Horton builds all other product types.

PID Nos. 1–3: Boundaries & Structure

Three PIDs allow phased development, separate tax/assessment obligations, and flexibility in bond issuance.

PID No. 1

75.07 acres

Primary district along Wasatch Canal / Timpanogos Canal corridor

PID No. 2

0.11 acres

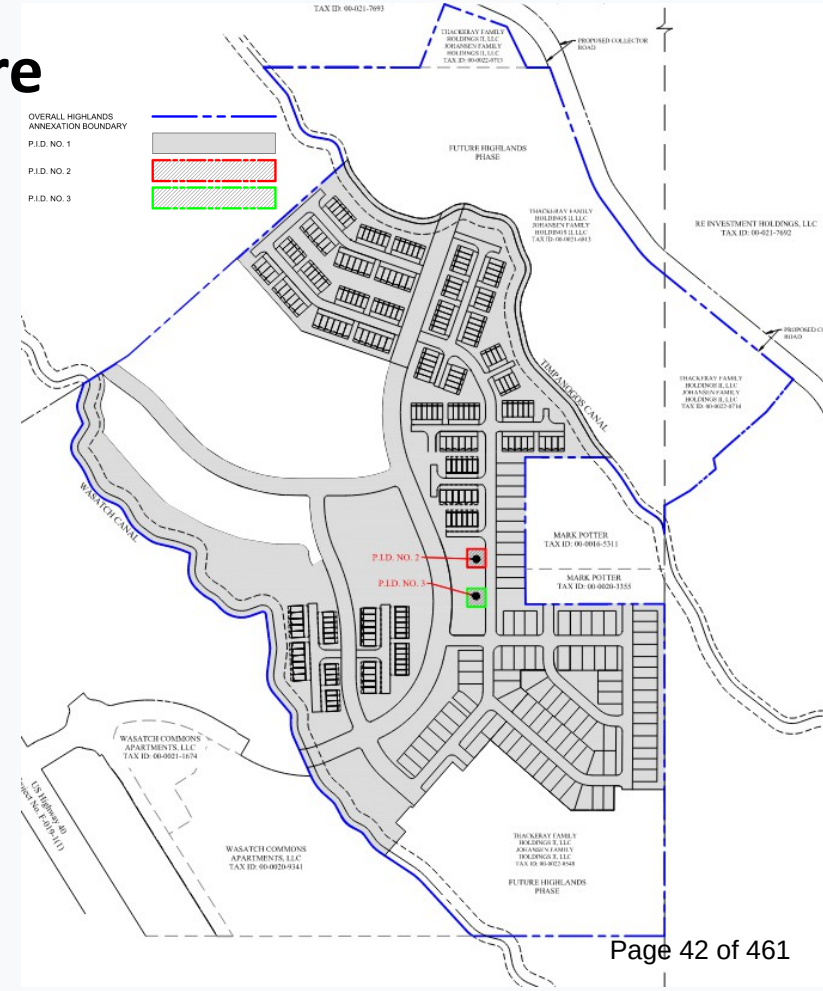
Small initial boundary parcel for phasing/financing flexibility

PID No. 3

0.11 acres

Small initial boundary parcel for phasing/financing flexibility

Annexation Area: ~116.26 acres total. PIDs may annex parcels within this area upon 100% owner consent — no further City Council approval required per Governing Document.



Why a PID? Public Need & Benefits

THE NEED

~\$40,000,000

Estimated Public Infrastructure Cost



PUBLIC BENEFITS

Envision Heber 2050

Advances City's comprehensive plan goals for diverse housing types and price points

Utilities

Water, sewer, electrical, fire protection, pressurized irrigation, storm drainage

Infrastructure Funded

Roadways, curbs, gutters, sidewalks, streetlights, traffic controls

Attainable Housing

Serves working families, educators, and public employees — attainable options in the Heber Valley market

No City Liability

PID debt does not create any financial liability or obligation for Heber City

Cost Benefit to the Homeowner — Townhome Product

WITHOUT A PID		WITH A PID	
Purchase Price	\$489,990	Purchase Price	\$449,990
Down Payment (20%)	\$97,998	Down Payment (20%)	\$89,998
Loan / Rate	\$391,992 @ 6.5%	Loan / Rate	\$395,992 @ 6.5%
Principal & Interest	\$2,477.66 / mo	Principal & Interest	\$2,275.39 / mo
Property Tax	\$208.93 / mo	Property Tax	\$294.99 / mo
Total Monthly Payment	\$2,686.58	Total Monthly Payment	\$2,570.39

THE HOMEOWNER'S BOTTOM LINE

\$8,000

less cash due at closing

~\$116 / mo

lower total monthly payment

~\$1394 / yr

in annual savings

The PID levy is temporary — when the bonds are repaid, the levy ends and the homeowner keeps the lower-priced home and mortgage.

A Townhome at its marketed price; 30-yr fixed at 6.5%, 20% down; Utah primary-residence taxable value = 55% of market value. With-PID price reflects ~\$40,000 of infrastructure funded by the PID rather than built into the purchase price.

Cost Benefit to the Homeowner — Cottage Product

WITHOUT A PID		WITH A PID	
Purchase Price	\$694,990	Purchase Price	\$654,990
Down Payment (20%)	\$138,998	Down Payment (20%)	\$130,998
Loan / Rate	\$555,992 @ 6.5%	Loan / Rate	\$523,992 @ 6.5%
Principal & Interest	\$3,514.25 / mo	Principal & Interest	\$3,331.99 / mo
Property Tax	\$296.34/ mo	Property Tax	\$429.38 / mo
Total Monthly Payment	\$3,810.58	Total Monthly Payment	\$3,741.37

THE HOMEOWNER’S BOTTOM LINE

\$8,000

less cash due at closing

~\$69 / mo

lower total monthly payment

~\$830 / yr

in annual savings

The PID levy is temporary — when the bonds are repaid, the levy ends and the homeowner keeps the lower-priced home and mortgage.

A Commitment Under the Development Agreement

Required by the Development Agreement

The 2024-amended Development Agreement grants bonus density in exchange for delivering deed-restricted affordable housing.

67

affordable-housing ERUs required, within the Bonus Density Entitlements

51 residential · 16 Town Center (student housing) · 758 ERUs total

The Builder’s Deed-Restricted Obligation

≤ 60% AMI	~11 units	≈ \$218,000
≤ 80% AMI	~44 units	≈ \$338,000

These restricted prices fall below the cost of delivering the finished lot and home — the builder absorbs the difference to meet its obligation.

HOW THE PID MAKES IT FEASIBLE

~\$40M

in public infrastructure financed by the PID

Removing that cost from the purchase price closes the gap on the deed-restricted units and keeps base prices lower across all product types — making the Development Agreement’s affordable-housing commitment achievable rather than a barrier to the project.

Public Benefits

Assurance of Timely, High-Quality Infrastructure

- **Implements the Development Agreement.** The financing tool that makes the City's 2021 Development Agreement (amended 2024) feasible.
- **Timely Delivery of Attainable Housing.** Delivers the housing variety and attainable pricing the General Plan calls for.

In line with the City’s Master Plan

- **Lower Base Prices** — Repayment spread over 30 years (~\$500/yr per \$100K of taxable value) keeps prices lower across all product types.
- **Diverse Housing Mix** — 576 units across a range of types, sizes, and price points, with the public infrastructure to serve them.
- **Attainable Housing, This Location** — The North Village/UVU Town Center is designated for attainable housing; the PID is the ~\$40M subsidy that makes it feasible.



Public Project

In line with Heber Cities PID Policy, the city will receive 5 - 10% of PID to go towards a public project. This could be between \$1 - \$2M.

Here are a few ideas that we propose:

Highland Park Improvements

This is a public park within our community. The city has a current budget of about \$2.3M that is spelled out in the reimbursement agreement.

- The PID could help fund additional features to this park that could not fit within the current budget.
- Enhanced and/or Additional Play Structures, Shade Features, Rubber Flooring, benches, etc.

Trail Along Highway 40

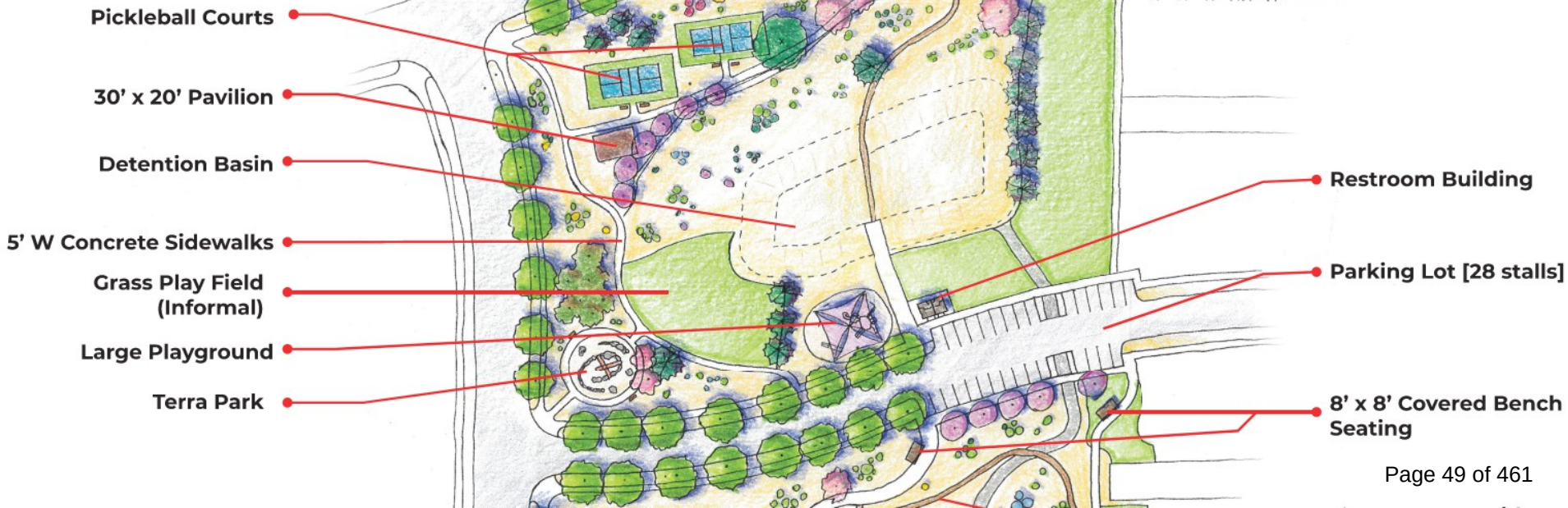
- The current trail along Highway 40 is missing some sections.
- The PID could fund the connection of this trail from Wasatch Commons Apartments to College way ~ 0.5 Miles

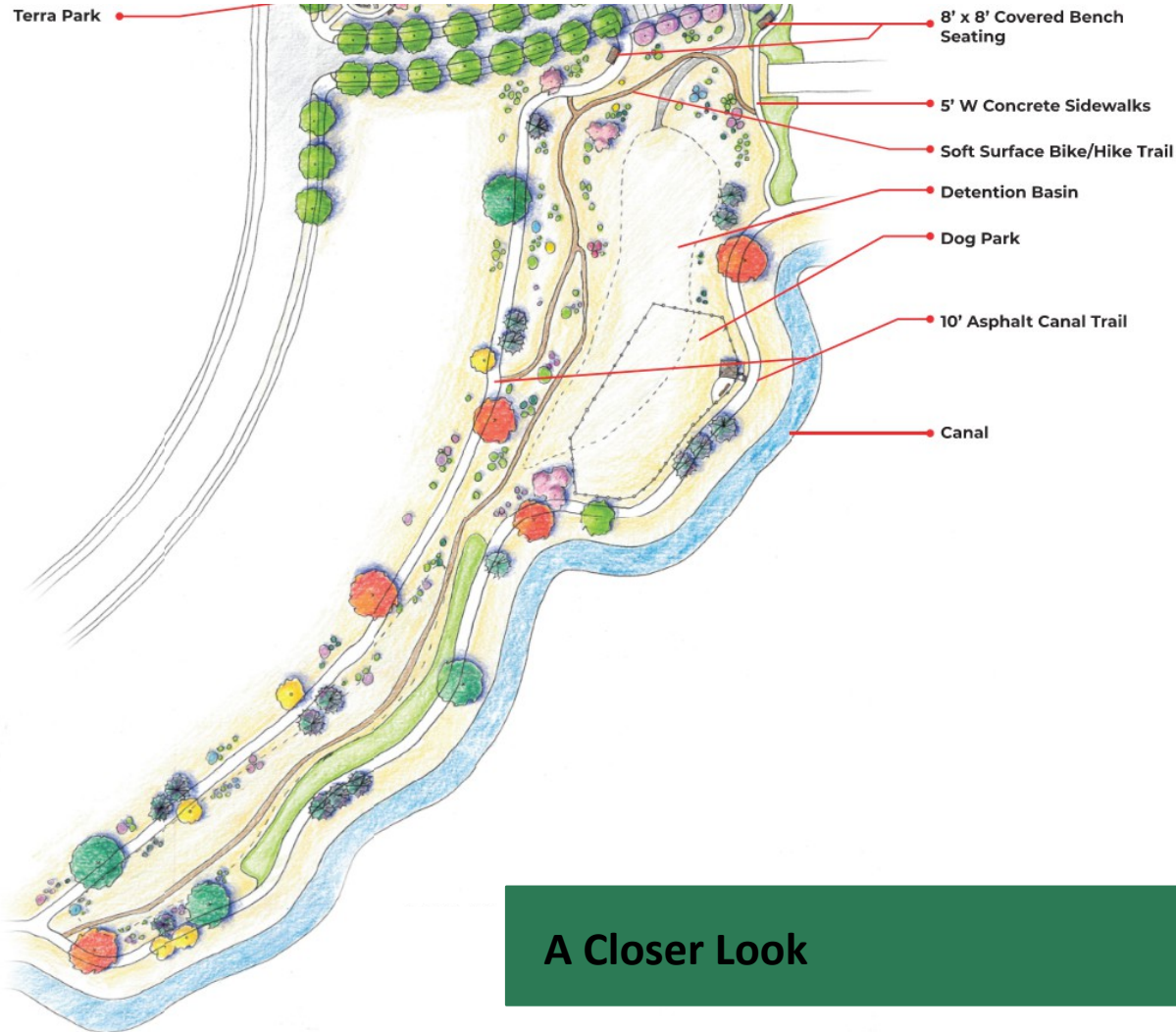
HIGHLANDS

CENTRAL PARK CONCEPTUAL PLAN

A Closer Look

All maps and images represented are conceptual and illustrative, should not be relied on for any purpose and are subject to change without notice or liability to any person or party. The Developer and its affiliates, at its sole discretion and without notice, reserves the right to change and remove any and all elements of the amenities, land uses, development, scale, phasing and timing of construction. Market conditions and the number of closed homes will determine any amenity timing and final footprint. Homeowner HOA dues provide access to designated amenities and are subject to change per the governing documents.





All maps and images represented are conceptual and illustrative, should not be relied on for any purpose and are subject to change without notice or liability to any person or party. The Developer and its affiliates, at its sole discretion and without notice, reserves the right to change and remove any and all elements of the amenities, land uses, development, scale, phasing and timing of construction. Market conditions and the number of closed homes will determine any amenity timing and final footprint. Homeowner HOA dues provide access to designated amenities and are subject to change per the governing documents.

HIGHLANDS

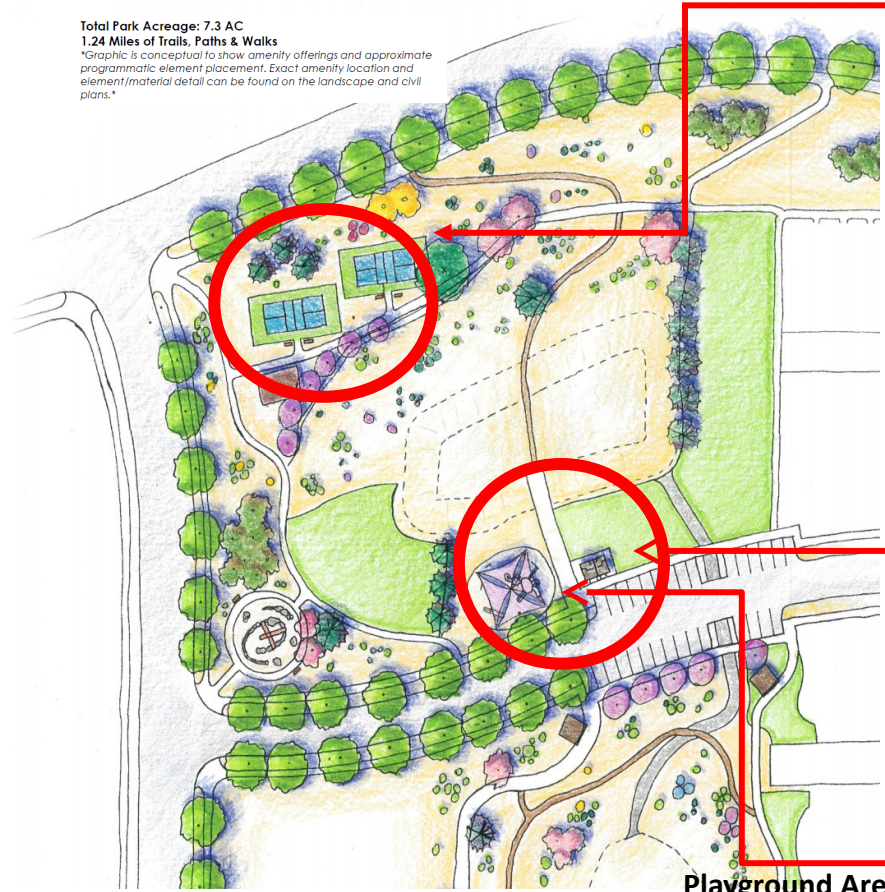
CENTRAL PARK CONCEPTUAL PLAN

A Closer Look

HIGHLANDS

CENTRAL PARK CONCEPTUAL PLAN

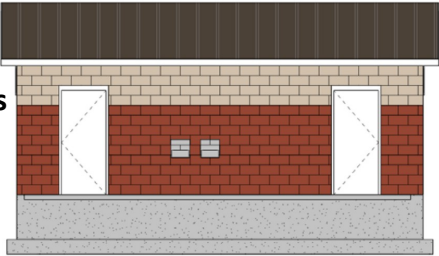
Total Park Acreage: 7.3 AC
1.24 Miles of Trails, Paths & Walks
Graphic is conceptual to show amenity offerings and approximate programmatic element placement. Exact amenity location and element/material detail can be found on the landscape and civil plans.



Pickleball Courts (2)



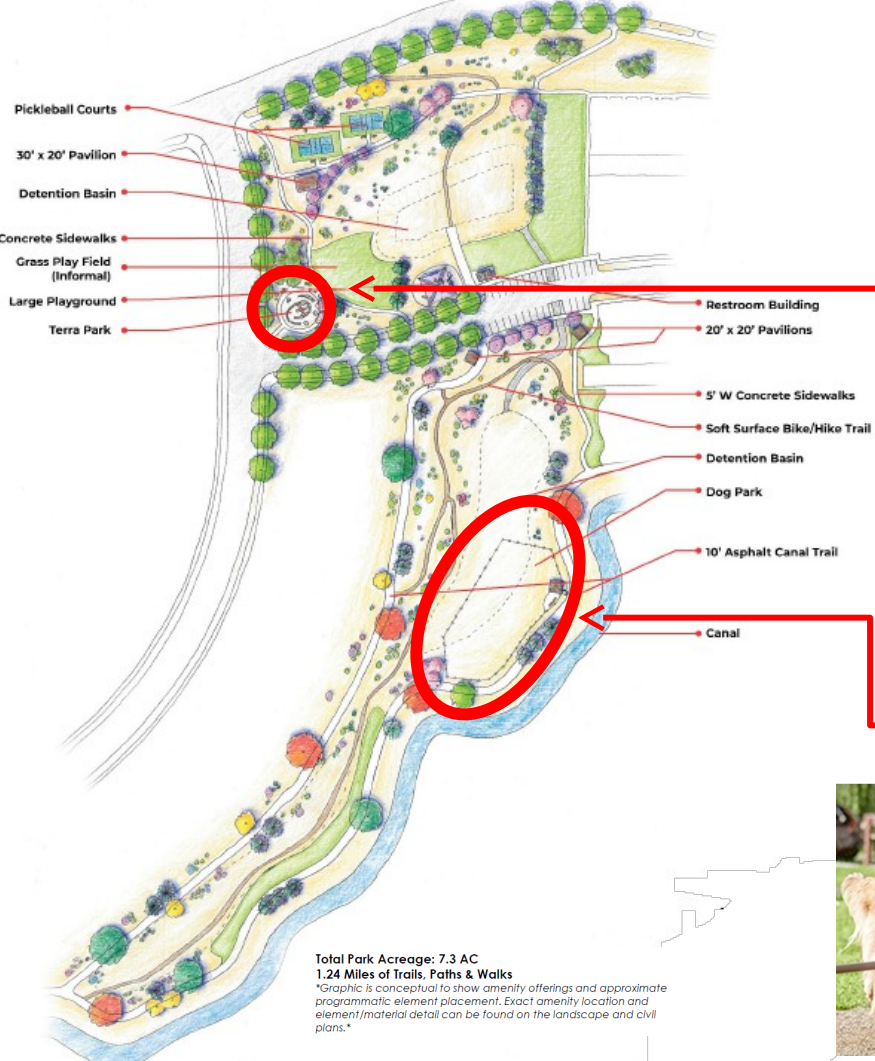
Restrooms



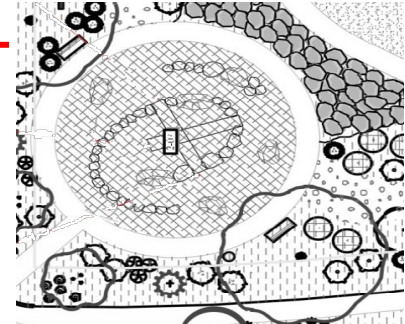
BIG RECREATION



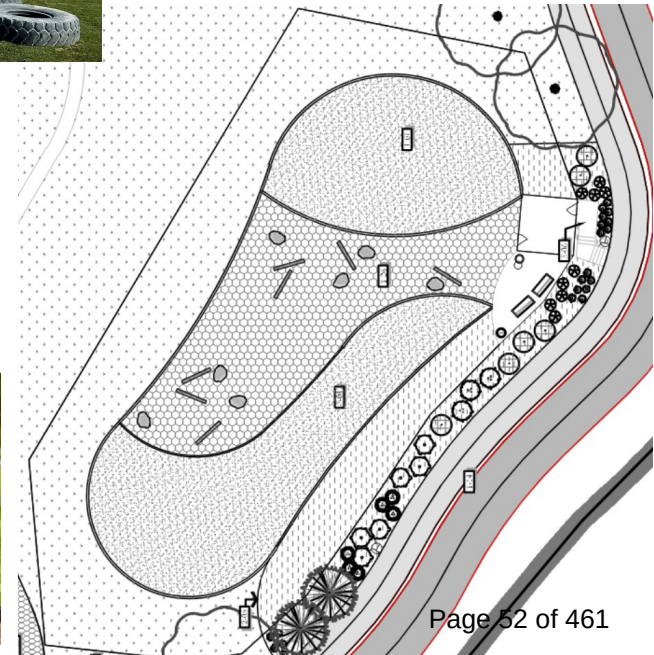
Playground Area
4,800 sf.



Terra Park



Dog Park



Total Park Acreage: 7.3 AC
 1.24 Miles of Trails, Paths & Walks
 Graphic is conceptual to show amenity offerings and approximate programmatic element placement. Exact amenity location and element/material detail can be found on the landscape and civil plans.





Financial Plan Overview

Preliminary Financing Analysis for LTGO PID Bonds prepared by Wells Fargo Securities (April 2026) — subject to final market conditions at time of issuance.

5 Mills

Max Debt Mill Levy
(per \$1 taxable value)

\$0.005

Max Rate
(\$5 per \$1,000 AV)

\$22.6M

Estimated Aggregate
Par Amount – New Money Bonds

Issuance Year	District	Par Amount (New Money Bonds)	Final Maturity	Financing Strategy	Rating Assumption (Senior Bonds)
2026	PID No. 1	\$10,925,000	2056	New money only	Non-rated
2028	PID No. 2/3	\$9,110,000	2058	New money only	Non-rated
2031	PID No. 1	\$1,330,000	2061	New money & refinancing	Investment Grade
2033	PID No. 2/3	\$1,235,000	2063	New money & refinancing	Investment Grade

All bonds tax-exempt. Capitalized interest covers early years. Debt Service Reserve Fund established at closing.

Proposed Mill Levy: Comparison & Impact

2025 CERTIFIED TAX RATES — HEBER AREA	
Wasatch County	0.001156
MCAT & County A&C Levies	0.000126
Wasatch Co. School District	0.006294
Heber City	0.000770
Fire Protection SSD	0.000420
Wasatch Co. SSD No. 21	0.000157
Central Utah Water CD	0.000380
Current Total Tax Rate	0.009303
Proposed Tava-Highlands PID	0.005000
Proposed New Total Rate	0.014303

COMPARABLE PID TAX RATES

Harvest Village PID	0.005
Jordanelle Ridge PID	0.005
Black Rock Mt. Resort PID	0.010
Wakara Ridge PID	0.001
DV Snow Park PID Nos. 1–3	up to 0.015
MIDA Cormont PID	0.020

IMPACT ON HOMEOWNER

At 5 mills: approx. \$500 per \$100,000 of taxable value annually
(e.g., ~\$1,650/year on a \$330,000 assessed taxable value for a \$600,00 home)

Board of Trustees & Transition to Elected Board

Each PID has a five-member Board of Trustees. Initial trustees are property owners and/or their designated agents. Seats transition to elected positions as residential buildout progresses, ensuring future resident representation.

Trustee	Initial Term Up To	Initial Trustee	Transition Milestone
Trustee 1	6 years	Max Martin	20% of Anticipated Units receive certificates of occupancy
Trustee 2	4 years	Kelly Beres	40% of Anticipated Units receive certificates of occupancy
Trustee 3	6 years	Owen Lindsay	60% of Anticipated Units receive certificates of occupancy
Trustee 4	4 years	Brandon Jack	80% of Anticipated Units receive certificates of occupancy
Trustee 5	6 years	Curtis Leavitt	100% of Anticipated Units receive certificates of occupancy

Residency Waiver: Petitioner has consented to waiver of residency requirement (§17D-4-202(3)(a)). **Eligibility:** All trustees are surface property owners, or agents/officers of surface property owners, within the Districts' boundaries.

Property Owner Protections & Required Disclosures

100% Owner Consent

The Petitioner (Forestar) represents 100% of surface property owners within the proposed district boundaries and has executed the Petition with full notarized consent.

DR Horton is the Only Builder

Having only one builder facilitates notice and disclosure compliance. DR Horton currently has another community with a PID in Salem, UT

Mill Levy Cannot Be Increased

The maximum mill levy of 5 mills is set in the Governing Document and cannot be increased without a full Governing Document Amendment approved by City Council — regardless of project success or failure.

Recorded Notice on Property

A statutory notice is recorded against all property within the district boundaries (Utah Code §§17B-1-215(2)(a) & 17D-1-209(1)(a)).

Buyer: «BUYERS FULL NAMES LIST» / Subdivision: «PROJECT CODE» «PROJECT NAME» / Lot: «PLAT LOT» / BUILD: «LOT NUMBER» / Address: «LOT ADDRESS LINE» / Sales Rep: «SALES REP NAME» / Date: «CURRENT DATE»

DISCLOSURE REGARDING VIRIDIAN FARM PUBLIC INFRASTRUCTURE DISTRICT NO. 1

This Disclosure Regarding Viridian Farm Public Infrastructure District No. 1 ("Disclosure") is attached to and forms part of the Purchase and Sale Agreement ("Agreement") executed by and between Buyer and Seller for the purchase of the Property described in the Agreement. Any capitalized terms not otherwise defined herein shall have the meanings as set forth in the Agreement. If there is a conflict between the Agreement and the terms and provisions of this Disclosure, the terms and provisions of this Disclosure shall control.

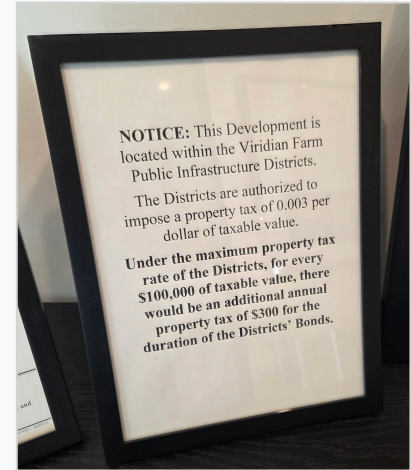
Buyer is hereby notified that the Property is located within the boundaries of Viridian Farm Public Infrastructure District No. 1 ("District"). The District is authorized to impose a property tax of 0.003 per dollar of taxable value.

Under the maximum property rate of the District, for every \$100,000 of taxable value, there would be an additional annual property tax of \$300 for the duration of the District's Bonds.

By signing below, Buyer is acknowledging that Buyer has read, reviewed, and approved the contents of this Disclosure. All other terms and conditions of the Agreement remain unchanged.

BUYER(S):
«BUYER SIGNATURE LINE-BELOW-BLOCK»
«COBUYERS SIGNATURE LINES-BELOW-BLOCK»

SELLER:
«SELLER NAME SIGNATURE LINE-BELOW-BLOCK»



Annual Notice

Annual written notice to all property owners and renters within the District disclosing the current mill levy and its anticipated duration.

Buyer Disclosure

Governing Document on file with City; bolded statement required disclosing maximum property tax impact as '**\$500 per \$100,000 of taxable value.**'

Process to Date & Next Steps



March 26, 2026

LOI & Petition Submitted

Forestar submitted Letter of Intent, Petition (100% owner consent), and Final Local Entity Plats to Heber City



May 19, 2026

Meeting with Heber City DAC

District Advisory Committee review



June 3, 2026

Governing Document Submission

Draft Governing Document submitted for City review; WBA, PC serving as general counsel to the Districts



June 16, 2026

City Council Working Session

Governing Document presented to City Council for discussion and feedback



July 7, 2026

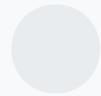
Public Hearing



July 21, 2026

City Council Consideration of Resolution

City Council votes to approve Governing Document and create Tava-Highlands PID Nos. 1–3



2026

Bond Issuance (Series 2026)

Closing of 2026 bond issuance with proceeds to fund Phase 1-4 infrastructure

Public Hearing

Tava-Highlands Public Infrastructure District Nos. 1–3

Forestar (USA) Real Estate Group Inc. respectfully requests that the Heber City Council adopt a Resolution approving the Governing Document and creating Tava-Highlands Public Infrastructure District Nos. 1–3.

Applicant

**Forestar (USA)
Real Estate Group Inc.**

Justine Klinke, Region VP
Lehi, UT

General Counsel

WBA, PC

Blair Dickhoner
Betsy Russon
Lehi, UT

Bond Counsel

Gilmore & Bell

Randall Larsen
Aaron Wade
Salt Lake City, UT

Underwriter

Wells Fargo

Tom Wynne
Ryan Poulsen
Denver, CO

Financial Advisor

Tierra Financial

Evan Kist
Amanda Salome
Arlington, TX

**GOVERNING DOCUMENT
FOR
TAVA-HIGHLANDS PUBLIC INFRASTRUCTURE DISTRICT NOS. 1-3
HEBER CITY, UTAH**

Prepared by



Date, June __, 2026

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LIST OF EXHIBITS

<u>EXHIBIT A</u>	Legal Descriptions of the Initial District Boundaries and Annexation Area Boundaries
<u>EXHIBIT B</u>	Vicinity Map
<u>EXHIBIT C</u>	Initial District Boundaries Map and Annexation Area Map
<u>EXHIBIT D</u>	Disclosure Notice

I. INTRODUCTION

A. Purpose and Intent. The Districts are independent units of local government, separate and distinct from the City, and, except as may otherwise be provided for by state or local law or this Governing Document, their activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the Districts will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the Districts. The primary purpose of the Districts will be to finance the construction of these Public Improvements.

B. Need for the Districts. There are currently no other governmental entities, including the City, located in the immediate vicinity of the Districts that consider it desirable, feasible, or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the Districts is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding Districts' Governing Document. The City's objective in approving the Governing Document for the Districts is to authorize the Districts to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the Districts. All Debt is expected to be repaid by a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Assessments. Debt which is issued within these parameters will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the Districts and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Although the Districts have authority to directly provide public improvements, the Districts also have the authority to pledge tax revenues to an interlocal entity that provides public improvements through an Interlocal Agreement with the City or relevant public entity.

It is the intent of the Districts to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt, so long as the Districts do not own or operate any Public Improvements. If the Districts have authorized operating functions under an Interlocal Agreement, they may retain only the power necessary to impose and collect taxes or Fees to pay for these costs.

The Districts shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments or from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties (or repaid from a combination of Assessments and a mill levy). It is the intent of this Governing Document to assure, to the extent possible, that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition

Term in duration, even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters is not a cost to be paid by the Districts.

C. Applicability. This Governing Document is not intended to and does not create any rights or remedies in favor of any party other than the City. Failure of the Districts to comply with any terms or conditions of this Governing Document shall not relieve any party of an obligation to the Districts or create a basis for a party to challenge the incorporation or operation of the Districts, or any Debt issued by the Districts.

II. DEFINITIONS

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Annexation Area Boundaries: means the boundaries of the area described in the Annexation Area Map which have been approved by the City for annexation into the Districts upon the meeting of certain requirements.

Annexation Area Map: means the map attached hereto as Exhibit C, describing the property proposed for annexation within the Districts.

Assessment: means (1) the levy of an assessment secured by a lien on property within the Districts to pay for the costs of Public Improvements benefitting such property or (2) an assessment by the Districts levied on private property within the Districts to cover the costs of an energy efficient upgrade, a renewable energy system, or an electric vehicle charging infrastructure, each as may be levied pursuant to the Assessment Act.

Assessment Act: means collectively, (i) Title 11, Chapter 42, Utah Code as may be amended from time to time and (ii) the C-PACE Act.

Board: means the board of trustees of the Districts.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which any District has promised to impose an ad valorem property tax mill levy, and/or collect Assessments.

City: means Heber City, Utah.

City Code: means the City Code of Heber City, Utah.

City Council: means the City Council of Heber City, Utah.

C-PACE Act: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

C-PACE Bonds: means bonds, loans, notes, or other structures and obligations of the Districts issued pursuant to the C-PACE Act, including refunding C-PACE Bonds.

C-PACE Assessments: means assessments levied under the C-PACE Act.

Developer: means, Forestar (USA) Real Estate Group, Inc.

Development Agreement: means a preliminary development plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the Districts' Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time.

District 1: means the Tava-Highlands Public Infrastructure District No. 1.

District 2: means the Tava-Highlands Public Infrastructure District No. 2.

District 3: means the Tava-Highlands Public Infrastructure District No. 3.

Districts: means collectively, District No. 1, District No. 2, and District No. 3.

District Act: means the Special District Act and the PID Act.

District Area: for each District, means the property within the Initial District Boundary Map for that District, and the property within the Annexation Area Boundary Map.

End User: means any owner, or tenant of any owner, of any taxable improvement within the Districts, who is intended to become burdened by the imposition of ad valorem property taxes subject to the Maximum Debt Mill Levy. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by a District for administrative services provided by the Districts.

Financial Plan: means the Financial Plan described in Section VII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

General Obligation Debt: means a Debt that is directly payable from and secured by ad valorem property taxes that are levied by the Districts and does not include Limited Tax Debt.

Governing Document: means this Governing Document for the Districts approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: for each District, means the boundaries of the area described for that District in the Initial District Boundary Map.

Initial District Boundary Map: means the map(s) attached hereto as **Exhibit C**, describing the initial boundaries of the Districts.

Limited Tax Debt: means a debt that is directly payable from and secured by ad valorem property taxes that are levied by a District which may not exceed the Maximum Debt Mill Levy.

Maximum Debt Mill Levy: means the maximum mill levy any of the Districts is permitted to impose for payment of Debt as set forth in Section VII.C below.

Municipal Advisor: means a consultant that: (i) advises a District on matters related to the issuance of bonds by governmental entities, including the pricing, sales, and marketing of bonds and the procuring of bond ratings, credit enhancement and insurance with respect to bonds; (ii) is qualified to provide the advice described in (i); (iii) is not an officer or employee of the District receiving advice; (iv) has not been engaged to provide underwriting services in connection with a transaction in which the person or firm will provide advice to the District; and (v) has experience doing business related to the issuance of bonds in the state of Utah.

Net Proceeds: means the gross proceeds of the sale of bonds, less any of the following: (1) amounts applied or to be applied to pay transaction and administrative expenses, including underwriting discount, (2) amounts to pay cost of issuance, and (3) amounts to pay capitalized interest and to fund any reserves deemed necessary or appropriate by a District, not including any investment earnings realized thereon.

Project: means the development or property known as the Highlands Residential Development

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of a District Area as determined by the Board, and includes Public Infrastructure and Improvements as defined in the PID Act.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

State: means the State of Utah.

Taxable Property: means real or personal property within the District Area subject to ad valorem taxes imposed by a District.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

Utah Procurement Code: means Title 63G, Chapter 6a of the Utah Code, as amended from time to time.

III. BOUNDARIES

The area of the Initial Districts' Boundaries includes approximately 75.71 acres, with the area of each of the Districts as follows: District No. 1 is 75.07 acres; District No. 2 is 0.11 acres, and District No. 3 is 0.11 acres. The total area proposed to be included in the Annexation Area Boundaries includes approximately 116.26 acres (including the entirety of the Initial Districts Boundaries). A vicinity map is attached hereto as **Exhibit B**. A map of the Initial Districts Boundaries and Annexation Area Map is attached hereto as **Exhibit C**. It is anticipated that the Districts' boundaries may change from time to time as they undergo annexations and withdrawals pursuant to Section 17D-4-201, Utah Code, subject to Section V.A.5 below.

IV. PROPOSED LAND USE AND ASSESSED VALUATION

The Districts' Area consists of mostly undeveloped land. The current assessed valuation of the Districts' Area at buildout, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. Upon build-out, the District's Area is anticipated to include approximately 811 residential units including attached and detached, single family styles.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the Districts, nor does it imply approval of the number of residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the Districts and Governing Document Amendment. The Districts shall have the power and authority to provide the Public Improvements within and without the boundaries of the Districts as such power and authority is described in the PID Act, and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. Operations and Maintenance Limitation. The purpose of the Districts is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The Districts shall dedicate the Public Improvements to the City or other appropriate public entity in a manner consistent with rules and regulations of the City and applicable provisions of the City Code. The Districts shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity, including, but not limited to site grading and erosion control, street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other

drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), culinary and secondary water system improvements (including water mains, service lines, meters, storage tanks, and distribution facilities), sanitary sewer system improvements (including sewer mains, laterals, manholes, and appurtenances), storm sewer system improvements (including storm drain mains, inlets, manholes, and water quality treatment structures), utilities (gas/power), and all necessary equipment and appurtenances incident thereto.

2. Construction Standards Limitation. The Districts will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The Districts will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. Land easements, or improvements to be conveyed or dedicated to the City and any other local government entity shall be conveyed in accordance with the related standards at no cost to the City. All public infrastructure within the Districts which will be connected to and owned by another public entity shall be subject to all design and inspection requirements and other standards of such public entity. The Districts shall be subject to City zoning, subdivision, building codes, and all other applicable City ordinances and regulations. Approval of the Governing Document shall not bind the City to approve other matters which the Districts or Developer may request. The Districts shall pay all fees and expenses as provided in the Governing Document.

3. Procurement. The Districts shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the Districts may acquire completed or partially completed improvements for fair market value as reasonably determined by an engineer that the Districts employ or engage to perform the necessary engineering services for and to supervise the construction or installation of the Public Improvements.

4. Privately Placed Debt. Prior to the issuance of privately placed Debt (excluding Assessment Bonds, or C-PACE Bonds), the Districts shall obtain the certification of a Municipal Advisor substantially as follows:

We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.

We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Annexation and Withdrawal.

(a) In accordance with Section 17D-4-201(3), Utah Code, any of the Districts may annex any area within the Annexation Area Boundaries upon (i) obtaining the consents required under such Section, and (ii) the passage of a resolution of such District's Board approving such annexation. The City, by approval of this Governing Document, has

expressly authorized such annexations in accordance with the requirements of the PID Act, and no further consent, approval, or action of the City shall be required.

(b) In accordance with Section 17D-4-201(4), Utah Code, any of the Districts may withdraw any area from the District upon (i) obtaining the consents required under such Section, and (ii) the passage of a resolution of such District's Board approving such withdrawal. The City, by approval of this Governing Document, has expressly authorized such withdrawals in accordance with the requirements of the PID Act, and no further consent, approval, or action of the City shall be required.

(c) Upon any annexation or withdrawal in accordance with this Section V.A.5, the affected District shall provide the City with a description of the revised District Boundaries for the City's records.

(d) An annexation or withdrawal effected in accordance with this Section V.A.5 shall not constitute an amendment of this Governing Document.

6. Overlap Limitation. Without the written consent of the City, the Districts shall not consent to the organization of any other public infrastructure district organized under the PID Act within the Districts' Area which will overlap the boundaries of the Districts unless the aggregate mill levy for payment of Debt of such proposed district(s) will not at any time exceed the Maximum Debt Mill Levy of the Districts.

7. Initial Debt Limitation. On or before the effective date of approval by the City of a Development Agreement, the Districts shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt.

8. Bankruptcy Limitation. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Maximum Debt Mill Levy Imposition Term, and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the state under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under

applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

9. Governing Document Amendment Requirement. Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment. This Governing Document has been designed with sufficient flexibility to enable the Districts to provide required facilities under evolving circumstances without the need for numerous amendments. Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolution of the City and the applicable Districts approving such amendment.

10. Preliminary Engineering Survey. The Districts shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in the Development Agreement. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Districts’ Area and is approximately Forty Million Dollars (\$40,000,000). The costs of Public Improvements are estimates and the approval of this Governing Document does not constitute the City’s approval of actual costs for Public Improvements.

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity and shall be in accordance with the requirements of the Development Agreement.

All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

VI. THE BOARD OF TRUSTEES

A. Board Composition. Each Board shall be composed of five (5) Trustees who shall serve at large. In accordance with Section 17D-4-202, Utah Code, the initial Trustees for each District, their respective initial terms, and the milestones for transition to elected seats are as follows:

Seat	Initial Trustee	Initial Term	Transition to Elected Seat
Trustee 1	Max Martin	Six (6) years	After the end of a full term during which 50% <u>20%</u> of the Anticipated Units have received certificates of occupancy

Seat	Initial Trustee	Initial Term	Transition to Elected Seat
Trustee 2	Kelly Beres	Four (4) years	After the end of a full term during which 75% <u>40%</u> of the Anticipated Units have received certificates of occupancy
Trustee 3	Owen Lindsay	Six (6) years	After the end of a full term during which 80% <u>60%</u> of the Anticipated Units have received certificates of occupancy
Trustee 4	Brandon Jack	Four (4) years	After the end of a full term during which 90% <u>80%</u> of the Anticipated Units have received certificates of occupancy
Trustee 5	Curtis Leavitt	Six (6) years	After the end of a full term during which 100% of the Anticipated Units have received certificates of occupancy

Each of the foregoing initial Trustees shall serve as a Trustee on the Board of each of District No. 1, District No. 2, and District No. 3. All Trustees are deemed to be appointed upon the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah and the terms thereof commence on that date. In accordance with the PID Act, appointed Trustees shall not be required to be residents of such District, the Petitioner having consented to a waiver of the residency requirement under Section 17D-4-202(3)(a), Utah Code.

B. Future Board Composition. At the time of the first issuance of Debt by a District, such District shall estimate the total number of residential units within the District at full buildout of the property within the District (the “Anticipated Units”), as may be amended by subsequent resolution of the Board. Upon any annexation or withdrawal in accordance with this Governing Document, a District may adjust its Anticipated Units to reflect such boundary change.

1. Districts Without Anticipated Units. For so long as a District has no Anticipated Units, the Board of such District shall, in accordance with Section 17D-4-202, Utah Code, appoint and reappoint Trustees to such Board so long as each such appointee is a surface owner of land, or an agent or officer of a surface owner of land, within the boundaries of such District and otherwise meets the eligibility requirements set forth in the PID Act. Any property owner owning at least 1/5 of the taxable value of the property within such District shall be entitled to nominate one Trustee seat for each 1/5 value; provided, however, that the Board retains discretion to reject any nominee and request a new nominee from such property owner. Upon any annexation or other boundary adjustment that results in a District having Anticipated Units, such District shall thereafter be subject to Section VI.B.2 below.

2. Districts With Anticipated Units – Transition to Elected Board. For any District with Anticipated Units, the seats for the Board of such District shall transition from appointed to elected seats according to the milestones set forth in the table in Section VI.A above. No transition pursuant to this Section shall become effective until the next scheduled regular election of the District following a full term. Registered voters within this Section shall mean

voters whose “principal place of residence,” as that term is defined under Section 20A-2-105(1)(a), Utah Code, is within a District.

C. Reelection and Reappointment. Upon the expiration of a Trustee’s respective term, the Board of the applicable District shall, in accordance with Section 17D-4-202, Utah Code, either reappoint the Trustee to the Board or appoint a new Trustee to the Board; provided that, until such time as a District’s board seats have transitioned from appointment to election in accordance with Section VI.B.2 above, any such appointee shall be a surface owner of land, or an agent or officer of a surface owner of land, within the boundaries of such District, and shall otherwise meet the eligibility requirements set forth in the PID Act.

D. Vacancy. Any vacancy on a Board, whether resulting from resignation, death, removal, disqualification, or any other cause, shall be filled by appointment of the applicable Board in accordance with Section 17D-4-202, Utah Code; provided that, until such time as the applicable District’s board seats have transitioned from appointment to election in accordance with Section VI.B.2 above, any such appointee shall be a surface owner of land, or an agent or officer of a surface owner of land, within the boundaries of such District, and shall otherwise meet the eligibility requirements set forth in the PID Act. A Trustee appointed to fill a vacancy shall serve for the remainder of the unexpired term of the vacated position.

E. Compensation. Unless otherwise permitted by the PID Act, only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with state law.

F. Conflicts of Interest. Trustees shall disclose all conflicts of interest. In accordance with Section 67-16-16, Utah Code, each Trustee shall annually submit a written conflict of interest disclosure statement to the Districts’ filing clerk, who shall post an electronic copy on the Districts’ website and provide the Lieutenant Governor with a link to that posting. Each disclosure shall remain posted until the Trustee leaves office. Any Trustee who discloses such conflicts in accordance with Section 17D-4-202(9) and Section 67-16-7 and 67-16-89, Utah Code, shall be entitled to vote on such matters.

VII. FINANCIAL PLAN

A. General.

The Districts shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation, and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by the Districts. In addition, the Districts shall be permitted to finance the prepayment of impact fees for the Project. The Financial Plan for the Districts shall be to issue such Debt as the Districts can reasonably pay within the Maximum Debt Mill Levy Imposition Term from revenues derived from the Maximum Debt Mill Levy, Assessments and other legally available revenues. For any capital appreciation Debt issued by the Districts, only the par amount of such Debt at issuance (and not the value at

conversion) of such Debt shall count against this amount. Any Assessment Debt or C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of Assessment Debt or C-PACE Bonds the Districts may issue so long as such issuances are in accordance with the provisions of the applicable Assessment and/or C-PACE Acts. All bonds and other Debt issued by the Districts may be payable from any and all legally available revenues of the Districts, including general ad valorem taxes to be imposed upon all Taxable Property within the Districts and Assessments. The Districts may also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Notwithstanding the foregoing, the Districts shall not be permitted to issue Debt, other than refunding prior issuances of Debt, after December 31, 2056.

Any impact fee reimbursement or credits which become available due to the financing of Public Improvements by the Districts shall be for the benefit of the Districts and not any developer. The specifics of the scope and availability of impact fee reimbursements shall be reserved and will be addressed in a future interlocal agreement between the City and the Districts.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities. The maximum term for the bonds will be 40 years, not including refundings.

C. Maximum Debt Mill Levy.

1. The “Maximum Debt Mill Levy” shall be the maximum mill levy the Districts are permitted to impose upon the taxable property within the Districts for payment of Limited Tax Debt, and shall be 0.005 per dollar of taxable value of taxable property in such District (5 mills, or \$500.00 per \$100,000.00 of taxable value); provided that such levy shall be subject to adjustment as provided in Section 17D-4-301(13), Utah Code.

2. Such Maximum Debt Mill Levy may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202, Utah Code.

3. In the event the District has issued Limited Tax Debt, any Assessments (other than C-PACE Assessments) imposed by such District on a parcel zoned for residential uses shall be payable at or before the time of conveyance to an End User with respect to such parcel. For the avoidance of doubt, if the District has not issued Limited Tax Debt, Assessments levied by such District are not required to be prepaid at the time a building permit is issued or prior to conveyance. Any C-PACE Assessments may be repayable in accordance with the provisions of such act.

D. Maximum Debt Mill Levy Imposition Term.

Each bond issued by the Districts shall mature within Thirty-One (31) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series

of bonds after a period exceeding forty (40) years from the first date of imposition of the mill levy for such bond (the “**Maximum Debt Mill Levy Imposition Term**”).

All Assessments for capital improvements (other than Assessments under the C-PACE Act) imposed by the Districts on a parcel zoned for residential uses shall be payable at or before the time a building permit is issued with respect to such parcel. Any Assessments issued under the C-PACE Act may be repayable in accordance with the provisions of such act.

E. Debt Repayment Sources.

The Districts may impose a mill levy on taxable property within their respective boundaries as a primary source of revenue for repayment of debt service. The Districts may also rely upon various other revenue sources authorized by law. At the Districts’ discretion, these may include the power to assess Assessments, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VII.C, the debt service mill levy in the Districts shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

The Districts shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of mill levy, Assessment, or impact fee. This provision shall not prohibit the division of costs between mill levies, Assessments, or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the Districts shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the Districts.

G. Security for Debt.

The Districts shall not pledge as security any land, assets, funds, revenue or property of the City, or property to be conveyed to the City, as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the Districts’ obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the Districts in the payment of any such obligation. All debt issued

by the Districts for which a tax is pledged to pay the debt service shall meet the requirements of all applicable statutes.

H. Districts' Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the Districts' organization and initial operations, are anticipated to be Fifty Thousand Dollars (\$50,000), which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the Districts will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately Fifty Thousand Dollars (\$50,000) which is anticipated to be derived from property taxes and other revenues and may also be financed for a period of time until the Districts' revenues are anticipated to be sufficient to bear such costs. The Districts may also enter into a reimbursement agreement with the developer of the Project to reimburse such developer for any such administrative costs paid by developer.

I. Bond and Disclosure Counsel; Municipal Advisor.

It is the intent of the City that the Districts shall use competent and nationally recognized bond and disclosure counsel and a Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document.

VIII. ANNUAL REPORT

A. General. The Districts shall be responsible for submitting an annual report to the City Manager's Office no later than July 30th of each year, commencing July 30, 2027, with information for fiscal year 2026.

B. Reporting of Significant Events. The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the Districts' boundaries as of the last day of the prior fiscal year, if changed;
2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
3. Names and terms of Board members and officers with progress toward transition to elected board;
4. Districts' office contact information, if changed;
5. Rules and regulations of the Districts regarding bidding, conflict of interest, contracting, and other governance matters, if changed;

6. A summary of any litigation which involves the Districts' Public Improvements as of the last day of the prior fiscal year, if any;

7. Status of the Districts' construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the Districts that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;

8. A summary of the total debt authorized and total debt issued by the Districts as well as any presently planned debt issuances;

9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

10. Current year budget including a description of the Public Improvements to be constructed in such year;

11. Financial statements of the Districts for the most recent completed fiscal year (such statements shall be audited if required by bond documents or statute);

12. Notice of any uncured events of default by the Districts, which continue beyond a ninety (90) day period, under any Debt instrument; and

13. Any inability of the Districts to pay their respective obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

14. List of all current contracts for services or construction (to be delivered to the City upon request).

15. Current approved Governing Document, if changed;

IX. DISSOLUTION

Each District shall be dissolved in accordance with Section 17D-4-401, Utah Code, and any other applicable provisions of the PID Act and the Special District Act. Without limiting the foregoing, each District shall be dissolved promptly following the satisfaction of the conditions set forth in Section 17D-4-401(1), including (a) payment of all Debt and other indebtedness of such District, (b) satisfaction or defeasance of all of such District's contractual obligations, and (c) the construction, acceptance, and transfer of all Public Improvements (other than any privately owned public infrastructure, facilities, or properties) to the public entity responsible for the maintenance and operation thereof. Any assets remaining after the satisfaction of such conditions and the payment of dissolution-related costs shall be distributed in accordance with Section 17D-4-401(5), Utah Code.

X. DISCLOSURE TO PURCHASERS

A. Recorded Disclosure. Within thirty (30) days of the Office of the Lieutenant

Governor of the State of Utah issuing a certificate of creation for each District, the Board of said District shall record a notice with the recorder of Wasatch County and provide a copy of the notice to the City. Such notice shall (a) contain a description of the boundaries and annexation area of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (e) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. A copy of the notice shall further be provided to the City.

B. Notice to Buyers and Lessees. In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:

1. All of the information in the first paragraph of this Section X.A;
2. A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“At the District’s maximum property tax rate, an additional annual property tax would be levied in the amount of \$0.005 per dollar of taxable value (5 mills, or \$500.00 per \$100,000.00 of taxable value) for residential property within the District, for the duration of the District’s Bonds.”

3. Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

4. Additionally, the Developer and the Board shall ensure that the Developer, homebuilders, commercial developers, and commercial lessors, as applicable, prominently post a notice within all model homes and sales offices located within the Districts. This notice shall be in the same form and size (or larger) as the disclosure notice form attached as **Exhibit D**, and shall be displayed on bright-colored paper in a conspicuous area that is readily visible to prospective purchasers and lessees.

C. Annual Notice. On or before July 15th of each year, commencing in the first calendar year following the year in which a District issues debt, such District shall mail a notice to all owners of property within the boundaries of the Districts a notice providing:

1. A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“At the District’s maximum property tax rate, an additional annual property tax would be levied in the amount of \$0.005 per dollar of taxable value (5 mills, or \$500.00 per \$100,000.00 of taxable value) within the District, for the duration of the District’s Bonds.”

2. The applicable tax rate of the District for the then current year;

3. That budgets and financial information for the District may be found on the State Auditor's Website (currently <https://reporting.auditor.utah.gov/searchreports/s/>); and
4. Contact information for members of the Board.

XI. ENFORCEMENT

In accordance with Section 17D-4-201(5) of the Utah Code, the City has imposed certain limitations on the powers of the District through this Governing Document. The City shall have the right to enforce any of the provisions, limitations or restrictions in this Governing Document against the District, through any and all legal or equitable means available to the City, including, but not limited to, injunctive relief, specific performance, and/or monetary damages.

EXHIBIT A

Legal Description of the Districts' Initial Boundaries

EXHIBIT B

Vicinity Map

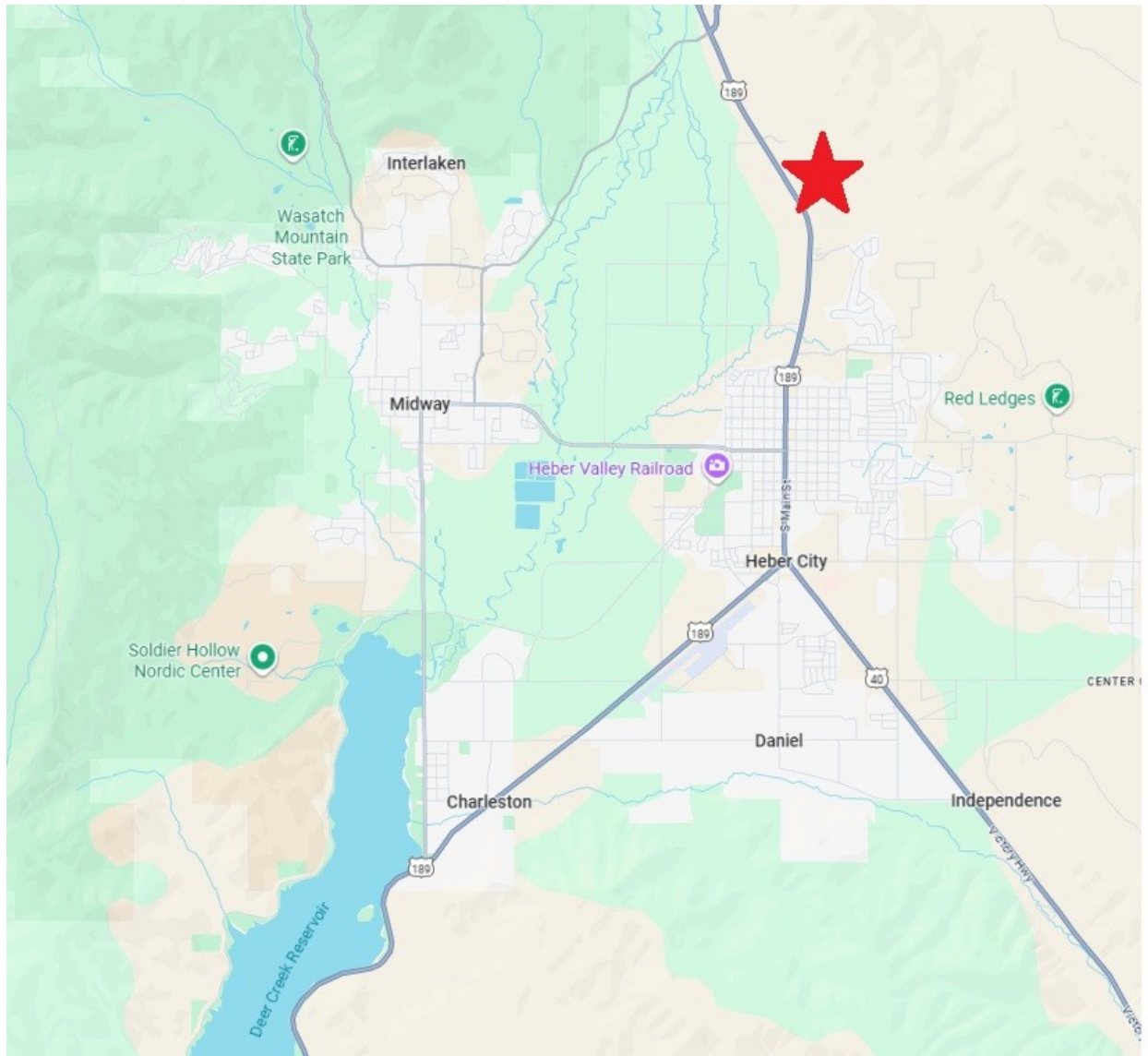


EXHIBIT C

Initial District Boundaries Map and Annexation Area Map

EXHIBIT D

Disclosure Notice

RESOLUTION NO. 2021-09

**A RESOLUTION APPROVING A POLICY REGARDING THE PROCESS AND
CRITERIA THE CITY WILL UTILIZE IN CONSIDERATION OF APPLICATIONS
FOR THE CREATION OF PUBLIC INFRASTRUCTURE DISTRICTS**

WHEREAS, Title 17B and Title 17D, Chapter 4 of the Utah Code allows for the creation of Public Infrastructure Districts (PIDs) by the City upon consent of the property owners and registered voters within the boundaries of the PID; and

WHEREAS, the City anticipates receiving petitions and requests for the creation of one or more PIDs within the City and desires to establish a process and criteria for the evaluation of such petitions and requests; and

WHEREAS, the City staff has worked with its special counsel for PIDs, Gilmore & Bell, P.C. and its municipal advisor, Zions Public Finance, Inc., to develop a PID policy as contained in Exhibit “A”; and

NOW, THEREFORE, BE IT RESOLVED by that the City Council of Heber City, Utah hereby adopts Resolution No. 2021-09 approving the Policy Statement: Establishing Public Infrastructure Districts as contained in Exhibit “A” to be utilized in consideration of applications for the creation of PIDs.

ADOPTED AND PASSED by the City Council of Heber City, Utah, this 6th day of July 2021. This Resolution shall become effective upon adoption and passage by the City Council.

HEBER CITY
A Utah Municipal Corporation

Kelleen Potter, Mayor

ATTEST:

Trina Cooke, City Recorder

(city seal)

EXHIBIT “A”

HEBER CITY POLICY STATEMENT: ESTABLISHING PUBLIC INFRASTRUCTURE DISTRICTS

This policy statement addresses the criteria under which Heber City will consider applications for proposed Public Infrastructure Districts (the “District”). Compliance with these criteria shall not obligate the City to approve formation of the District. The Governing Document will be subject to approval by the City in both form and substance. The criteria are intended to serve as guidelines for the review of letters of intent and Governing Documents.

The purpose of the Public Infrastructure District (PID) tool is to fund infrastructure. Initial, upfront costs of development can be significant, and the PID tool partially alleviates these costs. In addition, the relative cost savings associated with the funding is intended to help expedite development, create more desirable properties with notable amenities, and permit for development where typical market conditions may not permit construction. Ultimate PID costs are paid for by the end user, and PID financing is not a financial obligation of the jurisdictional entity. Consequently, Heber City Corporation is not responsible for debt payments associated with any approved Public Infrastructure District.

For Heber City, the PID tool may help to accomplish key considerations of the city vision. As captured in the “Envision Heber 2050” comprehensive plan, Heber has adopted the following framework in relation to development:

- Preserve the open lands that surround Heber
- Create friendly neighborhoods and centers that focus homes, jobs, shopping, and recreation into places where Heber residents and others can gather and interact regularly
- Enhance and strengthen downtown – the heart of the Heber community
- Grow, promote, and diversify recreational opportunities

In addition to these central guidelines contained in the “Envision Heber 2050” visioning efforts, the city intends to further foster some of the following development framework:

- Encourage housing variety that results in an increase of attainable residences for those making near or less than the area median income
- Provide housing options, both “for sale” and “for rent,” for employees in industries such as education, government, etc.
- Create opportunities for sustainable and environmentally focused developments

Proposed Public Infrastructure Districts (PIDs) will be evaluated on the criteria to follow, with consideration for their ability to further the above intentions of Heber City. This policy statement is divided into three sections:

- 1. Process for applying including fees charged**
- 2. The City’s decision-making criteria**
- 3. Governing Document requirements**

I. Process and Fees

Any proposed Public Infrastructure District will be considered in relation to the best interests of the City. Such interests include using the most appropriate financing mechanism for the type and magnitude of the improvements to be financed and appropriate governance mechanism. If through the review process, a Public Infrastructure District is determined to be the most appropriate mechanism, the process, the criteria, and requirements provided herein will apply, unless otherwise waived by the City.

A. Letter of intent to form a Public Infrastructure District

The applicant shall submit a letter of intent containing the following information in summary form. This letter will be used by staff to make a preliminary determination about the appropriateness of a District and must be submitted prior to submittal of a draft Governing Document. A positive staff response to the Letter of Intent does not assure approval of the Governing Document.

Letter of Intent contents:

1. Description of District area including size, location, area context (significant natural and man-made features, major public improvements, adjacent development), development history, and proposed development;
2. Description of proposed development within the boundaries of the proposed District including general distribution of land uses and densities and phasing of development;
3. Summary of needed infrastructure, services and facilities:
 - a. Currently expected development scenario;
 - b. Required local and regional infrastructure and facilities for such development;
 - c. Regional and local infrastructure the proposed District is to provide;
 - d. Estimated construction costs for the proposed District improvements;
 - e. General description of phasing of construction based on development projections;
 - f. Anticipated maximum or fixed maximum mill levy required to meet debt service of the District;
 - g. Analysis of proposed mill levies in light of outstanding debt and mill levies of other taxing entities affecting the area; and
 - h. A sample plan of finance depicting the possible sources and uses of funds for the District.
 - i. A summary overview of the differences between the proposed development *with* a Public Infrastructure District in place and the plan *without* a Public Infrastructure District. This will identify key components of the proposed development that are made feasible by the approval of a district.

4. Proposed timeline for District creation.
5. Acknowledgement that a consent must be signed prior to the hearing date for the governing document by all property owners and registered voters, if any, within the proposed District boundaries approving of the creation of the proposed District and consenting to the issuance of debt in an amount sufficient for the proposed plan of financing.
6. Disclosure of any conflicts of interest between the applicant and the officers and employees of the City.
7. Copies of signed engagement letters between the applicant and applicable consultants and legal counsel retained by the City and/or the proposed District whereby applicant agrees to pay fees related to the review of the application and governing document.

B. Review Process

1. The District Advisory Committee (“DAC”) is a City committee that advises the Mayor, City Council and other policy-makers about district issues. The DAC includes representatives of the departments of [Community Planning and Development, Law, Revenue, Public Works and Budget and Management,] as well as other agencies as needed.

The DAC will review the letter of intent utilizing these criteria to determine whether or not to direct the applicant to proceed with preparation of a draft Governing Document for submittal. Conceptual approval does not assure approval of the governing document.

C. Governing Document

1. If the concept for the District as contained in the letter of intent is approved, the City staff will work jointly with applicant and legal and financial advisors to submit a draft Governing Document to the City DAC.
2. The draft Governing Document will be reviewed by the DAC for compliance with the criteria and requirements contained herein. The DAC will discuss with appropriate policy-makers issues that arise during this drafting period to have such issues resolved.
3. The final Governing Document will be forwarded to City Council for action through the standard City and statutory processes.

D. Fees

No request to create a Public Infrastructure District shall proceed until the fees set forth herein are provided for. All checks are to be made payable to Heber City Corporation and sent to the City Manager’s Office. Payment of fees does not obligate Heber City Corporation to approve Letters of Intent, Governing Documents, of formation of the District.

1. Letter of Intent: A Letter of Intent is to be submitted to the City Manager's Office and a \$2,000 fee shall be paid at the time of submittal of the Letter to cover the cost of staff review.
2. If the applicant proceeds to the submittal of a Governing Document an application fee of \$5,000 shall be submitted concurrent with the draft Governing Document.
3. Other Expenses: In the event the costs of review exceed the application fee, the applicant for a District shall pay all reasonable consultant, legal, financial advisor, and other fees and expenses incurred by the City in the process of reviewing the draft Governing Document prior to adoption and other such fees and expenses as may be necessary to interface with such District. All such fees and expenses shall be paid within 30 days of receipt of an invoice for these additional fees and expenses.

II. Criteria for Evaluating Proposed Public Infrastructure Districts

A. Public Benefit

Formation of a District bestows certain benefits on the District's proponents and is expected to provide public benefit consistent with the Creating Entities policy goals. Components of public benefit to be considered may include:

1. Resulting development that is in conformance with the Municipality's Comprehensive Plan ("Envision Heber 2050") and all applicable supplements;
2. Provision of and/or contribution to needed regional and sub-regional infrastructure;
3. Sustainable design including multimodal transportation, water conserving landscape design, thoughtful development phasing, green building design, and formation of and participation in transportation management programs;
4. Mixed-use development that includes a variety of housing types and prices, a range of employment opportunities, retail and consumer services, and civic amenities; and
5. High quality site and building design, including street connectivity, multimodal street design, durable construction materials, and pedestrian-friendly building design.

B. Evaluation Criteria

These criteria provide thresholds for consideration. Compliance with some or all of these criteria is desired; however, alternative approaches may be considered.

1. Districts should not include land that is already included within the boundaries of another public infrastructure district without express provision in an adopted Governing Document. In such cases, the relationship with the existing districts must be addressed in the Governing Document.
2. A District planning to levy more than 10 mills of tax in the District for repayment of limited tax bonds will not be considered without sufficient justification as to why additional mills

are necessary and reasonable for the development.

3. There must be a demonstrated public benefit directly resulting from the creation of the District and its undertakings as described in the Governing Document.

C. Evaluation of Applicant

The following criteria relating to the applicant and the development will be considered:

1. Historical performance of the applicant (within and outside of the City);
2. The current proposed plan of finance of the District;
3. The current development plans relationship to the master plans of the City; and
4. The regional, economic development, or overall benefits to the City from the proposed plan of finance.

III. Governing Document Requirements

In addition to statutory requirements, a Governing Document memorializes the understandings between the District and the City, as well as the considerations that compelled the City to authorize the formation of the District. The Governing Document for the proposed District shall contain and will be reviewed for compliance with the following policies and requirements.

A. District Description

1. Description of District area including size, location, area context (significant natural and man-made features, major public improvements, adjacent development), development history within the proposed district boundaries, and proposed development scenario (land uses by type and intensity and general urban design character).
2. Description of the public benefit resulting from the creation of the District and its undertakings.
3. Itemization and description of all needed infrastructure (both regional and local) and facilities in the District's area.
4. Explanation of the relationship, if any, between the District and any other public infrastructure districts with overlapping boundaries. If more than one district is proposed to be created within an inclusion area, describe how ultimate district boundaries will be determined.
5. Estimated construction costs of such infrastructure.
6. General description of phasing of construction based on development projections and phasing.
7. Provide the following financial plan information:

- a. Proforma financial overview of total costs and total revenues from all revenue sources;
 - b. An example plan of finance showing a proposal of how the proposed financing might take place, recognizing that the actual financing terms and structure will be approved by the board of trustees of the District (the “Board”) within the parameters of this Governing Document;
 - c. Comparison of the mill levies of similar taxing entities in the area;
 - d. Proposed operating budgets for the District’s first three years of existence; and
 - e. Any other forms of public financing and assistance being sought, including assessment areas.
- 8. Description of the ultimate ownership and provision for the ongoing operating and maintenance costs for infrastructure.
 - 9. Description of any proposed divisions and an inclusion/exclusion process as appropriate.
 - 10. Proposed governance plan, including Board structure and to transition from appointed Board to elected Board.

B. Requirements and Expectations

- 1. The planned ownership of the Improvements, including any relationship with an existing statutory district must be addressed in the Governing Document.
- 2. All debt issued by the District for which a tax is pledged to pay the debt service shall meet the requirements of all applicable statutes.
- 3. Land, easements or improvements to be conveyed or dedicated to the City and any other local government entity shall be conveyed in accordance with the related standards at no cost to the City.
- 4. All public infrastructure within the District which will be connected to and owned by another public entity shall be subject to all design and inspection requirements and other standards of such public entity.
- 5. The District shall not pledge as security any land, assets or funds to be transferred to the City.
- 6. The District shall be subject to City zoning, subdivision, building codes, and all other applicable City ordinances and regulations. Approval of the Governing Document shall not bind the City to approve other matters which the District or developer may request.
- 7. The District shall pay all fees and expenses as provided in the Governing Document.

8. The District may not double tax, whether by mill levy, assessment, impact fees, or any combination thereof, any end user for the costs of improvements.

D.C. Disclosure and Reporting Requirements

Disclosure of the existence of the District to property owners and potential property owners within the District is important and the following actions to be taken by each District shall be included in the Governing Document.

1. Within 30 days after the formation of the District, the Board shall record a notice with the county recorder:
 - a. Containing a description of the boundaries of the District;
 - b. Stating that a copy of the Governing Document is on file at the office of the City;
 - c. Stating that the District may finance and repay infrastructure and other improvements through the levy of a property tax;
 - d. Stating the maximum rate that the District may levy; and
 - e. If applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion.
2. Applicant, homebuilders, commercial developers, and commercial lessors, as applicable, shall be required to disclose the following information to initial resident homeowners, renters, commercial property owners, and/or commercial tenants:
 - a. All of the information required under (1)(b) above;
 - b. A disclosure outlining the impact of any applicable property tax, in substantially the following form:

“Under the maximum property tax rate of the District, a primary residence valued at \$[insert average anticipated residential property value] would have an **additional annual property tax of \$_____** for the duration of the District’s Bonds. A business property valued at \$[insert average anticipated commercial property value] would have an **additional annual property tax of \$_____** for the duration of the District’s Bonds.”
 - c. Such disclosures shall be contained on a separate colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.
3. At least annually following the formation of the District, the District shall notify (by mail, e-mail, or posting to the District’s website) property owners in the District of the existence of the District and of the next scheduled meeting of the Board of the District. Such meeting shall occur at least 30 days and not more than 60 days following the date of the notice. Such notification shall include names and contact information of the Board of Directors and

officers, the address, telephone and fax numbers, and e-mail address of the District, and shall include reference to the existence of a District file maintained by the City as described below.

4. The District shall provide the following information to the City Manager's Office on an annual basis, and the District shall create and maintain a file for public review of the following information.
 - a. Annual District budget;
 - b. Annual financial report or audit of the District, as applicable under relevant statutory provisions;
 - c. Total debt authorized and total debt issued and presently planned debt issuances;
 - d. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;
 - e. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;
 - f. List of current interlocal agreements, if changed (to be delivered to the City upon request);
 - g. List of all current contracts for services or construction (to be delivered to the City upon request);
 - h. Official statements of current outstanding bonded indebtedness, if not previously received by the City;
 - i. Current approved Governing Document, if changed; and
 - j. District Office contact information.
5. The following shall be considered significant changes to the Governing Document, thereby requiring approval by the City:
 - a. Exclusion or inclusion of property without Governing Document and Statute required approvals;
 - b. Change in the maximum mill levy;
 - c. Consolidation with any other district; and
 - d. Change in the dissolution date.

Submittal Instructions

All letters of intent, draft Governing Documents, annual financial information, and additional documents and requested information should be submitted to the City Manager's Office:

Heber City Corporation

75 North Main Street

Heber City, Utah 84032

435-657-788

HEBER CITY CORPORATION
75 North Main Street
Heber City, UT 84032
Heber City Council Meeting
Amended Agenda
May 19, 2026

DRAFT Minutes

4:00 p.m. Work Meeting
6:00 p.m. Regular Meeting

I. WORK MEETING - 4:00 P.M.

Mayor Heidi Franco called the meeting to order at 4:04 p.m. and welcomed everyone present.

City Council Present: Mayor Heidi Franco
Council Member Yvonne Barney
Council Member Aaron Cheatwood
Council Member Mike Johnston
Council Member Morgan Murdock
Council Member Sid Ostergaard

Staff Present: City Manager Matt Brower
Assistant City Manager Mark Smedley
Community Development Director Tony Kohler
Planning Manager Jamie Baron
City Engineer Russ Funk
Finance Manager Sara Jane Nagel
City Attorney Jeremy Cook
City Recorder Trina Cooke
Chief of Police Parker Sever

Staff Participating Remotely: IT Specialist Anthon Beales, Public Works Director Matthew Kennard, Human Resource Manager Cherie Ashe, Engineering Tech Desiree Muheim, Assistant City Manager J. Mark Smedley, Engineer Kyle Turnbow, and Finance Director Sara Nagel.

Also Present: Jason Glidden (MCHT), Kendall Crittenden (Wasatch County Council Member), Kent Shelton, Rachel Kahler (CAMS), Tori Broughton, Bart Mounteer, Naomi Kisen (UDOT), Craig Hancock (UDOT), Andrea Clayton (UDOT), Wyatt Woolsey (UDOT), Jeremy Smith, Gaylyn Latimer, Richy Wright, Paul Berg, Devin Johnson, Kurt Hoffman, Chad Marsing, Jason Norlen, M Kahler, Dallin Koecher, Muhammad A Muhammad, Cannon Taylor, Sue Waldrip, Dave Harris, Trudy Harter, Clayton Vance, Pat Sweeney, Gene Sweeney, Farah Sanders, Bettina Gese,

Corey Noyes, Phil Jordan, Candy Bonner, and others who did not sign in or whose handwriting was illegible.

Also Attending Remotely: (Names are printed as signed-in online) Cannon Taylor, Catherine, Jami Hewlett, kks, Mike Plowman, Patrick, TMT, A, Bob Brandt, Bridget Whiting, D. Harris, Dallin K, Deb, DK, Grace Doerfler KPCW, Jen, JS, K Anderson, Kamen Goddard, Lori Rutland, Louise, Me, Michael, Nick Lopez, Phil Jordan, Shorcake5, and SHORTY5.

1. Affordable Housing 101: Introduction to Affordable Housing (Jason Glidden)
- 60 min

Executive Director of Mountainlands Community Housing Trust and Heber City Consultant Jason Glidden provided the presentation as included in the meeting materials. He explained the housing demand and the challenges faced, including the impact of short-term rentals on affordable housing locally, as well as additional contributing factors driving up housing costs in the Wasatch Back. Mr. Glidden reviewed common terms used in affordable housing discussions and provided definitions for each. He shared the recommendation that housing should not be more than 30% of a household income and provided a chart of AMI (Area Median Income) based on the number of people in the household. He then outlined a monthly schedule of educational housing meeting presentations planned for the Council. Council discussion included employee housing assistance, and how to better create affordable housing options in the community.

2. Status Update from Animal Policy Ad Hoc Committee (Morgan Murdock, Council Member) - 5 min

Assistant City Manager Mark Smedley shared the recommendations from the Animal Policy ad-hoc committee as included in the Staff Report and meeting presentation. The committee proposed dogs be allowed in certain parks if on-leash, to prohibit dogs in other parks, and to install more off-leash parks for dogs. Council Member Johnston asked that the Council return to the discussion at the end of the meeting during the Communication Items, if time permitted.

Mayor Franco moved the meeting forward to agenda item four of the Work Meeting.

3. Review State-Level Water Declarations and Heber City's Water Shortage Plan (J. Mark Smedley, Asst. City Manager) - 15 min

Mayor Franco moved Work Meeting Agenda item three to the General Business section of the Regular Meeting agenda.

Assistant City Manager Mark Smedley stated that the past year had been the lowest water accumulation in recorded history. He read the water restriction recommendations from the Water Shortage Plan that the City had adopted in 2023.

Council Member Johnston noted that the City water use would be dictated by the Wasatch Irrigation Company. City Engineer Russ Funk met with the Central Utah Water Conservancy District monthly. He said the current recommendation for water conservation was voluntary reduction. He added that the more water the City could conserve, and dependent upon the natural precipitation received, the longer the irrigation would be extended for community use. Consensus of Council majority wanted to be proactive and ask the community to use water more conservatively.

Public Works Director Matthew Kennard proposed a training for the EyeOnWater app that allowed utility account customers to view their water usage.

4. Heber Valley Corridor EIS (Environmental Impact Statement) Project Update
(Craig Hancock) - 15 min

Craig Hancock and Naomi Kisen provided the update for the Utah Department of Transportation (UDOT) Heber Valley Corridor Environmental Impact Statement (EIS). The public comment period had closed. The UDOT team continued to review a pedestrian crossing at Midway Lane, added a sidewalk and signal for the crossing, as well as a bike lane on the shoulder. They were evaluating a possible shift in alignment at 1300 South, there would be a potential shift in the North Fields alignment to the east. The UDOT Team continued responding to the public comments received and considering additional refinements. With the final stage of the EIS, there would be an environmental evaluation provided as well as the results from the Army Corps of Engineers study.

Mayor Franco opened the discussion for questions from the public.

Cannon Taylor asked how far to the East that UDOT was considering to shift the bypass route. Ms. Kisen explained that the process to try to minimize the impact on the wetlands in the area would have to be considered.

II. BREAK - 10 MIN

III. REGULAR MEETING - 6:00 P.M.

1. Call to Order

Mayor Franco called the Regular Meeting to order at 6:06 p.m. and welcomed everyone present.

2. Pledge of Allegiance (Yvonne Barney, Council Member)

Council Member Barney led the recitation of the Pledge of Allegiance.

3. Prayer/Thought by Invitation (Sid Ostergaard, Council Member)

Heber City resident Devin Johnson shared a prayer.

IV. AWARDS, RECOGNITION, and PROCLAMATIONS:

V. CONFLICT OF INTEREST DISCLOSURE:

Council Member Murdock shared that he owned a pet service company and was serving on the Dogs in Parks ad-hoc committee. He clarified that there was no financial gain for his service on the committee.

VI. CONSENT AGENDA:

Planning Manager Jamie Baron explained the purpose for the proposed temporary ordinance on Consent Agenda item two was to remove the requirement to bury existing above-ground utility poles in all zones.

Motion: Council Member Barney moved to accept the Consent Agenda.

Second: Council Member Johnston made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

1. Approval of May 5, 2026, City Council Meeting Minutes (Trina Cooke, City Recorder)
2. Temporary Ordinance 2026-10 establishing temporary regulations pertaining to the requirement for existing above-ground utilities to be buried underground upon development/redevelopment. (Tony Kohler, Community Development Director)

VII. PUBLIC COMMENTS: (3 min per person/20 min max)

Devin Johnson introduced himself as Mo's business partner and part owner of the Hub and One Stop. He was hoping to visit with Council to discuss alternative options for the intersection at 1200 south and Highway 40. He had met with the City Engineer Russ Funk and hoped to have more discussion with Council. Mr. Funk responded that he had heard back from enough of the Council to slow the intersection improvements. He agreed to pursue additional options for the intersection.

Chad Marsing owned property at approximately 205 North 600 West. He wanted the City to allow the lot to be included in the CHOZ (Central Heber Overlay Zone). There was an existing tri-plex on the lot that bordered the new high school under construction behind his property. It was currently considered a non-conforming use in the existing zone and rezoning it to be in the CHOZ would bring it into conformity and allow him to consider alternate uses for the property in the future. He felt the planning application fee of \$5,300.00 was an unreasonable amount for what he was requesting. Mayor Franco asked staff if there was potential for an exemption.

Planning Manager Jamie Baron explained that the fee consisted of an administrative fee and an escrow fee. Any unused portion of the escrow fee was returned to the applicant upon project completion. He confirmed the request was a smaller zone change than general and Council could approve a fee waiver. Mr. Baron and Mr. Marsing agreed to work together towards a more appropriate fee and return to Council at a future meeting for approval.

Heber Valley Tourism and Economic Development Director Dallin Koecher thanked the Council for supporting the Wasatch Back Economic Summit. It had been a very successful event.

Catherine Moore stated that she had tried to submit her comment by email but that it was rejected. She read her statement as follows: "I strongly urge the City Council to stop the proposal for the plaza/park redesign and keep our park as open, usable green space. The current plan to cram too many features into the small area will eliminate the simple free play that families and children now enjoy running, kicking a ball, and using the play equipment. Residents of Heber City have spoken, preserve the open field, don't overbuild the plaza/park. Make only targeted improvements, repair paths, update play equipment, resurfacing a bench or two, improve the lighting, keep the park family-friendly and accessible. Don't trade our neighborhood's heart for a congested design that serves nobody. And just a side note: today was really cool because the school buses came to the park. First thing the kids did was run across the park, played on the equipment, played Frisbee, and had a great time. When you cram all this crap in, they will not be able to run across that thing. There'll be too many obstacles to run and have fun."

Jami Hewlett wished to reiterate the comment made by Ms. Moore. She lived a block away from the park and loved to visit the park with her children. She said it was a historic park and the Founding Fathers had designated that area as a park. She felt the spending was out of control. She did not want to see the park redesigned again. She was against raising taxes. She said the whole town said they had to leave because they could not afford to live in Heber anymore. She did not feel that developers or Dallin Koecher should be allowed to use public comment time.

Maddie Kirby had moved to Heber City approximately 20-years ago. She felt that everyone who moved to Heber City wanted to keep it the way it was. She had tried to do the park survey online but had been unable to complete it. She agreed with the two previous comments made about the park and did not want all the things the City was proposing. She hoped the Council would listen to the people and not change the park.

Patrick Saucier wished to chime in for the corn-hole community. He felt the City could do as they pleased with the park as long as there was a place to play corn-hole.

Council Member Barney said there were six emailed public comments and she read a portion from Katie Studdert's email as included at the end of the meeting minutes. Council Member Aaron Cheatwood read the email from Bridget Whiting as included at the end of the meeting minutes.

VIII. GENERAL BUSINESS ITEMS:

1. Market on Main Event Plan and Summer Event Schedule (Rachel Kahler, CAMS Executive Director) - *10 min*

Rachel Kahler, Executive Director of CAMS (Community Alliance for Main Street), said the planning of the Heber Market on Main (HMOM) was going well. She reviewed the 2026 programmed events for the park. She said the different events were drawing a diversity of crowds from the community. Ms. Kahler was assisting with the planning of the Back to the 50's car show as well as the Red, White, and Blue Festival. She listed several other events planned throughout the summer, as included in the attached presentation. She informed of coming changes for the HMOM in the 2026 season. She shared historic preservation initiatives. Ms. Kahler hosted a historic bus tour for the senior citizens at the Wasatch County Senior Center. She noted the success gained through utilizing social media channels. CAMS had applied for the seventh art installation grant and hoped to see it completed that summer.

2. Proposed Development at 850 East 1200 South (Tony Kohler, Community Development Director) - *20 min*

Community Development Director Tony Kohler introduced Paul Berg and Austin Arellano who wished to propose an affordable housing development project. Mr. Berg shared a presentation as included in the meeting materials proposing a small lot development. The petitioners felt it added another housing option for the community. Mr. Arellano added that the proposed cottage lots would provide opportunity for young families looking to own a home. He noted the ability for internal ADUs (Accessory Dwelling Units) that could subsidize a house payment. He further explained the benefit to those seeking home ownership. Mr. Kohler described the conceptual community plan as provided in the attached presentation materials. The price range would be mid-\$500,000.00 to \$750,000.00. Council discussed more appropriate locations for the proposed project, alternate locations for the play area, the cost of missing middle housing, and provided feedback for their preferences at the proposed location.

Mayor Franco returned the Work Meeting agenda item three that had been previously bypassed.

3. Monthly Development Report (Jamie Baron, Planning Manager) - *10 min*

The Monthly Development Report was postponed to the next meeting scheduled for June 2, 2026.

4. Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule (Sara Nagel, Finance Manager) - *10 min*

Finance Director Sara Nagel explained the new State Code required this agenda item to be included on all meetings or public hearings at which the budget was to be discussed.

IX. ACTION ITEMS: (Council can discuss; table; continue; or approve items)

1. Resolution 2026-11 Acknowledging the City's Intent to Increase Property Tax Revenue and Setting a Hearing Date for the August Truth in Taxation Public Hearing (Sara Nagel, Finance Manager, Matt Brower, City Manager) - *15 min*

Finance Director Sara Nagel said the Council needed to select a date in August to continue the conversation about Truth in Taxation (TNT). Council determined to schedule the TNT meeting at 7:00 p.m. on Wednesday, August 5, 2026.

Mayor Franco opened the meeting for public comment at 8:05 p.m.

Jamie Hewlett asked if the Council could schedule the meeting for the following week after the schools were back in session.

Catherine Moore asked for confirmation of the meeting date and time.

Motion: Council Member Johnston moved to adopt resolution 2026-11 acknowledging the City's intent to increase property tax revenue setting a hearing date for Wednesday, August 5, at 7:00 p.m.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

2. Children's Justice Center Presentation and Donation Request (Kurt Hoffman) - *10 min*

Director of the Children's Justice Center (CJC) Kurt Hoffman shared the services provided at the CJC and requested continued support from Heber City with a contribution of \$11,000.00. He added that the program was statutorily required by the State in every County. The intent was to protect children that were the victims of abuse as they traversed through the investigation process in the justice system. Chief of Police Parker Sever shared the great partnership the Police Department had with the CJC program. Mr. Hoffman commended the officers that worked with the CJC.

Motion: Council Member Cheatwood moved to issue the same financial commitment to the Children's Justice Center as the year prior.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

3. Final Recommendations for the 2026 TAP Arts Grants (TAP Tax Advisory Committee) - *30 min*

Assistant City Manager Mark Smedley shared that the City had received far more requests for TAP (Trails Arts and Parks) Tax grants for the arts than revenue that was allotted. He recalled that the Council had allotted 10% of the TAP tax revenue for the arts. He shared that the total request from the POSTT (Parks, Open Space, Trails, and Trees) Committee was less than their proposed projects. He proposed that the Council observe the presentation then discuss how to proceed with the grant money awards. Co-Chairs of the TAP Tax Advisory Committee for the Arts Farah Sanders and Phil Jordan reviewed the qualification process and evaluation criteria used to determine eligible recipients, using the PowerPoint presentation included in the meeting materials. Council discussion followed regarding appreciation for the arts and raising the arts allotment of TAP tax funds. Consensus of Council majority agreed that the allotment should be raised for the arts going forward, and to fund all the requests forwarded by the TAP Tax Advisory Committee for the Arts.

Motion: Council Member Johnston moved to fund all the applications and raise the TAP allotment for the arts to 15% in the future.

Second: Council Member Murdock made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

4. High Valley Arts Performing Arts Center (Tony Kohler, Community Development Director, Stu Waldrip) - *30 min*

Sue Waldrip had founded the High Valley Performing Arts in 2009 and the group had been performing plays and musicals for the Valley for the past 17 years. She described the group's desire to build an additional location for performing arts in Heber City. She shared the proposed building design and location as seen in the meeting presentation, and described the business model.

Mr. Waldrip reviewed the concept plan and shared the group's intent to include additional landscaping and picnic tables to preserve the London Spring area located in a corner of the proposed parking area. He felt the added arts center was much needed in the community. It would be a self-funded project, but the group was asking for feedback from the Council on the proposed project.

Mr. Waldrip said land was under contract but the group would wait until the final alignment of the bypass to be constructed in the area was established before proceeding. Council discussed the protection of the London Spring, the fire station expected to be constructed in the area, and potential solutions.

Concept Designer Paul Berg felt the design could be altered to accommodate the proposed fire station by cutting out some of the parking. Mayor Franco observed the amount of trees surrounding London Spring that would be lost to parking in the design.

Mayor Franco opened the discussion for public comments.

Maddie Kirby asked how the water would support the proposed theater with 600 people flushing toilets. She said that as long as the City continued to annex land into the City, she was going to water her garden as much as she could. She asked why another arts center was needed. She suggested the performers use the high school.

President of the Wasatch Arts Council Pat Sweeney thanked the Council for their TAP Tax support for the Arts. She had been working for 11 years with designers to create a community arts center. She did not think the proposed project could fill a 600-seat theater and felt it would be empty. She said she had tried to join forces previously and had been turned down by the High Valley Performing Arts group. Ms. Sweeney questioned the follow through of the High Valley Performing Arts group and said she was confused by the apparent turn about. She said there was a vibrant arts community in the Valley and it needed a place to live.

Motion: Council Member Cheatwood moved to hear back from the High Valley Performing Arts group, with direction to talk to the fire department and to work with the other performing arts groups to come together.

Second: Council Member Johnston made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

Motion: Council Member Barney made the motion to extend the meeting to 10:30 p.m.

Second: Council Member Cheatwood made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

Mayor Franco moved the meeting forward to agenda item seven.

5. Main Street Park (aka Trailhead Plaza) Survey Results and Design Tenets for Preferred Master Plan for the Plaza (Lars Erickson) - 60 min

Terracon representatives had returned to receive Council feedback for the proposed park design presented at the previous Council meeting as included in the meeting materials.

Council Member Ostergaard provided clarification on which symbols on the exhibit denoted existing trees being preserved, noting tree preservation was one of his priorities. He emphasized the importance of the commercial component's pro forma to ensure long-term viability. He supported the proposed design, including the ice-skating ribbon with roller-skating in the summer.

Council Member Johnston said he had reviewed the proposal extensively and gathered neighbor feedback, all of whom liked the splash pad and ice/roller ribbon. He felt the design struck a good compromise between earlier concepts, preserving trees while including the fruit pavilion and play areas. He suggested adding traditional swing sets and slides to the play area, and said if anything should be cut it would be the elevated play structure over the ice ribbon, which he felt was overly complicated. He said the plan brought needed vibrancy to downtown.

Council Member Barney did not support added businesses on Main Street, feeling they would compete with existing struggling businesses. She did not support an ice-skating rink but was open to a smaller roller-skating rink. She preferred a larger splash pad over what currently exists at the city building, and supported a year-round indoor/outdoor building with restrooms. She reiterated resident feedback against ice skating and additional competing businesses, and asked that trees and grass be preserved.

Council Member Cheatwood said he remained opposed to ice skating but supported building the chilling infrastructure into the concrete now so ice could be added later if desired. He liked the raised berm concept as a low-cost way to separate areas and provide concert seating. He favored small pop-up retail over development along Main Street, though he didn't think Main Street retail made sense at this time. He liked the outdoor games area, the all-abilities play area positioned away from the road, and suggested phasing in amenities like restrooms based on demand. He asked for cost comparisons between roller and ice skating, referenced an enhanced splash pad design in Orem, and recommended seeking sponsors/donors for added features rather than the city covering full costs. He also supported more drinking fountains and bathrooms.

Council Member Murdock agreed restrooms and drinking fountains were a priority, along with preserving legacy trees and maximizing grass space. He supported the berm concept for summer and winter use, citing the Sandy Amphitheater as a comparison, and liked the all-abilities playground supplemented with traditional equipment for younger children. He questioned the cost of the loft concept and suggested seeking donations for it. He was open to roller skating and noted the splash

pad's popularity in survey results, but raised concerns about subsidy costs and funding sources, and emphasized weighing the volume of public feedback received.

Mayor Franco noted the high cost of the overall concept and felt the public would support a phased approach, starting with a multi-use pavilion (restrooms, drinking fountains, possible food service or year-round market space), wider sidewalks, more shade trees, and relocating/expanding the playground away from Main Street. She opposed bonding for the project, citing affordability concerns and the City's pending property tax discussion, and said she did not support the proposed level of commercialization. She recommended scaling the project up over time as funding allows, beginning with elements the public broadly supports.

Terracon would return to a Council meeting in June, with an updated design plan implementing Council feedback, including phasing, and preliminary pricing.

6. Temporary Ordinance 2026-11 establishing temporary regulations pertaining to regulation of overnight food truck parking on Plaza Street (200 South) and Main Street Park (Anthony L. Kohler)

Community Development Director Tony Kohler explained the request from CAMS (Community Alliance for Main Street) to allow overnight parking for food trucks on Festival Street through the event season. It was a six-month ordinance would allow staff time to establish a fully vetted, more permanent ordinance. Council discussed the impact to the brick pavers where the food trucks would be parked, the potential impact to neighbors, noise restrictions, lighting restrictions, a curfew, and whether additional security would be needed.

Executive Director of CAMS Rachel Kahler described the investment in Festival Street that the City had made to bring people downtown. She explained there were two plug-in stations for the food trucks, eliminating the need for generators. There would be two food trucks that would be parked on Festival Street, as an experiment, to see if they could draw the public to the downtown area. She felt that parking the trucks overnight would cause less damage than having them come and go. Mr. Kohler proposed implementing the Council's suggestions into the ordinance and returning with an updated temporary ordinance at the next meeting.

Motion: Council Member Barney moved to continue the temporary ordinance to allow food trucks to park overnight on Festival Street to the June 2, 2026, City Council Meeting.

Second: Council Member Murdock made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

Mayor Franco moved to agenda item five.

7. Main Street Stage Back Drop Structure Procurement (Phil Jordan) - 10 min

Phil Jordan described the team effort to obtain three bids for the Main Street stage backdrop project, but explained that they had only been able to get two. City Attorney Jeremy Cook felt the City had met its procurement requirement by making the effort to obtain three bids.

Motion: Council Member Cheatwood moved to authorize staff to move forward with the lowest bidder of the respondents within the project budget approved the last time Council talked about the item.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

Mayor Franco returned to agenda item six.

X. COMMUNICATION:

City Manager Matt Brower shared that the Chief Tabby artist had suffered an accident and the statue installation would not take place over Memorial Day weekend as originally planned.

City Engineer Russ Funk shared the delays of certain equipment delivery for the Mill Road traffic-slowing improvements and the project was exceeding the budget. He would need to present Council with a change-order and anticipated that the project would be complete before school was back in session at the end of summer.

XI. ADJOURNMENT:

Motion: Council Member Cheatwood moved to adjourn.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

The meeting adjourned at 10:44 p.m.

Trina Cooke, City Recorder

IX. PUBLIC COMMENTS: (received by email at ccpublic@heberut.gov)

From: Susan Cummings [REDACTED]
Sent: Wednesday, May 20, 2026 1:14 PM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL) City park project

Please just improve and open the bathrooms and leave everything else alone, this is not a good idea, why can't we just take a Breath and stop all the building and change. Just let it be an Open Park.
Susan Cummings

Sent from my iPhone

From: Holly Bodily [REDACTED]
Sent: Wednesday, May 20, 2026 8:44 AM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL) NO to major park revisions

Dear Mayor and City Council,

We are writing as taxpayers and longtime supporters of preserving the character and livability of our community. We respectfully ask the City to reconsider and deny the proposed major redevelopment of Main Street Park.

A few basic improvements such as updating the bathrooms would be welcomed by many. However, the current proposal is far beyond what is needed and does not reflect the wishes of the community at large.

We have serious concerns about how this project aligns with the City's stated vision and planning goals regarding preservation of Heber's rural character, historic identity, open green space, and small-town atmosphere. Main Street Park is one of the last truly open and peaceful green spaces in the historic center of town. Replacing it with a more commercialized, high-traffic destination permanently changes the character of this area.

At a time when families are struggling financially and concerns about taxes and affordability continue to grow, this feels like the wrong time for a large capital project that many residents will rarely use or do not want. There are many more pressing priorities facing our community.

Traffic and parking are already existing concerns on Main Street. Expanding the park into a larger event-focused destination without sufficient infrastructure will only increase congestion and parking overflow in the historic core. We do not want to see this area become increasingly commercialized. And introducing new vendors would harm current small businesses already struggling to survive along Main

There is also concern because the recent bandstand project already went over budget and overtime, creating significant disruption and hardship for nearby businesses during the process. Even after those added costs and delays, the final design still has functional issues, including excessive heat from the surrounding bricks that makes it difficult for people to comfortably gather near the stage. Expanding this area further with another large-scale project risks amplifying those same problems on an even greater scale while placing additional strain on taxpayers, businesses, traffic, and the historic downtown environment .

Additionally, no historic trees, or any trees, should be removed to accommodate this project. Mature trees and open green space cannot simply be replaced once lost. They are part of the identity and beauty of Heber.

It is also concerning that substantial taxpayer money appears to have already been spent on multiple revisions despite overwhelming public concern. I don't know how much you see on public media, but online comments and community discussions have shown overwhelming opposition to this proposal. The survey process did not even include an option to simply oppose the project, but instead focused on steering feedback toward preferred outcomes. That's not true feedback

Please understand that many citizens feel unheard. Much of the frustration you see publicly comes from a growing feeling that decisions are being pushed forward regardless of constituent concerns. We respectfully ask you to remember the promises made to represent the people who elected you and to carefully consider the financial impact, community character, and long-term consequences of this project.

If there is strong interest in creating a larger destination-style park with expanded amenities, perhaps those features could be explored in a different location that is more

appropriate and better equipped for traffic and parking needs, rather than fundamentally altering one of the last simple green spaces in the heart of town.

Please preserve the historic center of Heber and the small-town feel that so many residents value deeply. Rapid growth is already changing our community in many ways. This is one place where restraint and preservation would better serve the people of Heber.

Thank you for your time and consideration,

Chris & Holly Bodily

HEBER CITY CORPORATION
75 North Main Street
Heber City, UT 84032
Heber City Council Meeting
June 2, 2026

DRAFT Minutes

4:00 p.m. Work Meeting
6:00 p.m. Regular Meeting

I. CLOSED MEETING: 4:00 P.M.

Motion: Council Member Ostergaard moved to enter a Closed Meeting for the purpose of discussing the character, professional competence, or physical or mental health of an individual.

Second: Council Member Murdock made the second.

Voting Yes: Council Members Ostergaard, Cheatwood, and Murdock.

Voting No: None.

Council Members Barney and Johnston were absent.

The **Motion Passed, 3-0.**

City Council Present: Mayor Heidi Franco

Council Member Yvonne Barney - arrived remotely at 4:35 p.m.

Council Member Morgan Murdock

Council Member Sid Ostergaard

City Council Absent: Council Member Johnston

Staff Present:

City Manager Matt Brower

City Attorney Jeremy Cook

Airport Manager Nominee Adam Bunker

1. The character, professional competence, or physical or mental health of an individual

Motion: Council Member Ostergaard moved to end the Closed Meeting.

Second: Council Member Murdock made the second.

Voting Yes: Council Members Barney, Cheatwood, Ostergaard, and Murdock.

Voting No: None.

Council Member Johnston was absent.

The **Motion Passed, 4-0.**

The Closed Meeting adjourned at 5:20 p.m.

II. WORK MEETING - 5:00 P.M.

Mayor Franco called the Work Meeting to order at 5:24 p.m. and welcomed everyone present.

City Council Present: Mayor Heidi Franco
Council Member Yvonne Barney - remotely
Council Member Aaron Cheatwood
Council Member Mike Johnston - arrived remotely at approximately 6:38 p.m.
Council Member Morgan Murdock
Council Member Sid Ostergaard

Staff Present: City Manager Matt Brower
Assistant City Manager Mark Smedley
Community Development Director Tony Kohler
Planning Manager Jamie Baron
City Engineer Russ Funk
Finance Manager Sara Jane Nagel
City Attorney Jeremy Cook
Deputy City Recorder Andrew Conley
Chief of Police Parker Sever
Airport Manager Adam Bunker

Staff Participating Remotely: IT Director Anthon Beales, Public Works Director Matthew Kennard, Human Resource Manager Cherie Ashe, Engineering Technician Desiree Muheim, Planning Administrative Assistant Michelle Kijanen, City Engineer Russ Funk, Finance Manager Sara Jane Nagel, and Accounting Technician Wendy Anderson.

Also Present: Randy Birch, Mia Yue, Hillary Keel, Eric Stritter, Tori Broughton, Preston Hicken, Kenady Sullivan, Rachel Kahler - CAMS, Tanya Elander, Brent Burnham, Carri Wellner, and others who did not sign in or whose handwriting was illegible.

Also Attending Remotely: (names are shown as signed-in online) A, B, Brent Burnham, Cannon Taylor, Chad Marsing, CP, Grace Doerfler KPCW, Jason Talley, Jones, Kim, Lori Rutland, Michael Simons, MTN, Nick Lopez, Patrick, S, and Shorty 5.

1. Justice Court Consolidation (Jim Peters, Justice Court Administrator for the State of Utah, Parker Sever, Chief of Police) - 30 min

Jim Peters, with the Utah Judicial Council, was present to answer questions from Council regarding the proposed consolidation of the Heber City and Wasatch County Courts. He provided reasons to consolidate separate court systems including better customer service and cost efficiency, then offered examples of other Cities that had done so. Mr. Peters discussed pros and cons of combining the two courts, adding that he was unsure if one court could handle the increased caseload.

Mr. Peters noted the ideal time to consolidate was when a judge was up for reelection, which was the case in Heber City that year. Council further discussed whether the proposed consolidation would benefit the citizens and how customer service could be improved.

2. Wasatch Trails Foundation Presentation (Mia Yue) - 20 min

Executive Director for the Wasatch Trails Foundation, Mia Yue, provided a presentation for the 2025 year-end TAP (Trails, Arts, and Parks) report as included in the attached PowerPoint. She introduced the foundation's Trail Crew Foreman Eric Stritter and outlined the Foundation's hours dedicated to and cost of trail maintenance for the year, including volunteer hours dedicated. She outlined major accomplishments, reviewed the trail areas maintained by the Foundation, and offered additional data to support the need for the trail system's ongoing maintenance, including the large number of trail users. Ms. Yue asked Council to defer the Fiscal Year 2026 TAP tax grant award money to 2027. She also asked for standardization of the TAP funding for distribution to support the trails in the entire valley for the whole community. Council recognized the importance of the trail system and supported the requests from the Wasatch Trails Foundation.

III. BREAK - 10 MIN

IV. REGULAR MEETING - 6:00 P.M.

1. Call to Order

Mayor Franco called the meeting to order at 6:25 p.m. and welcomed everyone present.

2. Pledge of Allegiance (Mike Johnston, Council Member)

Council Member Ostergaard led the recitation of the Pledge of Allegiance.

3. Prayer/Thought by Invitation (Aaron Cheatwood, Council Member)

Council Member Cheatwood shared a prayer.

V. AWARDS, RECOGNITION, and PROCLAMATIONS:

VI. CONFLICT OF INTEREST DISCLOSURE:

There were no conflicts disclosed.

VII. PUBLIC HEARINGS:

Mayor Franco moved forward on the agenda to number five for the Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule, as required by new State Legislation.

1. Public Hearing for the Proposed FY 2027 Fiscal Year Budget (Sara Nagel, Finance Manager)

Finance Director Sara Nagel provided a budget process snapshot as included in the presentation attached to the meeting materials. The Public Hearing being held was the next step in the process to conclude on August 5th, 2026, with the Truth in Taxation meeting scheduled for 5:00 p.m. She reviewed the changes to the Fiscal Year 2027 Tentative Budget as approved by Council and included in the presentation.

Mayor Franco asked to have the proposed changes to the tentative budget posted online. Ms. Nagel agreed to have a list of tentative budget changes posted on the website with the official Fiscal Year 2027 Tentative Budget document. She then shared the Capital Project Deferral List of the projects not approved by Council for the 2027 Fiscal Year Budget.

Mayor Franco opened the Public Hearing at 6:53 p.m. With no one from the public coming forward to comment, the Public Hearing was closed at 6:54 p.m.

2. Public Hearing on Unbilled Services for Culinary Water, Sewer Water, Stormwater, and Pressurized Irrigation Funds (Sara Nagel, Finance Manager)

Finance Director Sara Nagel presented the unbilled services practice that the City did not pay itself for the water utility services it used. The State requirement was to hold a Public Hearing and ask if the Council wished to proceed with the practice. Council Member Johnston reminded Council that the usage by the City was not covered by property tax but rather through the water utility service bill, which encompassed users exempt from property tax such as the school district.

Mayor Franco opened the Public Hearing at 6:59 p.m. With no one from the public coming forward to comment, the Public Hearing was closed at 7:00 p.m.

3. Public Hearing UT Code 10-3-818 Salaries in Municipalities Ordinance 2026-12 (Cherie Ashe, Human Resources Manager) -

Human Resource Manager Cherie Ashe described the salaries in municipalities requirement outlined in the Utah State Code for Cities to annually disclose compensation increases for the appointed officers prior to the budget adoption. She clarified that it was not necessary to adopt the ordinance. She further explained the pay scale increases currently followed by the City.

Mayor Franco opened the Public Hearing at 7:04 p.m. With no one from the public coming forward to comment, the Hearing was closed at 7:05 p.m.

4. Public Hearing and Possible Adoption of Ordinance 2026-13 Amending the Consolidated Fee Schedule (Sara Nagel, Finance Manager)

City Finance Director Sara Nagel presented the proposed changes for the Consolidated Fee Schedule as outlined in the meeting materials and presentation. Council discussed the proposed advance time requirements and cleaning deposit for the park reservations. Chief Sever reviewed the proposed changes to the animal control fees. Building Official Curt Davis clarified the proposed updates to the building and plan review fees. CAMS (Community Alliance for Main Street) Executive Director Rachel Kahler reviewed the updates for the Heber Market on Main (HMOM). Public Works Director Matthew Kennard clarified the proposed changes to the fees for after-hours inspections for non-emergency situations. Community Development Director Tony Kohler explained the purpose of the plan-review minimum lot size was to charge small businesses a lower fee than large developers for redevelopment. City Manager Matt Brower said the Fee Schedule would be returned to the next meeting agenda for Council approval to reflect the additional changes proposed. City Attorney Jeremy Cook recommended that another public hearing be held at the time of approval.

Mayor Franco opened the Public Hearing at 7:35 p.m. With no one from the public coming forward to comment, the Public Hearing was closed at 7:36 p.m.

Motion: Council Member Cheatwood made a motion to continue the item and bring it back for discussion at a future date, including another public hearing.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

5. Finance Director Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule (Sara Nagel, Finance Manager) - *10 min*

Finance Director Sara Nagel explained the requirement by the State for the City to provide the attached Statement of Proposed Property Tax Increase and Presentation of the Proposed Property Tax Impact Schedule at every City Council Meeting at which the budget was discussed prior to adoption.

The meeting returned to Public Hearings agenda item number one.

VIII. CONSENT AGENDA:

Council Member Cheatwood inquired whether Staff had been able to lower the estimated cost for the 100 West improvements outlined in the Consent Agenda item three. City Engineer Russ Funk informed that the final cost had been \$52,000.00 less than originally projected. He provided additional clarification on the contract requirements. City Attorney Jeremy Cook offered clarification for the 60-day deadline to propose a different use of PID (Public Infrastructure District) funds, as outlined in item six on the Consent Agenda.

Motion: Council Member Cheatwood made the motion to approve the Consent Agenda with the exception the May 19, 2026, Meeting Minutes, which he wanted to capture a more robust outline of the comments made by Council regarding the TerraCon presentation.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

1. May 6, 2026, City Council Meeting Minutes - Budget Workshop #1, May 8, 2026, City Council Meeting Minutes - Budget Workshop #2, and May 19, 2026, City Council Meeting Minutes (Trina Cooke, City Recorder)

The May 19, 2026, Meeting Minutes were removed from the Consent Agenda approval pending the inclusion of additional Council commentary.

2. Heber City-Fire District MOU for land dedication in Fitzgerald Farms (Tony Kohler, Community Development Director)
3. Approval of the Engineering Final Design & Construction Services Agreement to Horrocks Engineers for the 100 West Improvements (Russ Funk, City Engineer)
4. Contract Award to C&B Asphalt for construction of the Heber City 2026 Road Maintenance Project (Russ Funk, City Engineer)
5. Temporary Ordinance 2026-11 establishing temporary regulations pertaining to regulation of overnight food truck parking on Plaza Street (200 South) and Main Street Park (Tony Kohler, Community Development Director)
6. Resolution 2026-12 Amending the Agenda Section Order in the Rules of Order and Procedures (Jeremy Cook, City Attorney)
7. PID Cooperation Agreement for Jordanelle Ridge PID No. 3 (Jeremy Cook, City Attorney)

IX. PUBLIC COMMENTS: (3 min per person/20 min max)

Mayor Franco asked whether Resolution 2026-12 modifying the time for Public Comments should be in effect immediately for that night. City Attorney Jeremy Cook advised that he felt it would be best that the Resolution go into effect at the next meeting.

Mayor Franco opened the Public Comment period at 8:01 p.m. With no one coming forward to comment, the Public Comment period was closed at 8:02 p.m.

X. GENERAL BUSINESS ITEMS:

There were no General Business items to discuss.

XI. ACTION ITEMS: (Council can discuss; table; continue; or approve items)

1. City Council Approval of Airport Manager Nominee (Heidi Franco, Mayor) - *10 min*

Mayor Franco shared feedback from the previous evening's open house to meet the Airport Manager nominee Adam Bunker. She shared public comments received, noting that all feedback had been positive and there had been no negative comments. Adam Bunker thanked the Council and expressed his appreciation for all involved in the search process, including the time and effort applied. Council Member Cheatwood acknowledged Mr. Bunkers's qualifications, noting his commitment to implement technology at the airport. Council Member Murdock felt the search had been thorough and was grateful to have been part of the process.

Motion: Council Member Cheatwood moved to approve the Mayor's Airport Manager nominee, Adam Bunker.

Second: Council Member Morgan Murdock made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

2. Amended Contract with Atlas Towers for Cemetery site (Tony Kohler, Community Development Director) - *30 min*

Community Development Director Tony Kohler summarized the background of Atlas Towers attempts to find a location in Heber City to install a cell tower. Multiple locations had been rejected. The most recent site proposed was the hospital well site that, due to public outcry from neighbors, Planning Commission was forwarding a negative recommendation and asking Council to consider an alternate location at the City Cemetery for the cell tower installation. Mr. Kohler recalled the contract between the City and Atlas Towers to install the cell tower at the Hospital well site.

The City would need to vacate that contract and enter into a new contract for the Cemetery site. Atlas Towers hoped the Council would allow an 80-foot tower for better service, which would require another public hearing to change the zoning ordinance for the location. Carrie Wolner, representing Atlas Towers, was present to comment and confirmed that Atlas was willing to install a tower that resembled a pine tree. Mr. Kohler shared aerial images of the cemetery location, noting the distance from the nearest residents and the surrounding pine trees that would help camouflage the tower.

Council Member Cheatwood further described the discussions held by, and the thought processes of, the Planning Commission as they had reviewed and considered the future of cell towers in the valley. Council discussed tower height limitations, style, and other locations, including rooftops along Main Street.

Mayor Franco opened the discussion for public comment.

Brent Burnham, 30-year resident, acknowledged the challenges faced by the City Council. He noted research that reflected the negative impact cell towers had on property values. He supported the proposed cemetery site for the tower. He had attended the Planning Commission meetings and expressed his appreciation for the process and for the feeling of being heard by the Planning Commissioners.

Tonya Elander seconded the statements of Mr. Burnham. She had family in Nevada, where they had been very creative with tower designs, such as one styled like an old-fashioned water tower. She wanted Council to push for more aesthetically pleasing towers. She agreed with Council Member Ostergaard's suggestion to build the towers where development was coming and let the homes be built around the tower rather than imposing towers on residents after construction. She thanked the Council for listening and allowing the public to share their views.

Russ Funk, speaking as a resident of Heber Valley, felt there were some tree tower designs that looked very good and thought it was important to let the tower installer know the expectation for a good design. He suggested the Council consider recently acquired City property north of Heritage Farms Parkway for a future tower.

Council discussed additional design options for cell towers with Ms. Wolner who agreed to provide examples of design options.

Motion: Council Member Cheatwood moved to accept the changes to the lease with Atlas Towers as shown in the first amendment to the ground lease Heber Hill and the Heber Hill - Heber City MOL (Memorandum of Lease) ground lease documents.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

3. Planning Commission Recommendation on Hospital Well Zone Change (Tony Kohler, Community Development Director) - 25 min

Community Development Director Tony Kohler recalled the discussion prior, in which the Planning Commission forwarded the recommendation to Council to relocate the tower location to the Cemetery site. The Planning Commission was also forwarding a recommendation that Council not rezone the Hospital well site at that time. Staff also recommended a denial of the proposed zone change for the Hospital well area.

Motion: Council Member Ostergaard moved to go with the Planning Commission recommendation and vote no on the proposed zone change.

Second: Council Member Cheatwood made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

4. Chad Marsing Zone Change Fee Reduction (Jamie Baron, Planning Manager) - 15 min

Chad Marsing wished to be allowed a zone change for his property to be included in the CHOZ (Central Heber Overlay Zone). He felt the \$5,300.00 planning fee was too high as he was not a large developer. Community Development Director Tony Kohler explained the planning fee was intended for larger developers and felt staff could process the necessary actions for the zone change at the reduced cost of \$2,000.00. City Engineer Russ Funk expressed concern with the reduced fee based on the amount of staff time the smaller projects tended to take, and asked that Council make this an exception rather than change the rule.

Motion: Council Member Cheatwood moved that the Council reduce the fees for the zone change request to the CHOZ for Mr. Marsing's lot to \$2,000.00 as a one-time exception.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, Cheatwood, and Murdock.

Voting No: None.

The **Motion Passed Unanimously, 5-0.**

XII. COMMUNICATION:

City Manager Matt Brower provided information on the following:

- The 28th season of the Heber Market on Main (HMOM) was scheduled to kick off on the coming Thursday, June 4th, 2026. The music headliner for the night would be Jagger Town, beginning at 6:00 p.m. Bank of Utah had been the primary sponsor for all 28 years.

- Unity Week had begun that week. Dumpsters were out for community clean-up and being well-used. The downtown cleanup would be that Saturday, June 6 from 9:00 a.m. - 11:00 a.m.
- The Red, White and Blue Festival would be the weekend of the Fourth of July with the City Council hosting the all-American lunch with hot-dogs, watermelon, and drinks on Saturday, July 4th at the Main Street Park. Mayor Franco recommended bringing in 1000 hot dogs, up from 800 last year, in order to not run out.
- There were two more round-a-bouts coming and Council needed to begin thinking of what they would like the artwork to be in the middle of each.
- The water feature outside of City Hall had been open since Memorial Day Weekend and would remain open until Labor Day.
- The flowerpots had been filled, and the hanging baskets hung, along Main Street.
- A Request for Proposals (RFP) for engineering services had been issued at the request of the Federal Aviation Administration (FAA) to have the runway relocation project at the airport under contract by the end of August. By doing so, the FAA would increase its sponsorship for the project to 95%, decreasing the City's responsibility to two and a half percent.
- The Airport was also planning to issue an RFP for new leases for hangars B and C. The hangars could potentially generate up to 1.5 million dollars to help the City meet its grant requirements.
- Staff was working to ensure parks were not being watered mid-day or when raining, to promote water conservation by the City.

City Engineer Russ Funk shared an update from Central Utah Project (CUP) regarding the water cuts for first-class irrigation water planned for mid-June. If property owners did not reduce water usage voluntarily, the watering season would be cut short. The goal was for the City to make it to mid-September. Staff would be recommending the City go to phase three water conservation by resolution at the next City Council meeting.

Council Member Barney had been receiving complaints from residents that lived near the park about the loudness of the live music events and hoped the City could do something. She excused herself and left the meeting at approximately 9:15 p.m.

Council Member Ostergaard shared that the main stage backdrop was beginning installation and the City hoped to have it up by the Fourth of July.

Council Member Cheatwood questioned the airport's runway realignment timeline and the impact to airport revenues the shutdown would create. Mr. Brower said the airport consultant estimated a possible four-month shut-down but the FAA wanted it done before the Olympics. He recalled the additional adjoining properties the City was trying to purchase to allow the runway realignment.

Council Member Cheatwood advised there had been some social media chatter about the generator at the hospital. He asked the City to send out an informational notice to inform the community of the purpose of the generator.

Council Member Murdock noted that the contract for the City lobbyist, Dave Stewart, who was contracted through MAG (Mountainlands Association of Governments), would expire on June 30th, 2026. He asked that Heber City look at it before then and request that Mr. Stewart begin delivering quarterly reports to the Council. Mr. Brower recalled that Mr. Stewart was currently lobbying the State Legislature for the airport grant money.

City Engineer Russ Funk informed that a franchisee who had an agreement with Heber City to underground all new communication infrastructure lines, had not done so. Staff had discovered this and made them halt construction. Council further discussed undergrounding utility and communication lines.

XIII. ADJOURNMENT:

Motion: Council Member Cheatwood made the motion to adjourn.

Second: Council Member Ostergaard made the second.

Voting Yes: Council Members Ostergaard, Johnston, Cheatwood, and Murdock.

Voting No: None.

Council Member Barney was absent.

The **Motion Passed 4-0.**

The meeting adjourned at 9:47 p.m.

Trina Cooke, City Recorder

**HEBER CITY CORPORATION
75 North Main Street
Heber City, UT 84032
Heber City Council Meeting
June 25, 2026**

DRAFT Minutes

5:00 p.m. Special Meeting

I. SPECIAL MEETING - 5:00 P.M.

1. Call to Order

Mayor Heidi Franco called the meeting to order at 5:00 p.m. and welcomed everyone present, noting that Fire Chief Eric Hales was in attendance.

City Council Present: Mayor Heidi Franco
Council Member Yvonne Barney
Council Member Mike Johnston
Council Member Morgan Murdock
Council Member Sid Ostergaard

City Council Absent: Council Member Aaron Cheatwood

Staff Present: City Manager Matt Brower
Assistant City Manager Mark Smedley
Deputy City Recorder Andrew Conley
Community Development Director Tony Kohler

Staff Participating Remotely: City Planner Jacob Roberts, IT Director Anthon Beales, Planning Administrative Assistant Meshelle Kijanen, City Attorney Jeremy Cook, and Chief of Police Parker Sever.

Also Present: Barb Clark, Grace Doerfler KPCW, Fire Chief Eric Hales, and others who did not sign in or whose handwriting was illegible.

Also Attending Remotely: (names are shown as signed-in online) Sydnei, A, Heber Resident, Jordan, Ken, Jacob, Morgan, Shorty5, Taylor B, Tim, and Troy Morgan.

II. ACTION ITEMS: (Council can discuss; table; continue; or approve items)

1. Resolution 2026-17 Heber City Fireworks Ban (Matt Brower, City Manager) -

Mayor Franco quoted the following statement distributed by the Utah League of Cities and Towns issued from the Governor's Office:

"The governor has declared a state of emergency and is suspending the law that prevents the state forester from banning fireworks within municipalities. The state forester will be releasing an order that will ban fireworks state-wide, unless it is a licensed fireworks show or the fireworks are used within a municipality's designated area, to be jointly determined by the mayor and the chief."

Mayor Franco advised there would be a webinar from the State at 9:30 a.m. the following morning with additional information.

City Manager Brower shared a video of the governor's press conference held earlier that afternoon to declare a state of emergency and ban fireworks, as included in the meeting recording. He reiterated that the ban did not include licensed fireworks shows and allowed the mayor and fire chief in a municipality to designate sanctioned locations to allow fireworks. Mr. Brower showed a slide with possible locations to allow fireworks. Public Works Director Matthew Kennard offered suggestions of City Parks that had been identified as possible locations as well. Council and Fire Chief Eric Hales discussed the possible locations, potential traffic issues, safety precautions, and the distribution of information to notify the community.

Consensus of Council majority was that the City Council could express support for the decision of the Mayor and Fire Chief to establish permitted locations for fireworks but did not need the proposed resolution. Mayor Franco and Chief Hales agreed to meet the following morning after the State webinar to determine where to allow fireworks. Council further discussed the dates and time to allow fireworks, to impose a fine of \$1,000.00 for anyone violating the order, to encourage strict enforcement by the Police Department, and clean-up by City Staff at the designated locations.

Mayor Franco opened the discussion for public comment.

Barb Clark expressed appreciation for the Council discussion and direction. She wanted to see all fireworks banned entirely. She suggested the City reach out to the HOA's (homeowners associations) to help distribute the message.

Sydnei McShaw also wanted to see all fireworks banned now and in the future. She proposed a drone show as an alternative, noting the dry State that we lived in and the exceptionally dry winter that year.

Matt Brower informed everyone that there would be a free concert and a drone show as part of the Red, White, and Blue Festival on Friday, July 3rd, 2026. He suggested the public attend that event as an alternative to July 4th festivities.

Council Member Barney referred to comments made online indicating that it was not legal for the City to ban fireworks so late in the year. She hoped the educational information would include the fact that the decision had been made by an executive order issued from the Governor based on the emergency wildfire crisis the State was currently facing.

Council and Staff agreed to meet in the morning to finalize the decisions and have the information distributed to the public by the afternoon.

III. ADJOURNMENT:

Motion: Council Member Ostergaard made the motion to adjourn.

Second: Council Member Barney made the second.

Voting Yes: Council Members Ostergaard, Johnston, Barney, and Murdock.

Voting No: None.

Council Member Cheatwood was absent.

The **Motion Passed 4-0.**

The meeting adjourned at 5:57 PM

Trina Cooke, City Recorder

IX. PUBLIC COMMENTS: (received by email at ccpublic@heberut.gov)

From: sue Oquendo [REDACTED]
Sent: Wednesday, June 24, 2026 5:37 PM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL)

Caution: This is an EXTERNAL email. Please take care when clicking links or opening attachments. When in doubt, contact your IT Department

Caution! This message was sent from outside your organization.

Please please! For the safety of all ban home fireworks this year!
Susan K Carlton

From: Evelyn Terranova [REDACTED]
Sent: Thursday, June 25, 2026 11:15 AM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL) fireworks input 2026

I highly support banning fireworks unless at the fairgrounds or other large, no home and no tree area. No neighborhood fireworks of any class.

I live in Muirfield and there are many many homes next to the canal that runs through Muirfield. The grass is high, dry and kindling just ready to burn at the slightest spark.

Thank you for even considering banning them this year in this drought. I'm grateful for all your efforts.

Evelyn Terranova

[REDACTED]
[REDACTED]
[REDACTED]

From: Trina Cooke [REDACTED]
Sent: Thursday, June 25, 2026 11:52 AM
To: CC Public Comments <ccpublic@heberut.gov>
Cc: Matt Brower <mbrower@Heberut.gov>; Andrew Conley <aconley@heberut.gov>
Subject: Forwarding a Comment

Hello Council -

I took a call from Liz Field this morning who is unable to access the internet or email, and unable to attend the meeting tonight. She asked me to pass along her plea for the City to prohibit all fireworks this Fourth of July. She said she had spoken to 20 to 30 of her neighbors who were all in agreement that they would rather not have any fireworks this year than risk any more wildfires.

Thank you -

Trina Cooke, MMC, UCC
City Recorder

From: Tyson Bolduc [REDACTED]
Sent: Thursday, June 25, 2026 5:28 PM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL) Ban Fireworks

Dear city Council,

I lived in Heber City for going on five years and every holiday season especially the Fourth of July seems like a war zone in the city. The number of fireworks that are lit off is not only a pollution issue a sound issue but also a trauma issue for many residents and animals. This year with the increased fire risk sending the message for people to be more cautious and aware of the fire risks before the state has the potential to burn down is imperative.

Please implement and follow the recommendations of governor Cox and issue the fireworks band in Heber city.

Thank you,
Tyson Bolduc

From: Tyson Bolduc <bolductyson@gmail.com>
Sent: Thursday, June 25, 2026 6:03 PM
To: CC Public Comments <ccpublic@heberut.gov>
Subject: (EXTERNAL) Shocking

Dear City Council,

Listening to this meeting was absolutely appalling. Who are you guys trying to appease by setting up multiple locations for people to light off fireworks during one of the worst fire in drought seasons that the city has ever seen?

The same people who are probably arguing and complaining about food prices, and gas prices going up for the ones that miraculously have money to blow up in the sky?

Now you guys are going through extreme measures in order to open up specific areas for people to light off fireworks, however, those areas happen to be the places where people recreate with their children. So now all of the pollutants, trash, waste and byproduct of these fireworks are gonna be in the areas where you want people to go recreate and play with children. Additionally, many of these parks are right across from areas where people have cattle, horses, and other animals. The blatant disregard for logic in this discussion is absolutely shocking. Going through such great lengths to find loopholes instead of just following the blanket recommendation from the states is laughable.

What a joke.

Disappointed, but no longer shocked by this city council.

For the record, i'll add a list of some of the chemicals found in fireworks just so you're aware of what is going to be spread around our Parks:

The most common toxic chemicals, heavy metals, and byproducts found in fireworks include: [\[1\]](#), [\[2\]](#), [\[3\]](#)

1. Heavy Metals & Metallic Compounds

- **Barium:** Used to produce brilliant green colors. Barium compounds are known to be poisonous and can cause gastrointestinal issues and respiratory distress.
- **Copper:** Creates vivid blue and bluish-green colors. Copper dust and fumes are highly irritating to the respiratory tract and can release trace dioxins.
- **Strontium:** Produces the bright red colors in many common fireworks.
- **Lead:** Sometimes found in firework smoke and specific pyrotechnic formulations. Lead is a highly toxic heavy metal that causes severe, long-term neurological and developmental damage.
- **Aluminum & Magnesium:** Used to create bright white flashes and crackling spark effects. While generally benign in larger pieces, their fine metallic dust can irritate the lungs when inhaled.
- **Cadmium & Manganese:** Trace heavy metals often released into the air during the explosion. Both are recognized as toxic air pollutants that impact respiratory and neurological health.

2. Oxidizers & Stabilizers

- **Perchlorates:** Chemicals such as potassium perchlorate and ammonium perchlorate act as oxygen donors to fuel the explosion. They are highly toxic to the environment, frequently contaminating local drinking water and altering thyroid function.
- **Potassium Chlorate:** Another common oxidizer used to make fireworks highly reactive. It can be toxic to the kidneys if ingested in large enough quantities.
- **Potassium Dichromate:** Sometimes used in smaller quantities as a fuel or whistle agent. Chromium compounds are known carcinogens and respiratory hazards.
- **Arsenic:** Used in trace amounts as a stabilizer or color enhancer in some formulations. It is a well-known systemic toxicant and carcinogen.

3. Combustion Gases & Particulate Matter

- **Sulfur Dioxide & Nitrogen Oxides (NO_x):** Formed when gunpowder (sulfur and charcoal) burns. These gases contribute to acid rain and can severely irritate the eyes, lungs, and throat.
- **Carbon Monoxide:** Released in the confined explosion.
- **Fine Particulate Matter (PM_{2.5}):** The microscopic dust left suspended in the air after the show. These tiny particles carry heavy metals deep into the lungs, triggering asthma attacks and heart issues for vulnerable individuals.

For a deeper dive into the regulatory framework surrounding pyrotechnic safety, you can review the official [Department of Transportation Table of Standard Fireworks Chemicals](#). You can also learn more about the heavy metal fallout from [NYU Langone Health](#).

Nice work city council. Spineless as usual.
TB



Heber City Council Staff Report

MEETING DATE: 7/7/2026

SUBJECT: Authorization to approve a Final Design and Construction Services Agreement with Sunrise Engineering for the Public Works Salt Storage Structure Repair/Replacement Project

RESPONSIBLE: Russ Funk

DEPARTMENT: Engineering

STRATEGIC RELEVANCE: Necessary Administrative Action
Infrastructure Sustainability

SUMMARY

The purpose of this item is to seek Council authorization to execute a contract with Sunrise Engineering to provide Final Engineering Design and Construction Administration Services relating to the Public Works Salt Storage Structure Repair/Replacement Project.

RECOMMENDATION

Approve and authorize staff to execute a contract with Sunrise Engineering for Final Design and the Construction Administration Services for the Public Works Salt Storage Structure Repair/Replacement Project.

BACKGROUND

Based on direction received during the April 21, 2026 Council Meeting relating to the failure of the City's Salt Storage Structure, staff issued an RFP (Request for Proposals) to provide Engineering Consultant Services relating to the proposed Public Works Salt Storage Structure Repair/Replacement Project.

In response to the request, the City received 3 Proposals including responses from Sunrise Engineering, Methods Consulting, and Jones & Demille Engineering. The Selection Committee consisting of Russ Funk, Matthew Kennard, Kyle Turnbow, and Thomas Coleman reviewed and scored the proposals. Sunrise Engineering was selected as the top ranking firm (see attached scoring breakdown).

DISCUSSION

Although Sunrise Engineering was selected as the top ranking firm, the language of the RFP reserves the right of the City to negotiate directly with the selected firm. Along with our notification letter to Sunrise Engineering, staff included an outline of several items that we would like to negotiate

further with them in hopes of reaching an amenable agreement. However, due to the tight timeline of trying to get the project completed before winter, rather than bringing a final agreement back at a future Council meeting, staff is requesting authorization to award an agreement up to the amount of their proposal, but anticipates a lower fee than proposed. The following items are what staff pointed out to Sunrise and requested to negotiate further:

- Preliminary Engineering:
 - The cost for the written memo seems higher than necessary.
 - We are unsure of the need for more review meetings other than the initial site visit/kick-off meeting. Could this task be T&M during the preliminary engineering phase?
- Design Phase:
 - Is there overlap between the Preliminary Engineering Options Analysis and the Design Phase Structural Analysis that could be eliminated?
- Bidding & CM
 - The estimates for Bidding and Construction Admin & Observation appear significantly higher than needed. Can these be reduced significantly, but to a level Sunrise is still comfortable with?
- Schedule:
 - The timeline to reach finalized construction documents is longer than desired. Can the design process be accelerated?

As discussed during the April 21st meeting, our hope is that we can recover expenses to repair/replace the structure through ongoing litigation relating to the structure failure, but Council should recognize that recovery of expenses is not guaranteed.

However, City staff believes the storage volume of the salt shed is needed to operate during a "normal" Heber Valley winter and repair/replacement of the structure is needed regardless of the outcome of the ongoing litigation.

FISCAL IMPACT

The Draft FY27 Budget includes \$232,000 for the "Salt Shed Reconstruction". Although we won't know the final costs until after the design is complete and bids are received, the budgeted amount is adequate to move forward with the Engineering Design & Construction Services Agreement.

CONCLUSION

Understanding that repair/replacement of the Salt Storage Structure is a priority for the City and seeing that adequate budget is available to move forward with the proposed agreement, staff requests that Council authorize staff to move forward with an Engineering Design and Construction Services Agreement with Sunrise Engineering as requested.

ALTERNATIVES

1. Approve as proposed
2. Approve as amended
3. Continue
4. Deny

POTENTIAL MOTIONS

Alternative 1 - Approval - Staff Recommended Option

I move to **approve** the **item** as presented, with the findings and conditions as presented in the conclusion above.

Alternative 2 - Approve as Amended

I move to **approve** the **item** as amended, as follows.

Alternative 3 - Continue

I move to **continue** the **item** to another meeting on [DATE], with direction to the applicant and/or Staff on information and / or changes needed to render a decision, as follows:

Alternative 4 - Denial

I move to **deny** the **item** with the following findings.

ACCOUNTABILITY

Department: Engineering
Staff member: Russ Funk, City Engineer

EXHIBITS

1. Proposal Scoring Sheet
2. Salt Storage Structure Repair/Replacement RFP
3. Sunrise Engineering Proposal
4. Sunrise Fee Proposal
5. Proposed Final Agreement

Heber City - Public Works Salt Storage Repairs

PROPOSAL SCORING
EVALUATION & SELECTION
June 25, 2026

SUMMARY

Vendor	Points Awarded			Points Rank
	Factors 1 - 4: Committee Member Evaluations	Factor 5: Costs	Total	
Sunrise Engineering	45.25	29.90	75.15	1
Methods Consulting	45.75	23.96	69.71	2
Jones & Demille	44.50	21.15	65.65	3

FACTORS 1 - 4: Committee Member
Evaluations (up to 50 points)

Vendor	Average Committee Member Points Awarded				
	Firm Qualifications	Key Personnel	Scope of Work & Schedule	References	Total
Sunrise Engineering	9.50	13.00	13.25	9.50	45.25
Methods Consulting	9.25	13.75	13.25	9.50	45.75
Jones & Demille	8.50	12.75	14.50	8.75	44.50

Points Possible = 10.00 15.00 15.00 10.00 50.00

FACTOR 5: Costs (up to 50 points)

Vendor	Fees		Points Awarded
	Engineering Design & Bidding Total	Prorated Based on Avg	Total
Sunrise Engineering	\$ 45,500	29.90	29.90
Methods Consulting	\$ 58,937	23.96	23.96
Jones & Demille	\$ 65,300	21.15	21.15

Average \$ 56,579 25

Points Possible = 50.00

HEBER CITY
REQUEST FOR PROPOSALS



Public Works Salt Storage Structure Repair/Replacement

Heber City is soliciting Proposals from qualified professional architectural/engineering firms with the expertise necessary to assist the City with repairs or replacement of an existing salt storage structure that has failed and can no longer meet the needs of the City.

Interested firms should submit Proposals to Heber City, 75 North Main, Heber, UT 84032. Proposals will be received until 3:00 pm on Monday, June 15, 2026. Proposals submitted after this deadline will remain unopened and will not be considered.

Selection of the successful firm will be based upon the criteria listed in Section VI including qualifications and previous relevant experience of the submitting firms as well as proposed compensation structure and fee schedule. Heber City reserves the right to negotiate directly with the firm selected for related project work.

I. BACKGROUND INFORMATION & ANTICIPATED PROJECT

Heber City completed a Public Works Expansion Project in 2020 including a new 2,400 sf Salt Storage Structure. In 2024, Public Works staff reported significant cracking and bowing of the structure walls. The Salt Structure has been deemed unsafe and cannot be used until repairs are made or the structure is replaced.

Heber City filed a claim with the Utah Local Governments Trust, who insures the structure to see if repairs could be covered under an insurance claim. Since the existing policy does not include coverage for error in design or faulty workmanship, the Trust hired an expert Structural Engineering Firm to evaluate the cause of failure. The report concluded that the “structure was not built to support the sizable lateral loads from the stored salt...”.

Heber City is seeking the services of a qualified architectural/engineering consultant with experience and expertise necessary to determine if the structure can/should be repaired or salvaged and what would be required to do so, or if the structure should be completely replaced and to provide the necessary engineering services required to complete the repair/replacement project. The scope of the proposed project is anticipated to include:

HEBER CITY
REQUEST FOR PROPOSALS



- A. Project Management Services
- B. Architectural/Engineering Analysis & Design Services
- C. Project Estimating and Budgeting
- D. Architectural/Engineering Bidding & Construction Services
- E. Other Engineering Related Services as Necessary (Geotech, Structural, Survey, Material Testing, Etc.)

It is the desire of Heber City to have an operational Salt Structure before the 2026/2027 Winter Season.

RFP ATTACHMENTS

- Attachment A - Original Design/Construction Documents for the Structure
- Attachment B - Pictures Showing the Damage/Failure

II. FORMAT & CONTENT

Proposals shall contain the required information discussed below, in the general order listed, not exceeding six (6) pages in length with no pages being larger than standard letter size (8½x11 inches).

- A. Cover Page
Include title of project, date submitted, submitting firm name, key contact, address, phone number, and email address. (Not included the page count)
- B. Table of Contents
Only TOC information will be allowed on this page. (Not included in page count)
- C. Executive Summary
- D. Firm Qualifications
 - Related services and capabilities of your firm.
 - Location of Offices providing services.
 - Insurance Information
- E. Key Personnel
 - Name, project role, education, and years of experience.

HEBER CITY
REQUEST FOR PROPOSALS



- Brief summary of experience doing the proposed duties assigned with this project.

F. Scope of Work & Schedule

- Outline proposed scope of work including key tasks, milestones, personnel involved, etc.
- Include a sample schedule for project completion.

G. References

- List 3 current applicable references with contact information.

H. Proposed Compensation & Fee Schedule
(Provide in a Separate Sealed Envelope)

- Provide an outline and description of proposed fees for the project.
- Provide a copy of a proposed fee schedule with rates for all of the personnel anticipated to work on the project.

III. SCHEDULE

A. Proposal Schedule

- Proposal Due Date 3:00 pm on June 15, 2026
- Selection Committee Ranking June 16, 2026
- Anticipated Award of Contract July, 2026

IV. ADDITIONAL INFORMATION

Heber City specifically requests that all interested parties limit all contact and questions regarding this RFP to email communications forwarded to the contact and email listed below. All questions must be received no later than 1:00 pm local time, on Tuesday, June 9, 2026. It is the intent of the Heber City to respond to all appropriate questions; however, the City reserves the right to decline to respond to any questions. It is anticipated that all relevant answers to questions will be shared with all known interested parties. Informing the City of interest in this RFP is the responsibility of interested firms.

RFP Point of Contact: Russell Funk – rfunk@heberut.gov

HEBER CITY
REQUEST FOR PROPOSALS



V. SUBMISSION

- Proposals must be received by mail or by delivery to Heber City, 75 North Main, Heber City, UT 84032 by 3:00 pm on Monday, June 15, 2026. Proposals received after 3:00 pm will not be considered.
- Applicants must submit four hard (4) copies of the complete Proposal and one electronic copy in PDF format.

VI. EVALUATION AND SELECTION

City Engineering and Public Works Staff will review and evaluate the submitted Proposals based on ranking of the firm's qualifications, key personnel, scope of work & schedule, references and fees according to the point allocation outlined below. It is the responsibility of the consultant to ensure that the Proposal complies with this RFP and provides the information requested herein. If the consultant fails to provide any information requested in this RFP, such failure may result in either a lowered evaluation score or disqualification of the Proposal. The evaluation criteria shall be as follows:

- A. Firm Qualifications (10 points)
- B. Key Personnel (15 points)
- C. Scope of Work & Schedule (15 points)
- D. References (10 points)
- E. Compensation Structure & Fee Schedule (50 points) (separate sealed envelope)

After a review of the written Proposals, the City may schedule oral interviews with the top ranking firms/teams.

Heber City reserves the right to reject all Proposals or to waive any irregularity, informality, or technicality in the Proposals if such is believed to be in the best interests of the City.

VII. WRITTEN AGREEMENT

The successful consultant will be requested to enter into a written agreement with Heber City in a form acceptable to the City and consultant. Heber City reserves the right to negotiate fees and services with the successful firm/team.

HEBER CITY REQUEST FOR PROPOSALS	HEART OF THE WASATCH BACK HEBER CITY EST 1889
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VIII. COST OF DEVELOPING PROPOSALS

All costs related to the preparation of Proposals and any related activities are the sole responsibility of the consultant. Heber City assumes no liability for any costs incurred by consultants throughout the entire selection process.

IX. PROPOSAL OWNERSHIP

All Proposals, including attachments, supplementary materials, rendering, sketches, addenda, etc. shall upon submission become the property of Heber City and will not be returned to the submitting firm.

Attachment A

Original Design/Construction Documents

Summary Narrative: Original architectural and engineering drawings for the structure. The following drawings are included:

1. Architectural Site Plan

This drawing shows the location of the structure on the Heber City Public Works Parcel located at 749 West 300 South in Heber City, UT 84032. The structure is located on the northwest corner of the parcel and offset from north property line by 5 feet and from the west property line by 20 feet.

2. Salt Storage Building Plans & Elevations

This drawing shows the detailed building plans and elevations for the salt structure. The floor dimensions are 60 ft wide by 40 feet deep. The rear and side structure walls are 20 ft tall. The bottom half of the walls are reinforced concrete, the top half of the walls are concrete masonry units. The front of the structure is open. The front and rear walls are gable end with a 4V-12H roof pitch.

3. Salt Storage Building Sections & Details

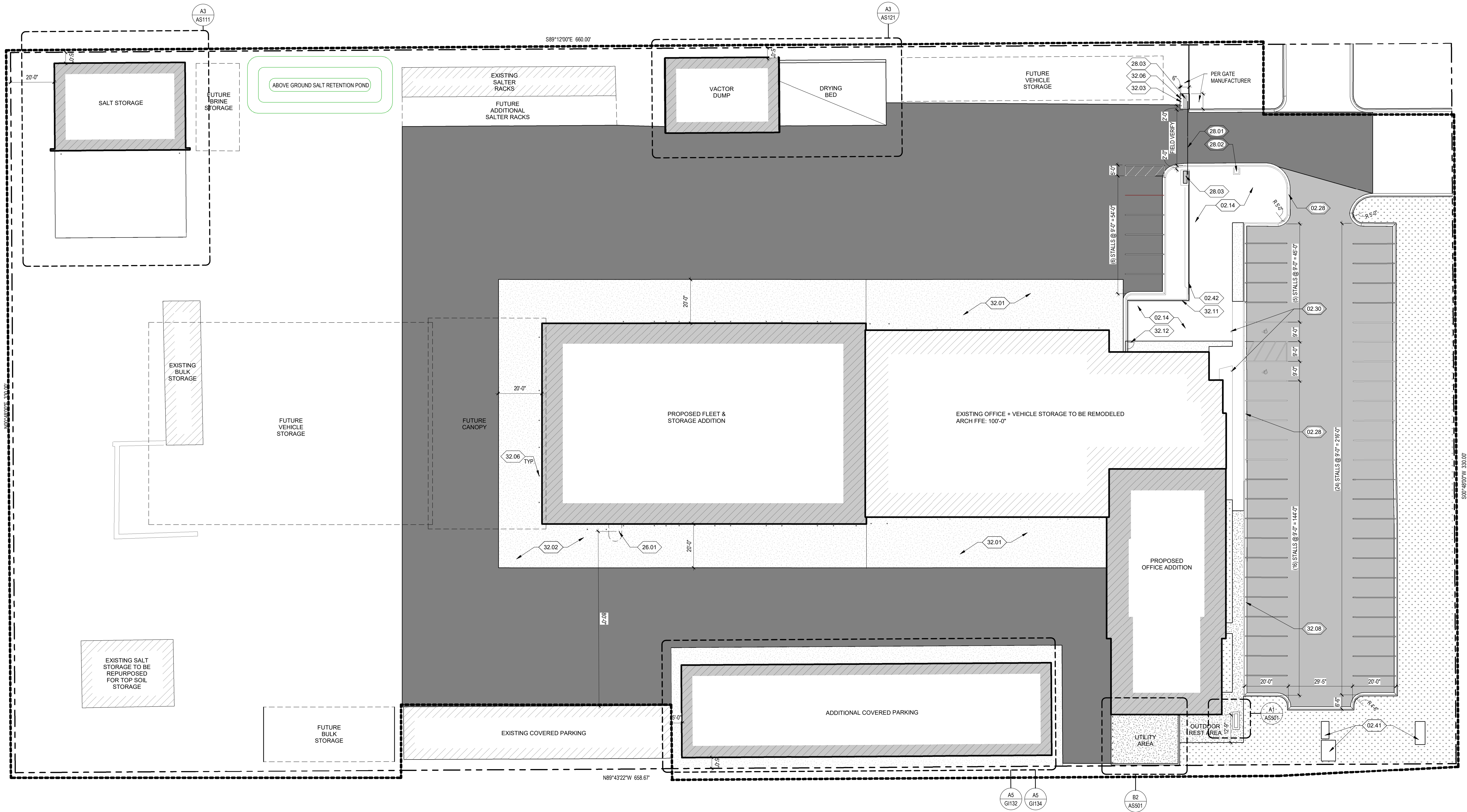
This drawing shows the construction details for the walls, ridge, eaves, caps and for the wall sections.

4. Vactor and Salt Building Plans

This drawing shows the roof framing plan for the salt building including pre-fabricated wood trusses at 2 feet on center. The underside of the truss system is sheathed with $\frac{3}{4}$ plywood. The structure has a standing seam metal roof. It also shows the floor and apron detail consisting of 8 inch thick slab on grade concrete with epoxy coated rebar at 18 inches on center both ways.

5. Footing & Foundation Details

This drawing shows the details for all foundations and wall types used on the Public Works Expansion Project including the concrete wall detail used for the salt shed.



GENERAL NOTES:

1. PROPERTY LINES SHOWN ON THIS DRAWING ARE TAKEN FROM THE RECORD OF SURVEY AS RECORDED BY WASATCH COUNT. THE ARCHITECT DOES NOT TAKE RESPONSIBILITY FOR THE ACCURACY OF THE BOUNDARIES AS SHOWN.

KEY NOTES:

02.14 EXISTING LANDSCAPING TO REMAIN. COORDINATE WITH LANDSCAPING DRAWINGS.

02.28 EXISTING CURB AND GUTTER TO REMAIN. GC TO COORDINATE WITH OWNER TO VERIFY WHICH LOCATIONS OF EXISTING CURB AND GUTTER IS TO BE REPLACED.

02.30 EXISTING ADA PARKING SIGN AND POST TO REMAIN.

02.41 EXISTING ELECTRICAL EQUIPMENT TO REMAIN.

02.42 EXISTING FENCE TO REMAIN.

26.01 FUTURE ACCESS CONTROL PEDESTAL FOR FUTURE AUTOMATIC WASH SYSTEM. PEDESTAL TO BE ON A FUTURE RAISED CONCRETE SLAB WITH CURBS.

26.05 EXTERIOR LIGHTING. COORDINATE WITH ELECTRICAL DRAWINGS.

28.01 EXISTING GATE TO BE REPLACED WITH A DOUBLE GATE ENTRY SYSTEM UTILIZING VERTICAL PIVOT LIFTS. HEIGHT TO MATCH EXISTING ADJACENT FENCING. COORDINATE WITH SPECIFICATIONS.

28.02 REMOVE THE EXISTING ACCESS CONTROL PEDESTAL AND PROVIDE A GURU 72-3-12-12 PEDESTAL OR EQUAL WITH A CONCRETE PAD THAT MEETS THE PEDESTAL'S REQUIREMENTS IN THE SAME LOCATION. THE OWNER'S SECURITY CONTRACTOR TO PROVIDE ACCESS CONTROL. COORDINATE WITH ELECTRICAL DRAWINGS.

28.03 GATE CONTROLLER. COORDINATE WITH SPECIFICATIONS.

32.01 EXISTING CONCRETE PAVING.

32.02 8" CONCRETE PAVING. COORDINATE WITH CIVIL DRAWINGS.

32.03 4" CONCRETE PAVING. COORDINATE WITH CIVIL DRAWINGS.

32.06 4"X4" BOLLARD. SEE DETAIL C3/ASS01.

32.08 CONCRETE CURB AND GUTTER. COORDINATE WITH CIVIL DRAWINGS.

32.11 REROUTE THE EXISTING FENCE SO THE FDC IS ON THE PUBLIC SIDE. PROVIDE A MOWSTRIP TO RUN WITH THE REROUTED FENCE.

32.12 MAN GATE WITH DROP FORK LATCH ASSEMBLY.

SITE LEGEND:

NEW CONSTRUCTION EXPANSION

EXISTING BUILDING

4" LIGHT DUTY ASPHALT

4" HEAVY DUTY ASPHALT

CONCRETE PAVING

LANDSCAPING. COORDINATE WITH LANDSCAPE DRAWINGS

PROPERTY LINE

CONTRACT LIMIT LINE

SITE SUMMARY:

ZONE: I-1	AREA	% OF TOTAL
SITE AREA:	5.23 ACRES	100
TOTAL BUILDING FOOTPRINT:	55,563 SF	24
MAIN BUILDING:	31,949 SF	14
ANCILLARY STRUCTURES:	23,614 SF	10
LANDSCAPING:	11,813 SF	5
TOTAL IMPERVIOUS:	120,787 SF	35
PARKING/DRIVEWAY:	74,518 SF	33
SIDEWALK/HARDSCAPE:	3,656 SF	2

PARKING SUMMARY:

TOTAL STANDARD PARKING STALLS:	51
TOTAL ADA PARKING STALLS:	2
TOTAL PARKING STALLS	53

HEBER PUBLIC WORKS

749 WEST 300 SOUTH
HEBER CITY, UTAH 84032

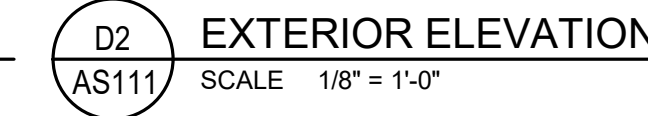
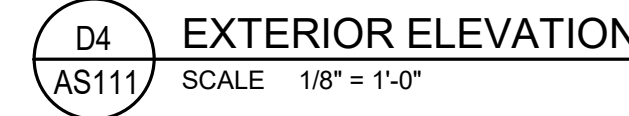
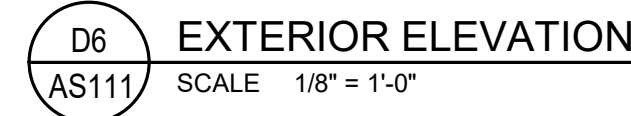
PROJECT # 16024

RECORD SET
01/13/2020

DATE REVISION

ARCHITECTURAL
SITE PLAN

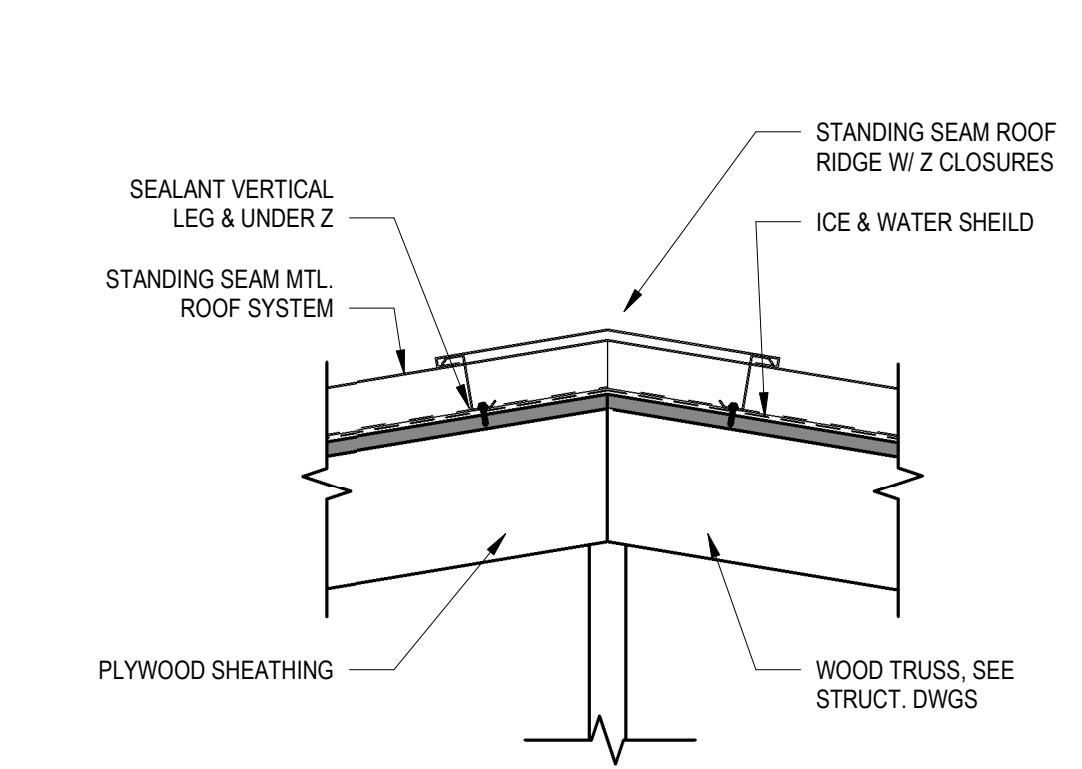
AS101



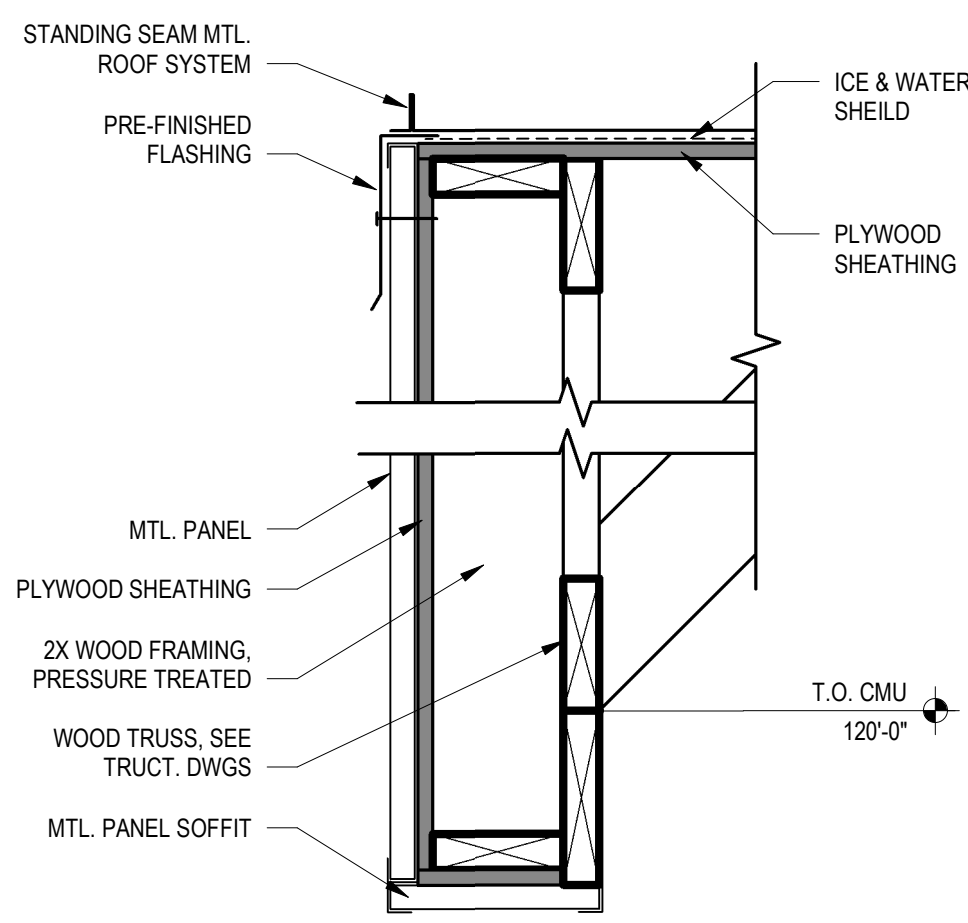
03.03	CONCRETE CONTROL JOINT.
03.07	SEAL ARCHITECTURAL CONCRETE WALL WITH HIGH PERFORMANCE COATING. COORDINATE WITH STRUCTURAL DRAWINGS.
03.08	SEAL CONCRETE SLAB WITH HIGH PERFORMANCE COATING AS SCHEDULED.
04.04	8X8X1/8" CMU TO MATCH COLOR OF MAIN BUILDING. SEAL SURFACE WITH HIGH PERFORMANCE COATING.
05.02	METAL STANDING SEAM ROOF.
05.03	REFINISHED METAL WALL PANELS.
06.02	LAYOUT OF 4X8 TREATED PLYWOOD BOARDS.
07.01	12" METAL CORNER, COLOR TO MATCH EXISTING.
07.06	ATTIC ACCESS HATCH. COORDINATE OPENING BETWEEN JOISTS.
07.06	SNOWGUARD. SEE SPECIFICATIONS.
07.07	DOWNSPOUT FROM GUTTER.
26.06	LIGHT FIXTURE, COORDINATE WITH ELECTRICAL DRAWINGS.
32.06	4"X4" BOLLARD. SEE DETAIL C2/A3501.

C-1	5/8" PAINTED GYPSUM CEILING BOARD OVER 20 GA. 3.5/8" METAL STUD FRAMING @ 16" O.C.
C-2	24"x48" SUSPENDED ACCOUSTICAL CEILING PANEL
C-3	OPEN TO STRUCTURE; PAINTED
C-4	5/8" PAINTED MOISTURE RESISTANT GYPSUM BOARD OVER 20 GA. 3.5/8" METAL STUD FRAMING @ 16" O.C.
C-5	OPEN TO STRUCTURE; PAINTED WITH HIGH PERFORMANCE COATING
C-6	5/8" TREATED PLYWOOD
C-7	CERAMIC TILE OVER MOISTURE RESISTANT GYPSUM BOARD OVER 20 GA. 3.5/8" METAL STUD FRAMING @ 16" O.C., SIZE AND COLOR BY ARCHTCT.

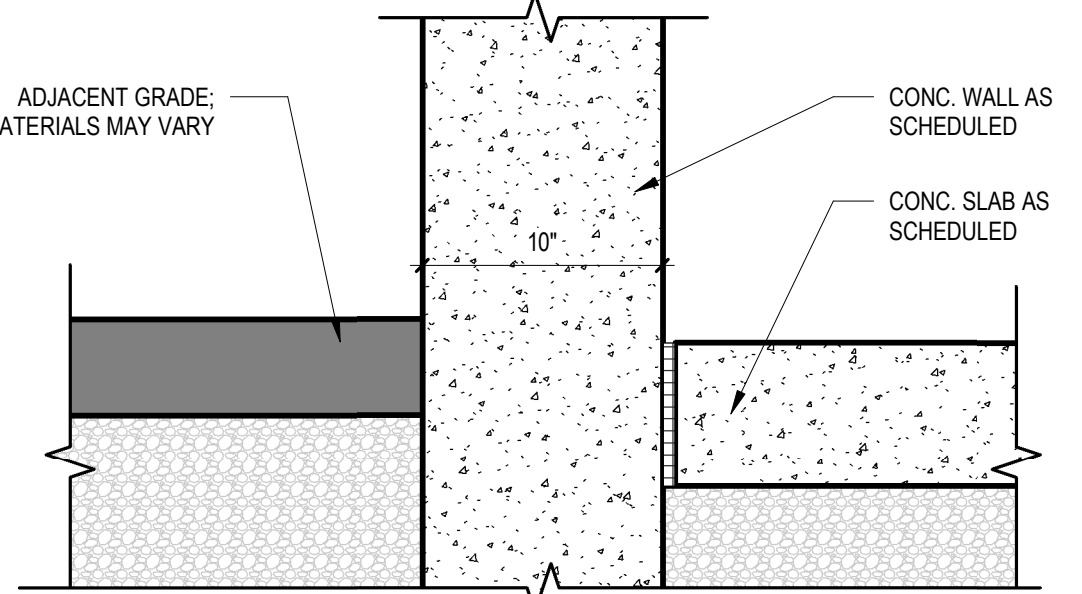
	DECK BEARING ELEVATION (PLAN)
	ROOFING MEMBRANE OVER 7\"
	INSULATION (R-35) OVER METAL DECK
	ROOFING MEMBRANE OVER 8\"
	INSULATION (R-30) OVER METAL DECK
	CRICKET, SLOPED AT 1/4\"=1'
	EXISTING MEMBRANE ROOF SYSTEM
	STANDING SEAM ALUMINUM SHEATHING OVER ICE & WATER SHIELD OVER METAL DECK (LINES DRAIN TO SHOW DIRECTION OF SEAM)
	ROOF DRAIN
	OVERFLOW ROOF DRAIN



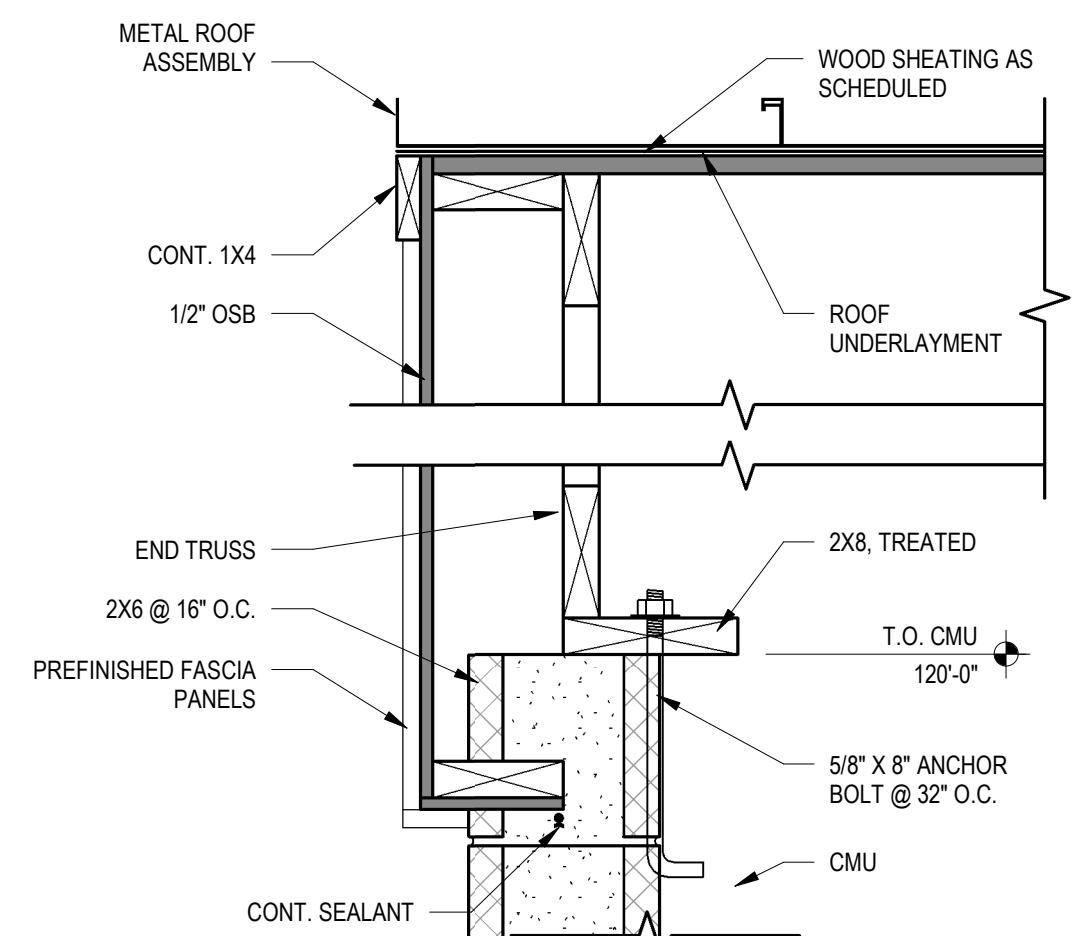
E6 SALT STORAGE RIDGE DETAIL
SCALE 1 1/2" = 1'-0"



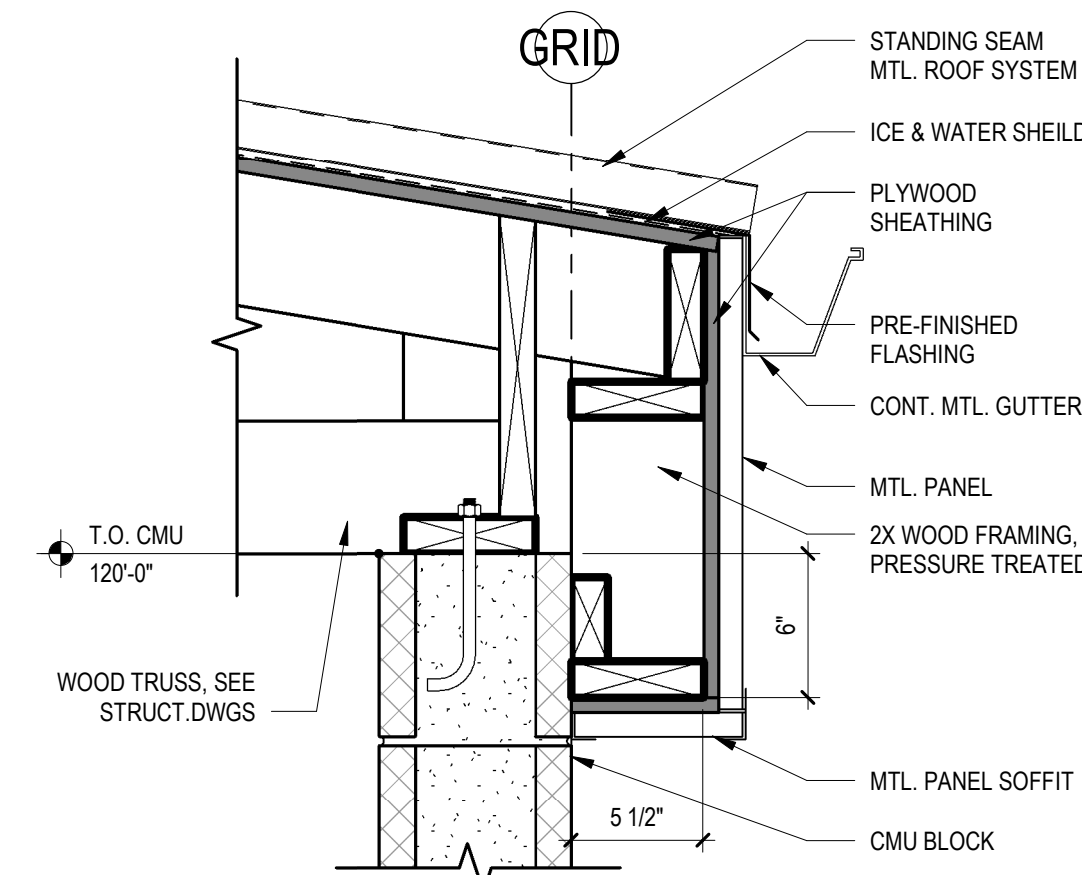
E5 SALT STORAGE OPEN RAKE DETAIL
SCALE 1 1/2" = 1'-0"



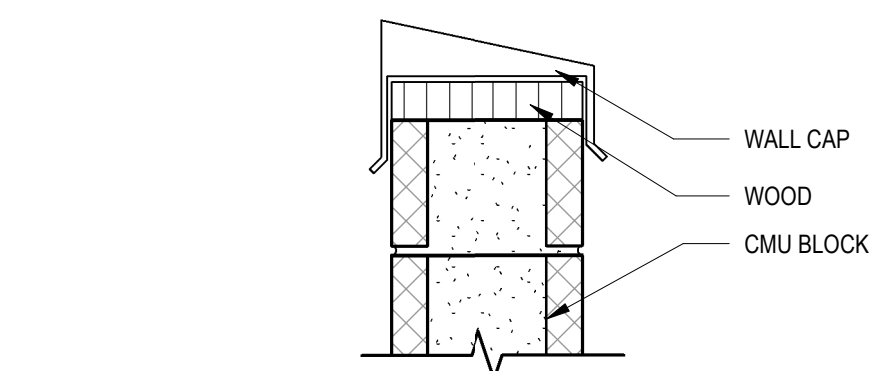
D6 SALT STORAGE BASE OF WALL DETAIL
SCALE 1 1/2" = 1'-0"



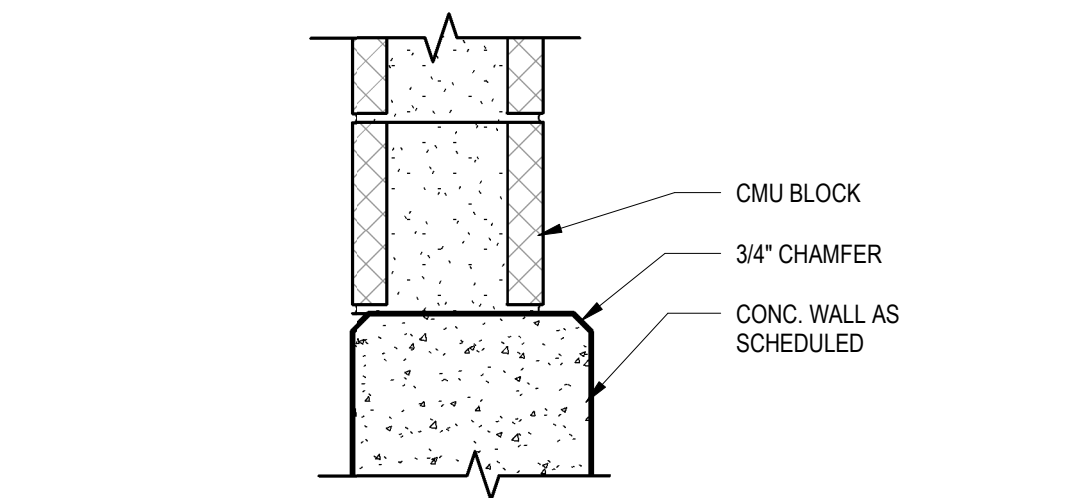
D5 SALT STORAGE RAKE DETAIL
SCALE 1 1/2" = 1'-0"



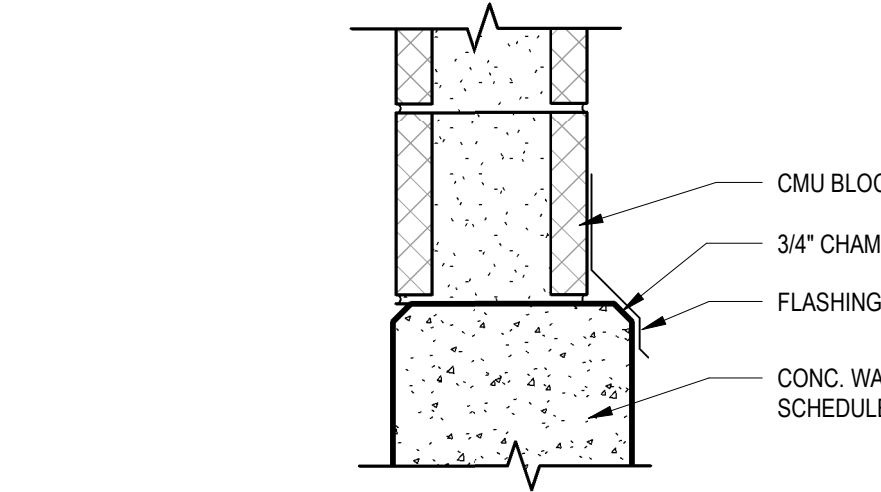
C6 SALT STORAGE EAVE DETAIL
SCALE 1 1/2" = 1'-0"



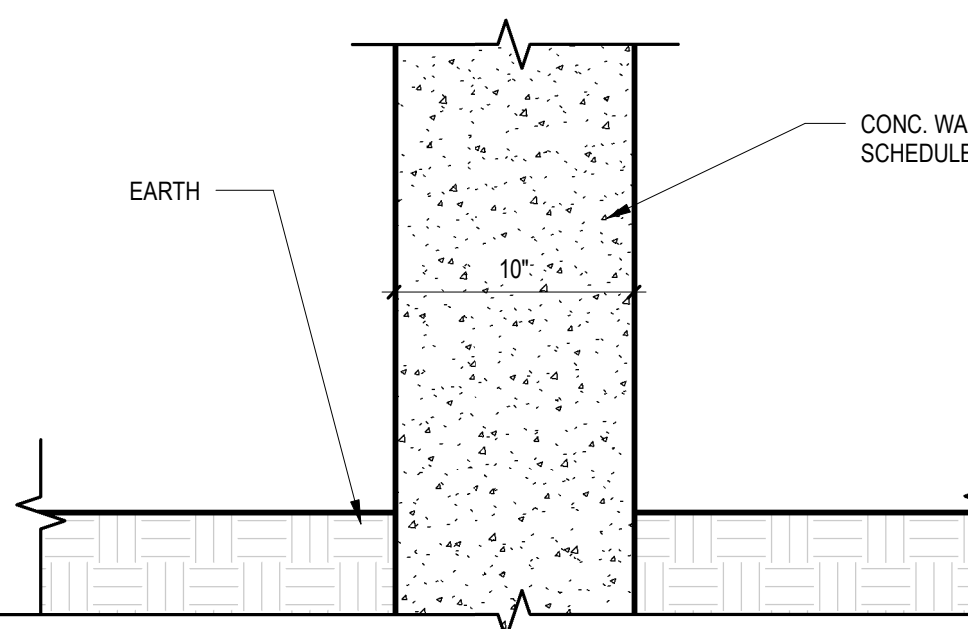
C5 SALT STORAGE WALL CAP DETAIL
SCALE 1 1/2" = 1'-0"



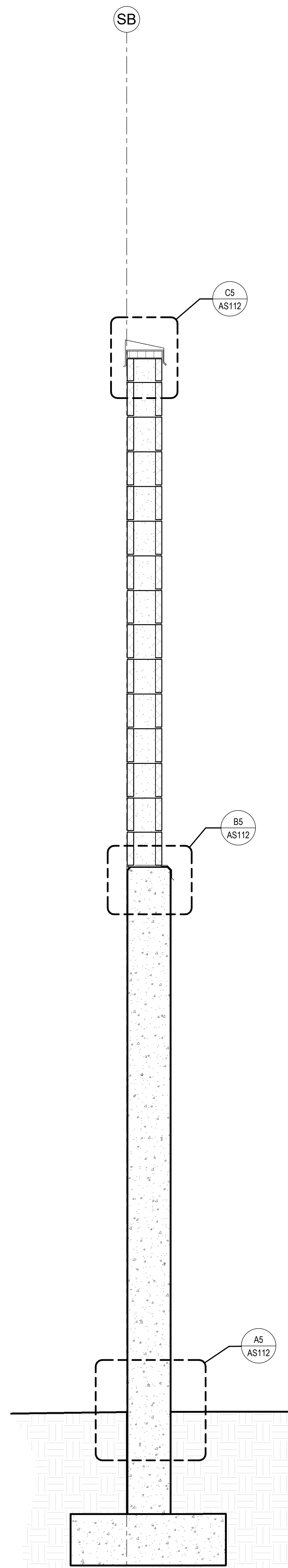
B6 SALT STORAGE WALL CHAMFER DETAIL
SCALE 1 1/2" = 1'-0"



B5 SALT STORAGE WALL CHAMFER DETAIL
SCALE 1 1/2" = 1'-0"



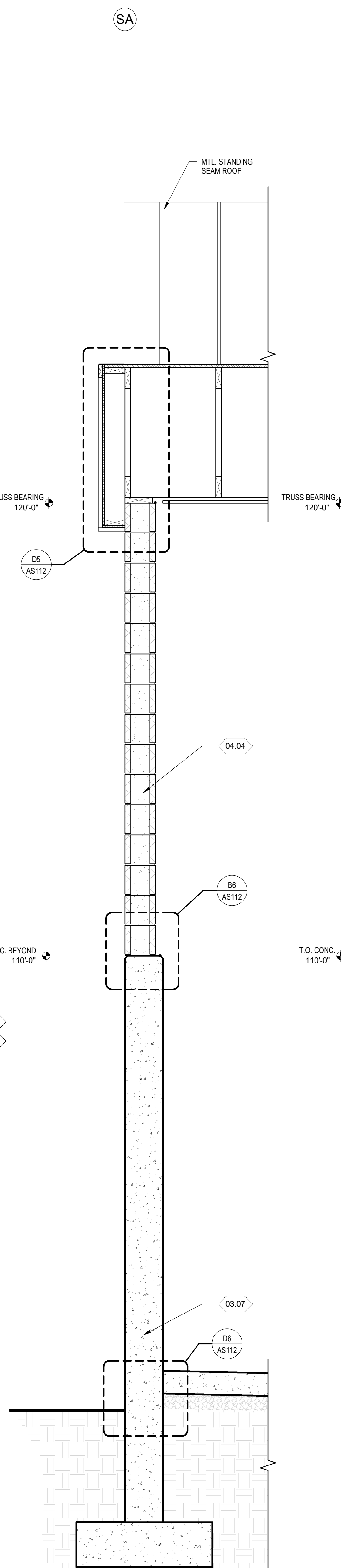
A5 SALT STORAGE BASE OF WALL DETAIL
SCALE 1 1/2" = 1'-0"



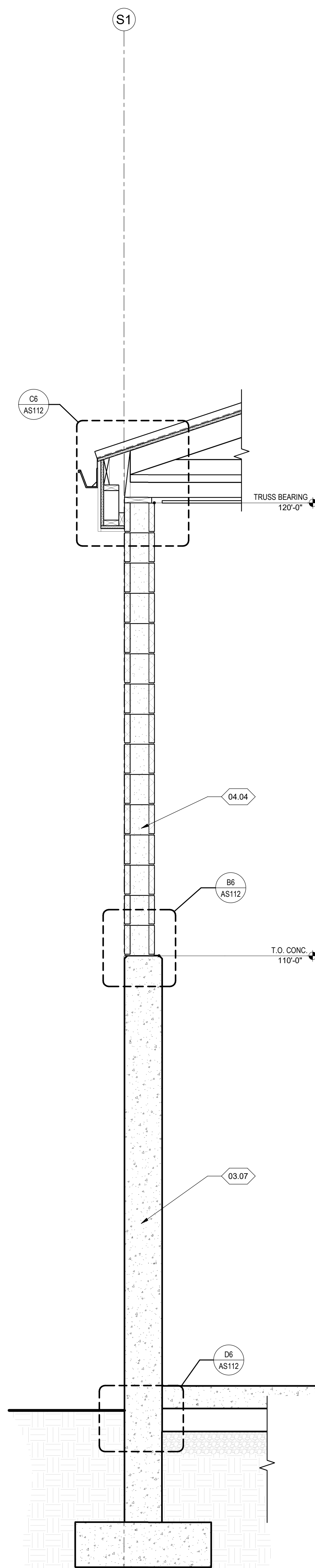
A4 Detail 71
SCALE 3/4" = 1'-0"



A3 WALL SECTION
SCALE 3/4" = 1'-0"



A2 WALL SECTION
SCALE 3/4" = 1'-0"



A1 WALL SECTION
SCALE 3/4" = 1'-0"

- KEY NOTES:
- 03.07 SEALED ARCHITECTURAL CONCRETE WALL WITH HIGH PERFORMANCE COATING. COORDINATE WITH STRUCTURAL DRAWINGS.
 - 04.04 8X8X18" CMU TO MATCH COLOR OF MAIN BUILDING. SEAL SURFACE WITH HIGH PERFORMANCE COATING.

RECORD DRAWING: THIS RECORD DRAWING OR RECORD SPECIFICATION HAS BEEN PREPARED, IN PART, BASED UPON INFORMATION FURNISHED BY OTHERS. WHILE THIS INFORMATION IS BELIEVED TO BE RELIABLE, THE DESIGN PROFESSIONAL CANNOT ASSURE ITS ACCURACY AND THIS IS NOT RESPONSIBLE FOR THE ACCURACY OF THIS RECORD DRAWING OR RECORD SPECIFICATION, OR FOR ANY ERRORS OR OMISSIONS WHICH MAY HAVE BEEN INCORPORATED INTO IT AS A RESULT. THOSE RELYING ON THIS RECORD DOCUMENT ARE ADVISED TO OBTAIN INDEPENDENT VERIFICATION OF ITS ACCURACY.

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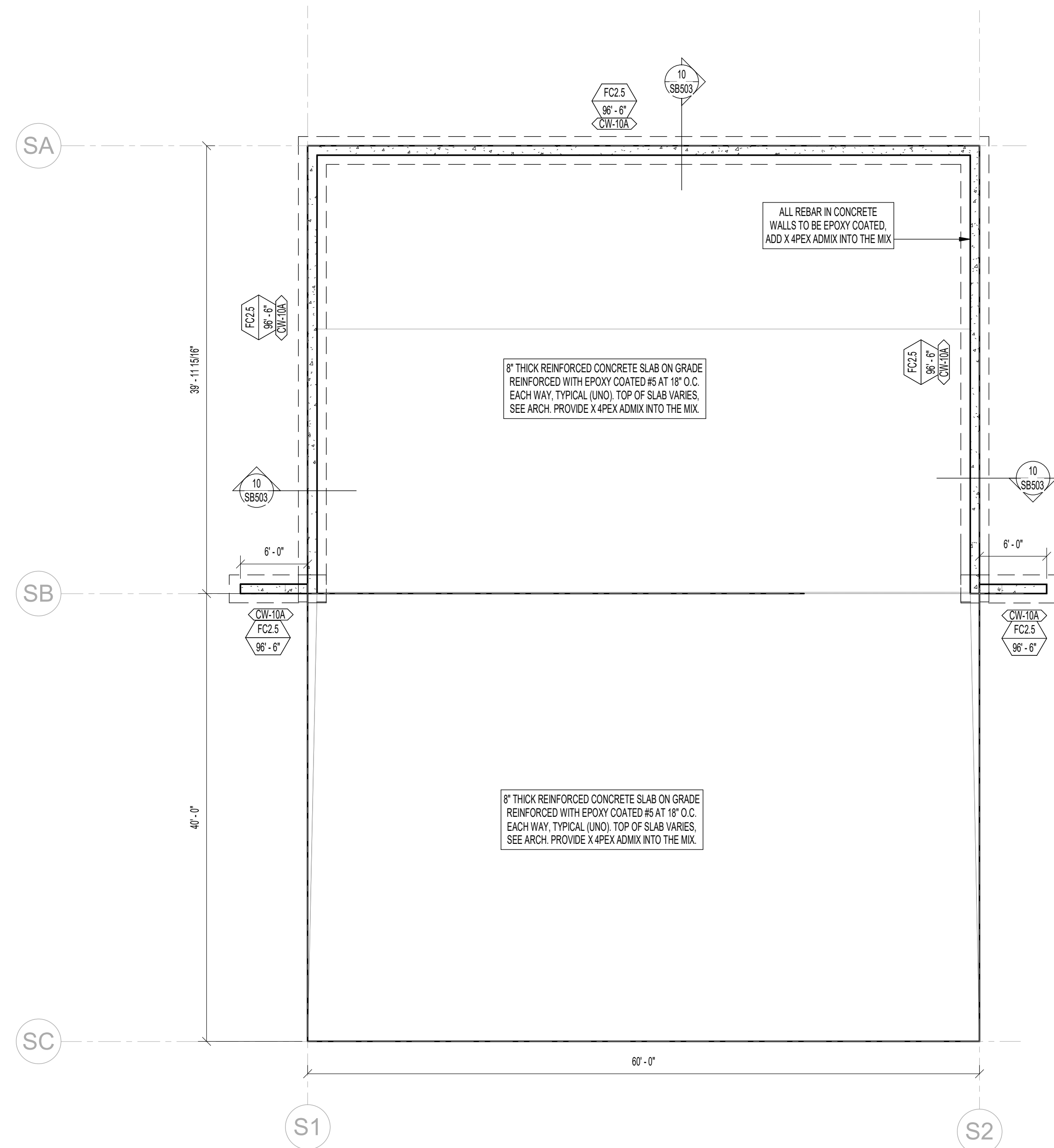
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HEBER CITY, UTAH 84032

PROJECT #: 16024

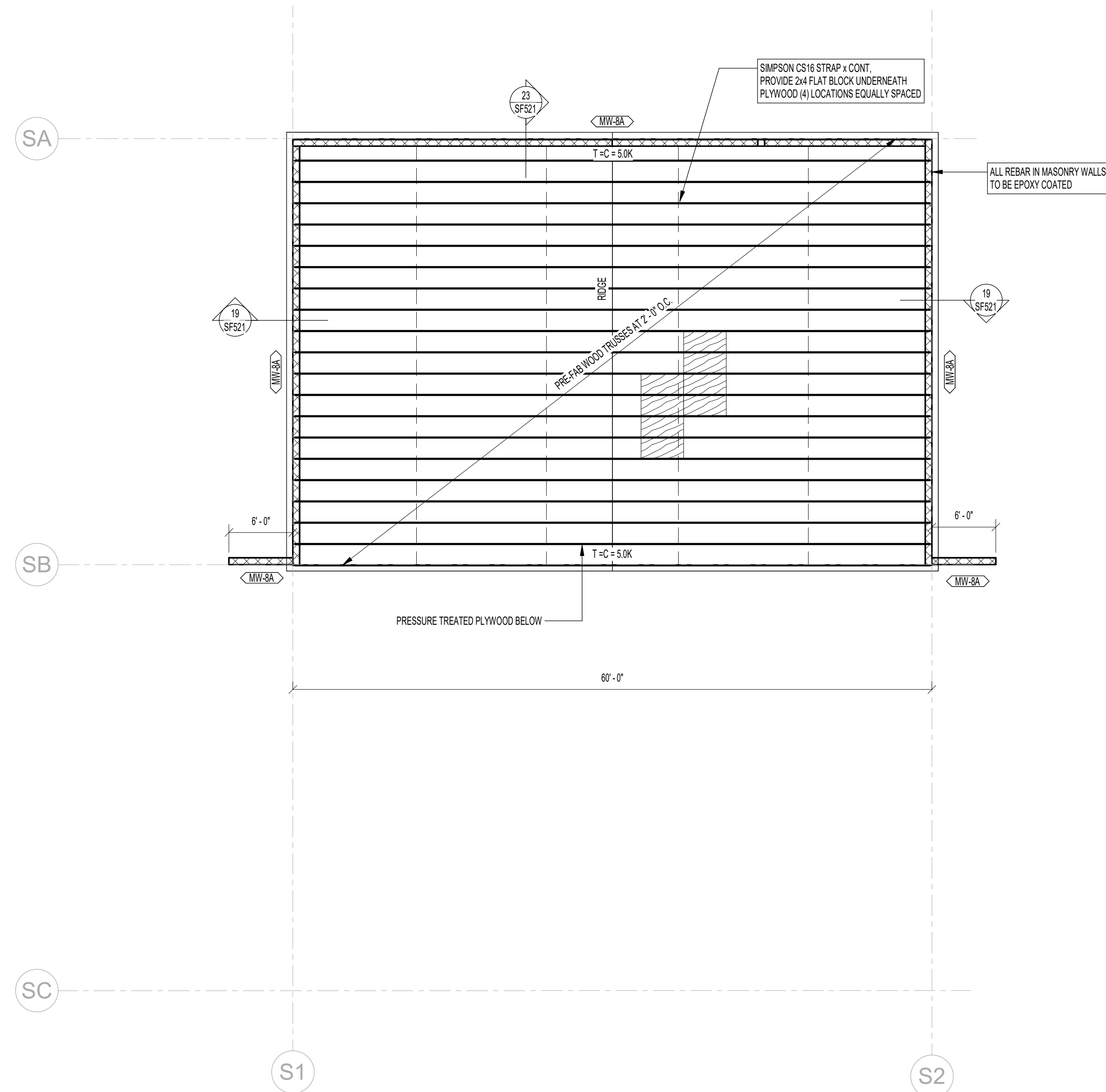
RECORD SET		
07/13/2020		
DATE	REVISION	

SALT STORAGE
BLDG.
SECTIONS &
DETAILS

AS112



 SALT BUILDING FOOTING AND FOUNDATION PLAN



 SALT BUILDING ROOF FRAMING PLAN

MARKS AND SYMBOLS LEGEND

	SECTION MARK
	SHEET NUMBER
	FOOTING DESIGNATION
	TOP OF FOOTING ELEVATION
	INDICATES FOOTING STEP. SEE DETAIL 158501. SIM.
	INDICATES CONCRETE WALL. DASHED WALLS STOP AT DECK
	INDICATES MASONRY WALL. DASHED WALLS STOP AT DECK
	INDICATES METAL STUD WALL. DASHED WALLS STOP AT DECK
	DEPRESS FOUNDATION WALL AND POUR SLAB OVER. SEE DETAIL 208503
	INDICATES DEPRESSED SLAB. SEE ARCHITECTURAL PLANS.
	INDICATES CONCRETE FOUNDATION WALL TYPE. SEE SCHEDULE ON SHEET SF901
	INDICATES METAL STUD TYPE. SEE SCHEDULE ON SHEET SF902
	INDICATES PL WOOD ROOF SHEATHING. SEE SCHEDULE ON SHEET
	SCxX INDICATES STEEL COLUMN. SEE SCHEDULE ON SHEET SF903
	FOCLxX INDICATES CONTINUOUS FOOTING. SEE SCHEDULE ON SHEET SF901
	FSsxX INDICATES SPOT FOOTING. SEE SCHEDULE ON SHEET SF901
	FTSxX INDICATES THICKENED SLAB FOOTING. SEE SCHEDULE ON SHEET SF901
	CPxX INDICATES CONCRETE PIER. SEE SCHEDULE ON SHEET SF901
	T+DxX INDICATES ADDITIONAL TOP CHORD ALLOWABLE LOAD. DUE TO SEISMIC, NO 1/3 INCREASE ALLOWED
	C.J. INDICATES CONTROL/CONSTRUCTION JOINT. SEE DETAILS 458501

FOOTING AND FOUNDATION PLAN NOTES

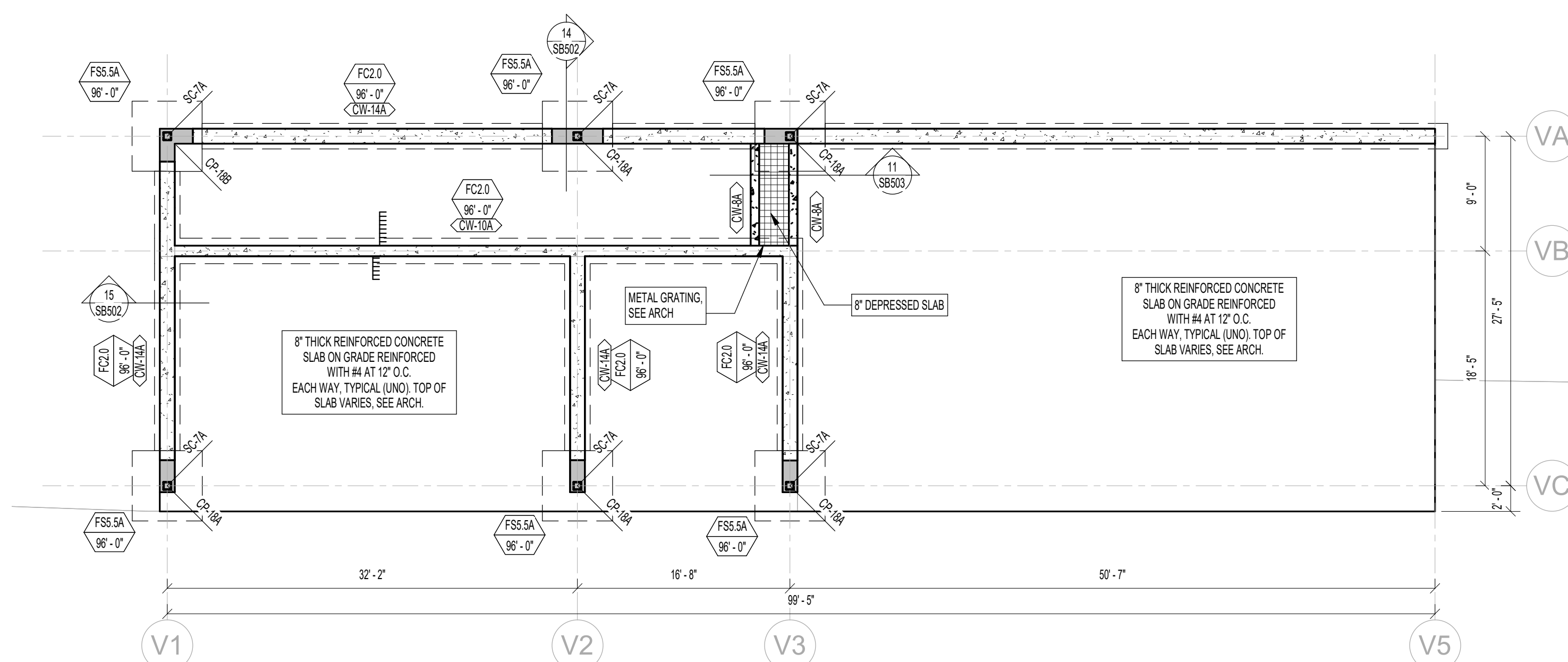
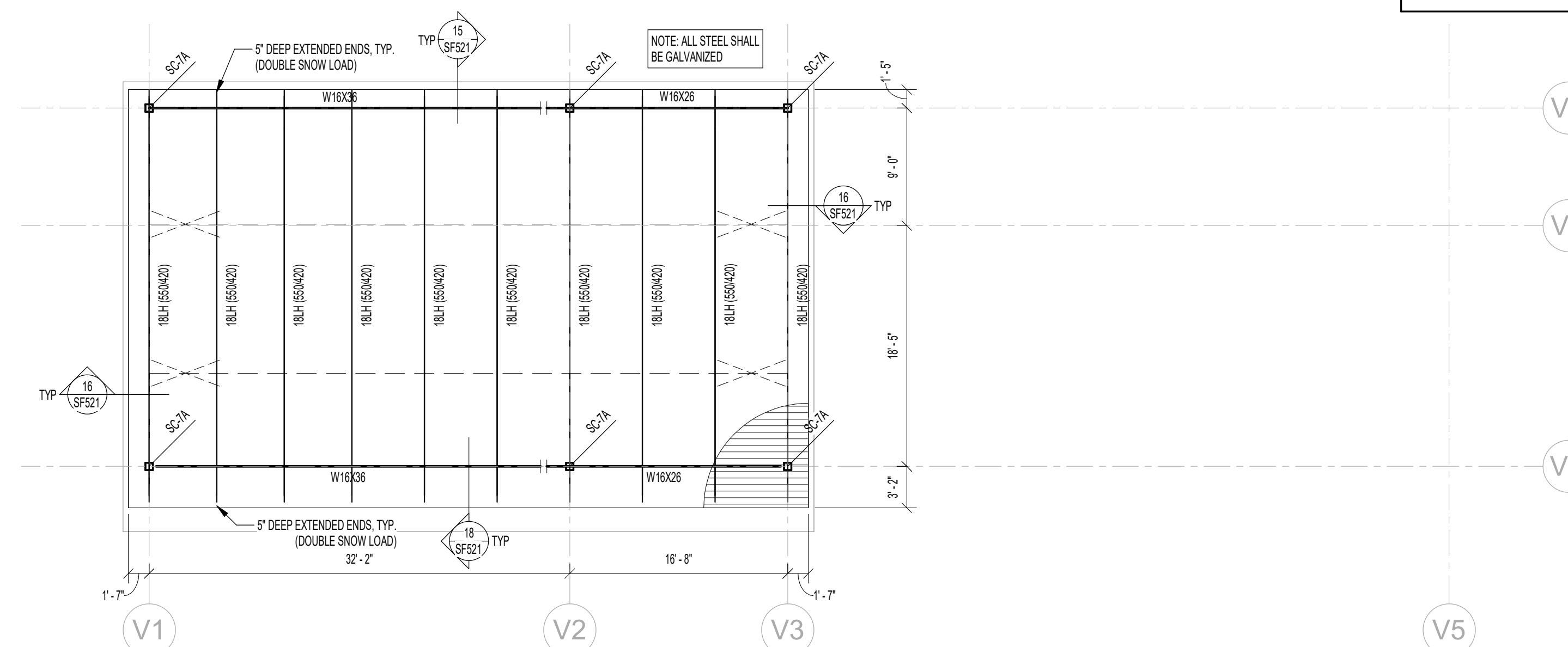
1. COORDINATE LOCATION OF DERESSED SLABS, SLOPED SLABS, AND FLOOR DRAINS WITH ARCHITECTURAL AND MECHANICAL DRAWINGS.
2. SEE ARCHITECTURAL AND CIVIL DRAWINGS FOR EXTERIOR CONCRETE WORK AT DOORS, SIDEWALKS, ETC.
3. SEE ARCHITECTURAL DRAWINGS FOR CONTROL JOINT LOCATIONS.
4. SEE "EARTHWORK" NOTES ON SHEET S.U.01.
5. ALL SLOP FOOTINGS SHALL BE CENTERED UNDER COLUMNS (UNO).
6. SEE DETAILS 2388A AND 2588B FOR CONDITION WHERE BURRED PILES RUN PARALLEL AND PERPENDICULAR TO FOOTINGS.
7. SEE DETAIL 4580B FOR TYPICAL CONTROL/CONSTRUCTION JOINTS IN CONCRETE SLAB ON GRADE.
8. SEE DETAIL 5850B FOR SLAB REINFORCING WHERE CONTROL JOINTS ARE DISCONTINUOUS.
9. SEE DETAIL 15850B FOR ADDITIONAL REINFORCING AT MISCELLANEOUS OPENINGS IN CONCRETE WALLS.
10. SEE ARCHITECTURAL DRAWINGS FOR DIMENSIONS OF STEEL COLUMNS.
11. SEE DETAIL 55850B FOR DETAILS AT SLAB DEPRESSIONS.
12. SEE 15850B FOR METAL STUD BOTTOM TRUCK FASTER DETAIL.

ROOF FRAMING DESIGN LOADS

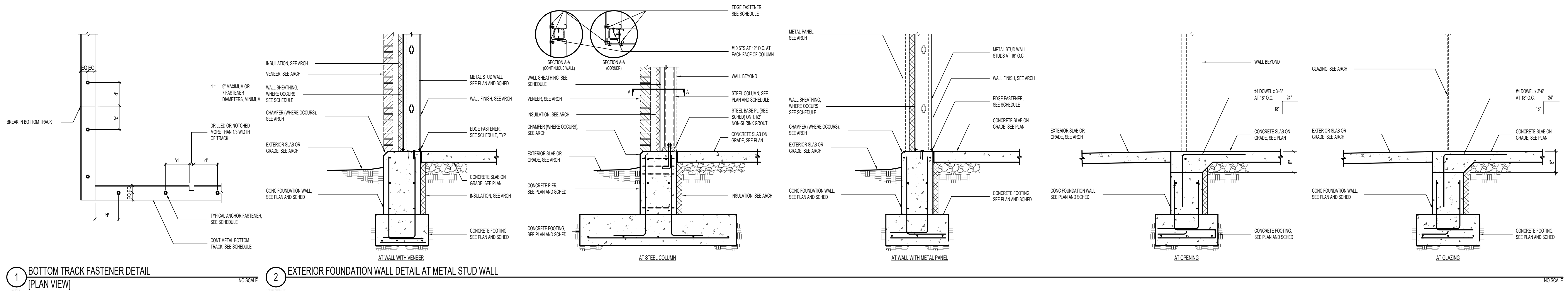
ROOF LOADS:	
DEAD LOAD	20 psf
SNOW LOAD	78 psf
TOTAL LOAD	98 psf

ROOF FRAMING PLAN NOTES

- [illegible]

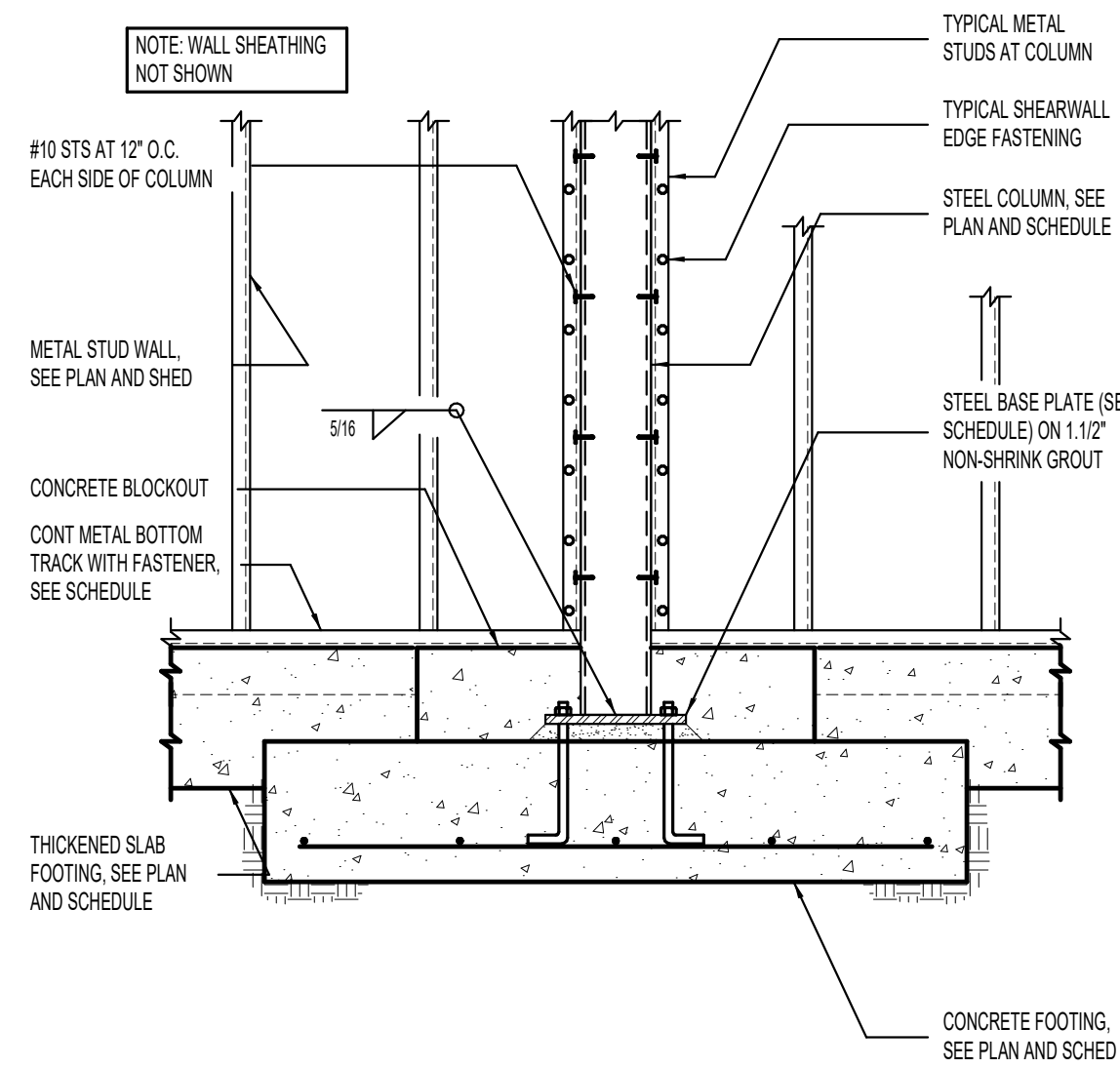
 VACTOR STATION FOOTING AND FOUNDATION PLAN

VECTOR STATION ROOF FRAMING PLAN

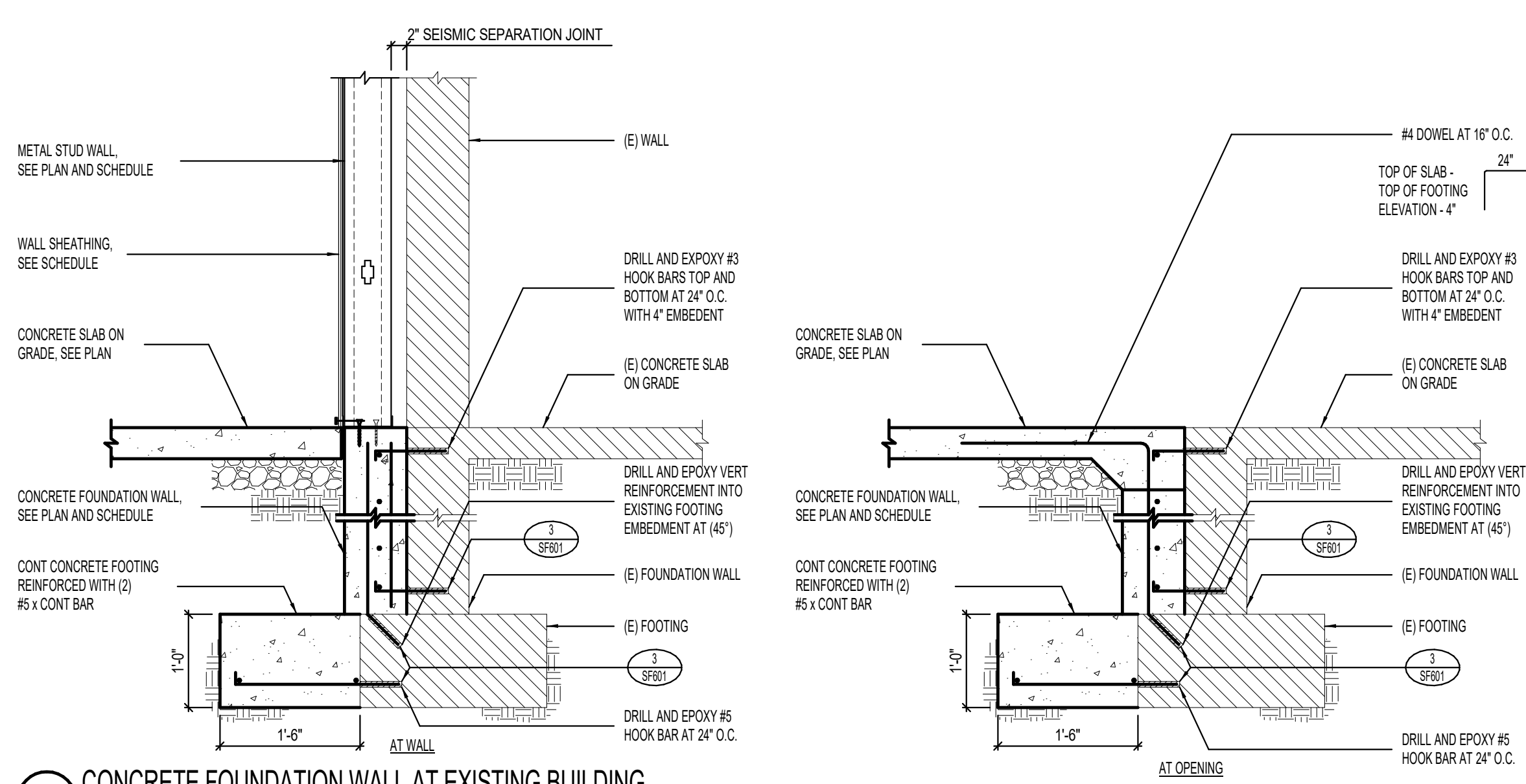


1 BOTTOM TRACK FASTENER DETAIL
[PLAN VIEW]

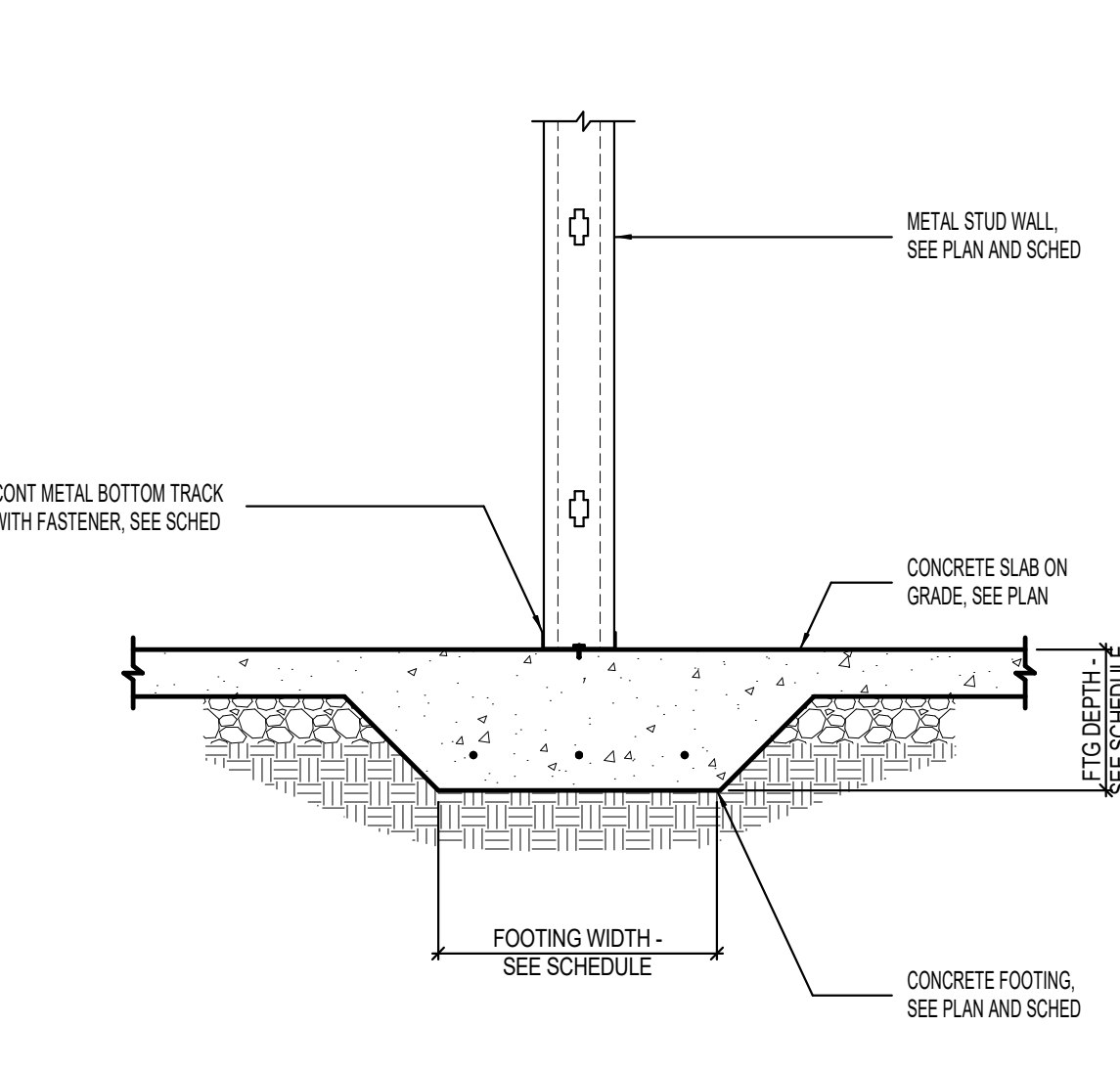
2 EXTERIOR FOUNDATION WALL DETAIL AT METAL STUD WALL



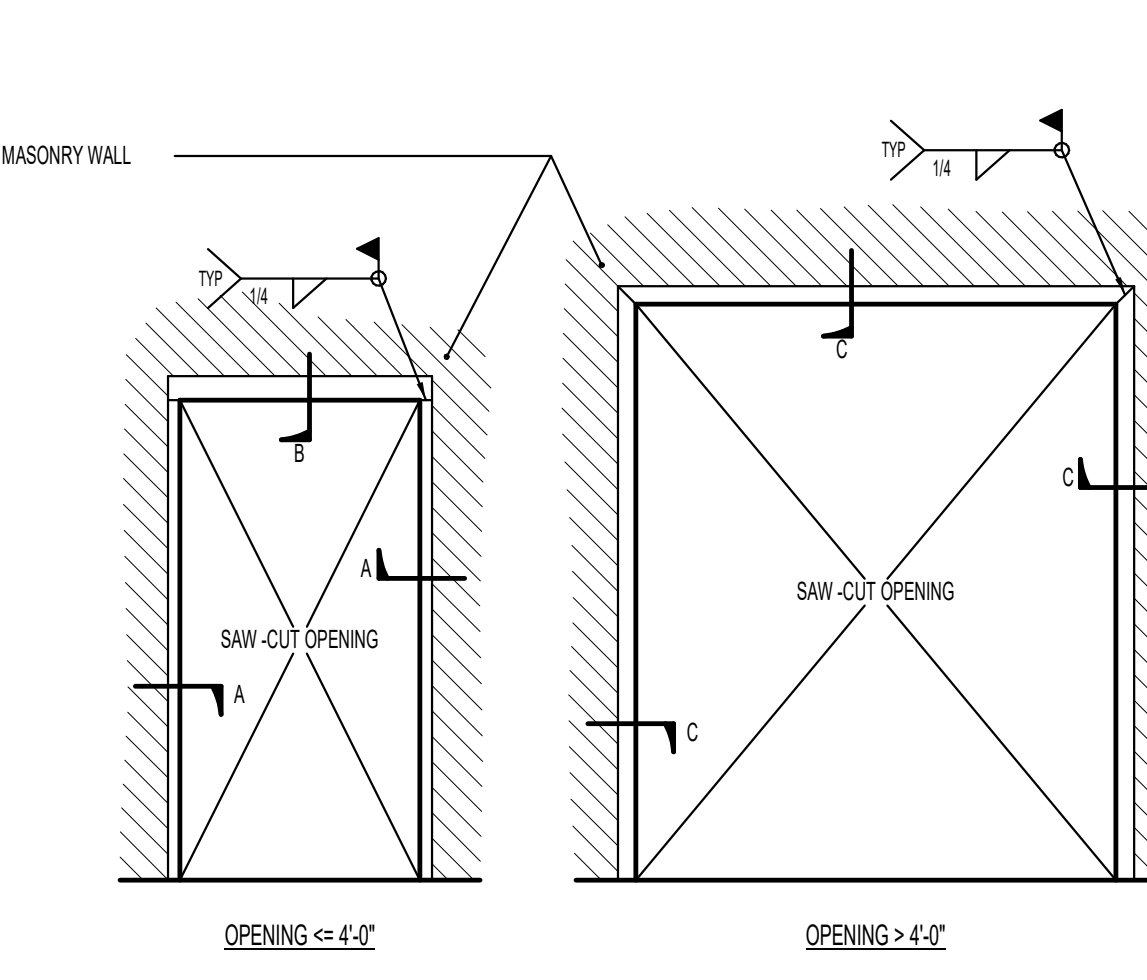
3 TYPICAL STEEL COLUMN IN METAL STUD WALL



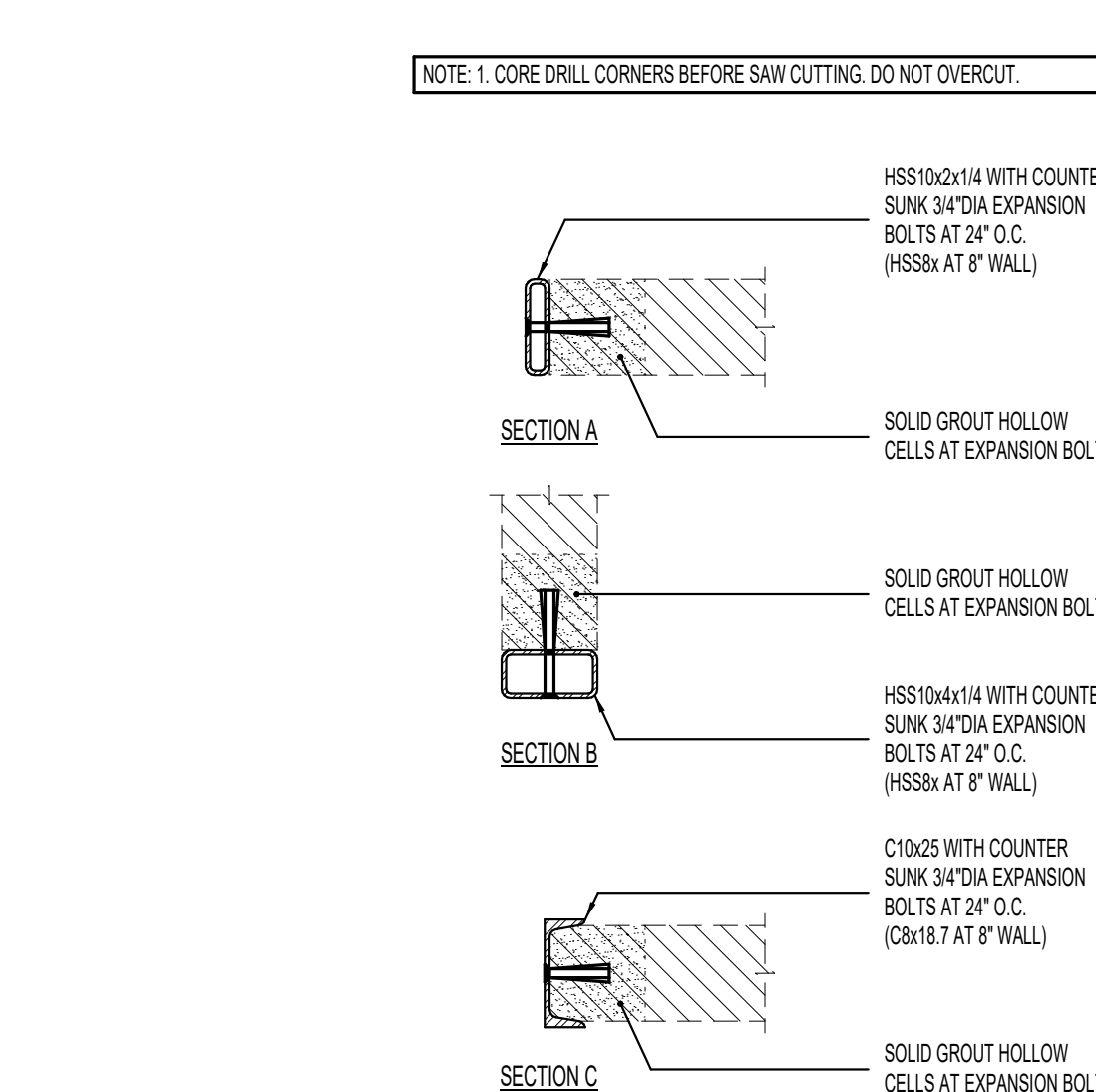
4 CONCRETE FOUNDATION WALL AT EXISTING BUILDING



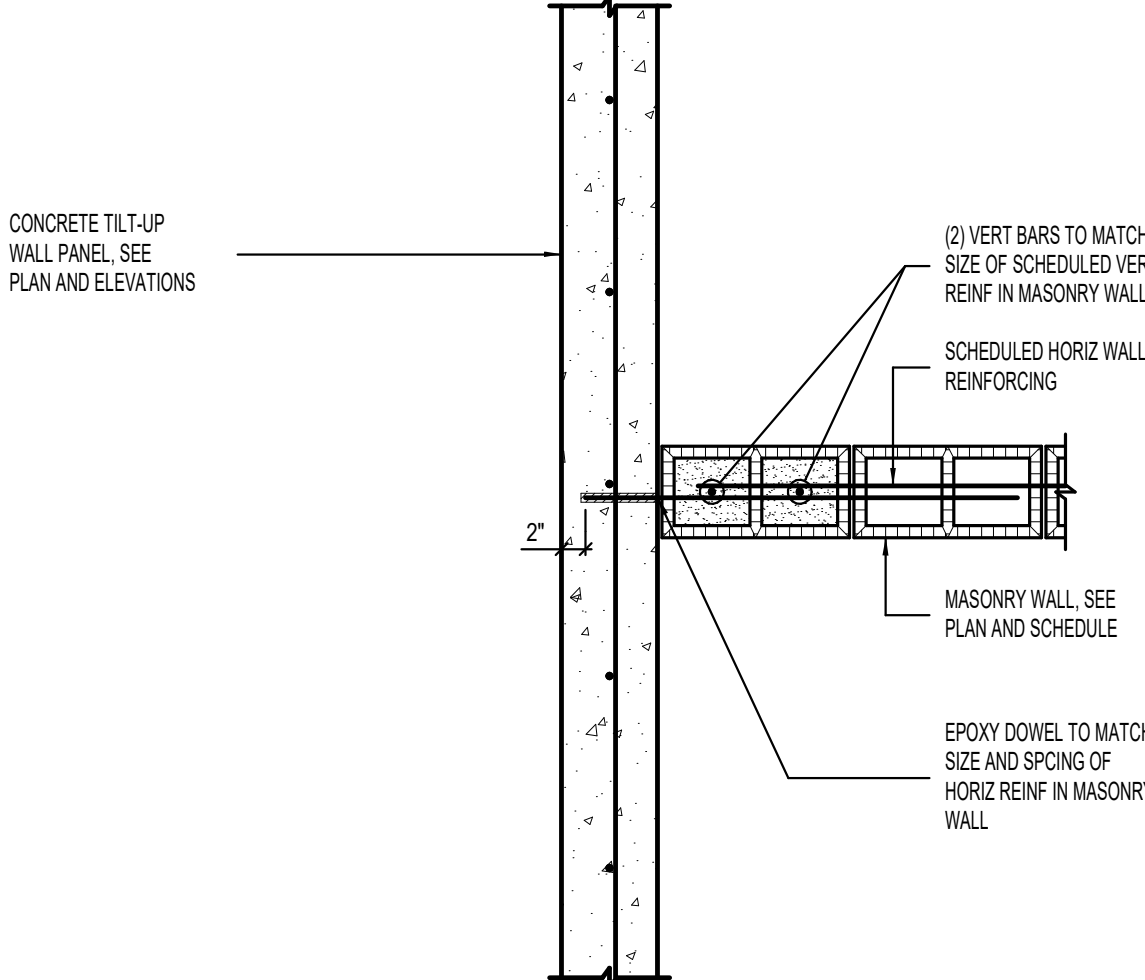
5 THICKENED SLAB FOOTING AT INTERIOR METAL STUD WALL



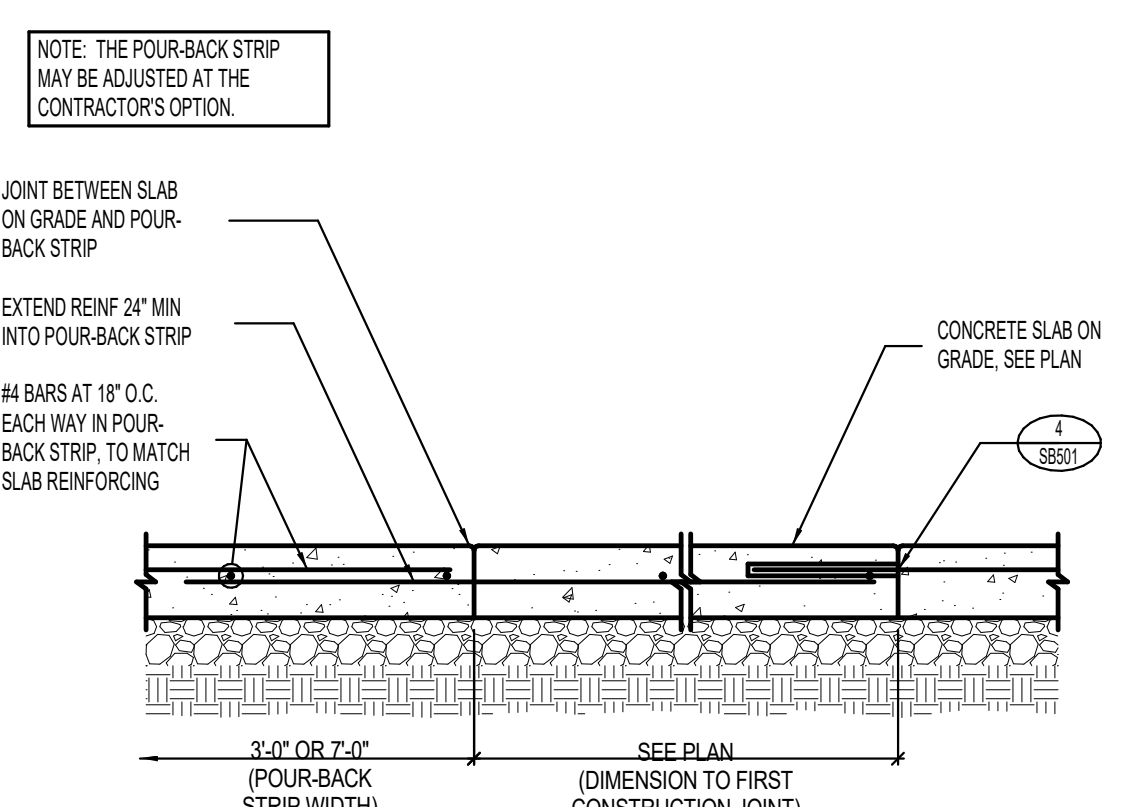
6 NEW OPENING THROUGH EXISTING MASONRY WALL



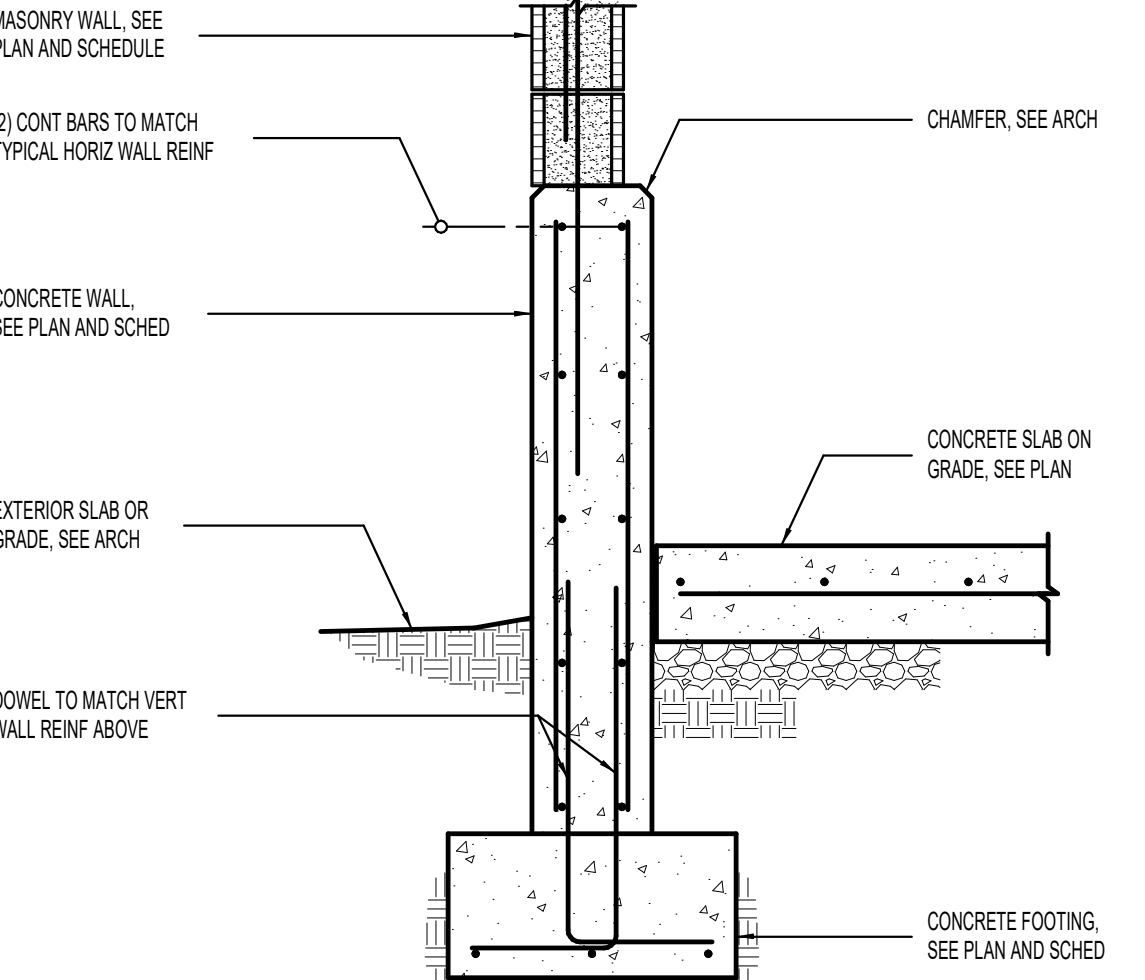
7 FOOTING DETAIL AT STEEL COLUMN



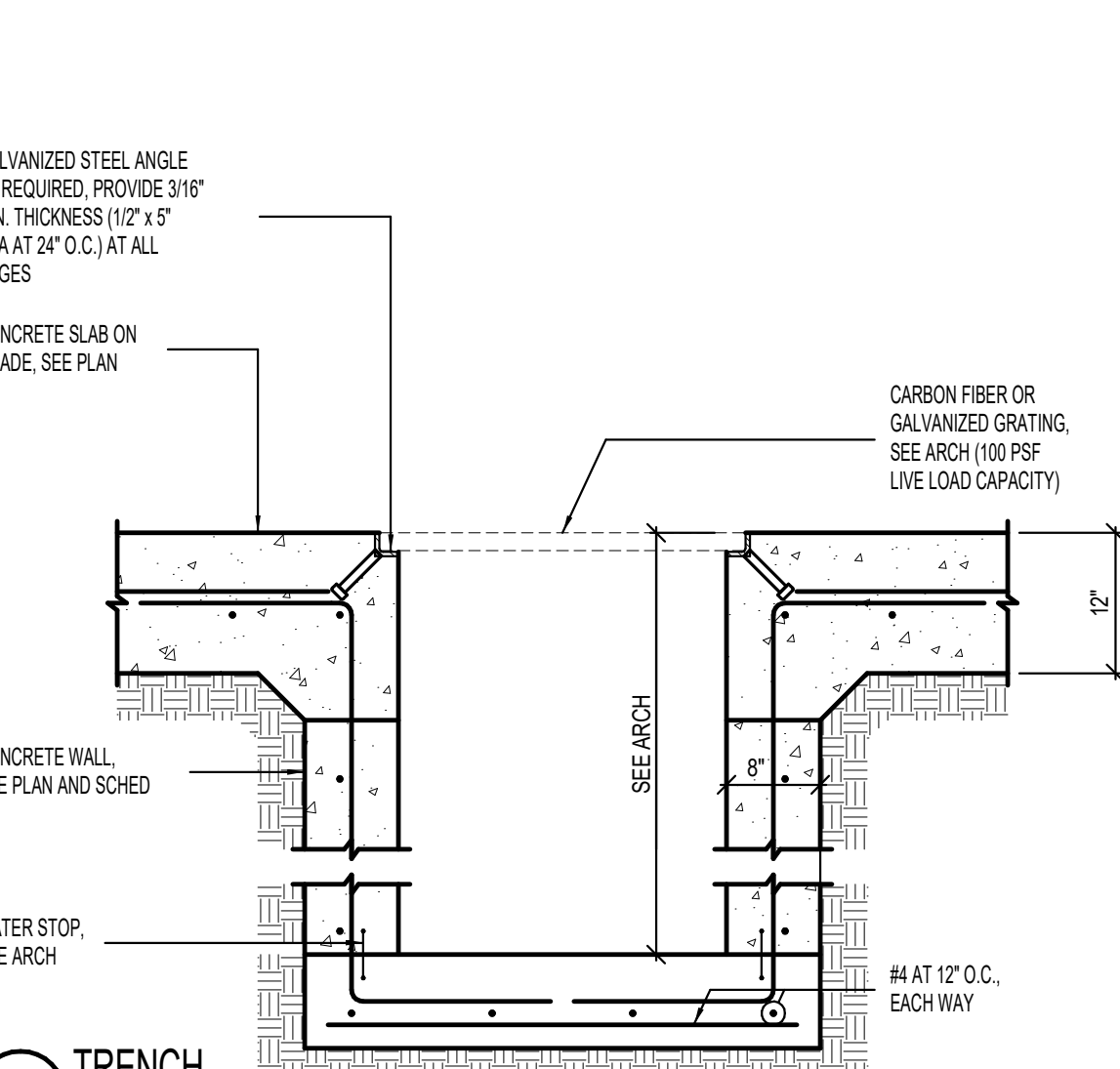
8 MASONRY WALL TO CONCRETE TILT-UP WALL PANEL
[PLAN VIEW]



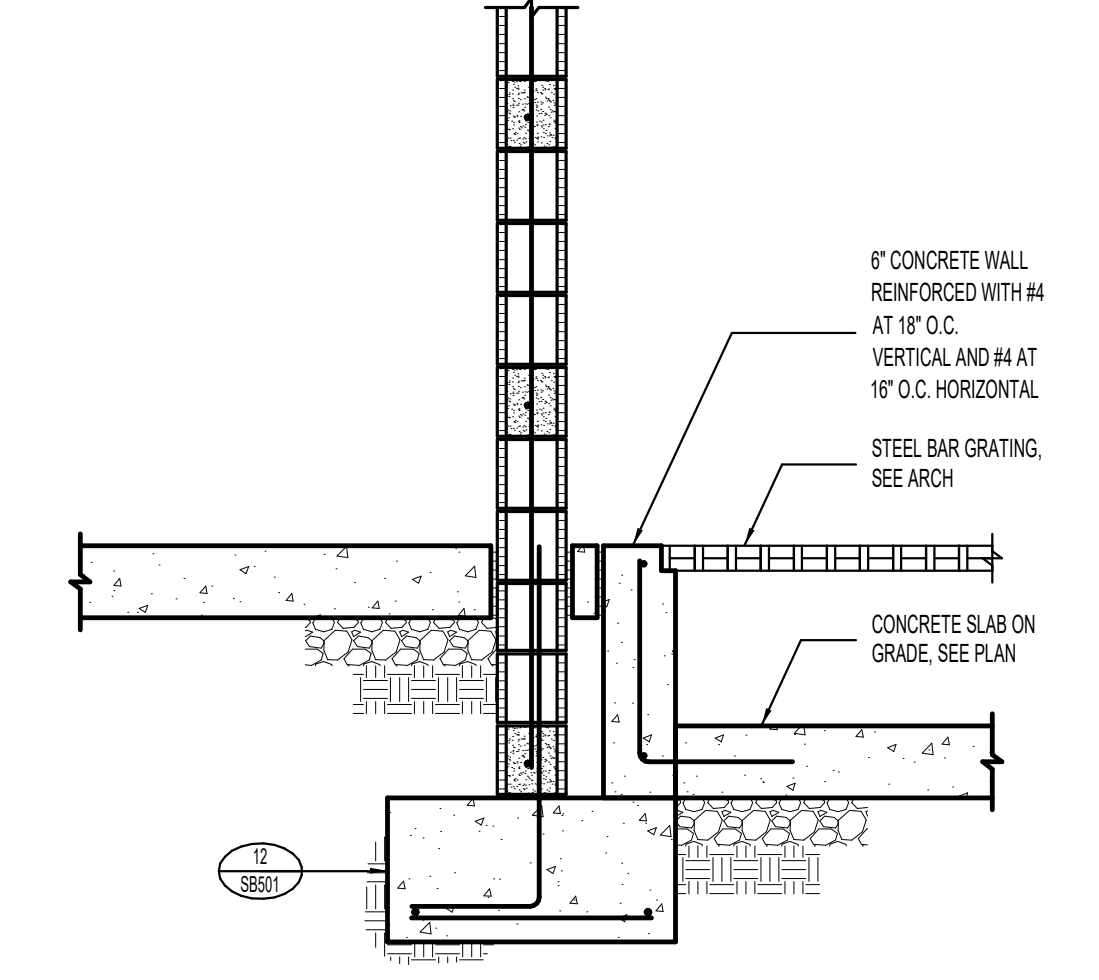
9 TYPICAL CONCRETE SLAB ON GRADE AT
POUR-BACK STRIP



10 CONCRETE WALL



11 TRENCH
DETAIL

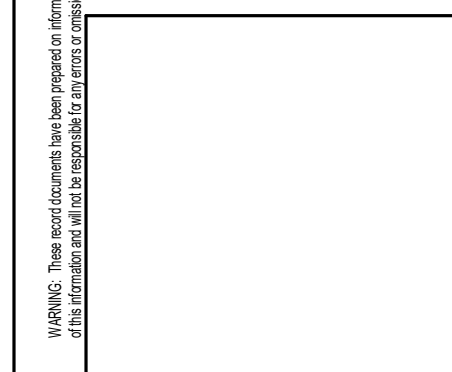


12 CONTAINMENT PIT AT MASONRY WALL

Heber City Public Works Facility Expansion
749 West 300 South
Heber City, UT 84032

PROJECT #: 170648

RECORD SET	
01/13/2020	
DATE	REVISION



FOOTING AND
FOUNDATION
DETAILS

SB503

Attachment B

Pictures of Damage/Failure





HEBER CITY

Public Works Salt Storage Structure Repair/Replacement

Sunrise Engineering

June 15, 2026

Project Title: Heber City Public Works Salt Storage Structure Repair/Replacement

Submission Date: June 15, 2026

Submitting Firm: Sunrise Engineering

Key Contact: Derek Anderson, PE
danderson@sunrise-eng.com

801.704.5214





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Executive Summary	1
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Key Personnel	4
Scope of Work & Schedule	5
Proposed Schedule	6
Appendix A: Insurance Document	ii
Cost Proposal: Attached Separate Document	

Executive Summary

June 15, 2026

Russell Funk
75 North Main
Heber, UT 84032
rfunk@heberut.gov

RE: Request for Qualifications – Public Works Salt Storage Structure Repair/Replacement

Dear Selection Committee,

Sunrise Engineering appreciates the opportunity to submit qualifications to assist Heber City with the Public Works Salt Storage Structure Repair/Replacement project. The City's salt storage facility has been deemed unsafe and must be evaluated with specific attention to bulk-salt lateral loads, repair-versus-replacement risk, long-term durability, and winter readiness. Sunrise is well-suited to help Heber City make a clear, defensible decision and move the selected solution through design, bidding, and construction for the following three reasons.

First, Sunrise has directly relevant experience with failing storage structures, bulk material loading, and structural repair planning. Our team has evaluated a failing storage building with a scope that is closely aligned with this project. Sunrise also designed the Ogden City bulk materials storage structure, which stores salt, dirt, and gravel, and required consideration of lateral loads from stored materials. In addition, our structural team has completed condition assessments and repair planning for facilities with cracking, water damage, limited documentation, and operational constraints, including the Ogden Airport Old Tower, Ogden Junction Parking Garage, WWTP Solids Handling and Digester Building, and Lindquist Field.

Second, Sunrise is proposing an experienced team with structural leadership at the center of the work. The primary team members proposed for your project have over 22 years of experience working together on similar projects. Steve Hansen, SE, PE, will serve as the Structural Principal and Project Manager, bringing 23 years of experience and direct involvement in the Alliant Gas storage building evaluation, Ogden bulk materials storage structure, and multiple structural condition assessment and repair projects.

Third, Sunrise's approach is built around safety, cost control, durability, and winter readiness.

Sunrise understands that this project is not simply a building repair. It is an operational need for Heber City Public Works, where staff safety, winter maintenance readiness, and long-term performance all matter. Our team is prepared to provide the structural judgment, cost and schedule discipline, and construction follow-through needed to help Heber City select and implement the right solution.

Sincerely,



Derek Anderson, PE
Principal Engineer
801.592.8875
danderson@sunrise-eng.com

Firm Qualifications | Similar Projects

ALLIANT GAS PROPANE STORAGE BUILDING FAILURE EVALUATION & FIX | Payson, AZ



The Pinnacle Propane storage building project had the exact same scope of work as this project. The scope included the following:

1. Site visit to evaluate an existing failing building. The building was failing because light weight cynders were replaced with pea gravel as the main storage material.
2. Evaluate the options of repairing the structure vs. replacement, including cost estimates.
3. Provide preliminary details for potential fixes

Ultimately, for other reasons associated with fire hazards and the local jurisdiction, Pinnacle Propane decided to re-locate the storage facility away from the City.

46TH STREET BOOSTER STATION BULK MATERIALS STORAGE STRUCTURE | Ogden, UT

As part of the Ogden City 46th Street Booster Station, Ogden City wanted to construct a bulk materials storage structure. The bulk materials storage structure holds salt, dirt, and gravel. Steve Hansen was the EOR on the project. The structure includes concrete walls and a steel frame canopy structure. The design included consideration of lateral loads from the bulk materials along with seismic and snow loading to the structure.



WWTP SOLIDS HANDLING & DIGESTER BUILDING STRUCTURAL EVALUATION | Ogden, UT



Sunrise's structural team performed a structural evaluation for a three-story concrete and masonry solids handling building at the Mesa Wastewater Treatment Plant. The project required a few site visits where our engineers performed inspections of all of the masonry and concrete structures as part of the City's asset management program. The purpose of the inspection was to identify any structural defects or potential structural issues with the building. The team documented and scored all inspection areas. Records were kept using an online asset management software provided by the City. The project also included evaluation of the five story digester building.

OGDEN AIRPORT OLD TOWER | Ogden, UT

Sunrise was hired to perform a structural assessment of the old control tower at the Ogden Hinckley airport, which was abandoned for several years. Due to the age of the structure, the City was concerned about its resiliency to seismic and wind events. The tower is constructed integral with the existing terminal structure, so a failure could potentially be catastrophic to the airport. Our structural engineering team performed a dynamic analysis to determine if the existing lateral force resisting system was sufficient to withstand code level earthquake forces. No construction plans existed, so our engineering team performed a site visit and took measurements of the key structural elements. We then produced a dynamic model of the structure to analyze the strength of the structure in each direction. We delivered a report to the City providing recommendations based on the results of the analysis.



OGDEN JUNCTION PARKING GARAGE | Ogden, UT

Our structural engineering team performed a maintenance evaluation of the parking garage located at the Junction in Ogden City. The purpose of the evaluation was to map out all areas of water damage, to determine the main causes of the damage, identify structural members that may be compromised due to the water damage, and to provide recommendations for repair. The result of the project was a maintenance and repair manual that was provided to the City. Based on the recommendations in the manual, the City was able to procure a contractor to perform the repair work. Sunrise assisted with construction observations of the final repairs and modifications.

LINDQUIST FIELD CONDITION ASSESSMENT | Ogden, UT

Sunrise was hired by Ogden City to perform a condition assessment of the minor league baseball stadium for the Ogden Raptors. A portion of the structure is masonry and severe cracking was identified at a critical location where a steel bleacher system attached to the masonry. Our structural engineers assisted to identify the source of the damage (water related). We also provided construction repair drawings and specifications to the City. We assisted with procurement of the contractor and performed construction observation and construction administration for the project.

WHITE CITY WATER IMPROVEMENT DISTRICT OFFICE BUILDING | White City, UT

White City Water Improvement District was in their current office building, which was constructed in the 1960s, since 1995. The building had known seismic deficiencies and was too small to accommodate their staff. WCWID hired Sunrise Engineering to manage the construction of their new building. Sunrise also performed the civil and structural design of the two-story masonry/wood structure. The new office building is designed to current seismic codes and provides WCWID with enough room for their current staff and has room to grow. The building provides much needed storage room, and a location to hold their board meetings and public meetings. The design of this building incorporated open web wood composite roof joists, steel, masonry, and other cost effective materials in order to help the district meet their budget.

OGDEN WATER TREATMENT PLANT BUILDING | Ogden, UT

Sunrise engineering provided the civil, structural, and electrical engineering services for the Ogden City water treatment plant located just below the Pine View reservoir. The structure has an exterior masonry shell with a steel joist metal roof. Interior floors are concrete over metal decking. The structure also sits over two concrete storage reservoirs. The roofs of the reservoirs are part of the main floor of the building.

Sunrise structural team worked with the architect to design a treatment specific building that also is used as office space with a conference room. One side of the conference room has a full length window that provides views to the surrounding mountains. The lateral force resisting system consisted of a metal roof steel diaphragm, a specialty steel drag truss, and specially reinforced masonry shear walls.

**NORTH STAR PHARMACY | Cheyenne, WY**

NorthStar pharmacy was a multi-use pharmacy building used as a pharmacy and medical clinic. The building structure is wood walls with a wood i-joist roof system. The building also contains structural steel used to support large roof cantilevers and large roof spans. The main structural challenge of this design was the design of the flat roof and overhangs, which needed to be designed for significant snow loading and wind uplift forces.

References

KAYSVILLE CITY

Dexter Fischer, PE
City Engineer
801.497.7126
dfischer@kaysville.gov

HEBER CITY

Russ Funk, PE
City Engineer
435.657.7892
rfunk@heberut.gov

OGDEN CITY

Taylor Nielsen, PE
City Engineer
801.629.8919
tnielsen@ogdencity.com

Key Personnel

Derek Anderson, PE | Principal Engineer/Client Liaison



EDUCATION

MS/BS - Civil & Environmental Engineering, USU

YEARS IN PROFESSION

22; 20 with Sunrise

REGISTRATIONS

PE: Utah No. 7549969

- Manti City Water Treatment Plant
- EWRR Engineering & Hydrology
- Ogden Water Treatment Plant
- Spring Creek Arsenic Water Treatment
- Springdale Water Treatment Plant
- Mt. Pleasant Water Treatment PER & EA
- Stockton Treatment Feasibility Study
- John Kuhn & Sons Water Treatment Plant
- Payson Raw Water Pipeline
- Spanish Fork Regional Lift Station
- Orem City Carterville and Springwater Lift Stations
- Logan Smithfield Lift Station

Jake Makin, PE | Construction Management



EDUCATION

BS - Civil Engineering, Utah State University

YEARS IN PROFESSION

7; 1 with Sunrise

REGISTRATIONS

PE: Utah No. 13953055-2202

- Fervo Cap Phase 2 Development Engineering Services
- Coalville General On-Call Services
- Fervo Cap Phase 2 Facilities Engineering Services
- BGI-Fervo Milford Office
- Hideout Town General Services
- Fervo Milford Office
- Lehi 2300 West Reconstruction *
- Magna Main Street Reconstruction *
- Pleasant Grove 2600 North Reconstruction *

**Completed while with another firm*

Steve Hansen, SE, PE | Structural Principal/Project Manager



EDUCATION

MS - Civil Engineering, Brigham Young University

YEARS IN PROFESSION

23; 19 with Sunrise

REGISTRATIONS

SE: Utah No. 5048199
PE: UT, AZ, NV, CA, WY, ID, CO, TN, MA, IA, IN, OH

- Alliant Gas Propane Storage Building Failure Evaluation and Fix
- WWTP Solids Handling and Digester Building Structural Evaluation
- 46th Street Booster Station Bulk Materials Storage Structure
- Ogden Airport Old Tower
- Lindquist Field Condition Assessment
- Ogden Junction Parking Garage
- White City Water Improvement District Office Building
- Ogden Water Treatment Plant
- North Star Pharmacy

Jeff Lundgreen, PE | Project Engineer/Assistant Project Manager



EDUCATION

BS - Civil Engineering, Utah State University

YEARS IN PROFESSION

10; 2 with Sunrise

REGISTRATIONS

PE: Utah No. 11269597

- Mesa WWTP Solids Building Structural Evaluation
- Lehi High School Remodel
- Milk Barn Creamery Processing Facility Retrofit
- Premier Tech Earthquake Damage Evaluation and Retrofit Consultation
- North Ogden Retaining Wall Failure Evaluation
- Ellis Residence Structural Damage Eval
- ATP Building Fire Riser Break and Slab Deflection Analysis
- Commercial Building Vehicle Impact Analysis

SUPPORT STAFF

Bryce Thompson, PE

Marissa Runalfson, PE

Emma Lyon, PE

Scope of Work & Schedule

Sunrise Engineering will provide Heber City with an efficient and technically sound approach to evaluate the Public Works Salt Storage Structure with the goal of having the building be back in service before the 2026/2027 winter season. The existing structure has experienced significant cracking and bowing, has been deemed unsafe, and reportedly was not constructed to support the lateral loads from stored salt. Our scope focuses on helping Heber City determine whether the structure should be repaired or replaced, and on providing construction documents and construction management for the proposed solution.

KEY ISSUES TO ADDRESS

Unsafe structure and controlled access. We will begin with a site assessment that provides the City with the necessary information while limiting unnecessary exposure for staff, operators, or consultants.

- **Salt-induced lateral loads.** Our evaluation will focus directly on bulk salt loading, wall pressure, wall restraint, wall-to-foundation behavior, roof diaphragm contribution, and the potential influence of equipment operations on the failure.
- **Repair versus replacement risk.** We will identify whether the existing concrete, CMU, roof framing, foundations, and slab can be relied upon, strengthened, selectively reused, or should be removed.
- **Corrosive service environment.** We will evaluate coatings, reinforcement protection, drainage, salt-contact zones, and long-term durability to ensure the final solution addresses both current damage and future service conditions.
- **Winter-readiness.** We will manage the work with decision points, cost updates, and bidding milestones that support an operational facility before winter.
- **Decision-making support.** Heber City will receive concise recommendations, cost comparisons, and constructability input at each step to support timely decisions.

Task 1 — Kickoff, Records Review, and Investigation Plan

- Meet with Heber City Engineering and Public Works staff to confirm goals, known constraints, site operations, insurance-related documentation, schedule requirements, and preferred delivery approach.
- Review original drawings, record documents, photos, prior engineering findings, damage documentation, and Public Works operational observations.

- Establish communication procedures, decision dates, review milestones, and a schedule tied to winter readiness.

Deliverable: Kickoff summary, data request list, investigation plan, and confirmed project schedule.



Springdale Water Treatment Plant

Task 2 — Field Assessment and Existing Conditions Documentation

- Perform a detailed site assessment of the existing salt storage structure, including concrete walls, CMU walls, visible foundations, slab, roof framing, sheathing, connections, and salt storage interface.
- Verify critical dimensions against the original drawings, including wall height, wall thickness, roof framing configuration, and visible foundation conditions.

Task 3 — Structural Analysis and Repair/Replacement Decision Matrix

- Analyze the structure for appropriate gravity, snow, wind, seismic, and salt-storage lateral loads.
- Evaluate wall capacity, foundation capacity, roof diaphragm behavior, wall-to-roof connections, wall-to-slab interaction, and overall load path.
- Develop practical alternatives:
 - *Alternative A: Repair and strengthen the existing structure.*
 - *Alternative B: Replace the structure with a purpose-built salt storage facility.*
- Compare each alternative using the issues most important to Heber City:
 - Safety and code compliance.
 - Ability to resist salt lateral loading.

- Construction cost.
- Construction duration.
- Risk of hidden conditions.
- Operational impacts to Public Works.
- Long-term durability in a salt environment.
- Permitting, bidding, and construction complexity.
- Provide alternatives to the City along with recommended alternatives.

Deliverable: Repair/Replacement Evaluation Memo with concept sketches, comparison of alternatives, opinion of probable construction cost, and a recommended path forward.



Ogden Water Treatment Plant building

Task 4 — Design, Cost Control, and Bid Documents

- Advance the selected alternative through design milestones that support the project schedule.
- Prepare structural repair or replacement drawings, specifications, and details.
- Provide milestone review packages at concept, 60%, 90%, and final design as needed.
- Update the opinion of probable construction cost at critical milestones.

Deliverable: Final sealed construction drawings, technical specifications, and updated cost opinions.

Task 5 — Bidding and Construction Support

- Assist the city during bidding, including pre-bid meeting participation, bidder questions, addenda, and bid evaluation support.
- Attend the preconstruction meeting and establish RFI, submittal, inspection, and testing procedures.
- Review shop drawings, product data, reinforcing submittals, mix designs, and contractor questions.
- Provide construction observation at critical milestones, including demolition/stabilization, foundation work, wall repair or replacement, structural connections, and final punch list.
- Coordinate materials testing and special inspections so field work is documented appropriately.

Deliverable: Bid support, construction administration records, field observation reports, punch list, and final closeout letter.

Proposed Schedule

- **Week 1:** Notice to Proceed, kickoff meeting, records review, and investigation plan.
- **Weeks 1–2:** Field investigation and documentation.
- **Weeks 3–4:** Structural analysis and repair/replacement alternatives.
- **Week 5:** City decision meeting and selected alternative.
- **Weeks 6–8:** 80% design and cost update.
- **Weeks 9–10:** Final bid documents.
- **Weeks 11–12:** Bidding support and contractor selection assistance.
- **Weeks 13–26:** Construction administration and observation, adjusted to the contractor's schedule and material availability.

Sunrise will manage the schedule proactively, identify long-lead items early, and keep Heber City informed on the decisions that most affect cost, risk, and winter readiness. Our goal is to help Heber City implement a safe, durable, and maintainable salt storage solution for Public Works.



APPENDIX A: Insurance Document

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/17/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Moreton & Company P.O. Box 58139 Salt Lake City, UT 84158-0139 801 531-1234	CONTACT NAME: Anne Marie Evans PHONE (A/C, No, Ext): 801 531-1234 FAX (A/C, No): 801-531-6117 E-MAIL ADDRESS: aevans@moreton.com																					
INSURED Sunrise Engineering, LLC 25 East 500 North Fillmore, UT 84631	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> </thead> <tbody> <tr> <td>INSURER A :</td><td>Arch Insurance Company</td><td>11150</td></tr> <tr> <td>INSURER B :</td><td>Travelers Property Casualty Co. of Am</td><td>25674</td></tr> <tr> <td>INSURER C :</td><td>Pacific Insurance Company</td><td>10046</td></tr> <tr> <td>INSURER D :</td><td>Hanover Insurance Company</td><td>22292</td></tr> <tr> <td>INSURER E :</td><td></td><td></td></tr> <tr> <td>INSURER F :</td><td></td><td></td></tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A :	Arch Insurance Company	11150	INSURER B :	Travelers Property Casualty Co. of Am	25674	INSURER C :	Pacific Insurance Company	10046	INSURER D :	Hanover Insurance Company	22292	INSURER E :			INSURER F :		
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INSURER E :																						
INSURER F :																						

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

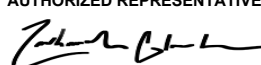
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC OTHER:			ZAGLB9236408	10/01/2025	10/01/2026	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS NON-OWNED AUTOS ONLY			ZACAT9249108	10/01/2025	10/01/2026	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$0			CUP6S46464525	10/01/2025	10/01/2026	EACH OCCURRENCE \$9,000,000 AGGREGATE \$9,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	ZAWCI9423208 All States Cov Stop Gap: WA, WY	10/01/2025	10/01/2026	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$2,000,000 E.L. DISEASE - EA EMPLOYEE \$2,000,000 E.L. DISEASE - POLICY LIMIT \$2,000,000
C	Professional Liab			13OH040659625	10/01/2025	10/01/2026	\$5,000,000 Ea Clm/Aggr \$75,000 Ded.
D	Valuable Papers			RH4H38783005	10/01/2025	10/01/2026	\$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Verification of Insurance Coverage.

CERTIFICATE HOLDER

CANCELLATION

Verification of Insurance Coverage	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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HEBER CITY

Cost Proposal

Public Works Salt Storage Structure Repair/Replacement

Sunrise Engineering

June 15, 2026

Project Title: Heber City Public Works Salt Storage
Structure Repair/Replacement

Submission Date: June 15, 2026

Submitting Firm: Sunrise Engineering

Key Contact: Derek Anderson, PE
danderson@sunrise-eng.com

801.704.5214

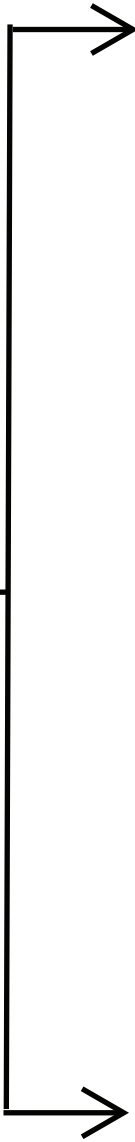


PRELIMINARY ENGINEERING

Phase/Task	Work Task Description	Budget/Fee	*Fee Type
0001	Preliminary Engineering		
001	Site Visit	\$1,400	Lump Sum
002	Options Analysis	\$6,300	Lump Sum
003	Cost Estimates	\$2,600	Lump Sum
004	Written Memo	\$6,300	Lump Sum
005	Review Meetings	\$2,500	Lump Sum
006	Project Administration	\$1,600	Lump Sum
	Preliminary Engineering Subtotal	\$20,700	
	Total Budget/Fee	\$20,700	

Total Budget/Fee

\$20,700



OPTION A- RETROFIT EXISTING
DESIGN, BIDDING, & CM

Phase/Task	Work Task Description	Budget/Fee	*Fee Type
0001	Option A- Retro-fit of Existing Building		
001	Structural Analysis	\$11,600	Lump Sum
002	Structural Detailing	\$3,600	Lump Sum
003	Construction Plans	\$6,300	Lump Sum
004	Project Manual & Specs	\$3,000	Lump Sum
	Option A- Retro-fit of Existing Building Subtotal	\$24,500	
0002	Bidding & CM		
001	Pre-bid Meeting	\$2,500	T&M
002	Bidding	\$7,500	T&M
003	Submittal Review	\$2,100	T&M
004	Pre-con Meeting	\$2,100	T&M
005	Construction Administration- Assumes 13 weeks for 6 hours per week	\$16,000	T&M
006	Construction Observation- Assumes 13 Weeks, 2 days a week for 4 hours	\$17,500	T&M
	Bidding & CM Subtotal	\$47,700	
	Total Budget/Fee	\$72,200	

OPTION B- NEW BUILDING
DESIGN, BIDDING, & CM

Phase/Task	Work Task Description	Budget/Fee	*Fee Type
0001	Option B- Design of New Structure		
001	Structural Analysis	\$9,100	Lump Sum
002	Structural Detailing	\$1,400	Lump Sum
003	Construction Plans	\$4,600	Lump Sum
004	Project Manual & Specs	\$2,200	Lump Sum
	Option B- Design of New Structure Subtotal	\$17,300	
0002	Bidding & CM		
001	Pre-bid Meeting	\$2,500	T&M
002	Bidding	\$7,500	T&M
003	Submittal Review	\$2,100	T&M
004	Pre-con Meeting	\$2,100	T&M
005	Construction Administration- Assumes 13 weeks for 6 hours per week	\$16,000	T&M
006	Construction Observation- Assumes 13 Weeks, 2 days a week for 4 hours	\$17,500	T&M
	Bidding & CM Subtotal	\$47,700	
	Total Budget/Fee	\$65,000	

OPTION A MAN-HOUR TAKEOFF

Phase Task	Work Task Description	PERSONNEL						Rounded Totals for Summary Sheet	Fee Type
		Engineer Intern (ET) III	Engineer V	Principal Engineer	Construction Observer IV				
	Personnel Name(s)								
	Hourly Rate	\$154	\$205	\$256	\$168				
0001	Option A- Retro-fit of Existing Building								
001	Structural Analysis	40	24	2			\$11,600	Lump Sum	
002	Structural Detailing	10	10				\$3,600	Lump Sum	
003	Construction Plans	16	16	2			\$6,300	Lump Sum	
004	Project Manual & Specs		12	2			\$3,000	Lump Sum	
							\$24,500		
0002	Bidding & CM								
001	Pre-bid Meeting	4	4	4			\$2,500	T&M	
002	Bidding	24	16	2			\$7,500	T&M	
003	Submittal Review	8	4				\$2,100	T&M	
004	Pre-con Meeting	4	4		4		\$2,100	T&M	
	Construction Administration- Assumes 13 weeks for 6 hours per week								
005			78				\$16,000	T&M	
006	Construction Observation- Assumes 13 Weeks, 2 days a week for 4 hours				104		\$17,500	T&M	
	0						\$47,700		
		Sub-Total	106	168	12	108			
		Contingency	0	0	0	0			
		Total	106	168	12	108			
		Hourly Rate	\$154	\$205	\$256	\$168			
		Total Dollars	\$16,324	\$34,440	\$3,072	\$18,144			
							\$72,200	-	

OPTION B MAN-HOUR TAKEOFF

Phase Task	Work Task Description	PERSONNEL					Engineer Intern (ETI) III	Engineer V	Principal Engineer	Construction Observer IV	
	Personnel Name(s)									Rounded Totals for Summary Sheet	Fee Type
	Hourly Rate										
0001	Option B- Design of New Structure										
001	Structural Analysis		40	12	2					\$9,100	Lump Sum
002	Structural Detailing		4	4						\$1,400	Lump Sum
003	Construction Plans		16	8	2					\$4,600	Lump Sum
004	Project Manual & Specs			8	2					\$2,200	Lump Sum
										\$17,300	
0002	Bidding & CM										
001	Pre-bid Meeting		4	4	4					\$2,500	T&M
002	Bidding		24	16	2					\$7,500	T&M
003	Submittal Review		8	4						\$2,100	T&M
004	Pre-con Meeting		4	4				4		\$2,100	T&M
	Construction Administration- Assumes 13 weeks for 6 hours per week										
005				78						\$16,000	T&M
	Construction Observation- Assumes 13 Weeks, 2 days a week for 4 hours										
006								104		\$17,500	T&M
	0									\$47,700	
		Sub-Total	100	138	12			108			
		Contingency	0	0	0			0			
		Total	100	138	12			108			
		Hourly Rate	\$154	\$205	\$256			\$168			
		Total Dollars	\$15,400	\$28,290	\$3,072			\$18,144			
										\$65,000	-

SUNRISE ENGINEERING

FEE SCHEDULE*

Labor Code	Work Classification	Hourly Rate	Labor Code	Work Classification	Hourly Rate
103	Engineer Intern (EIT) III	\$154	110	Principal Engineer	\$256
106	Engineer V	\$205	354	Construction Observer IV	\$168

*Fees automatically change after the beginning of each year and are subject to change on other occasions.
*Subconsultant and other direct expenses will be invoiced as cost incurred plus 15% handling fee.
*A convenience fee of 4% will be applied to all payments made with a credit card.
Sunrise Base 02-2025

WORK RELEASE NO. 2026-2: COVER SHEET

HEBER CITY SALT STORAGE BUILDING
STRUCTURAL SERVICES

HEBER CITY
75 NORTH MAIN
HEBER CITY, UT 84032

EXECUTION AND EFFECTIVE DATE

This Work Release No. 2026-2 has been executed by the duly authorized representatives of the parties and shall be effective as of the date of execution by CLIENT.

ENGINEER

SUNRISE ENGINEERING, LLC:

By: _____

Name: _____

Title: _____

Date: _____

CLIENT

HEBER CITY:

By: _____

Name: _____

Title: _____

Date: _____

WORK RELEASE NO. 2026-2

This Work Release is entered into by and between HEBER CITY (CLIENT) and SUNRISE ENGINEERING, LLC (SE).

RECITAL

Pursuant to Article 1 of the Agreement for Engineering and Technical Services, dated 21 September, 2021, hereinafter referred to as the “Agreement”, CLIENT and SE desire to identify certain work and services to be performed by SE pursuant to the Agreement. CLIENT intends to retain general engineering services hereinafter referred to as “Project” and for which SE agrees to perform various professional engineering services.

ARTICLES

ARTICLE 1. PROJECT DESCRIPTION

CLIENT has experienced a structural failure of the salt storage building at the public works facility. The existing structure has significant cracking, bowing, and has been deemed unsafe. SE has been contacted to assist with a determination if the building can be repaired or if it needs to be replaced. A repair design or new structure design will be required as part of this project, followed by assisting the City with bidding and construction engineering services for the building.

ARTICLE 2. SCOPE OF WORK

SE shall complete the following:

Phase 001 – Preliminary Engineering

1. Perform a detailed site assessment of the existing salt storage structure to evaluate the extent of the existing building damage (completed).
2. Review existing drawings, specifications, and calculations to understand the construction of the existing structure to assist with determination of if the building can be repaired or if it should be replaced. Evaluate potential repair options available for the structure
3. Determine cost estimates for a repair option and for complete replacement of the structure.
4. Provide a written memo which summarizes the available options, shows cost estimates, and provides a recommendation.
5. Attend (2) virtual or (1) in person review meeting with the City to obtain feedback and assist with selection of an alternative.
6. Project administration tasks include assembling billings, coordination with client, and responding to emails.

Phase 002 – Design Services

The scope shown below will be performed for either the repair option or the replacement option as selected by the City following phase 001 of the project:

1. Prepare Design Criteria Memo- Prepare a design criteria memo to be approved by the City defining applicable loading.
2. Structural Analysis- Design the repair or replacement in accordance with the design criteria document requirements, the 2024 IBC code, and all the applicable codes referenced therein. The deliverable for this task will be stamped structural calculations.
3. Construction Plans- Provide construction plans and specifications for the structure to be used for bidding the project.
4. Project Manual and Specifications- Prepare project manual and specifications to be used for bidding.

Phase 003 – Bidding and Construction Services

1. Conduct a pre-bid meeting to introduce Bidders to the project, show Bidders the character, extent, and nature of the Work, and otherwise answer Bidder's questions.
2. Answer bid phase questions related to the construction drawings or special provisions. Prepare and submit addenda to clarify requirements, scope, quality and quantity of the improvements to be completed. Conduct the bid opening, prepare bid tabulation, review bids with project requirements, and issue letter of recommendation of award to CLIENT.
3. Review materials submittals to make sure that construction materials are in conformance with contract document requirements.
4. Conduct a pre-construction meeting with selected contractor.
5. Perform construction administration services. The budget presented assumes 5 hours per week for 12 weeks.
6. Perform (4) site visits to perform structural observation. These will be conducted for footings, concrete foundation walls, masonry walls and roof structure.

Construction Services of SE are intended to be performed on a part-time basis.

Neither SE nor CLIENT assume responsibility for construction means, methods, techniques, sequences or procedures, or for safety procedures, precautions and programs employed by the Contractor, subcontractor, their employees, or any material suppliers. SE's and CLIENT's undertakings hereunder shall not relieve the Contractor's obligations to perform the work in conformity with the Construction Drawings, Contract Documents and Project Specifications and in a neat, workmanlike manner.

ARTICLE 3. ASSUMPTIONS & EXCLUSIONS

1. The construction work will be completed in a single contract and the construction period will comprise no more than 12 weeks (84 calendar days).
2. Construction progress meetings are assumed to occur bi-weekly over the 12-week construction period (6 total meetings).
3. The contractor will be required to provide and maintain a SWPPP as part of the construction contract.
4. Items not specifically described in the Scope of Work are excluded.

ARTICLE 4. COMPENSATION

CLIENT agrees to compensate SE for all services described in Article 2 according to the fees outlined in the following table: The costs shown represent complete replacement of the structure.

Fees Summary

Phase/Task	Work Task Description	Budget/Fee	*Fee Type
0001	Preliminary Engineering		
001	Site Visit	\$1,400	Lump Sum
002	Options Analysis	\$6,300	Lump Sum
003	Cost Estimates	\$2,600	Lump Sum
004	Written Memo	\$1,600	Lump Sum
005	Review Meetings	\$1,800	Lump Sum
006	Project Administration	\$1,200	Lump Sum
	Preliminary Engineering Subtotal	\$14,900	
0002	Option B- Design of New Structure		
001	Structural Analysis	\$9,100	Lump Sum
002	Structural Detailing	\$1,400	Lump Sum
003	Construction Plans	\$4,600	Lump Sum
004	Project Manual & Specs	\$2,200	Lump Sum
	Option B- Design of New Structure Subtotal	\$17,300	
0003	Bidding & CM		
001	Pre-bid Meeting	\$1,800	T&M
002	Bidding	\$6,200	T&M
003	Submittal Review	\$1,600	T&M
004	Pre-con Meeting	\$2,200	T&M
005	Construction Administration- Assumes 12 weeks for 5 hours per week	\$9,200	T&M
006	Construction Observation- 4 Site Visits	\$2,500	T&M
	Bidding & CM Subtotal	\$23,500	
Total Budget/Fee		\$55,700	

*Lump Sum = Fixed Fee; T&M = Time & Materials; NTE = Not to Exceed

*T&M (Time and Materials) Not to Exceed is a budgeted amount that will not be exceeded without Client approval and does not guarantee the tasks will be completed within this amount.

Without performing the preliminary engineering, it is difficult to determine costs for a repair option. If it is determined during the preliminary engineering phase that a repair is the desirable option for this project, SE will evaluate the scope of the repair and construction services required and re-negotiate the fees with the City if necessary.

Any additional services requested by CLIENT, not listed above, will be performed at the rates and fees shown in the attached Exhibit A.

ARTICLE 5. INVOICING

Instructions and invoices submitted pursuant to this Work Release shall be sent to:

HEBER CITY
75 NORTH MAIN
HEBER CITY, UT 84032

SE will submit monthly itemized billings for this work based on the prior month's effort which will be due and payable within 30 days of receipt thereof by CLIENT.

SUNRISE ENGINEERING

EXHIBIT A

FEE SCHEDULE*

Work Classification	Hourly Rate	Work Classification	Hourly Rate
Administrative I	\$78	Electrical Engineering Intern	\$106
Administrative II	\$98	Electrical EIT I	\$143
Administrative III	\$116	Electrical EIT II	\$161
Civil Engineering Intern	\$110	Electrical Engineer III	\$182
Civil EIT I	\$125	Electrical Engineer IV	\$209
Civil EIT II	\$135	Electrical Engineer V	\$231
Civil EIT III	\$150	Principal Electrical Engineer	\$254
Civil Engineer III	\$170	Construction Observer I	\$109
Civil Engineer IV	\$185	Construction Observer II	\$125
Civil Engineer V	\$200	Construction Observer III	\$140
Civil Engineer VI	\$210	Construction Observer IV	\$155
Civil Engineer VII	\$225	Construction Observer V	\$170
Senior Civil Engineer	\$240	Survey Tech	\$99
Principal Civil Engineer	\$255	Survey CAD Tech	\$145
CAD Drafter I	\$100	Survey Manager	\$196
CAD Drafter II	\$120	Registered Surveyor	\$212
CAD/Designer III	\$130	Principal Surveyor	\$234
CAD/Designer IV	\$145	One Man Survey Crew	\$172
CAD/Designer V	\$160		

REIMBURSABLE EXPENSE SCHEDULE*

Expense	Rate
Mileage	\$0.67/Mile
Per Diem	\$59/Day
Field Vehicle (On-Site)	\$250/Day
UTV (On-Site)	\$200/Day
Nuclear Density Gauge	\$150/Day

*Fees automatically change after the beginning of each year and are subject to change on other occasions.

*Subconsultant and other direct expenses will be invoiced as cost incurred plus 15% handling fee.

*A convenience fee of 4% will be applied to all payments made with a credit card.

UCC-2026 01-2026

HEBER CITY COUNCIL STAFF REPORT

MEETING DATE: 7/7/2026

SUBJECT: Mayor's Nomination for Arts Advisory Committee.



RESPONSIBLE: Mayor Heidi Franco

STRATEGIC RELEVANCE: Necessary Administrative Item

RECOMMENDATION

Mayor is nominating **Phil Jordan** again, as well as new nominees-- **Laurie Turnblom and Janet Gee**--for the Arts Advisory Committee. These are nominated for a three-year term each, July 2026 – July 2029.

Mayor Franco wants to thank departing Committee Members, Crista Bazoian and Jessica Christensen, for their strong, dedicated, and expert work! They did a great job to get this Committee started and did excellent work.

Other continuing Committee Members are Missy Maughan and Farah Sanders.

BACKGROUND INFO on ARTS ADVISORY BOARD:

In 2022, Wasatch County residents approved a Trails, Arts, and Parks (TAP) Tax, which will generate funds to be used by Heber City to support trails, arts, and parks within Heber City. Heber City anticipates accepting applications for grants to be provided by Heber City with funding from the TAP Tax. The purpose of the Arts Advisory Committee (City Code 2.46) is to assess grant applications for art projects or activities in Heber City and make recommendations to the City Council with respect to the grant applications.

The Arts Advisory Committee shall consist of five voting members who are residents of Heber City, to be appointed by the Mayor, with the advice and consent of the City Council. To the extent possible, the Mayor shall appoint committee members with diverse backgrounds in the arts including music, visual art, drama, creative writing, photography, theater, and dance.

The term of office for Arts Advisory Committee members shall be three years, except for the initial establishment of the Arts Advisory Committee, two members shall be appointed for two-year terms. Any vacancies in these positions shall be filled by a recommendation to and confirmation by the City Council. The appointment will be for the remaining time of the member whose vacancy is being filled. Two consecutive four-year terms shall be the limit for regular membership. Partial terms shall not be considered in determining whether a person has served two consecutive terms. If new or replacement appointments are not made, then the existing or current members shall continue in their capacity until a new appointment or

replacement is made. The appointed members of the Arts Advisory Committee shall elect a Chair of the Arts Advisory Committee. The Chair shall be responsible for conducting meetings.

CONCLUSION

Recommend approval.

Further information on New Nominees:

Name	Laurie Turnblom
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Email Address	msttheatre@gmail.com
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Address	335 East 100 North
---------	--------------------

City	Heber City
------	------------

State	UT
-------	----

Zip Code	84032
----------	-------

Phone Number	435-671-8121
--------------	--------------

Background/Experience/Qualifications	Most of my life has been dedicated to serving in my home town. I have benefitted from many compassionate and gifted leaders who willingly shared their knowledge, experience in my early years, and they offered their unflagging support during my career as a teacher at Wasatch High School and with the establishment of theatre and gifted and talented programs within Wasatch County. A personal resume has been uploaded to provide additional details.
--------------------------------------	---

Why I want to serve on the Arts
Advisory Committee

Culture is essential to the stability and sense of belonging within our community. If I can support local artists in their efforts to enrich Heber City, it would be a pleasure to serve on the Arts Advisory Committee. In this small way or in any manner that may benefit the arts community, I hope to continue the legacy of loving support for arts and culture to other that provided a stable foundation for me.

LAURIE TURNBLOM

100 NORTH 335 EAST • HEBER CITY, UTAH 84032 • (435) 671-8121

OBJECTIVE

PROMOTE CIVIC DIALOGUE AND A DIVERSE COMMUNITY CULTURE BY SUPPORTING PROGRAMS THAT DEVELOPING CREATIVITY IN THE FINE AND PERFORMING ARTS.

EDUCATION & TRAINING

BACHELOR OF SCIENCE

COMMUNICATIONS/ENGLISH COMPOSITE

Weber State University, 1991

MASTERS OF EDUCATION

GIFTED & TALENTED EDUCATION

Utah State University, 1999

Endorsements: Theatre, Speech, Debate, English, Reading, Gifted & Talented Programs

Advanced Studies: Southern Oregon University-MOTS Program, Broadway Teachers Workshop-NYC

RELATED EXPERIENCE

1993-2025	WASATCH COUNTY EDUCATOR: CLASSROOM TEACHER, DEPARTMENT CHAIR, THEATRE DIRECTOR SPECIALIZING IN LANGUAGE ARTS, THEATRE ARTS, SPEECH/DEBATE, READING & GT PROGRAMS
2002-2014	TIMPANOGOS VALLEY THEATRE CO-FOUNDER: ARTISTIC & TECHNICAL DIRECTOR, PRODUCER, & ARTS SMARTS YOUTH PROGRAM DEVELOPMENT TEAM
2014-2017	HEBER CITY HISTORIC PRESERVATION COMMITTEE
1998	BARN AGAIN! COMMITTEE: SMITHSONIAN ARTS EXHIBITION FEATURING WASATCH COUNTY BARNS

ACKNOWLEDGMENTS

2014	HEBER CITY HERITAGE FESTIVAL COMMITTEE CO-CHAIR: MAYOR'S AWARD TO THE COMMITTEE
2005	ACE AWARD NOMINEE, WASATCH COUNTY SCHOOL DISTRICT
1998	TEACHER OF THE YEAR, WASATCH COUNTY SCHOOL DISTRICT

THEATRICAL CAREER HIGHLIGHTS

1995-2025	DIRECTOR OF THEATRE, WASATCH HIGH SCHOOL: PRODUCED OVER 100 PRODUCTIONS
2007-2025	AUDITORIUM FACILITIES MANAGER, WASATCH HIGH SCHOOL: TECHNICAL SUPPORT FOR DISTRICT PROGRAMS AND COMMUNITY EVENTS, INCLUDING HEBER VALLEY COWBOY POETRY & <i>THE NUTCRACKER</i>
2000-2025	YOUTH THEATRE OUTREACH PROGRAMMING THROUGHOUT WASATCH COUNTY

Name	Janet Gee
-------------	------------------

Email Address	janetleegee@gmail.com
---------------	-----------------------

Address	2186 N Paradise Flat Lane
---------	---------------------------

City	Heber City
------	------------

State	UT
-------	----

Zip Code	84032
----------	-------

Phone Number	415-342-2395
--------------	--------------

Although I am a new resident of Heber City, my connection to this region extends beyond my recent move. My mother's family has roots in the surrounding Kamas and Park City area, giving me a longstanding appreciation for the history, landscape, and character of Wasatch County. Choosing Heber City as our home felt like a meaningful continuation of that connection, and I am excited to invest my time and experience in helping the community continue to thrive.

Background/Experience/Qualifications	
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As a new resident, I see this committee as an opportunity to give back to the community that my family has chosen to call home. I am excited to contribute not only my professional expertise but also my genuine appreciation for the arts and my desire to help Heber City continue developing a vibrant cultural identity.

I value collaboration, thoughtful decision-making, and transparency. I enjoy listening to diverse perspectives and believe the strongest community investments are those that balance artistic excellence, community

benefit, fiscal responsibility, and long-term impact.

I look forward to becoming an engaged and dependable volunteer who helps ensure TAP funds create lasting value for Heber City residents.

Experienced executive consultant and business leader with an MBA and more than 20 years of experience helping organizations make strategic decisions, evaluate complex initiatives, manage resources, and build consensus among diverse stakeholders.

- *MBA
- *Principal Consultant & Managing Director
- *Executive leadership and governance experience
- *Project Management Professional (PMP)
- *Prosci Change Management Certification
- *SHRM Certified Professional (SHRM-SCP)
- *Project evaluation and strategic planning
- *Communications and stakeholder engagement
- *Volunteer leadership
- *Ceramics practice and interest in visual arts

Why I want to serve on the Arts
Advisory Committee

I chose Heber City because of its strong sense of community, beautiful natural surroundings, and commitment to preserving the qualities that make it a special place to live. I believe the arts play an essential role in strengthening communities by bringing people together, celebrating local culture, supporting creativity, and enhancing quality of life.

I am excited about the opportunity to help ensure that Trails, Arts, and Parks (TAP) funds are invested thoughtfully and responsibly. Throughout my career as an executive consultant, I have evaluated complex initiatives, managed strategic projects, facilitated collaboration among diverse stakeholders, and developed recommendations that balance vision, fiscal responsibility, and long-term community

benefit. I believe those experiences would allow me to contribute meaningfully to the committee's work.

On a personal level, I have developed a deep appreciation for the arts through my own ceramics practice and a longstanding interest in architecture, craftsmanship, and design. These experiences have given me an understanding of both the creative process and the positive impact that arts programs have on individuals and communities.

Serving on the Arts Advisory Committee would be an opportunity to combine my professional experience with my passion for the arts while giving back to the community my family has chosen to call home. I would be honored to help support projects that enrich the lives of Heber City residents today and for future generations.



Heber City Council Staff Report

MEETING DATE: 7/7/2026
SUBJECT: Report on Atlas Towers Location of Lease in Cemetery
RESPONSIBLE: Tony Kohler
DEPARTMENT: Planning
STRATEGIC RELEVANCE: Community Development

SUMMARY

On June 2, 2026, Council approved an amended lease with Atlas Towers in the Cemetery. Council asked for Atlas to visit with Staff about access in relation to anticipated cemetery improvements in the future. Staff, Public Works and Atlas Towers met and verified the location and access that will work with anticipated cemetery improvements. As a result there was a minor modification to the access and orientation of the fenced area shown to Council since the June 2 meeting, shown and compared below to the updated exhibit.

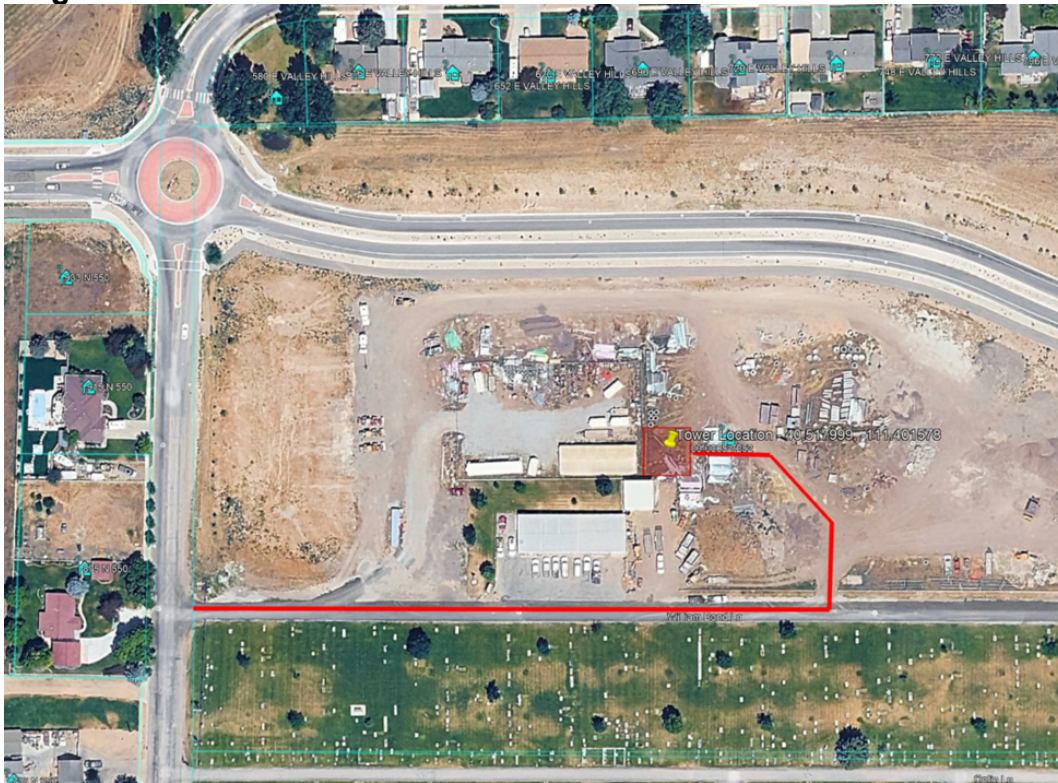
Atlas has also developed conceptual drawings and photo sims for the site attached to this report. These drawings still need to go through the City's approval process.

RECOMMENDATION

This item is report only, with no Council action necessary.

BACKGROUND

Original Exhibit



Approved Exhibit



DISCUSSION

Public Works and the Cemetery Staff agreed that a rectangular north-south lease area instead of a square area would work better if moved slightly to the south, along with an access that runs north to south instead of at an angled access as originally proposed.

FISCAL IMPACT

None.

CONCLUSION

The modified access and lease area better conform to the Master Plan for the Cemetery.

ALTERNATIVES

N/A

POTENTIAL MOTIONS

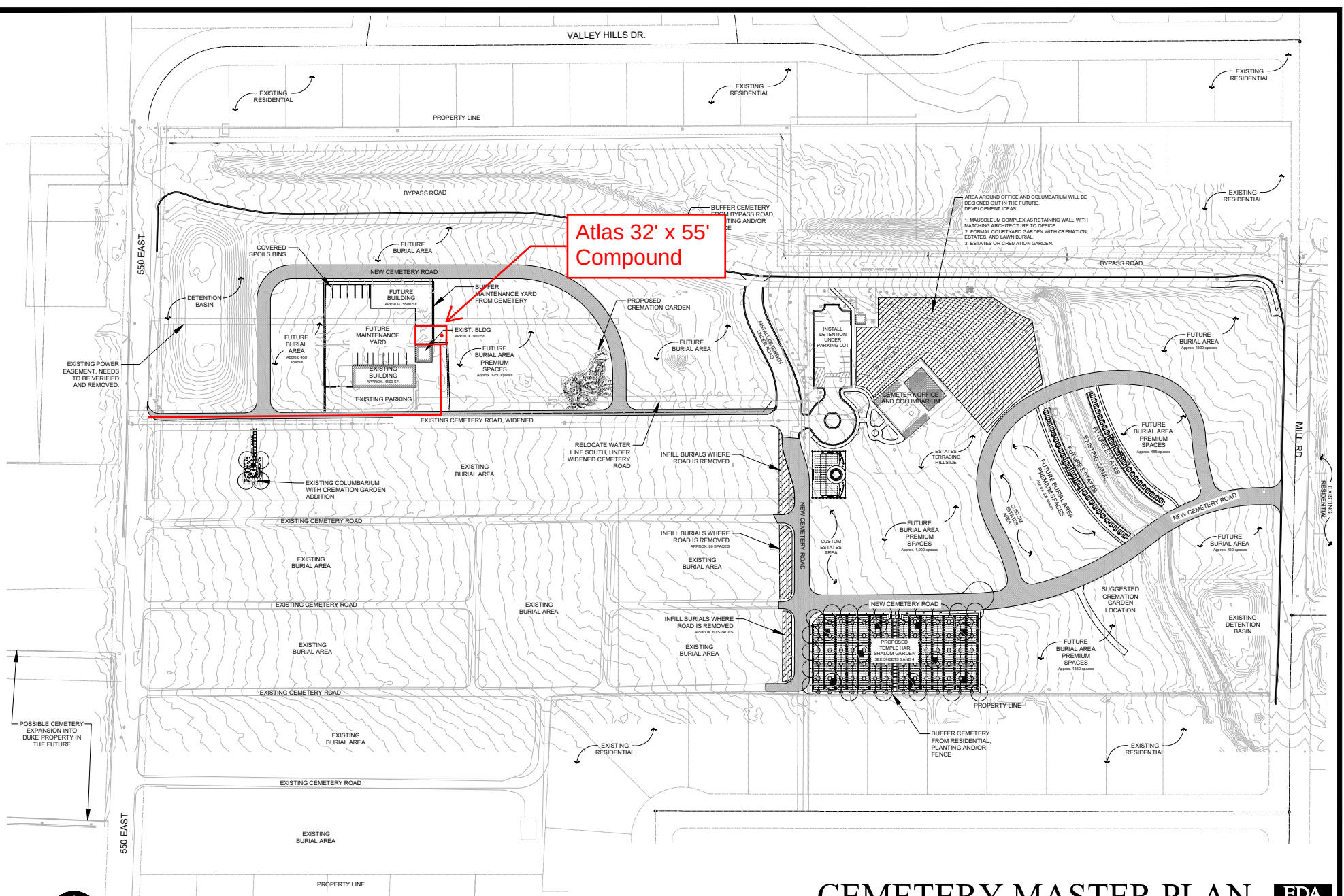
N/A

ACCOUNTABILITY

Department: Planning
Staff member: Tony Kohler, Community Development Director

EXHIBITS

1. Preliminary Cemetery Design (Atlas Redlines)
2. Heber Hill - Alt 3_20260626_Zoning_Rev0
3. Heber Hill - Alt3_Photo Sims_06.26.2026
4. HEBER HILL_Heber City Amendment_FE_06.30.2026



Scale: 1" = 60'
April 9, 2026

CEMETERY MASTER PLAN

HEBER CITY, UTAH



SITE NAME:	HEBER HILL - ALT 3
PROJECT DESCRIPTION:	PROPOSED TELECOMMUNICATIONS FACILITY
TOWER TYPE:	80' MONOPINE TOWER
SITE ADDRESS:	KARL R NELSON LANE HEBER CITY, UT 84032 (WASATCH COUNTY)
AREA OF CONSTRUCTION:	1,760 ± SQ. FT. (LEASE AREA)
JURISDICTION:	HEBER CITY
PARCEL #:	00-0005-7252
LEGAL DESCRIPTION:	BEG S 1138.52 FT & W 1089 FT OF NE SEC 32, T3S, R5E, SLM; S 658.68 FT; W 1137.18 FT; N.02°00'E 316.8 FT; E 16.5 FT; N 346.5 FT; E 1097.25 FT TO BEG. AREA 17.19 ACRES
ZONING:	RA-2

PROJECT INFORMATION

LATITUDE N 40° 31' 04.7" (40.517969°) (NAD '83) *

LONGITUDE W 111° 24' 05.6" (-111.401565°) (NAD '83) *

GROUND ELEVATION 5,657' (NAVD '88) *

*** INFORMATION PROVIDED BY GOOGLE EARTH**

SITE COORDINATES

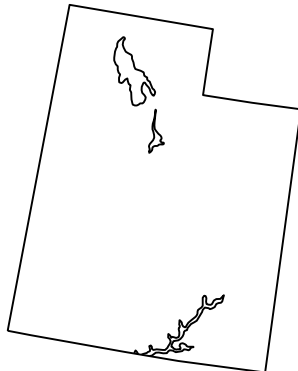


LOCATION MAP

FROM SALT LAKE CITY INTERNATIONAL AIRPORT: GET ON I-80 E FROM W CROSSBAR RD, HEAD NORTHEAST ON N TERMINAL DR, SLIGHT RIGHT, USE THE MIDDLE LANE TO TURN RIGHT TOWARD N 3700 W, USE THE LEFT LANE TO MERGE WITH N 3700 W, N 3700 W TURNS SLIGHTLY RIGHT AND BECOMES W CROSSBAR RD, SLIGHT RIGHT TO MERGE ONTO TERMINAL DR, USE THE LEFT 2 LANES TO TURN SLIGHTLY LEFT ONTO THE I-80 E/I-15/I-215 RAMP TO SALT LAKE CITY/OGDEN/PROVO, CONTINUE ON I-80 E. DRIVE FROM US-189/US-40 E TO HEBER CITY, JOIN WITH I-80 E, USE ANY LANE TO MERGE WITH I-15 S/I-80 E TOWARD CHEYENNE/LAS VEGAS, USE THE RIGHT 3 LANES TO TAKE EXIT 304 FOR I-80 E TOWARD CHEYENNE, CONTINUE ONTO I-80 E, TAKE EXIT 146 TOWARD VERNAL, CONTINUE ONTO US-189/US-40 E, DRIVE TO KARL R NELSON LANE 5/WILLIAM BOND LN, TURN LEFT, AT THE TRAFFIC CIRCLE, TURN RIGHT ONTO N 550 E, TURN LEFT ONTO KARL R NELSON LANE 5/WILLIAM BOND LN, DESTINATION WILL BE ON THE LEFT.

DRIVING DIRECTIONS

ATLAS TOWER



SITE NAME: HEBER HILL - ALT 3
KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

CALL FOR UNDERGROUND UTILITIES PRIOR TO DIGGING

(800) 662-4111



Know what's **below**.
Call before you dig.

EMERGENCY:

CALL 911

ALL WORK AND MATERIALS SHALL BE PERFORMED AND INSTALLED IN ACCORDANCE WITH THE CURRENT EDITIONS OF THE FOLLOWING CODES AS ADOPTED BY THE LOCAL GOVERNING AUTHORITIES. NOTHING IN THESE PLANS IS TO BE CONSTRUED TO PERMIT WORK NOT CONFORMING TO THE LATEST EDITIONS OF THE FOLLOWING:

1. INTERNATIONAL BUILDING CODE (2021 EDITION)
2. INTERNATIONAL CODE COUNCIL
3. CBC/TIA-222-H
4. NATIONAL ELECTRIC CODE (2020 EDITION)
5. LOCAL BUILDING CODE
6. CITY/COUNTY ORDINANCES

CODE COMPLIANCE

CONSTRUCTION OF A TELECOMMUNICATION FACILITY, CONSISTING OF ANTENNAS & ASSOCIATED APPURTENANCES ON A PROPOSED MONOPINE TOWER, FENCED COMPOUND & SERVICE EQUIPMENT FOR FUTURE CARRIERS. NO WATER OR SEWER IS REQUIRED.

1. FACILITY DESIGNED IN ACCORDANCE WITH WASATCH COUNTY REGULATIONS.
2. THIS IS AN UNMANNED FACILITY WHICH WILL NOT REQUIRE ANY WATER OR SEWER FACILITIES.
3. TRAFFIC WILL CONSIST ONLY OF MAINTENANCE PERSONNEL, VISITING THE SITE APPROXIMATELY TWICE A MONTH.

PROJECT DESCRIPTION & NOTES

[illegible]

INDEX OF SHEETS

PLANS PREPARED BY:



4570 IVY ST SUITE B-100
DENVER, CO 80216
OFFICE: (303) 566-9914
www.tepgroup.net

0	06-26-26	ZONING
REV	DATE	ISSUED FOR:

DRAWN BY: OJK	CHECKED BY: KES
---------------	-----------------

SEAL:



SEAL:

SHEET NUMBER:

T-1

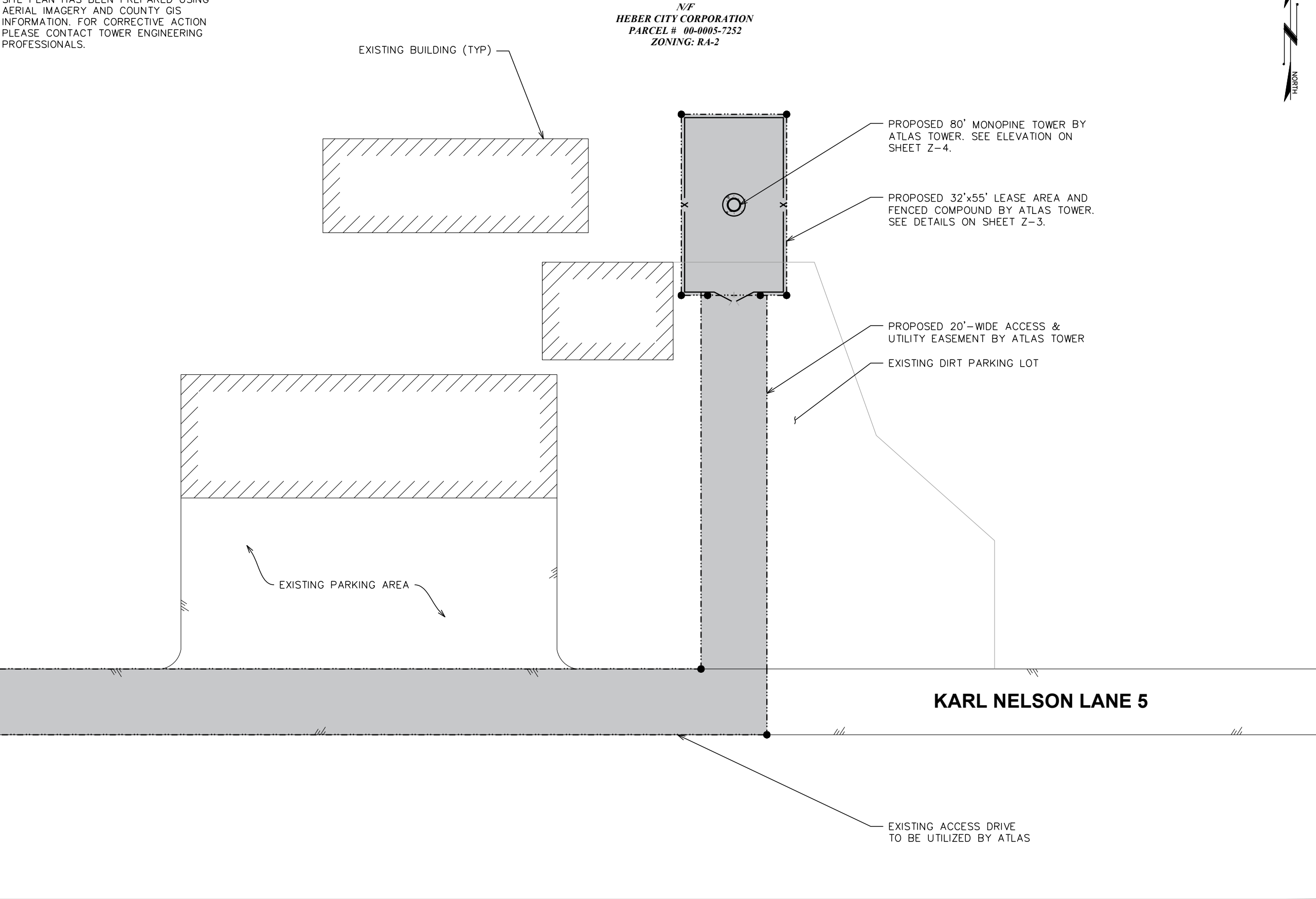
REVISION:

0

TEP#: 363824.528276

NOTE:

SITE PLAN HAS BEEN PREPARED USING AERIAL IMAGERY AND COUNTY GIS INFORMATION. FOR CORRECTIVE ACTION PLEASE CONTACT TOWER ENGINEERING PROFESSIONALS.



PROJECT INFORMATION:

HEBER HILL - ALT 3

KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

PLANS PREPARED FOR:

ATLAS TOWER

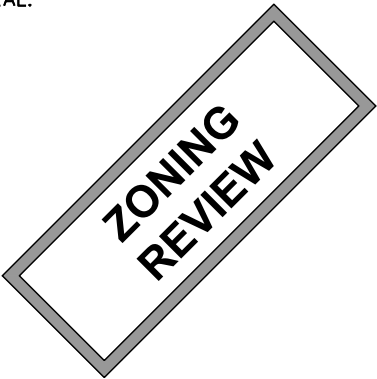
4041 HANOVER AVE
BOULDER, CO 80305
OFFICE: (303) 448-8896

PLANS PREPARED BY:



4570 IVY ST SUITE B-100
DENVER, CO 80216
OFFICE: (303) 566-9914
www.tepgroup.net

SEAL:



O	06-26-26	ZONING
REV	DATE	ISSUED FOR:

DRAWN BY: OJK CHECKED BY: KES

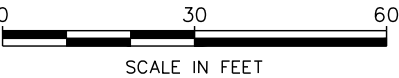
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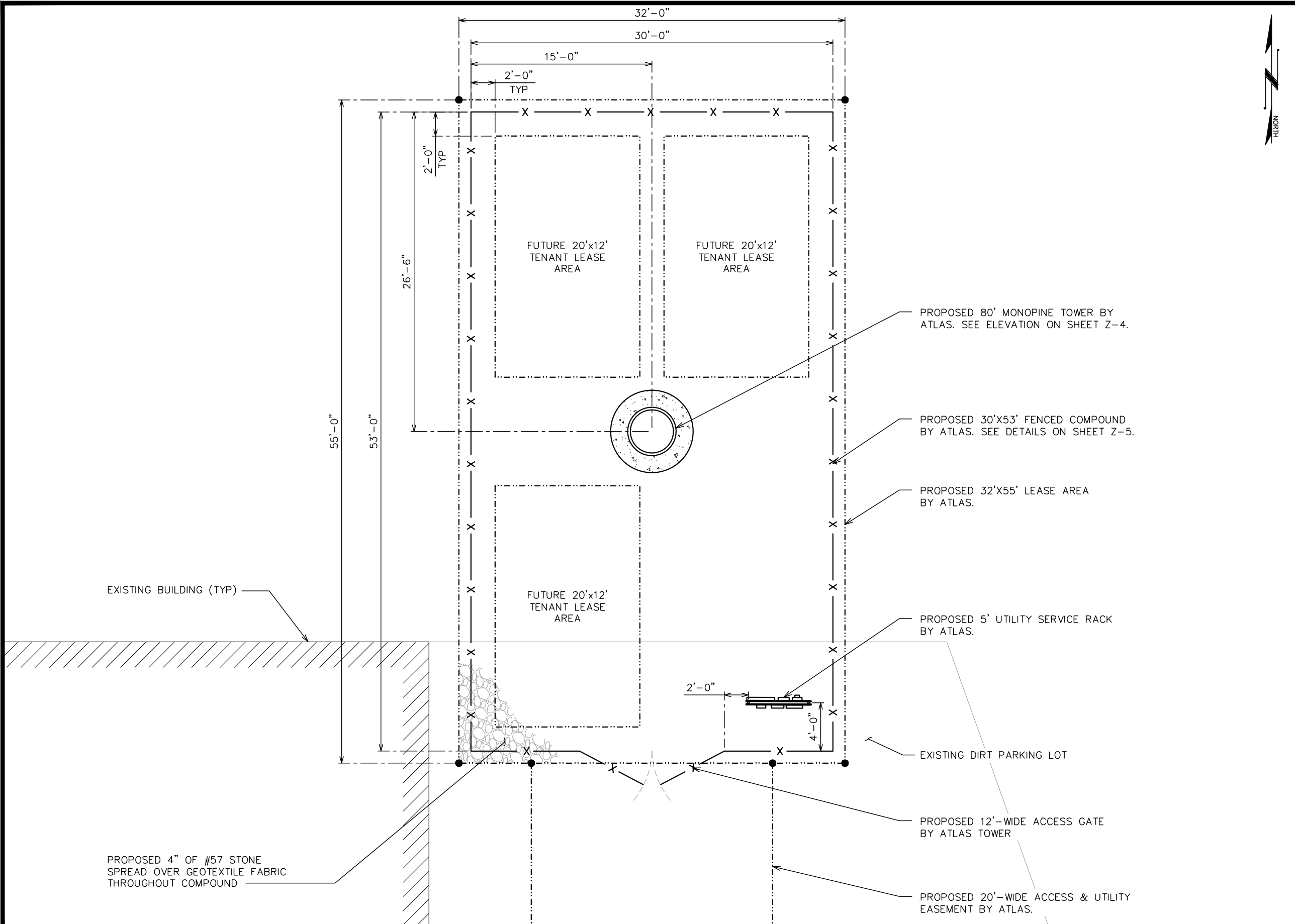
SITE PLAN

SHEET NUMBER:	REVISION:
Z-2	0
	TEP#: 363824.528276

SITE PLAN

SCALE: 1" = 30'





PROJECT INFORMATION:

HEBER HILL - ALT 3

KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

PLANS PREPARED FOR:

ATLAS TOWER

4041 HANOVER AVE
BOULDER, CO 80305
OFFICE: (303) 448-8896

PLANS PREPARED BY:

TEP

4570 IVY ST SUITE B-100
DENVER, CO 80216
OFFICE: (303) 566-9914
www.tepgroup.net

SEAL:

ZONING REVIEW

0	06-26-26	ZONING
REV	DATE	ISSUED FOR:

DRAWN BY: OJK

CHECKED BY: KES

SHEET TITLE:

COMPOUND
DETAIL

SHEET NUMBER:

Z-3

REVISION:

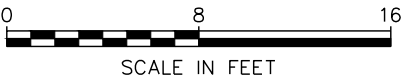
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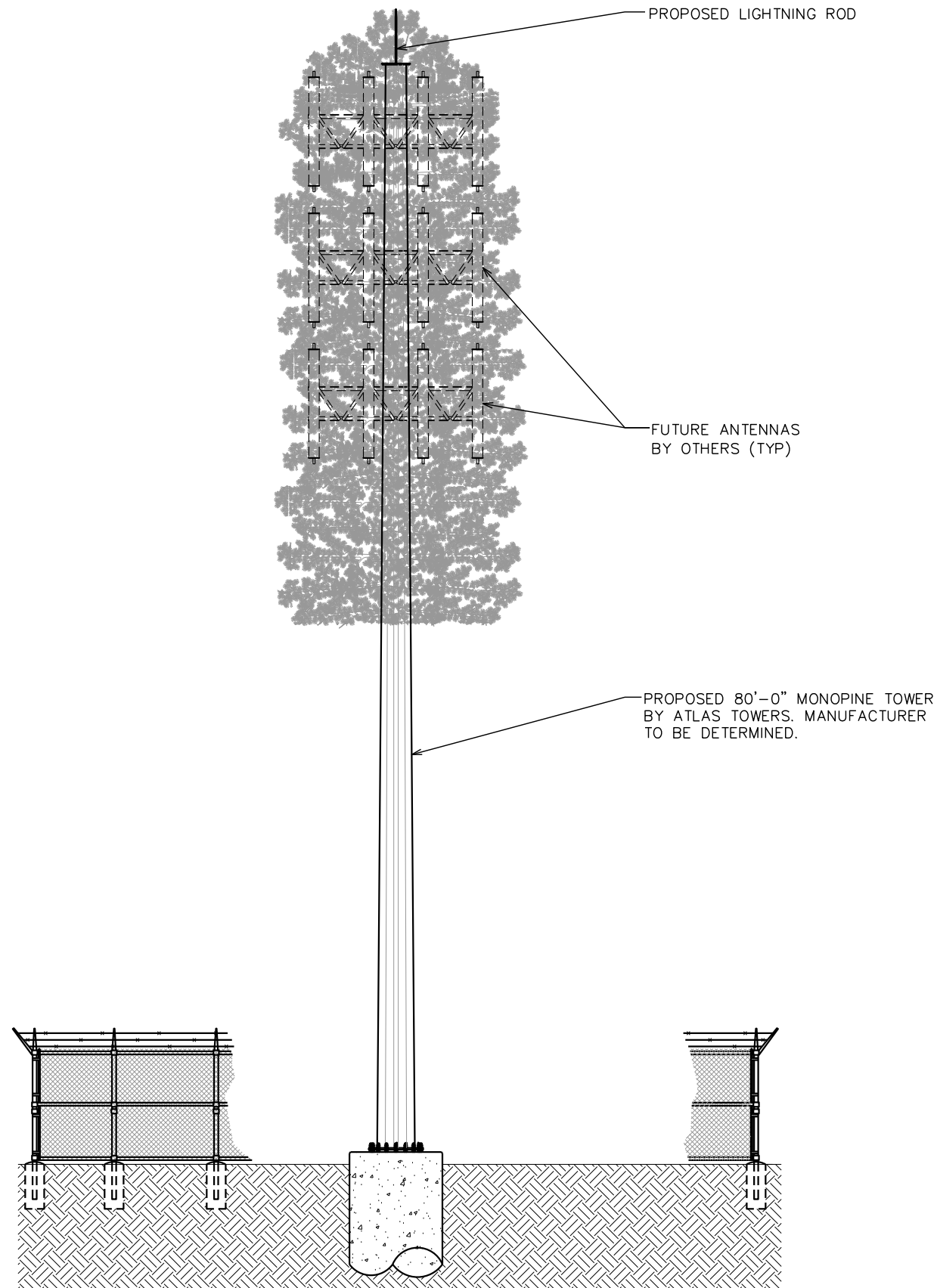
TEP#:

363824.528276

COMPOUND DETAIL

SCALE: 1/8" = 1'-0"





NOTES:

1. TOWER SHALL BE LIT ONLY IF REQUIRED BY THE FEDERAL AVIATION ADMINISTRATION.
2. PROPOSED COAX ROUTED INSIDE TOWER WITH HOISTING GRIPS.
3. TOWER TO INCLUDE SAFETY CABLE. DO NOT INCLUDE SAFETY CLIMB MECHANISM.
4. TOWER EQUIPMENT LOADING AND CENTERLINES ARE SHOWN FOR REFERENCE ONLY AND ARE SUBJECT TO CHANGE.

PROJECT INFORMATION:

HEBER HILL - ALT 3

KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

PLANS PREPARED FOR:

ATLAS TOWER

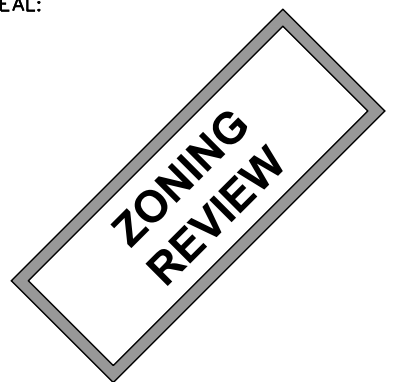
4041 HANOVER AVE
BOULDER, CO 80305
OFFICE: (303) 448-8896

PLANS PREPARED BY:



4570 IVY ST SUITE B-100
DENVER, CO 80216
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www.tepgroup.net

SEAL:



0	06-26-26	ZONING
REV	DATE	ISSUED FOR:

DRAWN BY: OJK CHECKED BY: KES

SHEET TITLE:

TOWER ELEVATION

SHEET NUMBER:

Z-4

REVISION:

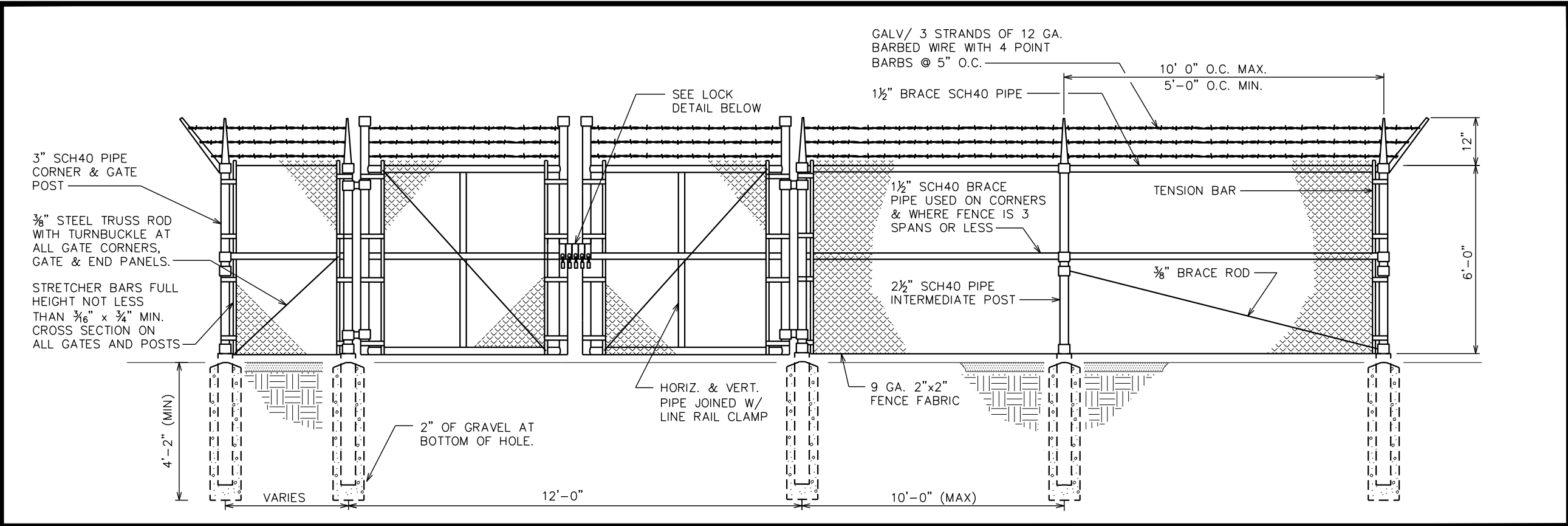
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TEP#: 363824.528276

TOWER ELEVATION

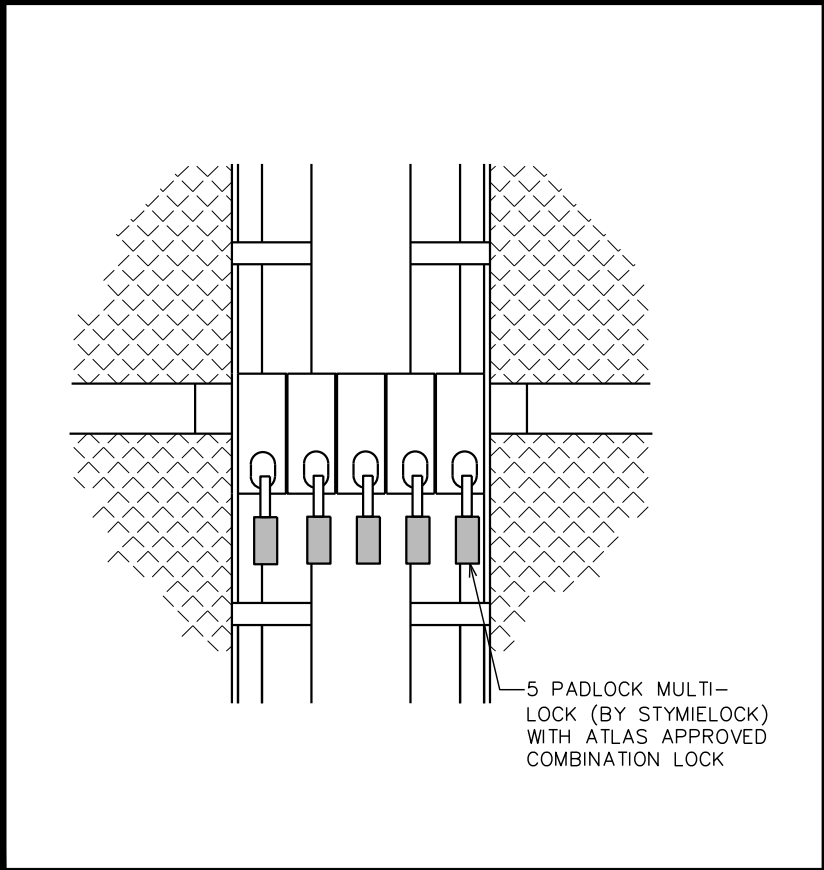
SCALE: 1/8" = 1'-0"





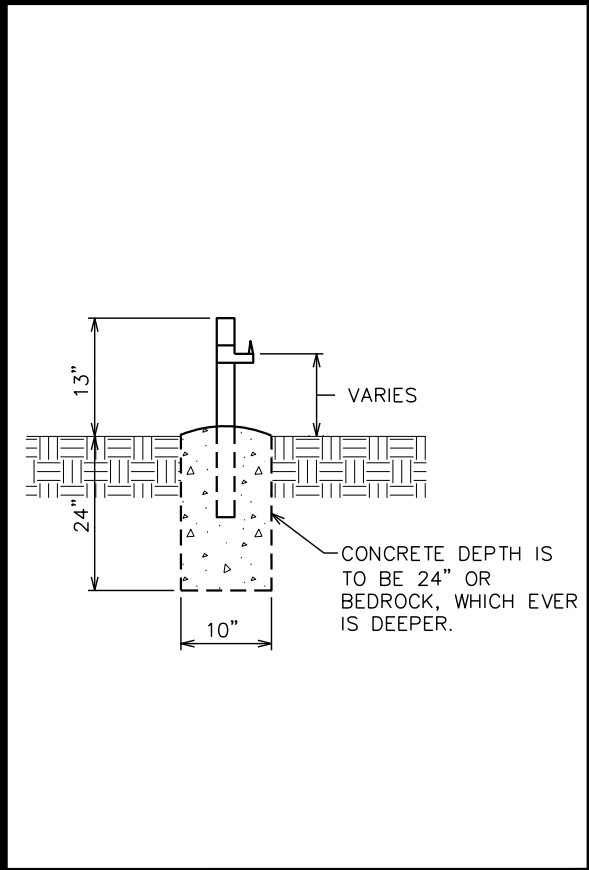
TYPICAL FENCE ELEVATION

SCALE: N.T.S.



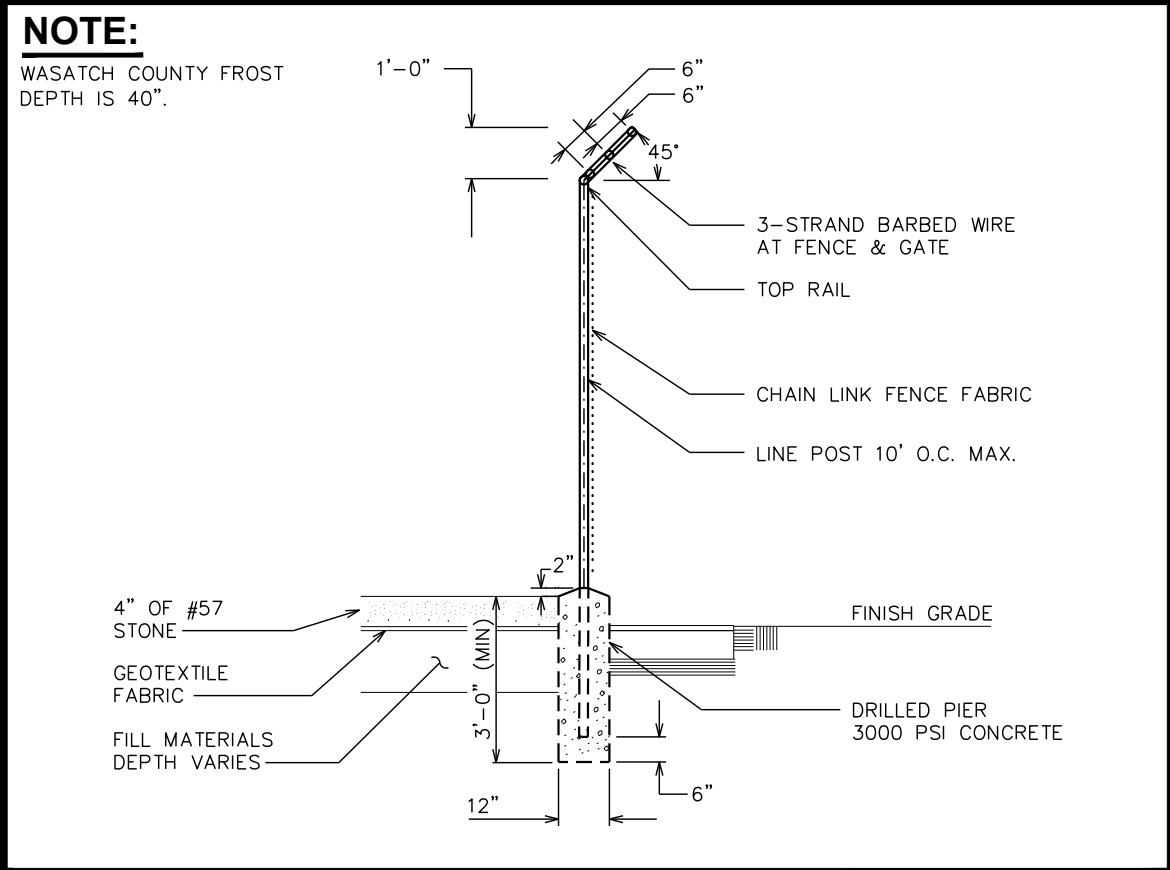
GATE LOCK DETAIL

SCALE: N.T.S.



GATE STOP/KEEPER DETAIL

SCALE: N.T.S.



FENCE / BARBED WIRE ARM DETAIL

SCALE: N.T.S.

PROJECT INFORMATION:

HEBER HILL - ALT 3

KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

PLANS PREPARED FOR:

ATLAS TOWER

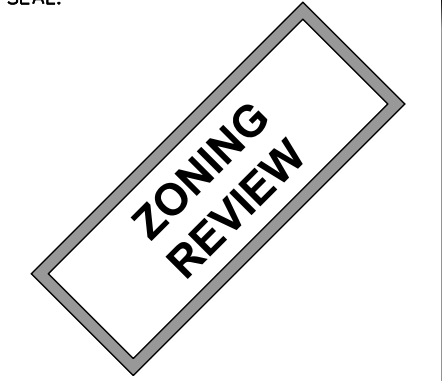
4041 HANOVER AVE
BOULDER, CO 80305
OFFICE: (303) 448-8896

PLANS PREPARED BY:



4570 IVY ST SUITE B-100
DENVER, CO 80216
OFFICE: (303) 566-9914
www.tepgroup.net

SEAL:



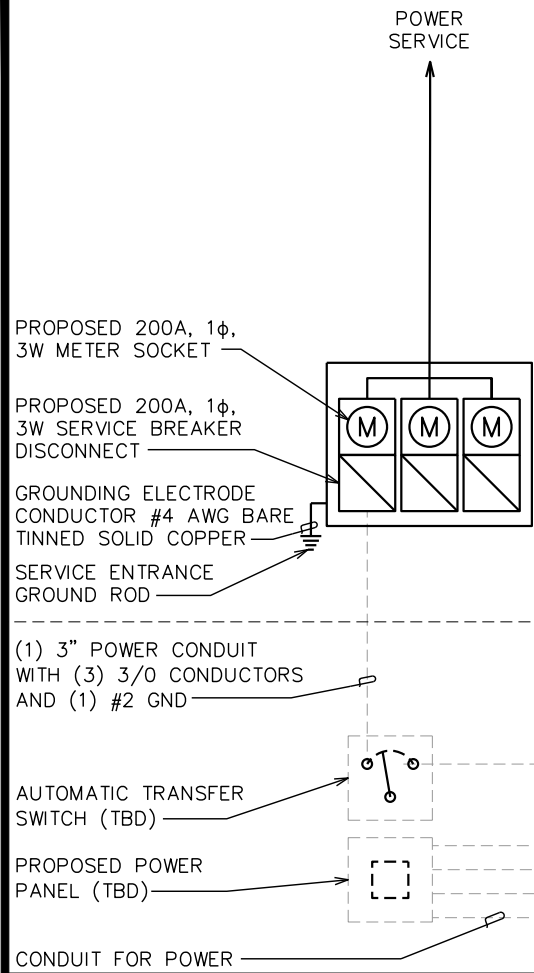
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REV	DATE	ISSUED FOR:

DRAWN BY: OJK CHECKED BY: KES

SHEET TITLE:

FENCE DETAILS

SHEET NUMBER:	REVISION:
Z-5	0
	TEP#: 363824.528276



ONE LINE DIAGRAM NOTES:

1. ELECTRICAL SERVICE SHALL BE 600A, 120/240V, 1 ϕ , 3W.
2. 3 GANG METER BASE CABINET FOR 200A EA. 120/240V, 1 ϕ SERVICE WITH SERVICE ENTRANCE RATED, CIRCUIT BREAKER TYPE DISCONNECT SWITCH. UTILITY COMPANY TO PROVIDE METER.
3. FUTURE EQUIPMENT SHOWN FOR REFERENCE ONLY.
4. GEC IS SIZED FOR A SINGLE SERVICE ONLY AND IF MULTIPLE SERVICES SHARE A COMMON N-G BOND, THE CONTRACTOR WILL INSTALL ONE 3/0 CU MJB AND GEC INSTEAD.

NOTE:

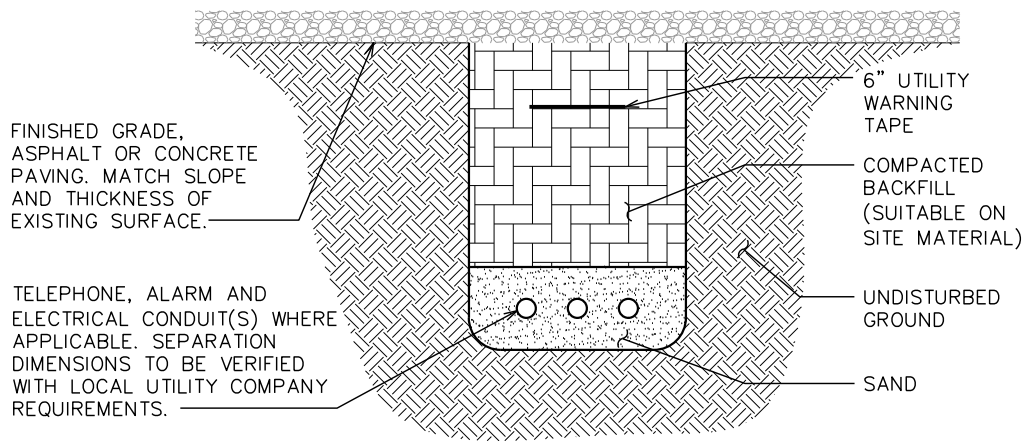
1. CONTRACTOR IS RESPONSIBLE FOR LOCATING ALL EXISTING UNDERGROUND UTILITIES PRIOR TO BEGINNING CONSTRUCTION. ANY DAMAGE CAUSED TO EXISTING UTILITIES SHALL BE REPAIRED AT THE CONTRACTOR'S EXPENSE.
2. ALL CONDUITS SHALL BE INSTALLED PRIOR TO FINISH GRADING, GEOFABRIC AND STONE INSTALLATION.
3. CONTRACTOR SHALL INSTALL SWEEPS AT ALL CONDUIT DIRECTION CHANGES.

ONE-LINE DETAIL

SCALE: N.T.S.

NOTES:

1. ACTUAL SEPARATION OF CONDUITS TO BE DETERMINED BY SITE SPECIFIC REQUIREMENTS.
2. PROVIDE PVC CONDUIT BELOW GRADE EXCEPT AS NOTED BELOW.
3. PROVIDE RGS CONDUIT AND ELBOWS AT STUB-UP LOCATIONS (I.E. SERVICE POLES, EQUIPMENT, ETC.)
4. PROVIDE RGS CONDUIT FOR INSTALLATIONS BELOW PARKING LOTS AND ROADWAYS.

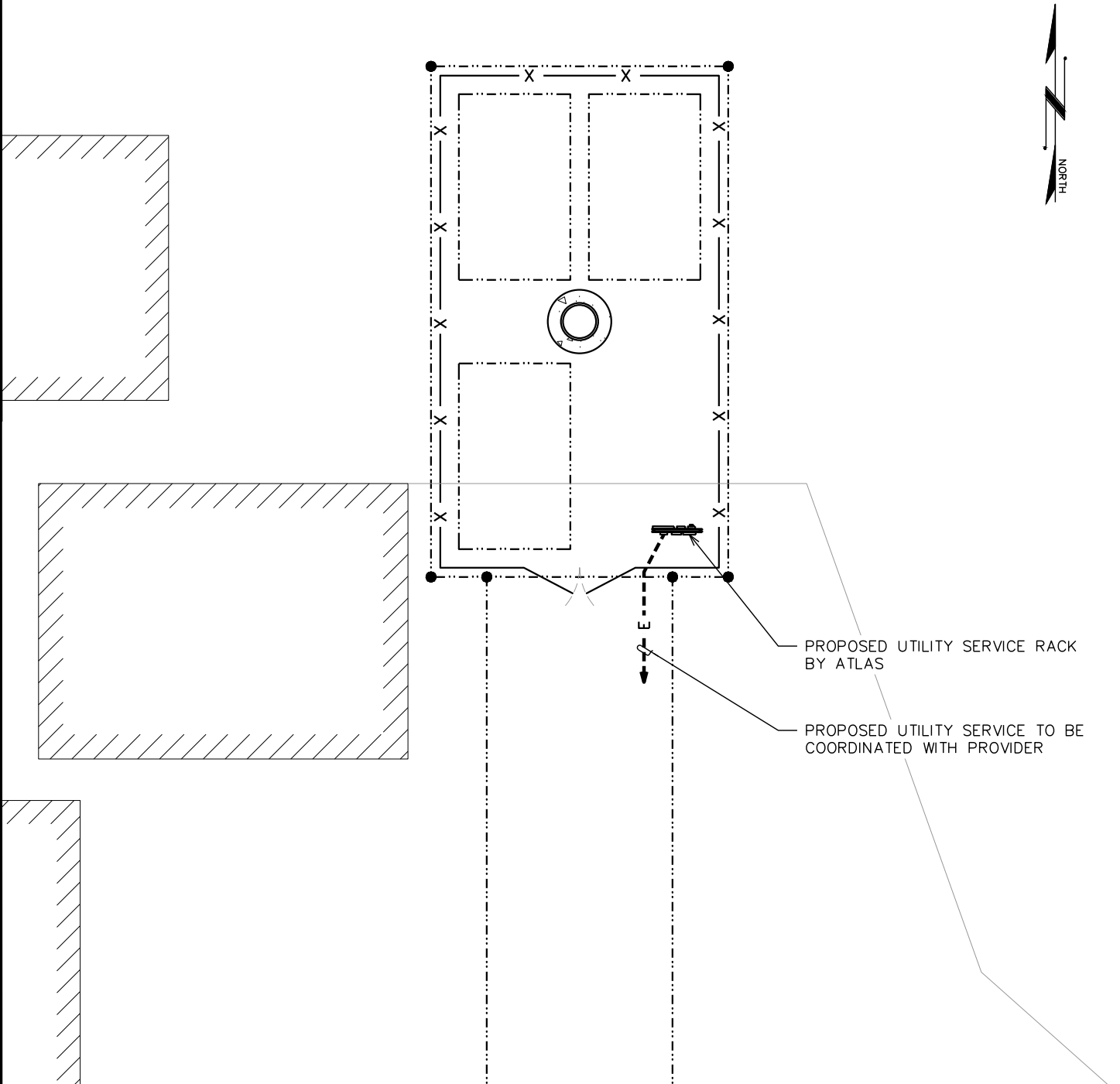


UNDERGROUND CONDUIT(S) TRENCH DETAIL

SCALE: N.T.S.

POWER PLAN

SCALE: 1/16" = 1'



PROJECT INFORMATION:

HEBER HILL - ALT 3

KARL R NELSON LANE
HEBER CITY, UT 84032
(WASATCH COUNTY)

PLANS PREPARED FOR:

ATLAS TOWER

4041 HANOVER AVE
BOULDER, CO 80305
OFFICE: (303) 448-8896

PLANS PREPARED BY:



4570 IVY ST SUITE B-100
DENVER, CO 80216
OFFICE: (303) 566-9914
www.tepgroup.net

SEAL:



0	06-26-26	ZONING
REV	DATE	ISSUED FOR:

DRAWN BY: OJK CHECKED BY: KES

SHEET TITLE:

**POWER PLAN &
ONE-LINE DIAGRAM**

SHEET NUMBER: Z-6	REVISION: 0 TEP#: 363824.528276
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USA • INTERNATIONAL

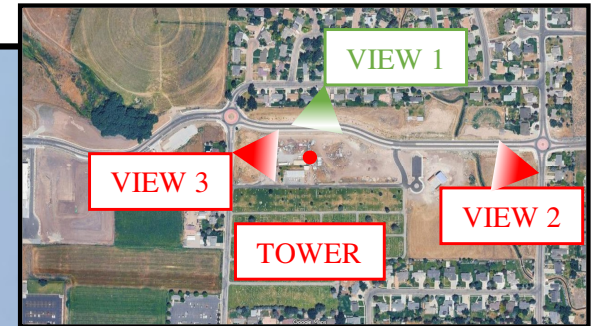
SITE NAME: HEBER HILL - ALT3
PROPOSED 80'-0" MONOPINE TOWER

KARL R. NELSON LN 5
HEBER CITY, UT 84032
(WASATCH COUNTY)

EXISTING VIEW: LOCATION 1



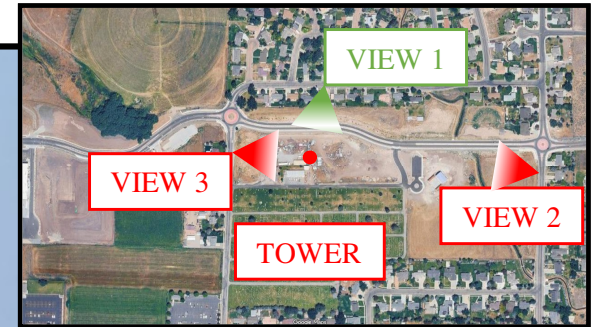
SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH



PROPOSED VIEW: LOCATION 1



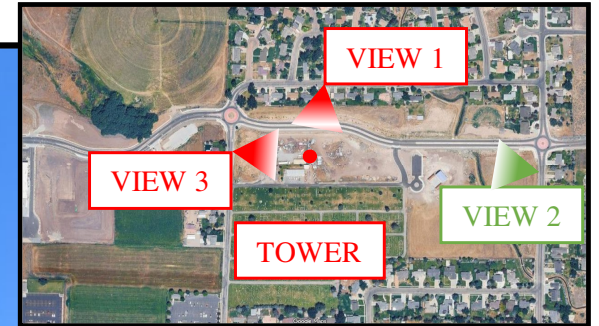
SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH



EXISTING VIEW: LOCATION 2



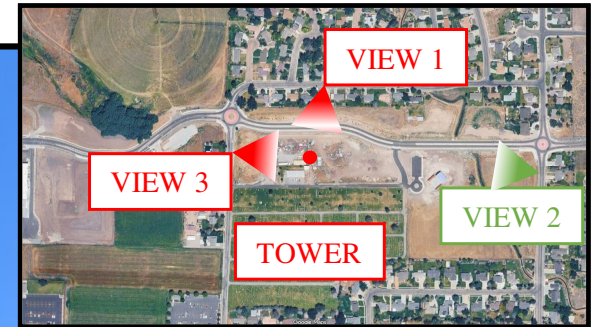
SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH



PROPOSED VIEW: LOCATION 2



SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH

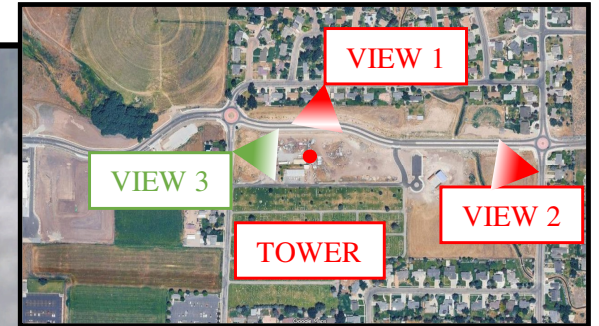


PROPOSED 80'-0" MONOPINE TOWER

EXISTING VIEW: LOCATION 3



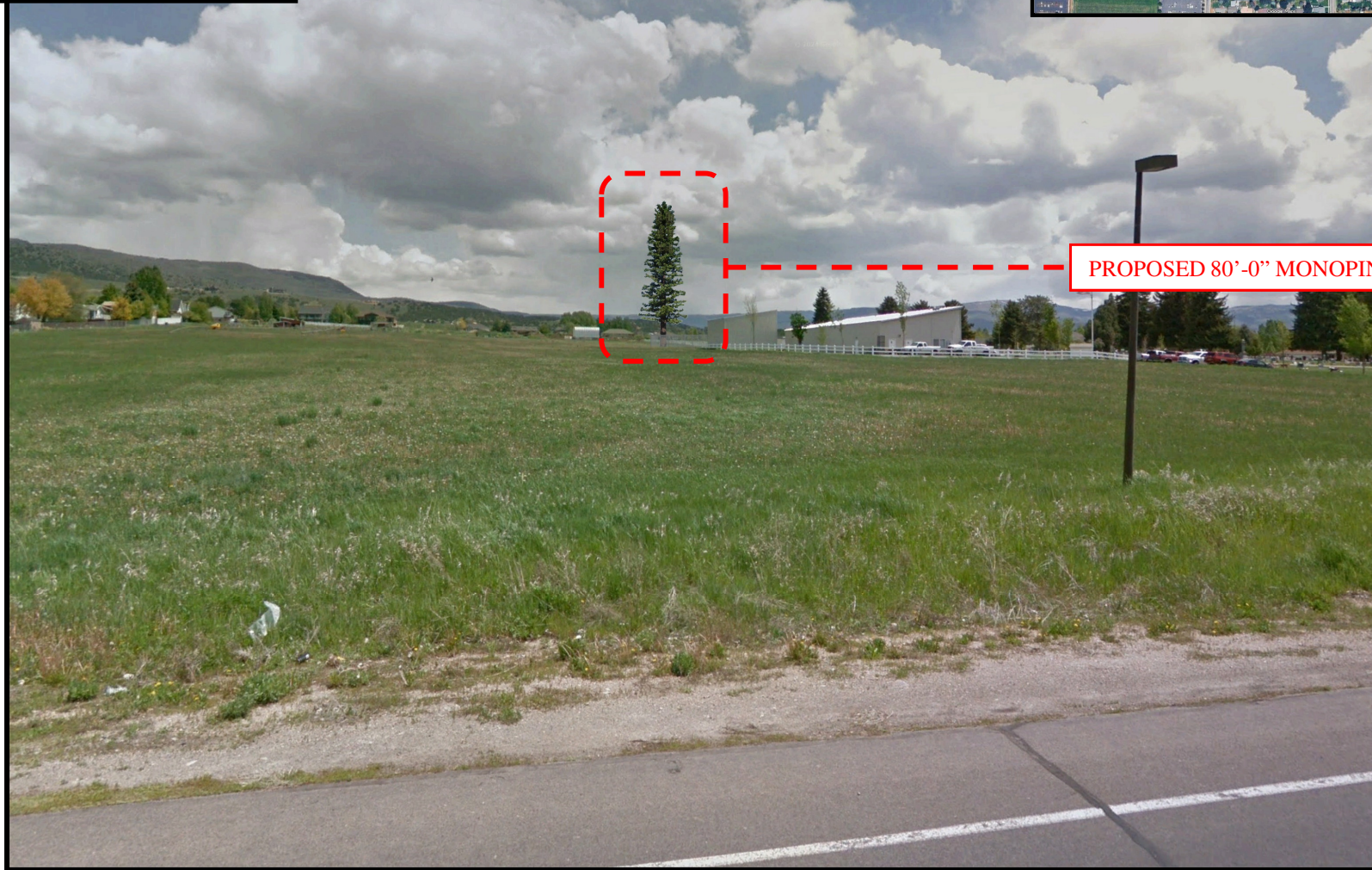
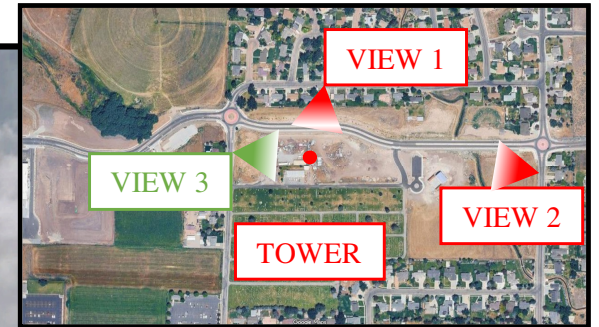
SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH



PROPOSED VIEW: LOCATION 3



SITE NAME: HEBER HILL - ALT3
ADDRESS: KARL R NELSON LN 5
HEBER CITY, UT 84032
COUNTY: WASATCH



FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("Amendment") is made effective upon the full execution of both signatures by and between Atlas Tower 1, LLC, a Colorado Limited Liability Company ("Tenant"), with an address of 4041 Hanover Avenue, Boulder, CO 80305 and HEBER CITY CORPORATION with an address of 75 N MAIN ST., HEBER CITY, UT 84032 ("Landlord").

WITNESSETH:

WHEREAS, Tenant and Landlord entered into that certain Lease Agreement dated March 2nd, 2026 (the "Lease Agreement"), with regard to a Communication Tower Facility located at Parcel Number 00-0020-2672.

WHEREAS, Tenant and Landlord now desire to develop the Communication Tower Facility at a new location which is identified as Parcel ID 00-0005-7252.

NOW THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct and incorporated herein by this reference.
2. **DEFINED TERMS.** All capitalized terms not specifically defined herein shall have the meanings set forth in the lease agreement.
3. **TOWER LOCATION.** Exhibit 1 of the Lease Agreement will be replaced by exhibit 1-A. Exhibit 2 of the lease agreement will be replaced with the attached exhibit 2-A.
4. **MEMORANDUM OF LEASE.** The parties agree to execute and file the Memorandum of Lease attached hereto as Exhibit 3.
5. **MISCELLANEOUS.**

The Lease Agreement as modified herein remains in full force and effect and is hereby ratified by Landlord and Tenant. In the event of any conflict among the Lease Agreement and this Amendment, the terms of this Amendment shall control.

- (a) This Amendment shall be binding upon execution and shall inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.
- (b) This Amendment contains the entire agreement of Landlord and Tenant with respect to the subject matter hereof and may not be amended or modified except by an instrument executed in writing by Landlord and Tenant.
- (c) This Amendment may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

(signature page follows)

Tower Name: Heber Hill

IN WITNESS WHEREOF, the parties have executed this First Amendment to Lease Agreement as of the date set by their signature below. This Amendment shall be deemed effective upon delivery of a fully executed copy hereof to both parties.

Landlord: Heber City Corporation

By: HEIDI FRANCO
Name: Heidi Franco
Title: MAYOR
Date: 6/24/20



Tenant: Atlas Tower 1, LLC

By: [Signature]
Name: HELMUT STRUMPFER
Title: ecr
Date: 6/30/26

Tower Name: Heber Hill

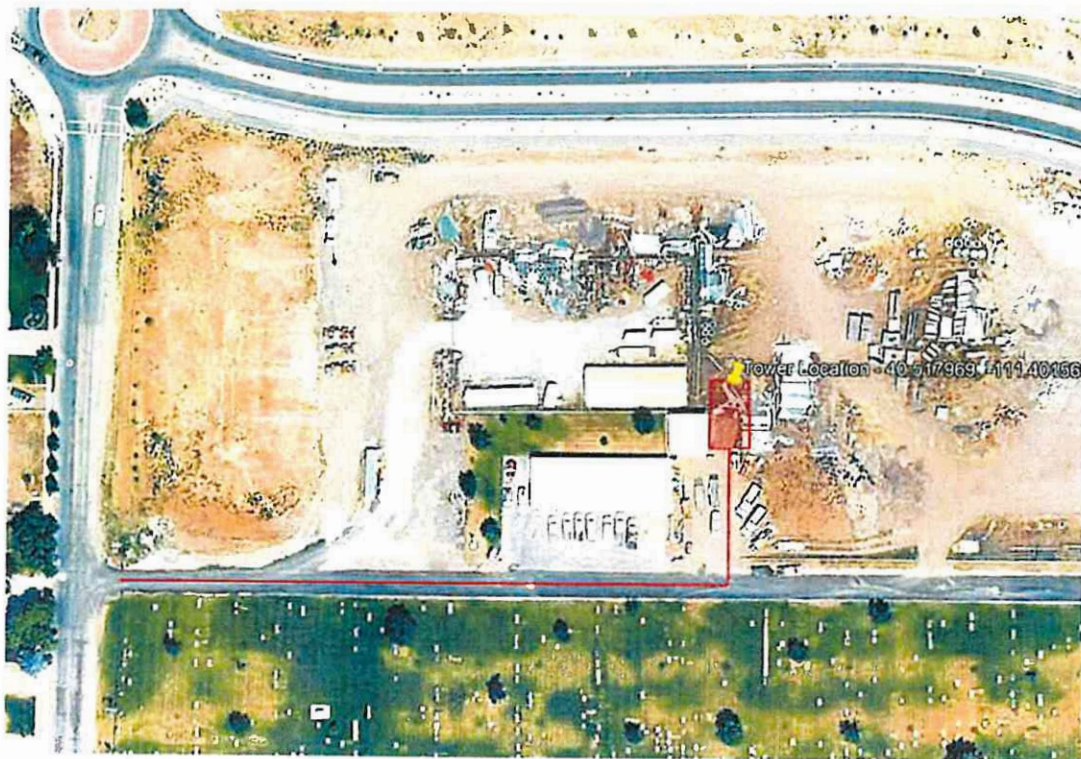
EXHIBT 1-A
Description of Parent Tract

BEG S 1139.52 FT & W 1089 FT OF NE SEC 32, T3S, R5E, SLM; S 658.68 FT; W 1137.18 FT; N.02°00'E 316.8 FT; E 16.5 FT; N 348.5 FT; E 1097.25 FT TO BEG. AREA 17.19 ACRES

Tower Name: Heber Hill

EXHIBIT 2-A

The Premises is depicted/described as follows (32 feet x 55 feet, measuring 1760 sq.ft.) and will be replaced by a surveyed legal description provided by Tenant when available. The Premises may be located anywhere within the red outlined space depicted below:



Tower Name: Heber Hill

EXHIBIT 3

Tower Name: Heber Hill



Heber City Council Staff Report

MEETING DATE: 7/7/2026

SUBJECT: Authorization to Commence Main Street Plaza Schematic (30%) Design & Utilization of a Construction Management/General Contractor (CM/GC)

RESPONSIBLE: Tony Kohler, Lars Erickson

DEPARTMENT: Planning

STRATEGIC RELEVANCE: Community Development

SUMMARY

Recently, Terracon presented the preferred conceptual Master Plan for the City's Main Street Park (aka Trailhead Plaza). Terracon has prepared a scope of work for creation of 30% Drawings (aka Schematic Drawings). Through this next phase of design, the City will be able to get more accurate cost estimates for each element of the park and will be able to refine phasing and which elements of the park design get constructed. A Schematic Design is detailed enough for the City to pursue grants to assist in final design and construction of the facilities. The proposed Scope of Work also entails onboarding a Construction Management/General Contractor (CM/GC). Total cost for the proposed Schematic Design and CM/GC onboarding is \$373,956.

Policy Questions for Council include:

- Does Council support the Work Plan/Scope of Work for the 30% Schematic Design and onboarding a CM/GC for the Trailhead Plaza/Main Street Park?

RECOMMENDATION

Staff recommends approval of the Scope of Work and Fee for Schematic Design and CM/GC for the Main Street Park/Trailhead Plaza.

BACKGROUND

Heber City has been working on a design for the Main Street Park (aka Trailhead Plaza). Phase 1 of the project, the Bandshell, was constructed in 2024-2025. In 2024 Heber City hired Roger Brooks to provide a conceptual design and operating plan for the plaza. The City Council accepted, but did not adopt the plan, as there was not consensus on the plan and Council wanted to have a stronger public outreach on the design of the plaza. Terracon was hired by Heber City in 2025 to host a public outreach process and develop a Preferred Alternative design for the plaza, which occurred Fall 2025 through Spring 2026. Through this process, 3 alternatives were presented to the public. A new alternative design was developed based upon public feedback. After Council reviewed that new plan,

additional changes were made by Council, from which Terracon developed a Preferred Alternative.

Council has expressed general support for the Preferred Alternative, but Councilmembers still have concern about cost, phasing and design of the project. To help Council move forward, Terracon is proposing the next design process proceed in steps (30% Design, 60% Design, 90% Design and 100% Design), which will allow the City to pivot with each step as more information becomes available about design, cost and phasing. The next step, 30% Schematic Design, is a level of design from which the City can apply for grants and funding.

DISCUSSION

CM/GC is a project delivery method where a General Contractor helps with pre-construction planning, estimating, and scheduling and then acts as the general contractor during construction. This will require the City to go through a specific process to hire a General Contractor before proceeding with further design steps. The City used a CM/GC for construction of the Public Safety Building. Benefits of using a CM/GC include: 1) Early input: helps catch design issues before construction starts; 2) Better cost control: more accurate estimates earlier; 3) Faster schedule: construction can overlap with design; 4) Fewer surprises: better planning can reduce change orders; 5) Single point of accountability: easier coordination during construction; and 6) Flexibility: easier to adjust scope or phasing as the project develops. With this project, a CM/GC can help assure better implementation of the City's vision, through a phased, more efficient and cost-effective approach.

The 30% Schematic Design approach has been proposed by Terracon because this level of design will give the City a better idea of total costs for the project as well as the costs for each element of the project. From that point forward, the City will be able to more easily scale back or ramp up or phase various parts of the design, such as those elements that may not have full support of Council, such as the Ice Ribbon. The 30% Schematic Design detail is enough to use to apply for grants and Terracon is offering its services to help the City apply for those grants. After Schematic Design, future design includes 60%, 90% and 100% Design; at each level the City is able to reassess and pivot as more information becomes available about the cost and design of each element in the plaza.

After Schematic Design, the City will need to enter into a contract with Terracon for the 60/90/100% Final Design. The fee for Final Design is based upon the estimated cost of the project. Since the Schematic Design will allow for a more accurate cost estimate, Terracon's design fee for the final design will be more accurate.

Artificial Intelligence (AI) assisted in drafting this report.

FISCAL IMPACT

Cost for the proposed Scope of Work is \$373,956. The source of revenue for this cost comes from the CRA, TAP Tax, Grants and Jordanelle Ridge Development Agreement Revenue.

CONCLUSION

The 30% Schematic Design and CM/GC approach will permit the City to have a better understanding about total project cost, individual amenity cost, phasing and future design costs.

ALTERNATIVES

1. Approve as proposed
 2. Approve as amended
 3. Continue
 4. Deny
-

POTENTIAL MOTIONS

Alternative 1 - Approval - Staff Recommended Option

I move to **approve** the item as presented, with the findings and conditions as presented in the conclusion above.

Alternative 2 - Approve as Amended

I move to **approve** the item as amended, as follows.

Alternative 3 - Continue

I move to **continue** the item to another meeting on [DATE], with direction to the applicant and/or Staff on information and / or changes needed to render a decision, as follows:

Alternative 4 - Denial

I move to **deny** the item with the following findings.

ACCOUNTABILITY

Department: Planning
Staff member: Tony Kohler, Community Development Director

EXHIBITS

1. 260629_JU257071_HCTP_P2_Work Plan_SD_signed
2. 260707_HCTP_PLAZA SD Scope
3. 260616_HCTP_PLAZA Preferred Plan (1)
4. Trailhead Plaza Master Plan

June 29, 2026

Tony Kohler, Director
Heber City Community Development
75 North Main Street
Heber, UT 84032

Re: Change Order - Technical Scope and Fee for Schematic Design (30% Milestone) Services for Heber City's Trailhead Plaza

Dear Mr. Kohler:

We have **listened**, building trust and a strong foundation for collaboration, and **aligned** with staff and council leaders to establish a preferred master plan that refines and replaces the Roger Brooks plan. With that direction in place, it is time to **design**.

This project marks an important milestone in advancing the City's vision. We recognize the trust you have placed in our team and are committed to strengthening that trust through active listening, thoughtful integration of feedback, and close collaboration throughout the process.

As discussed, our approach is structured and iterative—advancing design in clear phases with defined milestones that support review, alignment, and continued progress toward your vision.

We will move forward through the following:

- Phase A – Construction Management/General Contractor Selection and Schematic Design (30% Construction Drawings)
- Phase B – Construction Documentation (60%, 90% and 100% Construction Drawings) Informed by Phase A
- Project Management and Meetings

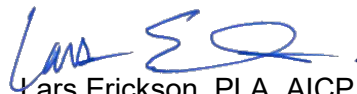
At each milestone, we will review plans and provide updated opinions of probable construction costs. With your approval, we will proceed to the next phase; maintaining alignment and confidence throughout the project.

In closing, we look forward to building on this strong foundation; continuing to listen, align, and design in ways that advance the City's vision. Our team remains committed to delivering high-quality work and serving as a trusted partner throughout the project.

Sincerely,
Terracon Consultants, Inc.



David A. Harris, PLA, ASLA
Director Planning + Landscape Architecture



Lars Erickson, PLA, AICP
Senior Landscape Architect

Enclosures: Fee Breakdown and Preferred Master Plan Scoping Diagram

HEBER CITY'S TRAILHEAD PLAZA

Technical Proposal Scope and Fee

WORK PLAN OUTLINE

Our process is simple and straightforward, but its success depends on a strong working partnership between City Council, City staff, and the consulting team. Keeping the City in the driver's seat means providing clear information, testing ideas collaboratively, and creating planned opportunities for direction at key milestones. City Council brings the community vision and policy leadership; City staff provide operational knowledge and day-to-day guidance; and the consulting team translates that direction into practical design, documentation, phasing, and cost recommendations. By working together through an open and iterative process, we can maintain alignment, build trust, make timely decisions, and advance a project that reflects the City's priorities and is positioned for successful implementation. The following is a brief overview with detailed tasks to follow.

TASK OVERVIEW, KEY MILESTONES AND SCHEDULE

Anticipated Notice to Proceed – July 2026

Project Tasks 1-4 (12 Months)

Task 1: Project Administration – Concurrent with Tasks 2 and 3

- Documentation project kick-off meeting
- Bi-weekly and monthly meetings (as identified per task)
- Client coordination
- Presentation to City Council and staff
- Consultant team coordination
- Construction Management/General Contractor (CM/GC) Selection Support
- Develop preliminary list of grants and funding strategies

Task 2: Schematic Design (30% Milestone) – July-October 2026

- Correlate the approved master plan with survey information
- Test the schematic design plan to existing site conditions
- Prepare schematic design plan aligned to client vision
- CM/GC cost estimate support (30% Milestone)
- Prepare phasing and budget recommendations
- Refine grant and funding strategies
- Review plans with staff
- Prepare for Council update

Task 3: Council Presentation and Documentation – TBD

- At completion of Task 2, Client can make informed decision on next steps for revising/phasing schematic design plans and set approval to move forward
 - **60% Milestone** – Design development plans, CM/GC cost estimate support, review plans with Staff, prepare for Final Council update
 - **90% Milestone** – Review plans with staff, revise plans-based comments, prepare construction documents and CM/GC cost estimate support
 - **100% Milestone** – Final construction documents and CM/GC cost estimate support to inform guaranteed maximum price

Task 4: Bidding and Construction Support – TBD

Task 5: Contingency

- Additional stakeholder support
- Iconic building coordination
- Programming support
- Unforeseen changes following survey

MASTER PLAN TRANSITION

Following an extensive public outreach process that refined the Roger Brooks Plan, the project now transitions into implementation of the preferred master plan. This updated master plan reflects a more focused and achievable vision by reducing the overall number of buildings, decreasing the size of the skating trail, and simplifying the splash trail elements.

A central priority of the revised plan is the preservation of existing trees, which are treated as critical infrastructure and essential to the long-term character and success of the site. The majestic lawn has also been simplified from a complex structural system to a more traditional park turf condition while increasing its overall size compared to the previous concept.

To improve efficiency and reduce costs, the public market and trailhead building are proposed to be combined into a single, consolidated structure. This approach allows for shared building systems, including heating and cooling, resulting in more efficient use of resources and reduced capital costs.

In addition, the retail building along Main Street is envisioned as a public-private partnership opportunity. Under this model, the City may enter into a lease agreement with a development partner who would fund the design and construction of the building, guided by design standards and oversight from the project team. We assume the City will be responsible for advertising and exploring partnerships for the retail building on main. The Terracon team will assist by documenting the boundaries of the leased area, coordinating design guidelines and ensuring infrastructure is in place.

Additional refinements have also been incorporated and will be further detailed in the scope of work that follows.

PHASE A –CM/GC SELECTION AND SCHEMATIC DESIGN (30% MILESTONE)

Task 1: Project Administration

Terracon will oversee comprehensive project administration from the initial kickoff meeting through all phases, including design and construction document preparation, staff reviews, and council updates. Our responsibilities will encompass organizing and facilitating all project meetings, followed by detailed meeting notes and clear action items. We will coordinate key milestones and schedules among the project team and our subconsultants, ensuring seamless collaboration. This task does not include any meetings for the construction support task. Serving as the primary point of contact, Terracon will deliver regular project updates and process invoices promptly. In addition to these core duties, we will perform the following supplemental administrative tasks.

Task 1.1: Schematic Design Kick-off

Terracon will coordinate with the City to schedule a project kickoff meeting upon receipt of a written notice to proceed. This meeting will serve to confirm the project scope and schedule, as well as to introduce key subconsultants and team members who will play vital roles in successfully delivering the outlined

scope of work. After the kickoff meeting, Terracon will prepare and distribute a comprehensive summary of meeting notes, including clearly defined action items.

Task 1.2: Client Meetings

Terracon will organize, plan, and lead bi-weekly or monthly meetings as agreed by the City project manager, including public engagement and council meetings with staff and other stakeholders as needed. Below is a draft list of anticipated meetings within this first phase of work:

Owner Architect Coordination (OAC) Meetings: Staggered bi-weekly or monthly meetings will be used to coordinate with City staff, present ideas, and receive directions. We will also use these meetings to prepare for, present, and follow-up on major milestone interactions with City leaders and the community.

Task 1.3: Consultant Meetings

Consultant Group Coordination Meetings: Terracon will hold regular consultant meetings with our design team and CM/GC to disseminate information and schedule and coordinate milestone deliverables. We intend to hold these meetings opposite the bi-weekly or monthly OAC meetings.

Task 1.4 Analysis and Data Collection

Terracon will gather all available project and property information from the City, including studies, surveys, and plat records. Any additional data requirements will be identified, and the necessary direction will be sought to obtain outstanding information. This includes conducting boundary and topography surveys and the existing condition for the area between Main Street and 100 West, as well as between 300 South and the Phase 1 construction stage 200 South roadway improvements. These services are included in our fee based on a LIDAR scan of the site performed by Alliance Engineers. Additional investigations such as geotechnical research, mapping of dry and wet utilities, and other assessments of physical properties, as determined during the project kick-off meeting, will also be completed.

Task 1.5: Construction Management/General Contactor Coordination

Terracon will compile and provide a list of recommended CM/GC candidates and support the City in developing the Request for Qualifications (RFQ) for public advertisement. Upon receipt of proposals, Terracon will assist the City with evaluating the submitted teams, participate in the interview process, and provide guidance to ensure a thorough and informed final selection.

Following the selection of the CM/GC, Terracon will continue to coordinate with the City and CM/GC as we prepare the final Schematic Design Plan and prepare for the construction drawing phase.

Task 1.1 through 1.5 Deliverables

- Summary of project kick-off findings
- Comment and resolution of Schematic Design Plan
- Planning, organizing and attending meetings
- Planning and attending consultant meetings
- Analysis and data collection
- CM/GC support for RFP, interview and selection

TASK 2: SCHEMATIC DESIGN (12 WEEKS)

Utilizing the analysis and background information gathered during the documentation project kick-off and the approved master plan, the Terracon team will develop schematic-level drawings. These drawings will indicate the realization of the conceptual design known as the preferred master as applied to physical real-world information such as topography, soils, preservation of existing trees and utility infrastructure.

Task 2.1: Schematic Design Plans

The schematic-level plans will be developed to approximately 30% completion, providing spatially accurate plans and elevations that specify the location, quantity, size, color, and finishes of proposed program elements and materials. These documents will consist of 30% complete drawings for landscape architecture, site civil engineering, architecture, mechanical, electrical, and plumbing (MEP), ice and water engineering and structural components. Each set will clearly depict the proposed design at an appropriate scale and level of detail to facilitate preliminary cost estimation and support evaluation of potential phasing strategies. Below is a preliminary list of the plans to be included:

- Existing Conditions and Demolition
- Civil Grading and Drainage
- Layout and Materials
- Planting and Irrigation
- Architecture and MEP Plans and Elevations
- Building Structural Plans
- Site Electrical and Lighting
- Site Structural Engineering
- Audio and Security
- Ice Ribbon Size and Mechanical Space
- Water Feature Plans and Mechanical

Landscape Architecture: Site layout, pavement, amenities, play structures, majestic lawn, planted areas, building, structures, walks, ice-ribbon layout and splash pad.

Architecture: Trailhead center, chiller yard, and public market and one custom pavilion. We will provide design guidelines for the retail on main only. The architecture plans will include structural, MEP and specifications.

Structural Engineering: Building as identified under architecture and site structural design and calculations.

Civil Engineering: Survey, coordination with utility providers, Heber City Public works, Wasatch County Fire, site grading and drainage plans, water, sewer, storm drain design and gas, power and telecommunication coordination support for new buildings, structures, irrigation, ice ribbon, splash pad and fire hydrant locations using Heber City standard details. Assist in pavement materials for needed strength for areas used by vehicles. Hydrology calculations and stormwater management plan with detention systems within the landscape areas and potential underground chambers and connections to existing storm drain inlets and pipelines.

BUILDING AND SITE MEP: Providing electrical, lighting, mechanical, plumbing, security, data/IT, and sound system design for the area around the skate, splash pad and buildings. A full year skating trail with ice skating in the winter and roller skating in the summer, splash pad/water feature trail, a 6,300 sf Trailhead Center that houses the ice and water feature equipment as well as public restrooms, visitor info, lockers, a gift shop, historical displays, and offices. Vendor tents needing power and data, several globe seating pods, lighting, power, data, security cameras, and sound at specific places within the Plaza.

ICE MEP: Providing skating path floor and insulation, refrigeration, snow melt (ice pit) and skating surround handrail and assist with sizing hot water requirements and sizing of melt pit.

Geotechnical: Soils and percolation testing. Geoengineering recommendations to inform paving profiles. Fee will show an allowance, scope and contract to be confirmed at project kick-off.

Construction Phasing Coordination: Meetings and reviews to inform phasing, constructability, and support budget/costing efforts. Includes three design team meetings and attendance at two OAC meetings and cost estimation of the schematic design package.

Schematic Design Plans: Submission to Staff (30% Milestone) that includes the plan, aerial mapping, narrative and renderings reflecting the design to convey the design intent and property coordination items.

Task 2.2: Preliminary Cost Estimate and Phasing

Terracon will prepare a preliminary cost estimate at the initial submission of 30% to inform a phasing and budget discussion with City leadership. This discussion will support development of the project proforma and overall budget strategy necessary for full project implementation. It will also provide the City with an opportunity to evaluate funding options and grant opportunities, and to appropriately right-size the project through potential adjustments to the proposed design and program elements.

Based on this direction, Terracon will refine the plan and develop a phased implementation strategy that aligns with budget milestones established by the City and its representatives responsible for revenue and proforma oversight. This approach ensures clear financial direction prior to advancing into construction documentation.

Task 2.3: Plan Submission, Review, and Comment Resolution

Terracon will lead a review meeting with the OAC to review the Schematic Design Plan, phasing proposal, and budget milestone outline. Terracon will then refine the plan once and provide a phasing/budget outline to reflect client direction and prepare materials for the open house/public meeting to be presented to the City Council if desired.

Task 2.1 through 2.3 Deliverable:

- Schematic Design Plan
- Address comments
- Final Schematic Design Plan
- Coordination of preliminary cost estimate and phasing
- Coordination support of CM/GC Partner
- Virtual Bi-weekly meetings (up to 10 (1) hour each)

PHASE B – CONSTRUCTION DOCUMENTATION

Task 3: Council Presentation and Documentation (anticipated 32 weeks)

Upon completion of the schematic design phase, Terracon and selected CM/GC will present findings to the City Council in a working session. The outcome of which will be to direct scope and phasing strategy for project documentation and implementation. The following is provided to illustrate anticipated scope before being informed by schematic design:

Construction documentation phase consists of milestones at 60%, 90% and 100% document preparation. Meetings will be held to coordinate throughout. Review meetings at each milestone submission will be held and one round of revisions included. Below is the anticipated list of the plans for all milestones:

- Existing Conditions and Demolition
- Civil Grading and Drainage
- Layout, Materials, Planting and Irrigation
- Architecture and MEP Plans and Elevations
- Site Electrical and Lighting
- Site Structural Engineering

- Audio and Security
- Ice Ribbon Size and Mechanical Space
- Water Feature Plans and Mechanical
- Specifications

Task 3.1: Design Development (60% Milestone) – anticipated 8 weeks

Design development drawings will be prepared, building upon the confirmed plans in SD. These plans will continue to further design and inform spatial layouts, materials and systems selections. Drawings will be to a level to convey design intent while waiting on detailed construction information to be efficient with time and budget.

60% Milestone Deliverables

- Monthly OAC design coordination meetings (up to 3 (2) hours each)
- Landscape architecture, architecture, site civil, MEP, structural engineering, ice and splash pad design
- Outline specifications
- Cost projection review and CM/GC coordination
- Proforma and phasing coordination
- City Review

Task 3.2: Construction Documents and Cost Estimate (90% Milestone) – anticipated 16 weeks

90% milestone document scope will revise and refine drawings and specifications to completed design drawings for submission and final staff review at the end of the task.

90% Milestone Deliverables

- Monthly OAC design coordination meetings (up to 6 (2) hours each)
- Design development task revisions to plans
- Landscape architecture, architecture, site civil, MEP, structural engineering, ice and splash pad design
- Draft specifications
- Cost projection review and CM/GC coordination
- Proforma and phasing coordination
- City Review

Task 3.3: Final Construction Documents and Cost Estimate (100% Milestone) – anticipated 8 weeks

- Monthly OAC design coordination meetings (up to 2 (2) hours each)
- Construction document task revisions to plans
- Finalized specifications
- OAC page turn review meeting
- Cost projection review and CM/GC coordination
- Proforma and phasing coordination
- City release plans to CM/GC for bidding and guaranteed maximum price

Task 4: Bidding and Construction Support (TBD)

At the conclusion of the 60% milestone, we recommend rescoping construction services if needed for savings. We anticipate enough project information at this milestone to understand project construction expectations, complexities and phasing approach. Because final implementation scope is not currently known the following initial scope is anticipated:

- Bidding Support

- Support the City and CM/GC in responding to contractor coordination items, RFIs, and addendums
- Value engineering review
- Final contract and guaranteed maximum price with CM/GC

Construction Observation Services

- Support bi-weekly coordination meetings
- RFI and addendum support
- Site visits at key construction milestones
- Review of project submittals, shop drawings and mockups
- Review of monthly pay applications
- Preliminary and final punch list coordination
- Issue substantial completion certificate

Task 5: Contingency

We recommend maintaining a contingency budget to allow the city to respond quickly to known and unknown project needs as the work progresses. Such as 1) additional interactions with stakeholders or the city council as required to ensure timely communication, address questions, and keep the community well-informed, 2) coordination support for engaging a private party for implementation of the retail buildings on Main. 3) additional programming support for CAMS. To allow for cost control we suggest an hourly not to exceed task, which provides a maximum amount that can be reviewed periodically at billing cycles. Terracon will not utilize contingency funds without prior written approval from the City.

ASSUMPTIONS AND EXCLUSIONS

The following are assumptions and items are not included in our scope of work:

- Environmental assessments or remediation of site contamination are excluded from our scope.
- Professional arborist assessment of existing legacy trees is not included.
- Survey of the existing irrigation system is excluded; we assume the city will provide available as-built drawings of the irrigation system.
- Mitigation of unforeseen utilities, storm drains, vaults, or underground structures not shown in the plans or existing condition maps is not included.
- Preparation of revenue performance analyses and year-round programming activities is excluded; we assume the city team will supply and update this information as needed during coordination of final schematic design, phasing, and program elements.
- Significant changes to the approved design or not specifically identified above, including but not limited to: designing changes to adjacent right-of-way, including parking modifications, lane adjustments, traffic signals, and signage, is not included. We assume engineering for right-of-way improvements will be provided by others, and we will coordinate as necessary regarding parking, access, and site visibility.
- Design services for Main Stage improvements, including but not limited to sound and lighting.
- Removal of overhead power lines is not included in our scope.
- Preparation of detailed construction drawings and design sketches for areas outside the defined project boundaries is excluded.
- The Iconic Retail Shop on Main is excluded from this scope; additional services will be requested to support the owner in negotiation and design of this building.

FEE PROPOSAL

Terracon will provide the above Scope of Work for the lump sum fee indicated in the fee schedule below. The proposed scope responds to the preferred master plan with an anticipated construction budget of \$15-18 million. Roger Brooks identified 10% of construction costs to support designer fees. Our preliminary assessment based on our understanding of potential scope is approximately 8%. Much less than what was identified and below industry standard for this level of detail and complexity.

Table 1. Fee Schedule		
Task	Description	Total
Task 1	Project Administration	\$12,856.00
Task 2	Schematic Design (30% Milestone)	\$312,760.00
Expense 1	Topographic Survey	\$13,340.00
Expense 2	Geotechnical Report (Allowance)	\$35,000.00
Task 3	Documentation (60/90/100% Milestones)	TBD
Task 4	Contingency	TBD
Task 5	Bidding and Construction Support	TBD
	Total Lump Sum Fee (w/o contingency)	\$373,956

Hourly rates by team members are provided as follows:

TERRACON

Principal - \$235
 Project Manager - \$196
 Senior Designer - \$175
 Senior Landscape Architect - \$143
 Landscape Architect Designer - \$115
 APR/Quality Control - \$178

MHTN

Architectural Principal - \$300
 Architectural Project Manager - \$248
 Architectural Designer - \$167
 Designer - \$161

ALLIANCE

Civil Principal - \$230
 Civil Project Manager - \$202

RESOLUT

MEP Principal - \$288
 MEP Associate - \$230
 MEP Engineer - \$202
 MEP Specialty - \$230
 MEP Support - \$115

CLOWARD H2O

Principal / Officer - \$374
 Associate Principal / Director - \$317
 Senior Associate - \$288
 Associate - \$242
 Staff Engineer / Designer - \$219
 Clerical - \$144

Fee Estimate

Landscape Architectural Services Heber City Trailhead Plaza Phase 2 Proposal Terracon Proposal No. 1000011983 (JU257071)

TASK NUMBER	DESCRIPTION	UNITS	TOTAL
1	Project Administration		
	TERRACON (69 blended hours)	lump sum	\$ 12,856.00
	Lump Sum Sub Total		\$ 12,856.00
2	Schematic Design		
	TERRACON	lump sum	\$ 83,445.00
	MHTN - Architecture	lump sum	\$ 91,890.00
	Alliance - Civil	lump sum	\$ 57,328.00
	Custom Ice	lump sum	\$ 28,520.00
	Resolut	lump sum	\$ 21,555.00
	Cloward H2O - Water Design	lump sum	\$ 27,147.00
	JC Structural	lump sum	\$ 2,875.00
	Lump Sum Sub Total		\$ 312,760.00
3	Expenses		
	Alliance - Survey	lump sum	\$ 13,340.00
	Terracon - Geotechnical Report	lump sum	\$ 35,000.00
	Lump Sum Sub Total		\$ 48,340.00
	GRAND TOTAL		\$ 373,956.00

TRAILHEAD PLAZA DESIGN

Preferred Master Plan



07.07.2026

PRESENTING

Dave Harris – Principal in Charge

PREFERRED MASTER PLAN APPROACH

- **Priority Plaza Elements:**

- Less Pavement, More Lawn and Shade
- Legacy Trees, Seating
- Upgraded Restrooms
- Flexible Gathering Areas, Pavilion
- Improved Playground Experience, All Abilities
- Preserve monument and park heritage

- **Integrate Feedback to Consolidate Improvements to South**

- Implementation Scope
- Align & Clarify Path Forward

- **Skating Ribbon and Retail**

- Planned Locations
- Phased Approach If Needed

EXISTING MASTER PLAN

MASTER PLAN - ANTICIPATED ROI/PROGRAMMING

100

90

80

70

60

50

40

30

20

10



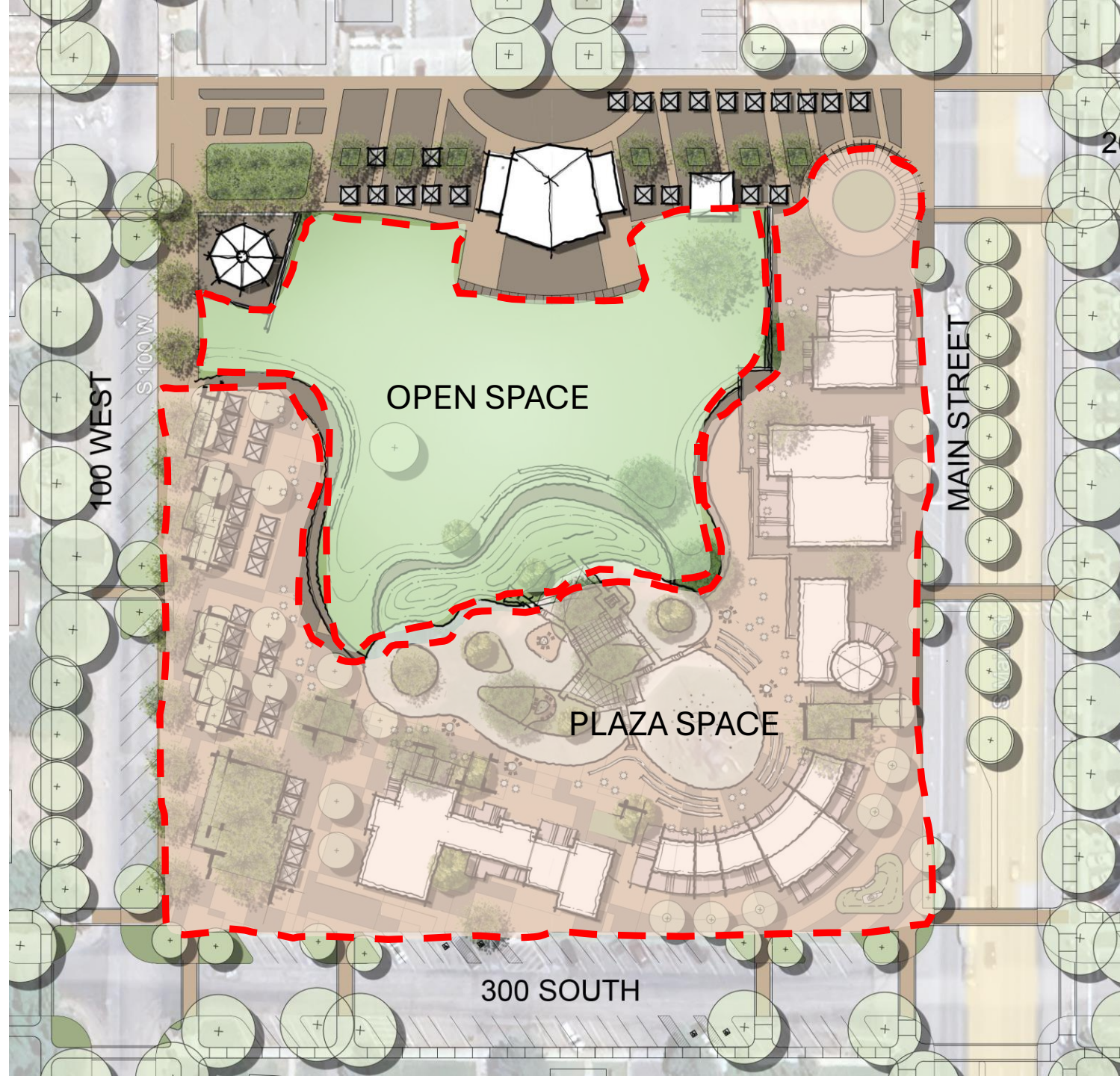
PREFERRED
DESIGN

06/16/26

TRAILHEAD PLAZA DIAGRAM 1

PREFERRED
DESIGN

06/16/26

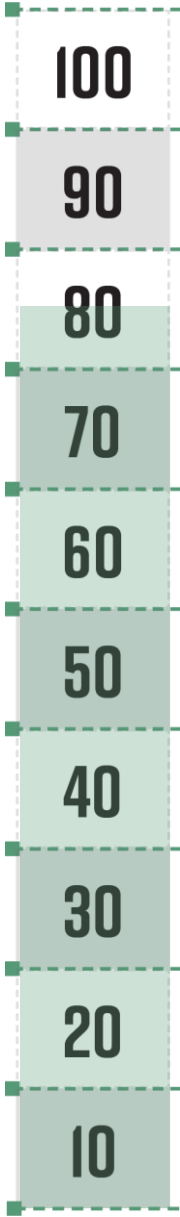






PREFERRED MASTER PLAN

MASTER PLAN - ANTICIPATED ROI/PROGRAMMING



Your Trail Guides



SCOPE OF WORK OVERVIEW

- **Phase A — CMGC Selection & Schematic Design (30%)**
 - Project administration and team coordination
 - Schematic design plans aligned to the approved master plan
 - CM/GC selection support and 30% cost estimating
- **Phase B — Construction Documentation**
 - 60%, 90% and 100% milestone drawings and specifications
 - Cost projections, phasing and CM/GC coordination
- **Project Management & Meetings**
 - Bi-weekly and monthly OAC and consultant coordination
 - City Council and staff presentations

OVERALL PROJECT TASKS

- **Task 1 — Project Administration**
 - Kickoff, client & consultant meetings, data collection, CM/GC coordination
- **Task 2 — Schematic Design (30% Milestone)**
 - 30% plans, preliminary cost estimate, phasing, and comment resolution
- **Task 3 — Documentation (60 / 90 / 100%)**
 - Design development through final construction documents
- **Task 4 — Bidding & Construction Support (TBD)**
 - Bidding, RFIs, value engineering, and construction observation
- **Task 5 — Contingency**
 - Hourly not-to-exceed for added stakeholder, retail & programming support

PROPOSED SCOPE / DESIGN FEE

Task 1

Project Administration:	\$12,856
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Task 2

Schematic Design (30% Milestone):	\$312,760
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Topographic Survey:	\$13,340
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Geotechnical Report (Allowance):	\$35,000
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Total Lump Sum Fee: \$373,956

- *Anticipated construction budget \$15–18M; design fee approximately 8%*

FUTURE TASKS FEE

Task 3 — Documentation (60 / 90 / 100%): TBD

Task 4 — Contingency: TBD

Task 5 — Bidding & Construction Support: TBD

DESIGN MILESTONES & TIMELINE

- **Notice to Proceed — July 2026**
- **Schematic Design — 30% Milestone**
 - July–October 2026 (12 weeks)
- **Documentation — 60% / 90% / 100% Milestones**
 - These tasks anticipated to 7-8 months
 - Design development (+/- 8 wks), 90% documents (+/- 16 wks), 100% (+/- 8 wks)
- **CM/GC provides Guaranteed Max Price**
 - Prepared at 100% milestone
 - Phasing and critical path identified

SCHEDULE

- NOTICE TO PROCEED – July 2026
- RFP for CMGC CONTRACTOR – September 2026
- SCHEMATIC DESIGN (30% Milestone) – July-October 2026
- DOCUMENTATION – October 2026 – Spring 2027
 - Design Development (60% Milestone)
 - Construction Documents (90% & 100% Milestone)
- CONSTRUCTION – Spring 2027 to TBD

COUNCIL DISCUSSION

TRAILHEAD PLAZA DESIGN

Preferred Master Plan



06.16.2026

PRESENTING

Lars Erickson – Project Manager
Dave Harris – Principal in Charge

PREFERRED MASTER PLAN APPROACH

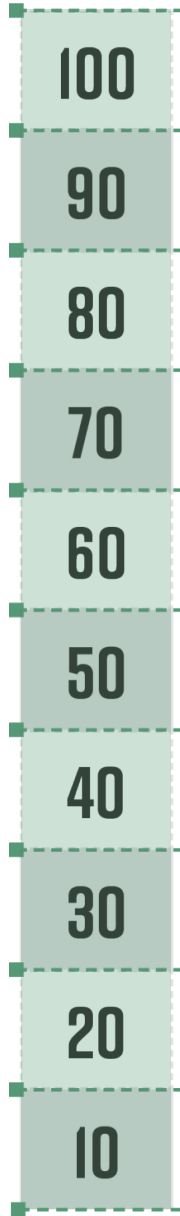
- **Priority Plaza Elements:**
 - Less Pavement, More Lawn and Shade
 - Legacy Trees, Seating
 - Upgraded Restrooms
 - Flexible Gathering Areas, Pavilion
 - Improved Playground Experience, All Abilities
 - Preserve monument and park heritage
- **Integrate Feedback to Consolidate Improvements to South**
 - Implementation Scope
 - Align & Clarify Path Forward
- **Skating Ribbon and Retail**
 - Planned Locations
 - Phased Approach If Needed

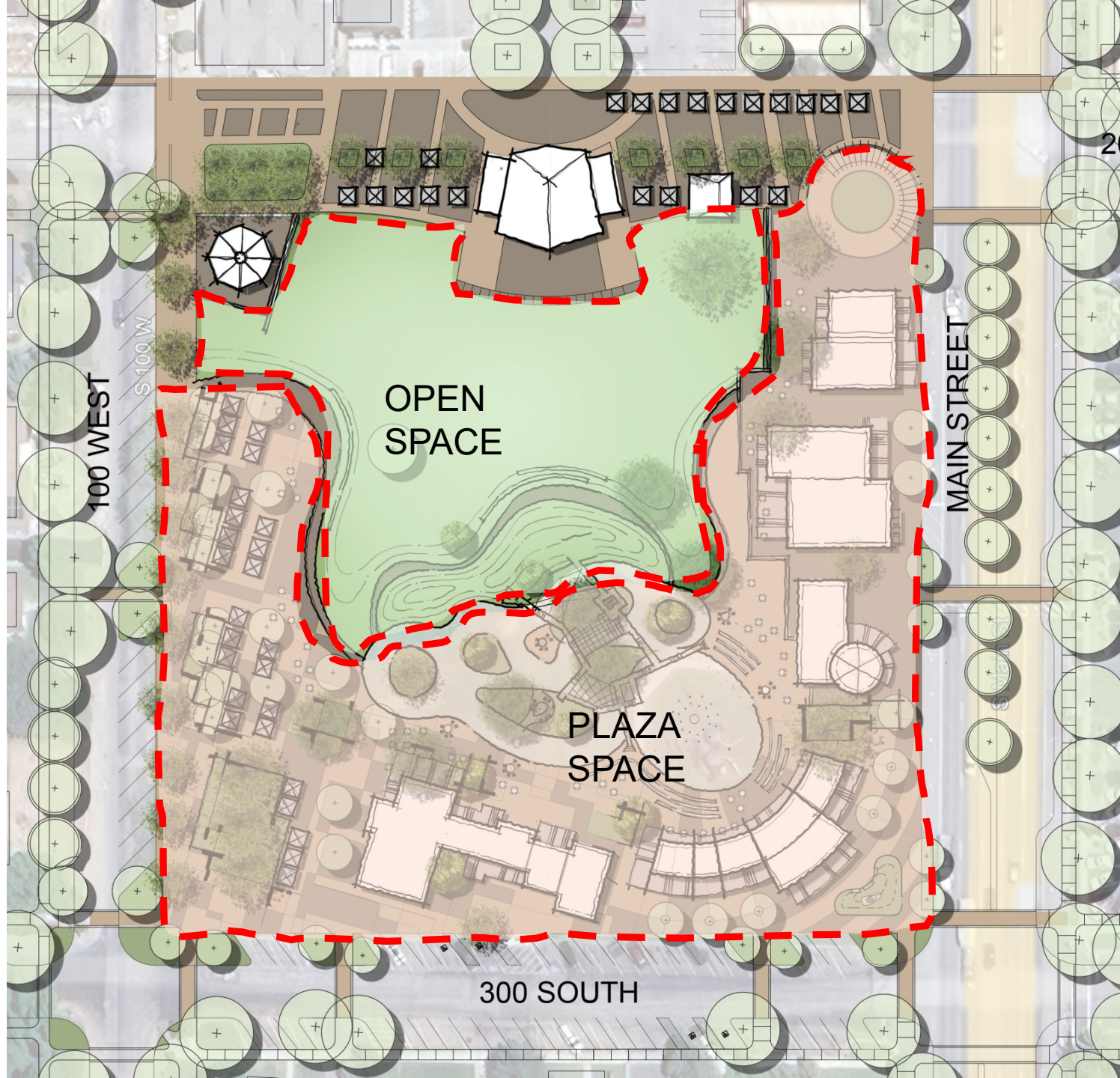
EXISTING MASTER PLAN

PREFERRE
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DESIGN
06/16/26



MASTER PLAN - ANTICIPATED ROI/PROGRAMMING







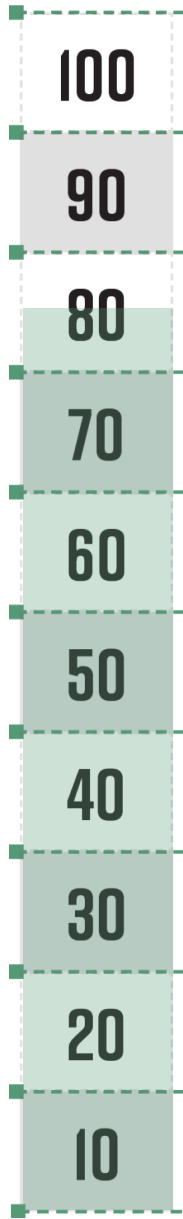


PREFERRED MASTER PLAN

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06/16/26



MASTER PLAN - ANTICIPATED ROI/PROGRAMMING

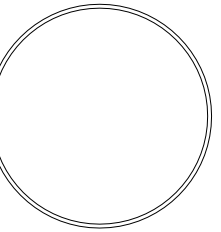


SCHEDULE

- NOTICE TO PROCEED – JULY 2026
- RFP for CMGC CONTRACTOR
- SCHEMATIC DESIGN (30% Milestone) – July-September 2026
- DOCUMENTATION – September 2026 – March 2027
 - Design Development (60% Milestone)
 - Construction Documents (90% & 100% Milestone)
- CONSTRUCTION – March 2027 to TBD

COUNCIL DISCUSSION

**TRAILHEAD PLAZA MASTER
PLAN HEBER CITY, UTAH**



UNLESS A PROFESSIONAL
SEAL WITH SIGNATURE AND
DATE IS AFFIXED, THIS
DOCUMENT IS
PRELIMINARY AND IS NOT
INTENDED FOR
CONSTRUCTION,
RECORDING PURPOSES,
OR IMPLEMENTATION

REVISIONS

DATE DESCRIPTION



TERRACON
Salt Lake City Office
6952 HIGH TECH DR., SUITE B.
Midvale, UT 84047
385.337.5967

L301



EXISTING FESTIVAL STREET PROTECT IN PLACE
ADD POWER FOR FOOD TRUCKS
EXISTING TABLE AND CHAIRS TO BE REMOVED AND
REPLACED FOR FOOD TRUCK ACTIVITIES
NEW CROSSWALK AND BULB OUT TBD
EXISTING PAVILION PROTECT IN PLACE
2050 MONUMENT AND FLAG POLE LOCATION TBD
NEW ANGLE PARKING TBD
LANDSCAPE BUFFER
POWER SERVICE BOTH SIDES FOR POP UP FESTIVAL
TENTS
NEW SHADE TREES (TYP)
SHADE WALK
HISTORY WALK US/UTAH/HEBER TIMELINE EVENTS
LEADING TO USA 250 MONUMENT
NEW YEAR A ROUND SHADE PAVILION
NEW SIDEWALK MULTI-USE PATH
ALBION GLOBE HEATED AND CONDITIONED SEATING
PODS
ALL ABILITIES PLAY 2-5 YEAR OLD HEBER VALLEY TO MOUNTAIN
THEME CELEBRATING ALL THINGS HEBER VALLEY
SKATE RIBBON/FUTURE ICE IF APPROVED W/ LIGHTS, SPEAKERS
GAS FIRE PLACE SEATING AREA
SHADE SEATING PICNIC AREA
ALBION GLOBE HEATED AND CONDITIONED SEATING
PODS
LARGE LEGACY TREES PROTECT IN PLACE (TYP)
LAWN AREA DOG RELIEF STATION TBD
NEW STREET TREES (TYP)
IMPROVED CROSSWALK AND BULB OUT TBD
EXISTING ANGLE PARKING PROTECT IN PLACE (TYP)

EXISTING FESTIVAL STREET ADD POWER FOR
FOOD TRUCKS
EXISTING PLANTERS
PROPOSED JEWEL BOX/POP UP RETAIL
EXISTING PICNIC TABLES TO BE REMOVED
AND REPLACED WITH PAVING
EXISTING STAGE PROTECT IN PLACE
EXISTING PAVING PROTECT IN PLACE
EXISTING LEGACY TREES PROTECT IN PLACE (TYP)
NEW SIDEWALK
EXPLORE OPTION FOR PROTECTED SLIP LANE W/ PARALLEL
OR ANGLE PARKING W/ DROP-OFF TRANSIT STOP
LANDSCAPE BUFFER
NEW SHADE TREES (TYP)
NEW SIDEWALK (TYP)
POWER FOR LIGHTS AND POP UP FESTIVAL TENTS BOTH
SIDES OF SIDEWALK (TYP)
LANDSCAPE BUFFER (TYP)
SCULPTED BERM/SLEDDING HILL
EXISTING LEGACY TREES PROTECT IN PLACE (TYP)
THE LOFT CUSTOM PLAY 6-12 YEAR W/ ALL ABILITY ACCESS
EXISTING CROSSWALK PROTECT AND ENHANCE ACCESS AND
SAFETY
GAS FIRE PIT SEATING AREA (TYP)
FUTURE EXPERIENTIAL RETAIL LEASE/PUBLIC PRIVATE
PARTNER TO CONSTRUCT. CITY TO STUB AREA WITH UTILITIES
3,500 SF FLOOR PLATE
SHADED OUTDOOR DINING
OUTDOOR FIRE PLACE SHADE SEATING AREA
LEGACY TREE PROTECT IN PLACE (TYP)
INTERACTIVE SPLASH PAD/POTENTIAL ICE OVAL
PLAZA SEATING
SPEAKERS/LIGHTING/POWER/WIFI/SECURITY CAMERAS
AROUND OVAL AND SKATE RIBBON
PLAZA DECORATIVE PAVING (TYP)
MOVABLE CAFE TABLES AND CHAIRS (TYP)
YEAR A ROUND PUBLIC MARKET / PUBLIC BUILDING
2,500 SF
NATIVE / NATIVE ADAPTED SHRUBS AND GROUND COVER
RELOCATED HISTORIC MONUMENT AND DONOR
WALLS TBD
IMPROVE PEDESTRIAN CROSSINGS (TYP)
EXISTING HEAD IN PARKING PROTECT IN PLACE

CHILLER YARD FOR FUTURE ICE RIBBON IF APPROVED 1,000 SF
ICE MELT PIT, ICE SURFACING MACHINE, EQUIPMENT
AND MAINTENANCE GARAGE 600 TO 700 SF

BIKE, E-BIKE, SCOOTER PARKING TBD

STREET TREES (TYP)
SHADED SEATING UNDER ROOFLINE

TRAIL HEAD BUILDING, PUBLIC RESTROOMS, SKATE RENTAL, PUBLIC MEETING ROOMS, OFFICE
SPACE, SUN DECK AND BASEMENT FOR STORAGE APPROX. 3,000 SQ FEET MAIN FLOOR

This master plan is a conceptual, graphic diagram that defines the overall vision for a site by illustrating the general location and relationship of major elements such as amenities, circulation, buildings, access, shade, and play areas while organizing them into a cohesive, functional framework that guides future improvements and long-term development. The plan focuses on spatial relationships rather than detailed design, with specific materials, grading, and construction details to be collaboratively refined with the City during the design development and construction documentation phases, resulting in coordinated, buildable drawings and specifications that guide implementation.



Heber City Council Staff Report

MEETING DATE: 7/7/2026
SUBJECT: Leveraging CRA (Community Reinvestment Agency) Owned Properties to Advance Envision Central Heber Long Range Plan
RESPONSIBLE: Tony Kohler
DEPARTMENT: Planning
STRATEGIC RELEVANCE: Community Development

SUMMARY

The CRA currently owns the old Heber Light & Power administration building, the two buildings formally owned by Wasatch Wave, and soon hope to own the old Fire Station, all located along 100 West between Center Street and 200 South. The City Council discussed the use of the Fire Station earlier this year at the annual retreat with the idea of it eventually becoming an Artist Maker Space/Artist Studios. Staff has been discussing potential leases with realtors to better understand how these facilities might be leased, how realtors might assist in that process and how realtors might assist in property management of the facilities.

The purpose of this agenda item is to 1) update the Board on the current status and condition of each building owned, or to be owned, by the Agency; 2) inform the Board of research staff has completed for leasing one or more of the buildings; 3) verify the Board's position relating to future use of each building; and 4) discuss the leveraging of a professional real estate company to lease and manage CRA owned properties.

RECOMMENDATION

Staff recommends the Board, utilizing the services of a professional real estate company, lease the two Wave buildings for commercial uses, consummate a deal with Wasatch County for the fire station, and provide direction concerning the future of the Heber Light and Power administration building.

BACKGROUND

Right now, the Community Redevelopment Agency (CRA) owns three properties: the two Wave buildings and the Heber Light & Power (HL&P) administration building. Each property has a specific purpose for the city:

HL&P Property: This land was bought to create more parking spots downtown. HL&P has completed their new administration building and moved out of their old administrative building. The building will be vacant beginning the first week of July. Options for the building include leasing for commercial

uses, temporary city uses, or tearing it down and converting it to a parking lot. The rear garage is intended to be used for storage, specifically items associated with programming the park/plaza.

Wave Buildings: These were bought with the intent of implementing the Envision Central Heber plan. The next step is to prepare the buildings for leasing to retail and/or restaurants that will be open after 5 p.m. and on weekends. The exterior of both buildings are being painted and generally improved in anticipating of entering into commercial leases. The McAfee family has asked that the lease on the smaller cinder block building (printing press building) be extended for an additional 4 months, in order to provide more time to remove remaining items from the building. The large rectangle building, except for a couple of large printing machines and shelves, is empty. Based on future commercial tenants' needs, the building could be divided up into three to four suites, or "build-out spaces." Leased space in downtown Heber ranges from \$0.25 to \$0.30 cents per square foot.

INDIVIDUAL BUILDING DESCRIPTIONS										
Building	GBA	NRA	Office SF	Office %	Year Built	Clear Height	Grade Doors	Dock Doors	Loading Door Ratio	Site Coverage
Flex Bldg.	6,000	6,000	3,480	58%	1999	14'	1	0	1.7	26%
Warehouse Bldg.	3,800	3,800	485	13%	1970's	14'	2	0	5.3	16%
TOTAL	9,800	9,800	3,965	40%		14'	3	0	3.1	42%

- At \$0.25 per square foot: $9,800 \times \$0.25 = \$2,450$ per month
- At \$0.30 per square foot: $9,800 \times \$0.30 = \$2,940$ per month

The Fire Station: The CRA does not own this building yet, but has designs to buy it from the county. First, it would likely be converted into an art studio space (called an art incubator). Later on, use the land for extra parking or redevelopment.

The county signaled that they have updated the fire station's property appraisal. For surplus and property sales, the county requires a current valuation, and our last appraisal is now nearly two and a half years old. The updated appraisal value is \$1,920,000, an increase of \$63,500. The purchase/sale agreement has been drafted and nearly ready for approval. The means of purchase will be from a portion of the \$7M negotiated with Jordanelle Ridge when monetizing 200 of their affordable housing units. Staff continues to research details of converting the building into an "art maker space."

DISCUSSION

To promote the downtown, Roger Brooks recommended the City promote at least 10 food businesses, at least 10 specialty retailers, 10 of which are open after normal business hours, all within a walkable area. With the CRA as a property owner, the CRA can orient its property leases to those types of businesses and ask as part of the lease agreement that the businesses stay open after normal business hours.

In interviewing Realtors recently, the City has learned that in leasing its properties, the CRA will incur a 6% fee associated with an agreement with a Realtor. Property Management rates will likely add another 6% to 8% fee on top of that. The City has interviewed 3 different Realtor groups to better understand these issues. The City is not equipped with the level of staffing for the City to find tenants,

manage leases, manage construction and manage the properties, and ensure lease rates reflect market conditions, so the City should look to an outside entity to manage these issues. Ideally, an outside entity would be responsible for leasing and property management so the City's involvement is minimized. Finally, with the leasing of the CRA properties, the City is likely to receive criticism from similar business types about competition; therefore, it is important for the City to ensure lease rates reflect market conditions.

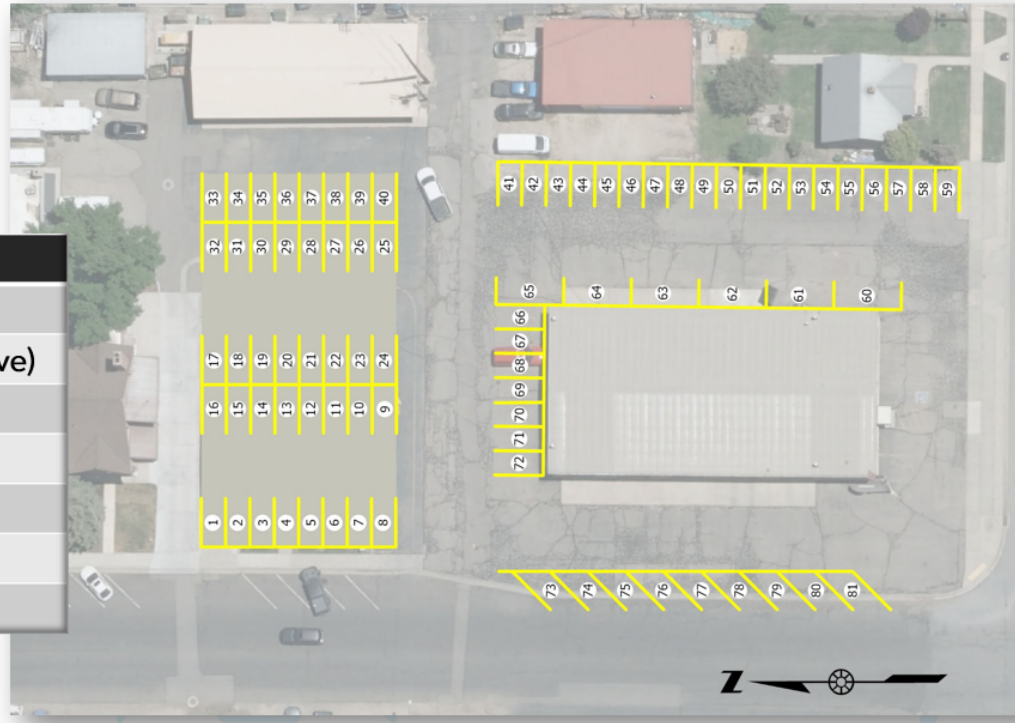
Realtors have also indicated it is important for the City to be committed to moving the needle on C Street improvements for the anticipated retail and food uses, as the existing buildings and sites are not suited well for those uses. In their current condition, the CRA's 3 sites are more attractive to light industrial uses such as flex space rather than dining and specialty retail. Additionally, Realtors indicate it is important to get all of these sites re-oriented to dining and specialty retail, as the different sites will benefit each other and have a synergistic relationship, helping not only each other but having a positive impact on other surrounding properties.

Terracon has been hired by the State DEQ to help Heber City refine its vision for the C-Street blocks. Terracon held an open house at a recent Heber Market on Main to gather public input on a draft concept for C-Street in the two-block area. Terracon is reviewing that public feedback and refining the concept into a Preferred Alternative for presentation to the City in the near future. Once the Preferred Alternative for C-Street is received, Heber City will need to reassess its plans, marketing, phasing and implementation strategy for these two blocks, especially in light of the CRA's landholdings that are being considered for renovation and leasing.

For the Art Incubator Space in the Fire Station that Council discussed earlier this year, it appears the most likely scenario for success would be to have a for-profit or non-profit organization lease the entire space, and sub-lease smaller spaces to artists and studios. There are examples of such relationships in the US, though there may be a challenge in finding an artist group that is ready and organized and available in Utah to take on such an enterprise. Staff will be touring similar facilities to identify a path forward for the Art Incubator Space.

Proposed HPL & Fire Station Parking

Features
72 off-street parking stalls
6 employee stalls (inc. above)
9 on-street parking stalls
Wide central driveway
Utilize existing driveways
No landscaping
Off-street circulation



Recently Installed Wasatch Wave Parking

Features
17 new off-street public parking stalls
3 new angled on-street parking stalls
"Public Parking" signs



FISCAL IMPACT

In addition to lease income, there will be costs associated with renovating the buildings, in the form of parking lot renovations and internal construction costs such as ADA improvements and new

bathrooms. Dining facilities could require significant improvements such as new kitchens, oven hoods, 3 compartment sinks, dishwashers, grease traps and water rights, etc. These costs can potentially be borne by lease occupants and addressed within the lease terms such as increased lease terms lengths. Higher investment requirements usually mean an increased expectation for a longer lease term.

CONCLUSION

Staff recommends preparing the Wave buildings for commercial leases, with final lease terms subject to city council approval. While the HL&P building was originally purchased to expand core downtown parking, discussions continue regarding whether to preserve the structure or demolish it for a parking lot. Additionally, the city is deciding whether to merge its justice court with the county, which would allow the vacated space to be repurposed for internal city needs. This decision could influence what is ultimately decided for the HL&P building. Additionally, the fire station purchase and sale agreement is scheduled for council adoption when presented later this July.

ALTERNATIVES

1. Pursue the leasing and management of the properties through a professional real estate group;
2. Bulldoze the buildings and install surface parking

POTENTIAL MOTIONS

Alternative 1 - Approval - Staff Recommended Option

I move to **approve** the item as presented, with the findings and conditions as presented in the conclusion above.

Alternative 2 - Approve as Amended

I move to **approve** the item as amended, as follows.

Alternative 3 - Continue

I move to **continue** the item to another meeting on [DATE], with direction to the applicant and/or Staff on information and / or changes needed to render a decision, as follows:

Alternative 4 - Denial

I move to **deny** the item with the following findings.

ACCOUNTABILITY

Department: Planning
Staff member: Tony Kohler, Community Development Director

EXHIBITS

1. Leases

2. HeberCityDowntown&Parking
3. 0124024071 - Industrial -165 South 100 West, Heber City, UT - Report
4. HLP admin building appraisal 2024
5. Fire Station 1-24-26



DISCLAIMER: The lines drawn on this map are for reference use only. Heber City makes no warranty or guarantees as to the accuracy, reliability, or usefulness of the information found on this map. Heber City assumes no liability for direct, indirect, special or consequential damage resulting from the use or misuse of this information.

Heber City CRA Potential Property Leases

June 29, 2026

Parking Solutions & Downtown Business Mix

Fall/Winter 2024



Heber City, Utah Envision Central Heber 2050 Implementation Planning

Destination Development
Association



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The 20 Ingredients of an Outstanding Downtown



1

Razor sharp focus

Food, art, entertainment, antiques, wine, nightlife...



2

The Action Plan

Your to-do list from A to Z. It takes a whole community to win.



3

Critical mass

10 eateries, 10 retail shops, 10 open after 6, in three blocks.



4

Anchor tenants

Shops, restaurants, activities people will travel for.



5

Consistent hours

Businesses open common days and hours.



6

Living, staying downtown

Condos, loft apartments, hotels, and inns.



7

Pioneers with vision

And patient money, who take the chance and make the investment.



8

Just one block

Concentrate on creating one awesome block. Your demonstration project.



9

Four hour parking

Better yet, all-day parking within two blocks.



10

Public restrooms

Relieved shoppers and visitors spend more. Open after 5:00!



11

A Programmed Plaza

250 days of activity a year. Retailers will follow - in droves.



12

Community gateways

First impressions are critical. Add directions to downtown.



13

Wayfinding system

Vehicular & pedestrian wayfinding, pole banners, visitor info kiosks.



14

Downtown gateways

Create a sense of place and sense of arrival. You're here!



15

An Intimate setting

Just one traffic lane each direction and crosswalks every half block.



16

Blade signs

Retail signs perpendicular to traffic. Consistent height and width.



17

Sidewalk cafe dining

Beautification, umbrellas, lighting = incredible ambience.



18

Curb appeal

70% of first-time sales come from curb appeal. Beautification pays!



19

Constant activity

Activities and entertainment. Bring downtown to life!



20

Give downtown a name

A name makes it a destination, not a geographic designation.

INTRODUCTION

The future of cities is changing dramatically as the U.S population is increasingly mobile, and for several reasons:

1. For the first time in American history, jobs are going where the talent is, or where the talent wants to be. This means that community development, or quality of life, is leading economic development.

2. In recent research where thousands of Millennials (those in their 30s and 40s and the largest generation in U.S. history) were asked about their priorities when it comes to putting down roots.

Surprisingly, nine of the top ten priorities were quality of life. In fact, having a secure job was number nine on their list.

The Millennials, and now Generation Z following them, are looking for the perfect place to live and raise a family. Not surprisingly, their top five priorities include good schools, clean air and water, a sense of place (downtown), recreation, and health care and affordability.

Out of their ten highest priorities, Heber City easily has eight of the ten, which is difficult for ANY city of achieve. The two challenging ingredients are affordability and a sense of place: a true downtown.

While affordability is a tough topic to tackle, creating a true "downtown" is achievable. Completed and adopted by Heber City in late 2023 was the Envision Central Heber 2050 plan, designed specifically to address the creation of a real sense of place - a true, pedestrian-friendly downtown.



INTRODUCTION

This research and plan is meant to be among the first implementation steps to creating a desirable and economically feasible downtown.

The first two projects implemented in the 2050 Plan include the fountain at City Hall, and the Main Stage at the City's upcoming Trailhead Plaza.

The third project is the development of Trailhead Plaza - Heber's Community Living Room, which will finally create a hub and a true sense of place for the City and its citizens.

Following that is the creation of a pedestrian-friendly, intimate, downtown shopping, dining and entertainment district, with an orchestrated business mix. For the time being we are referring to this district as the "C Street Trail."

Tied to that is solving parking demands tied to making downtown a better gathering place for local residents and their visitors.

Both of these issues are addressed in this Plan. In essence, these five projects (City Hall Fountain, Main Stage, Trailhead Plaza, C Street Trail, and parking) make up the first five years to implementing the 2050 plan.

Nearly all of the major initiatives after that revolve around private-sector investment into "Central Heber" - your "new" downtown.

In the following pages you'll see the initial plans of how the C Street Trail may evolve and why it's important. We will detail the perfect business mix, making downtown Heber City one of Utah's best downtowns - in a city that currently doesn't have a true downtown core.

Downtowns are now about people, not cars and traffic. It was a painful exercise to have to tell city officials that Heber will never have a successful, vibrant downtown core area along Main Street.

Why? Because it impossible to encourage outdoor dining, walking and gathering areas where you can have a normal conversation, when you have tanker trucks roaring by every twenty seconds, almost twenty-four hours a day and tens of thousands of other vehicles coming through downtown from dawn to dusk.

Successful downtowns are places you go to, not through. In fact, the most successful downtowns have either no vehicles (except emergency and delivery vehicles) or have one lane each direction, with average speeds of less than 20 miles an hour.

We've often wondered how many people traveling through central Heber even know that in just a block or two you have several restaurants, a fly fishing shop, a bike shop, theater, home accents and furnishings, and other great shops.

And if they know they are there, how often do they decide it's not worth the hassle to visit them.

Over a seven year period, the Destination Development Association (DDA) conducted one of the largest research projects, ever, on what makes a great downtown. The DDA researched 2,000 downtowns and downtown districts across the U.S. and Canada, found 400 of the most successful, and from those, found the twenty most common ingredients that lead to their success. See the poster developed from that research on the opposite page.

The good news: With the implementation of this plan, Heber City will end up with 18 of these 20 ingredients.

This plan provides the focus, the action plan, the critical mass (clustering of like businesses), anchor tenants, consistent hours (with the help of property owners), and the creation of lodging and living units downtown.

To make this work will take "pioneers with vision" and patient money, but it only takes one block to make this a success.

Parking and public restrooms are addressed in this plan, the programmed plaza is on the way.

Community and downtown gateways, along with wayfinding will be one of the follow-up projects to this plan.

Creating a pedestrian-only district will provide an intimate setting, merchants will have excellent signage, sidewalk dining, great curb appeal, and programming of Trailhead Plaza AND downtown will keep it active and vibrant.

Welcome to downtown Heber City and to the up and coming C Street Trail - your shopping, dining and entertainment district that will be the envy of communities across the country, let alone Utah.

This is part of the road map to making this a reality. You are very lucky to have a forward-thinking city council and staff that are looking to the future and finding ways to make Heber City an even better place to live, work, invest in, and visit.



DOWNTOWN BUSINESS MIX

BUSINESS MIX RESEARCH



Over the past twenty years, a major transformation has been taking place in downtowns across the country.

Downtowns are now where locals go after work and on weekends. In fact, according to the National Retail Federation, nearly seventy percent of bricks-and-mortar shopping now takes place after 6:00 pm.

With the advent of Amazon, and the fact that more than fifty percent of all American households pay to be Amazon Prime members, downtown shops have shifted to Etsy-style shops: small, locally grown specialty shops offering goods that are typically impulse buys or offering goods and services you can't easily find on Amazon or in big box stores.

Nearly two-thirds of the basic, utilitarian, suburban malls across the country have now closed. The successful malls that still remain and do well tend to concentrate on higher-end retail goods and are more experiential: going there is an experience, not just a collection of stores under a single roof.

Even outlet malls are struggling in the face of so many online discount retailers.



Because downtowns often include dozens separate property owners, each with their own ambitions and priorities, they've slow to catch on to what works and what doesn't. Because of this came the advent of Lifestyle Retail Centers.

A perfect example would be Station Park in nearly Farmington, Utah.

A visit to Station Park and you'll find narrow streets with parking behind the retail core, extensive and beautiful landscaping along the street-fronts and in common areas.

They also have "anchor tenants." These are the businesses customers will go out of their way, making a special trip for. The Apple Store in Station Park is an example of an anchor tenant. Sometimes it can be a signature restaurant, or another major draw to the development.

At Station Park, and other lifestyle retail centers, find wide sidewalks making it pedestrian-friendly, a small ice rink in the winter and large fountains during the summer months, with outdoor seating areas, music, food vendors, restaurants with outdoor dining areas, shade trees every thirty feet or so - the ingredients required to create a sense of place. This is the art of Placemaking.

The word "Lifestyle" is key to making the visit experiential. And it's a key to any downtown development project.

While these faux downtowns provide inspiration for "real" downtowns, they are filled primarily with chain eateries and retail shops. And because they are manufactured, they little in the way of authenticity.



THE PERFECT BUSINESS MIX

Heber City has its own challenges. The city, over the years, became a hodge-podge mix of businesses that want Highway 40 exposure. Both north and south of the downtown core area, the city has dozens of big box retailers, fast food joints, chain restaurants, auto and related dealerships, and strip malls.

Downtowns, on the other hand, are about people, not cars. Successful downtowns are pedestrian-friendly, if not pedestrian-only, and offer a beautiful intimate setting.

There is zero chance of creating this in Heber City where Main Street is a major highway.

In our research, we asked two primary questions:

1. Where could a downtown be developed?
2. What would be included there?

These are the same questions asked during the Envision Central Heber 2050 planning process. The answer was clear and make total sense: use the 50 West alleyway half a block behind Main Street, currently dubbed C Street Trail. This way retailers have the benefit of both Main Street exposure, and access via a pedestrian-oriented district that can be programmed with activities and entertainment, making it experiential.

This plan answers the second question, "what would be included there?"

Over several years, the Destination Development Association (DDA) studied more than 400 successful downtowns, of every size, detailing the retail mix in each - by population size.

Within a three-mile radius of Main Street and 100 South, the current population is approximately 16,000. If you go out seven miles, the population is nearly 21,000 - Heber's primary service area.

In one of Utah's fastest growing areas, that number may be closer to a 45,000 service-area population in short order.

Based on a population of 25,000, here are the local businesses that would be a perfect fit along the C Street Trail:

- Timber Knives
- E-Power Bike and Boards
- Local Grind
- Lee Music
- Midway Bakery
- Chick's Cafe
- Heartland Bread Company
- The Pretzel Connection
- Johnny Adophson Photography
- Innovative Custom Jewelry
- Roonies Ice Cream
- Ritual Chocolates and Coffee Shop
- Five Penny Floral
- Wigglish Toy Store
- Fish Heads Fly Shop
- Trek Bikes Heber City
- Avon Theater
- Corner Treats
- Mountain Wellness Bar
- Taquaria Los Hermanos Mexican Restaurant
- Wonderwall Gallery and Framing

All of these business already exist in Heber City and would increase their sales by moving to, or remaining along, the C Street Trail.

Other shops that would be ideal - and should be recruited to the C Street Trail include:

- Outfitter (hiking, climbing, outdoor gear)
- Butcher shop
- Home Accents, candles, hand-crafted items
- Clothing shops
- Quilting, Stamping, other hobby shops
- Shoes
- Cupcake shop, additional bakery
- Wine shop
- Kitchen Store
- Olive oil and specialty seasonings
- Additional galleries
- Micro-brewery (with food)
- Confectionery
- Frozen yogurt
- Tea gallery
- Ethnic sit-down restaurants
- Market fresh foods

In the three-block C Street Trail, there should be:

- At least fifteen sit-down dining restaurants (including those already in place)
- At least six casual and take-out food services such as coffee shops, delis, confectioneries, cupcakes, gourmet foods, Panini shop, etc.
- At least forty specialty shops

There will be an immediate fear that bringing in "competition," such as more restaurants will kill restaurants already in place. This is simply not true and has been proven to be a wrong assumption hundreds of times. If C Street Trail was home to 30 sit-down restaurants, each one a different ethnicity or specialty, people would drive from Salt

THE PERFECT BUSINESS MIX

Lake City just to have dinner in Heber City.

The more you have of something, the more all will do even better. This is why you see auto malls. Why would Toyota want to be right next to Subaru, Ford and Nissan dealerships? Because they do seven-times the business when clustered together. The same with antique malls, food courts, furniture “districts,” etc.

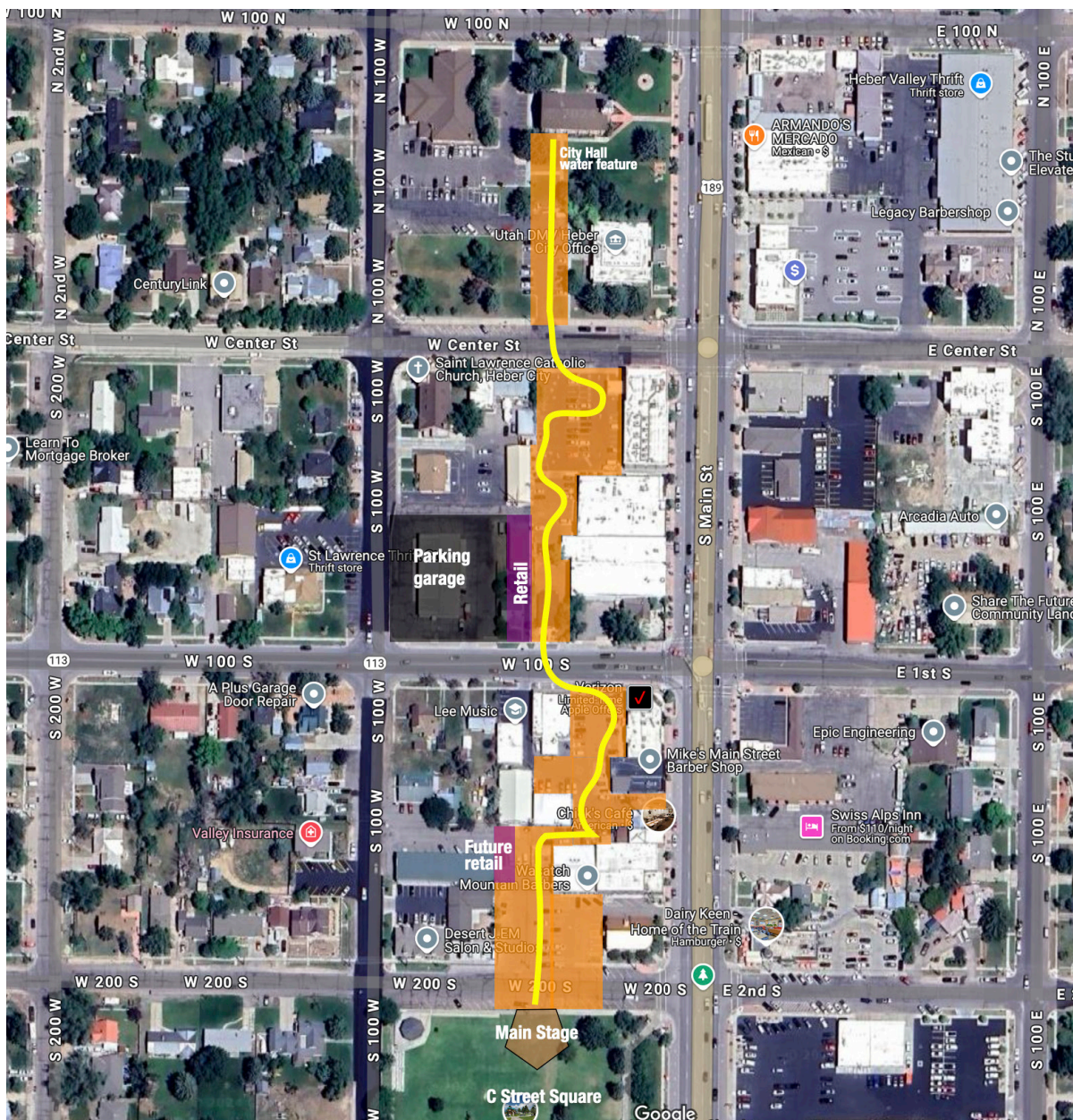
A novel idea promoting restaurants is to put a 14' flagpole in front of the establishment, showcase a flag of the country they specialize in. A Thai, Mexican, Brazilian, Japanese, American, German, and Swiss flags. This would make C Street Trail an outstanding international cuisine district.

All in all, C Street Trail, when fully developed, should contain approximately eighty specialty shops and dining establishments.

Many of these may be as small as 200 to 400 square feet up to about 2,500 square feet, with full-service restaurants in the 5,000 square foot range.

Every district, like C Street Trail, needs to have at least one “anchor tenant,” a business that, by itself, makes downtown worth a special trip. There are several businesses in Heber that already Anchor Tenants to the city: Dairy Keen, The Hub, and Back 40 Ranch House Grill quickly come to mind. There may be others as well. Having several of these along the C Street Trail will be very important for its long-term success.

Upper floor businesses are perfect for mixed-use professional service businesses and residential units.



C STREET TRAIL

Downtown hotels command higher average daily rates than do highway hotels and having limited service lodging along the C Street Trail would be a boon to the city and to C Street retailers and restaurants.

C STREET TRAIL

The C Street Trail - Heber City's pedestrian-only retail shopping, dining and entertainment district - is just in the very beginning of the planning process.

As the Envision Central Heber 2050 plan was being developed, the rendering (below right) showed how this district would look and feel.

It shows street trees, vendor booths, outdoor dining areas, a food truck, fire pit, retail awnings, soft overhead lighting, down-facing street lights - all in a very pedestrian-friendly setting.

Many saw the buildings as a future removal of all existing buildings in order to create new buildings along the lines of what is shown in the rendering. That couldn't be further from the truth unless private property owners want to embark on a project like what is shown.

The overhead view (opposite) is more in line with how the C Street Trail would be developed.

As you can see, only one building has been removed, and perhaps could be relocated. And that's the E-bike shop along 100 South. This is a business that is perfect in the C Street Trail so there's no intention of removing them, but perhaps over time, they could be accommodated in one of the shops along the trail.

The area colored in orange would become the "pedestrian mall." The yellow line or "trail" simply shows how pedestrians could access all of the shops and eateries in this three-block district.

The C Street district would be anchored at the north end by City Hall and the Timpanogos Valley Theatre and the Main Stage at Trailhead Plaza.

On the corner of W 100 S, plans call for the development of a 450+ public parking garage, with ground floor retail facing C Street Trail.

This alleyway is largely privately-owned with some public access along the route. The private properties are currently used for parking and, in total, include about 185 parking spaces.

The goal is to have local businesses and property owners convert this space to beautification, patio dining, water features, and event space. In exchange, staff and customers would use the parking garage, which gives them covered parking and only a one-block walk to any of the businesses along the Trail.

The Trail would be open each morning for delivery access (typically before 10:00 AM) and for emergency vehicle access. Bollards would be placed at each cross street, and these can either be manually or electronically lowered and raised as needed.

Property owners would be encouraged to develop the "backs" of their buildings facing C Street so they have front door access on both Main and C Street. This is exactly what they did in Caldwell,



C STREET TRAIL

Idaho so that downtown businesses could front their Main Street and Indian Creek Plaza.

In order to encourage property owners and local businesses to make these changes, the city, working with CAMS (Community Alliance for Main Street) to program C Street with a varieties of activities in a beautifully landscaped setting - basically extending Trailhead Plaza activities throughout downtown.

While this is very early in the actual planning process for C Street Trail's development, the goal is

to work with private-sector property owners and investors, as well as local businesses to make this a win-win for them.

The city would create a great public-access atmosphere while the private-sector would develop the retail, restaurants, facades, and on-site amenities and activities.

The ultimate goal is to create a central gathering place that is lined with small shops, cafes, and restaurants away from the noise of tanker trucks and heavy traffic in a safe, inviting and appealing

setting, like you see in the photo, below.

This is coming to downtowns across North America, and how it's been for centuries throughout Western Europe.

A plus for the C Street Trail is rather than having a straight row of shops, the Trail will actually meander around some shops making it far more interesting with something new to discover around each corner or around each collection of shops.

There are some businesses already in this area that would not be part of the "highest and best use" of these properties.

All of these businesses are wanted, and needed, in Heber City, but over time they might decide to locate in upper-floor spaces or in other areas more suitable to their business.

Sometimes this includes "rearranging the business mix" so that destination retail is placed along C Street Trail, and neighborhood retail (banks, pharmacies, shoe repair, etc.) are in another well-defined area of Heber City.

This has worked well in cities like Park City; Jackson, Wyoming (Jackson Hole); and Sisters, Oregon.

Roger Brooks was working in Jackson, Wyoming as they focused on becoming one of the largest arts towns in the U.S., with a focus on Native American and Western art, including western furnishings and home accents.

One of the existing businesses in the core downtown area happened to be an insurance agency and they owned the building. He, and other similar businesses, had no intention of moving and



ZONING RECOMMENDATIONS

none were forced to do so.

Over time, downtown became home to more than eighty-five galleries and western living shops, and the insurance agency realized they could lease their property to a “destination retail” shop, which commands a higher rent, and then move to another part of town (just a couple of blocks away) where other like “local” businesses were located.

As C Street is developed, the business mix will organically shift to meet the needs of the customers that are in front of their buildings.

ZONING

It is recommended that the C Street District have a zoning overlay that does not allow for chains and franchises along the C Street Trail.

This keeps the Trail organic to Heber City with local shops and eateries.

Remember that the Trailhead Plaza is a business incubator with the goal of helping grow businesses on the plaza in small kiosks and retail spaces, and then move into inline permanent locations along the C Street Trail or in other areas of downtown Heber City.

This district should also have strict design standards, blade signs in a uniform height and size, no backlit signage (a neon open sign would be allowed in shop windows), and other ordinances specific to the district.

Awnings should be encouraged and other elements and guidelines encouraged. This can be done by creating a “C Street Trail Guidelines and



Options” book with photographic examples that include seasonal decor, window displays, exterior facade treatments, extension of window displays to exterior spaces, sidewalk cafe seating, benches, pots and planters, etc.





PARKING

PUBLIC PARKING

LONG TERM SOLUTIONS

The old model of so many parking spaces per square foot of office or retail no longer applies in high-density shopping, dining and entertainment districts - core downtown areas. In fact, that model has, for the most part, been out of date for more than twenty years.

And with downtowns finally focusing on people instead of cars and parking, great solutions are now in play.

Typically, the city will build parking structures (often they are privately developed in large urban cities) and new development projects pay an in lieu fee to help offset the cost of providing public parking.

This way development can concentrate on the highest return on investment, which includes retail, office, lodging, food services, and entertainment venues instead of taking up valuable space for parking lots.

The Envision Central Heber 2050 plans call for high-density development with a focus on a mix of uses in a beautiful, pedestrian-friendly environment.

In reviewing the 2050 plan, the types and quantities of businesses that will, over the next twenty-five years, be developed in downtown Heber, and then including public parking already in place (primarily street-front parking), there will be a need for an additional 1,200 parking spaces.

This is in addition to the approximately 380 city-owned street-side parking spaces along Main

Street, on each side street one-block east and west from 100 N to 400 S. This does not include any public parking along the E 100 and W 100 blocks throughout the district.

This would serve the core high-density district, which would have its own “parking district” and set of rules that differ from traditional surface parking lots both north and south of the core business district. The Central Heber Parking District (see map, opposite) would encompass the blocks from 100 North to 400 South along Main Street and, from west to east would include 150 West to 150 East.

Should properties along 100 W and 100 E be zoned for commercial use, in the future, then those properties would fall under the Central Heber Parking District.

The district includes ten square blocks, and over time, this Parking Plan includes the development of three 400+ space parking structures, two on the West side of Main, and one on the East side of Main.

Each of these would include ground floor retail where they face Main Street or the C Street Plaza and would have decorative screening so that they aesthetically pleasing.

Location ideas have been discussed, but no determinations have been made, at this point. The first, and primary structure, will be located on publicly owned land (see yellow square, opposite), but the other two sites may be developed on privately-held properties.

SHORT TERM SOLUTION

The goal is to create the first parking structure in 2026, with 2025 set aside for property acquisition, architecture and engineering, fundraising, permitting, site clearing and prep, etc.

Because this structure will open onto the future C Street Trail, retail frontage will be placed on the street level of the parking garage. This could extend up two stories, as they did (opposite far right) in downtown Boulder Colorado.

If you look at the large photo on Page 14, you'll see retail on the ground floor, office space on the second floor, and if you look closely, you can see the parking structure behind these frontage uses.

The recommended parking structures would include three parking decks, plus ground floor parking behind the retail shops, providing four levels of parking, including the roof level.

Each of the parking garages would likely be a public-private partnership with the private-sector ownership and development of the retail and upper floor uses (if any). Some of the spaces within the garage would be condominium parking stalls for the use of those tenants and property owners.

This should still allow for more than 300 public-use parking spaces in the structure.

Once C Street Trail has been developed, the businesses along the trail would use the parking structure (185 spaces when every space is full), still leaving well over 100 spaces for customers.

The other two parking structures will need spaces in each to accommodate retail as part of the struc-

PUBLIC PARKING



ture, but wouldn't need to offset the loss of parking in the C Street Trail district.

PARKING FEES

To help offset the cost to develop these structures, there would be a charge to use the parking garage. The trick is to make the parking "worth the cost." If you ever attend an NFL game or other major sporting event, or a major event you'll find parking fees range from \$10 to \$30 and attendees are often willing to pay that for the convenience. A good chunk of attendees will take public transit, Uber, Lyft or micro-transit to attend these.

A good model for Heber City would be a fee along the lines of \$1 per hour, up to a maximum of \$5 per day, with no time limits in each 24-hour period.

To have covered parking during the hot summer months and icy winter months (except for the roof level) makes this a valuable, and worthwhile expense.

By charging no more than \$5 also incentivizes customers to stay longer. After all, after the first five hours, it's free. This also is a benefit to workers who might use a parking space for nine hours each day (including lunch period).

If a 450 spaces garage averaged seventy-percent occupancy, and accommodated two turns (a person for five hours, and a second person in the same spot

for an additional five hours), the garage would generate \$3,150 per day or \$1,134,000 a year in parking fees. This is conservative at both seventy-percent and only ten hours of use each day, so revenues would likely be higher than this.

While most parking structures are now automated, there will typically be at least one of two people assigned to work in each garage for security, maintenance, and customer assistance. Other costs include insurance and capital costs.

But that should still provide about \$500,000 per year to offset the cost of development.

Depending on the arrangement with retail development at each structure, additional revenues would be realized to help offset the cost of development. Particularly the full cost of developing the spaces they would "own."

The photos, left, show three examples of parking with first, floor retail and decorative facades.

CITY-OWNED STREET-FRONT PARKING

The city (and county) currently is home to 380 on-street parking spaces along Main from 100 North to 400 South, and one block east and west from Main. This does not include parking along E 100 and W 100 blocks.

Initially, we recommend that no parking fees be charged for use of these spaces, but that a three-hour time limit be strictly enforced to encourage parking beyond three hours in the garages where not time limits are imposed.

PUBLIC PARKING



18 Heber City, Utah

DEVELOPMENT FEES

For each new development within the Central Heber Parking District, for every 350 square feet of retail or office space, the developer would pay an in lieu fee of \$4,000 to help offset the cost of a parking structure.

Current city ordinances call for three parking spaces per 1,000 square feet. This is in keeping with that ratio.

The average cost of develop a single surface parking space, not including land acquisition, is approximately \$8,000. So this fee should not be an impediment, at all, and is actually great incentive to develop high-quality retail, office, restaurant, or living/lodging spaces within the district.

The average cost of developing a multi-level parking garage is typically \$30,000 to \$35,000 per space, with attractive screening.

No business within this zone would be required to provide parking.

With reagrds to upper level lodging or residential the in lieu fee would be as follows:

Hotel rooms	\$4,000 per room	(1 space)
Studio living	\$4,000 per unit	(1 space)
One bedroom	\$6,000	(1.5 spaces)
Two bedroom	\$8,000	(2 spaces)
Three bedroom	\$12,000	(3 spaces)

These figures also accommodate guest and staff parking.

HIGH VALLEY TRANSIT

Wasatch County recently passed a levy that allows for expanded High Valley Transit services throughout the county.

The Trailhead Center will be a transit stop, and we recommend that four other easy-to-identify stops, with covered shelters be located at or near:

- 1) The Timpanogos Valley Theatre (serving it as well as the city and county offices)
- 2) At the current Heber Valley Tourism offices (500 N and Main)
- 3) At or near the police department building
- 4) At or near Dairy Keen or the Swiss Alps Inn.

The photo, opposite top left, shows one of the “Trolley Stops” used in Gatlinburg, Tennessee. The photo below that shows the trolley stop in Springdale, Utah.

Schedules, QR codes, and other information should be posted at each location, along with contact information for Micro-Transit services.



PUBLIC PARKING



EVENT PARKING & SHUTTLES

For large-scale events (about thirty each year), off-site parking would be accommodated with shuttles running every 20-minutes between the parking and event location (typically Trailhead Plaza).

The goal is to provide event parking on the west side of town near the fairgrounds, ballfields, rodeo grounds, and future high school. We took the liberty of showing the parking next to the county ball-fields, if it were paved with a transit stop to see how many spaces it can accommodate (see lower right concept). There are 480 spaces here. The goal is to not have competing events at the

same time. For major sporting events, it would be beneficial to provide shuttles between the sporting facilities (and the scenic railroad across the street) to Trailhead Plaza and downtown.

Then during Trailhead Plaza events, the shuttles would offer rides from parking on the West side to downtown.

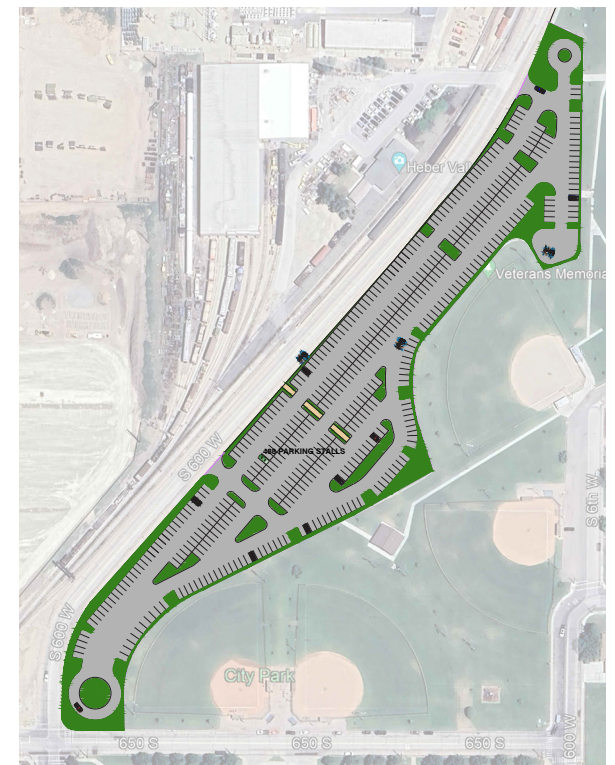
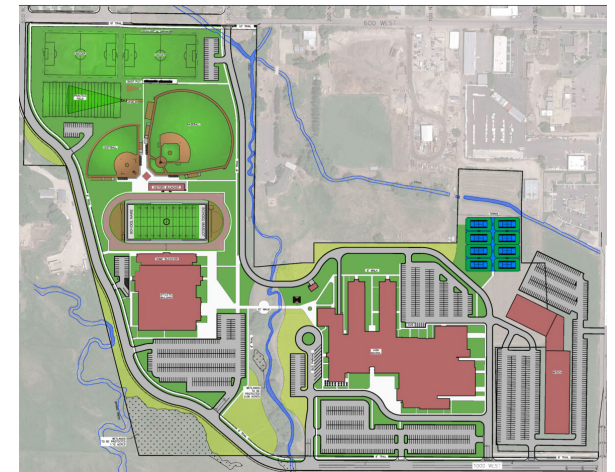
There will be more than a thousand parking spaces in the Depot and Old Town Heber area once the high school is built.

During weekends, and during the summer months, perhaps an arrangement can be made with the school district to also utilize its parking areas larger downtown events.

And the same could be done with the fair and rodeo grounds - and other parking areas in this part of town.

Over time, and by the time the Winter Olympics take place (2034), Heber City may decide to purchase two or three rubber-tire trolleys (top right photo) and provide its own shuttle service, every 15-minutes between the west side of town and downtown.

Studies have shown that event guests will typically wait up to 15 minutes to catch a shuttle. Otherwise they will simply drive.





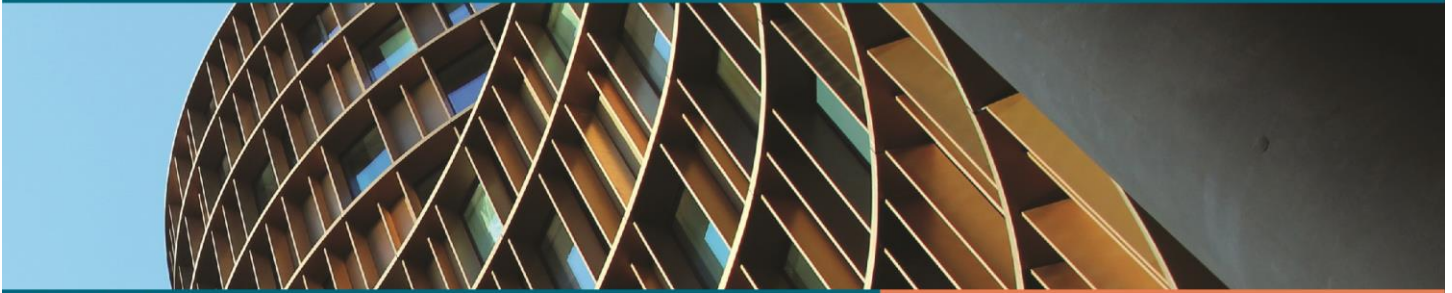
Contact Information

Destination Development Association
5919 Hwy. 291 Suite 1-187
Nine Mile Falls, WA 99026
(206) 241-4770

Email: Becky@DestinationDevelopment.org
www.DestinationDevelopment.org

 **Destination Development
Association**

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The insight you need. The independence you trust.

Industrial Property (APN: 00-0011-8294)

(2) Industrial Buildings
165 South 100 West
Heber City, Utah 84032-2001

BBG File #0124024071

Prepared For

Mr. Matt Brower
Heber City
75 North Main Street
Heber City, UT 84032-1827

Report Date

December 11, 2024

Prepared By

BBG, Inc., Cottonwood Heights Office
6965 South Union Park Center, Suite 460
Cottonwood Heights, UT 84047
801-321-0050

Client Manager: John Blaser, MAI
jblaser@bbgres.com

BBG Website

bbgres.com

December 11, 2024

Mr. Matt Brower
Heber City
75 North Main Street
Heber City, UT 84032-1827

Re: Appraisal of Real Property
Industrial Property (APN: 00-0011-8294)
165 South 100 West
Heber City, Utah 84032-2001
BBG File #0124024071

Dear Mr. Brower:

In accordance with your authorization (per the engagement letter found in the *Addenda* of this report), an Appraisal Report of the above-referenced property has been prepared.

The subject is a Single Tenant Industrial Building ((2) Industrial Buildings) property totaling 9,800 SF of NRA located on a 0.54-acre site at 165 South 100 West in Heber City. The improvements were constructed in 1999 & 1970's, resulting in an overall average condition with a remaining economic life of 30 years based on our estimate.

As of the effective date of this report, the subject has a single-tenant design that is 100% owner occupied. The following table summarizes each individual building.

INDIVIDUAL BUILDING DESCRIPTIONS										
Building	GBA	NRA	Office SF	Office %	Year Built	Clear Height	Grade Doors	Dock Doors	Loading Door Ratio	Site Coverage
Flex Bldg.	6,000	6,000	3,480	58%	1999	14'	1	0	1.7	26%
Warehouse Bldg.	3,800	3,800	485	13%	1970's	14'	2	0	5.3	16%
TOTAL	9,800	9,800	3,965	40%		14'	3	0	3.1	42%

As of the valuation date of this report, the owner of record is Richard and Susan Buys Properties, LLC.

This Appraisal Report was prepared to conform with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). This report has been written in accordance with the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute. In addition, this report is intended to be in compliance with additional requirements of Heber City (client) as applicable. This report is intended to be used by the intended user(s) named herein; no other party may rely upon the opinions presented in this report.

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)

The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.

Extraordinary Assumption(s)	This appraisal employs no extraordinary assumptions.
Hypothetical Condition(s)	This appraisal employs no hypothetical conditions.

Based on the analysis undertaken, the following value opinion(s) have been developed.

MARKET VALUE CONCLUSION(S)			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	November 26, 2024	\$2,160,000

This letter must remain attached to the report, which should be transmitted in its entirety, in order for the value opinion(s) set forth above to be relied upon by the intended user(s).

BBG, Inc. appreciates the opportunity to have performed this appraisal assignment on your behalf. If we may be of further service, please contact the Client Manager.

Sincerely,



John Blaser, MAI
UT Certified General Appraiser
License #: 8739330 CG00
702-343-7882
jblaser@bbgres.com

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SUBJECT PROPERTY



Western façade of flex bldg.



Northern façade of flex bldg.



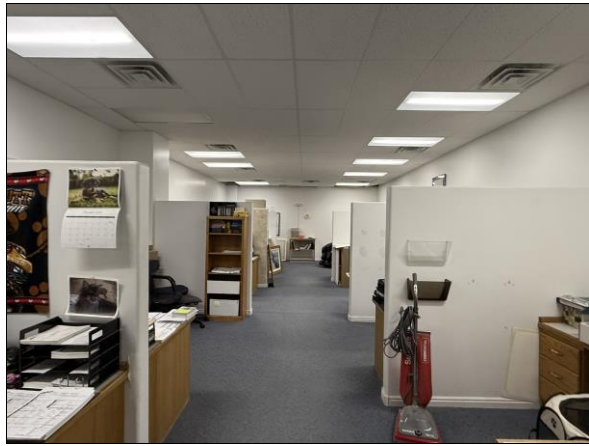
Northern façade of flex bldg.



Eastern façade of flex bldg.



Office area of flex bldg.



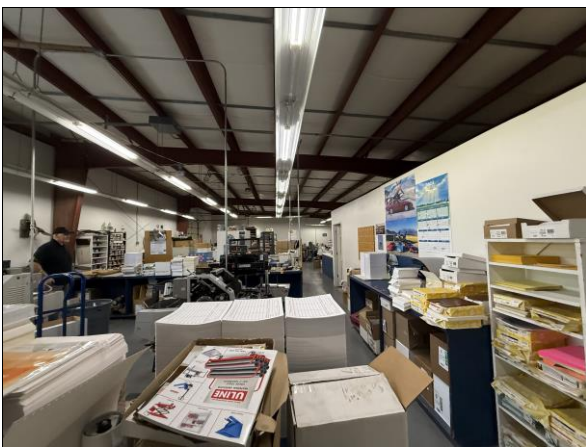
Office area of flex bldg.



Office area of flex bldg.



Office area of flex bldg.



Warehouse area of flex bldg.



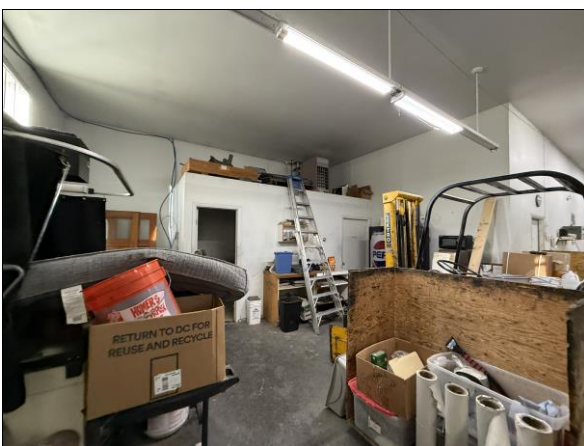
Warehouse area of flex bldg.



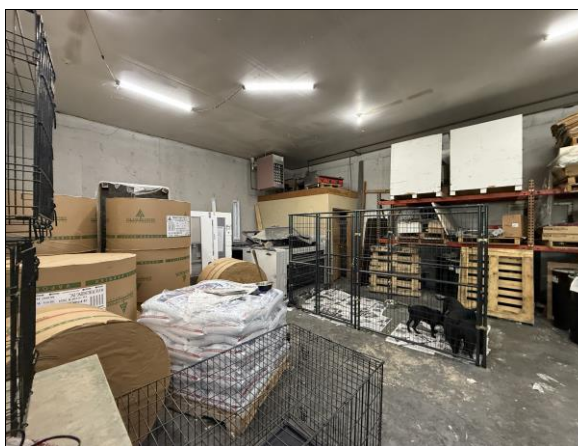
Southern façade of Whse bldg.



Warehouse area of Whse bldg.



Warehouse area of Whse bldg.



Warehouse area of Whse bldg.



Warehouse area of Whse bldg.



Warehouse area of Whse bldg.



Office area of Whse bldg.



Office area of Whse bldg.



Looking north along 100 West (Sub. to right)



Looking south along 100 West (Sub. to left)

AERIAL PHOTOGRAPH



SUMMARY OF SALIENT FACTS

APPRAISAL INFORMATION

Client	Heber City 75 North Main Street, Heber City, UT 84032-1827
Intended User(s)	This appraisal report may only be relied upon by the client and intended user(s) named herein Heber City.
Intended Use	This appraisal is to be used for Internal business purposes purposes.
Property Rights Appraised	As Is Market Value - Fee Simple
Date of Inspection	November 26, 2024
Marketing Time (Months)	6 Months or Less
Exposure Time (Months)	6 Months or Less
Owner of Record	Richard and Susan Buys Properties, LLC
Property Contact(s)	Paul McFee - 435-671-8314 - paul@wasatchwave.com
Most Probable Purchaser	Owner-User
Highest and Best Use	
If Vacant	Commercial Development
As Improved	Continued use as an industrial building

PROPERTY DATA

Property Name	Industrial Property (APN: 00-0011-8294)		
Address	165 South 100 West Heber City, Utah 84032-2001		
Location	The subject is located on the east side of 100 W.		
Property Description	Industrial (Single Tenant Industrial Building) (2) Industrial Buildings		
County	Wasatch County		
Parcel Number	00-0011-8294		
Census Tract No.			
Legal Description	BEGINNING NW CORNER OF LOT 2, BLOCK 66, HEBER CITY SURVEY: S.88 DEG 58'E.151.66FT; N.0 DEG 48'E.90.33FT; S.88 DEG 58'E.50FT; S.0 DEG 48'W.90.33FT; S.88 DEG 58'E.97.98FT; S.0 DEG 48'W.29FT; N.88 DEG 58'W.97.98FT; S.0 DEG 48'W.30FT; N.88 DEG 58'W.45.60FT; S.0 DEG 48'W.28.74FT; N.88 DEG 48'W.156.06FT; N.0 DEG 48'E.88.33FT TO THE BEGINNING. AREA: 0.54 ACRES		
Site Area			
Primary Site	23,522 square feet	(0.54 acres)	
Zoning	C-3; Central Commercial Zone		
Flood Zone/Map Number/Date	Zone X (Shaded)	49051C0118E	March 15, 2012
Year Built	1999 & 1970's		
Type of Construction	Metal and concrete block		
Number of Buildings	2		
Gross Building Area	9,800 square feet		
Net Rentable Area	9,800 square feet		
Owner Occupancy	100%		
Overall Condition	Average		
Overall Quality	Average		
Overall Design/Functionality	Average		

VALUE INDICATIONS		
As Is as of November 26, 2024		
Sales Comparison Approach	\$2,160,000	\$220.41 Per Square Foot (NRA)
Income Capitalization Approach		
Direct Capitalization	\$2,100,000	\$214.29 Per Square Foot (NRA)
Approach Reliance		
Direct Capitalization	\$2,160,000	\$220.41 Per Square Foot (NRA)
Exposure Time (Months)	6 Months or Less	
Marketing Time (Months)	6 Months or Less	

EXTRAORDINARY ASSUMPTION(S) AND HYPOTHETICAL CONDITION(S)		
The values presented within this appraisal report are subject to the extraordinary assumptions and hypothetical conditions listed below. Pursuant to the requirement within Uniform Standards of Professional Appraisal Practice Standards, it is stated here that the use of any extraordinary assumptions and/or hypothetical conditions might have affected the assignment results.		
Extraordinary Assumption(s)	This appraisal employs no extraordinary assumptions.	
Hypothetical Condition(s)	This appraisal employs no hypothetical conditions.	

PROPERTY TRANSACTION HISTORY

There have been no known transactions of the subject property within the three years prior to the effective date of this appraisal.

SCOPE OF WORK

The scope of work best defines the needs of the client(s) and intended user(s) of the report and dictates what factors an appraiser considered during the valuation process. The scope of work summarized below has been deemed acceptable as it meets or exceeds both the expectations of parties who are regularly intended users for similar assignments and what an appraiser’s peers’ actions would be in performing the same or a similar assignment. As such, the scope of work summarized below is deemed appropriate for this assignment based on its parameters and will produce credible assignment results. Additional scope details are included in appropriate sections of this report.

SCOPE OF THE INVESTIGATION																			
General and Market Data Analyzed	- Regional economic data and trends - Market analysis data specific to the subject property type - Published survey data - Neighborhood demographic data - Comparable cost, sale, rental, expense, and capitalization rate data - Floodplain status - Zoning information - Assessor’s information - Interviewed professionals knowledgeable about the subject’s property type and market																		
Inspection Details	John Blaser, MAI inspected the interior and exterior of the subject November 26, 2024.																		
Data Sources	<table><tr><th colspan="2">DATA SOURCES</th></tr><tr><td>Site Size</td><td>Assessor's Records</td></tr><tr><td>Building Size</td><td>BBG's measurements at inspection</td></tr><tr><td>Tax Data</td><td>Assessor's Records</td></tr><tr><td>Zoning Information</td><td>Planning Dept</td></tr><tr><td>Flood Status</td><td>RealQuest</td></tr><tr><td>Demographics Reports</td><td>Spotlight</td></tr><tr><td>Comparable Improved Sales</td><td>BBG, Inc. Data/Costar/CompStak</td></tr><tr><td>Comparable Improved Leases</td><td>BBG, Inc. Data/Costar/CompStak</td></tr></table>	DATA SOURCES		Site Size	Assessor's Records	Building Size	BBG's measurements at inspection	Tax Data	Assessor's Records	Zoning Information	Planning Dept	Flood Status	RealQuest	Demographics Reports	Spotlight	Comparable Improved Sales	BBG, Inc. Data/Costar/CompStak	Comparable Improved Leases	BBG, Inc. Data/Costar/CompStak
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Comparable Improved Leases	BBG, Inc. Data/Costar/CompStak																		

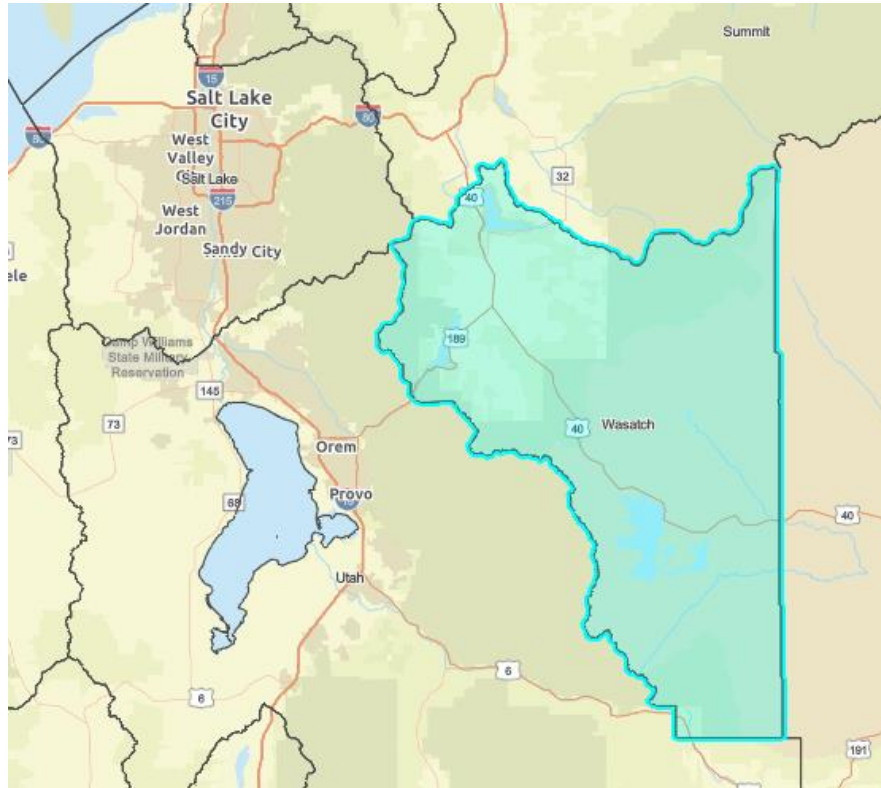
VALUATION METHODOLOGY	
Most Probable Buyer	To apply the most relevant valuation methods and data, the appraiser must first determine the most probable buyer of the subject property. Based on the analyses presented, the most probable buyer of the subject property would be a(n) Owner-User.
Valuation Methods Utilized	This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that these approaches would be considered applicable and/or necessary for market participants. The subject's age makes it difficult to accurately form an opinion of depreciation and tends to make the Cost Approach unreliable. Investors do not typically rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach to develop an opinion of market value.

DEFINITIONS	
Pertinent definitions, including the definition of market value, are included in the glossary, located in the <i>Addenda</i> of this report. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States:	
Market Value	The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: • Buyer and seller are typically motivated; • Both parties are well informed or well advised, and acting in what they consider their own best interests; • A reasonable time is allowed for exposure in the open market; • Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and • The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. ^[1]

LEVEL OF REPORTING DETAIL	
Standards Rule 2-2 (Real Property Appraisal, Reporting) contained in USPAP requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report.	
This report is prepared as an Appraisal Report . An Appraisal Report must at a minimum summarize the appraiser's analysis and the rationale for the conclusions.	

REGIONAL ANALYSIS

WASATCH COUNTY



The subject is located along the Wasatch County. This county borders two of the three major MSAs in the state of Utah: Salt Lake, and Provo-Orem. The counties encompassed in these MSAs are Salt Lake and Tooele for the Salt Lake MSA, and Utah and Juab Counties for Provo-Orem MSA. These two MSAs and Wasatch County largely make up the overall Utah population and economy with 59.67% of the total state's population being in the two MSAs and Wasatch County.

The two MSAs have consistently boasted a strong economy and was ranked by Forbes as the #6 (Provo), and #21 (Salt Lake City) best place for business and careers in 2022, crediting the continually growing GDP, job growth, educated workforce and rapidly growing and large younger population. According to the Milken Institute, from 2017 to 2022 job growth was 12% in the Salt Lake MSA and 22% in the Provo-Orem MSA. According to WalletHub's latest report, which ranks the best and worst places to start a career in 2024, Salt Lake City was third. The Provo-Orem MSA is also ranked fourth by Forbes from 2015-2020 in GDP growth with a 5-year growth rate of 35.6%. For GDP growth over the last 10-years, Utah was ranked second amongst US states with a growth rate of 44.5%.

The Salt Lake City International Airport (SLC) is the major regional airport for the Wasatch Front and was the 20th busiest U.S. airport with close to 23 million passengers in 2021. The airport is currently undergoing expansion that would see greater traffic to the region via air travel and serves as one of the major hubs nationally for Delta Airlines. Construction of phase three of The New SLC is scheduled to open in fall 2024. Overall, the area is well-connected from a logistics and tourism standpoint with two major interstates in I-80 and I-15 intersecting in Salt Lake City, with I-15 also passing through Provo-Orem. The strong economy, along with Utah having the third highest quality of life according to the World Population Review, the tenth best overall education according to US News, and youngest average population signal that Utah is poised to continue its trend of rapid growth.

POPULATION

The Wasatch County has an estimated 2024 population of 37,976, which represents an average annual 1.0% increase since the 2020 census of 34,788. The Wasatch County's annual growth rate is higher than the State of Utah rate of 0.5%. The Salt Lake MSA has an estimated 2024 population of 1,284,372, which represents an average annual 0.2% increase since the 2020 census of 1,257,936. The Salt Lake MSA's annual growth rate is slightly lower the State of Utah rate of 0.5%. The Provo-Orem MSA has an estimated 2024 population of 738,797, which represents an average annual 1.1% increase since the 2020 census of 671,185. The Provo-Orem MSA's annual growth rate exceeds the State of Utah rate of 0.5%.

Looking forward, the Wasatch County's population is projected to increase at a 1.6% annual rate, the Salt Lake MSA's population is projected to increase at a 0.6% annual rate, and the Provo-Orem MSA's population is projected to increase at a 1.6% annual rate from 2024-2029. These growth rates are in line with the state of Utah projected growth rate of 1.0%.

POPULATION TRENDS					
	Population			Compound Ann. % Chng	
	2020 Census	2024 Estimate	2029 Projection	2020-2023	2023-2028
Wasatch County	34,788	37,976	41,129	1.0%	1.6%
Salt Lake MSA	1,257,936	1,284,372	1,324,106	0.2%	0.6%
Provo-Orem MSA	671,185	738,797	799,246	1.1%	1.6%
Utah	3,271,616	3,454,370	3,637,367	0.5%	1.0%

Source: Environics Analytics

EMPLOYMENT

Total employment in the Wasatch County is currently estimated at 17,808 jobs, for the Salt Lake MSA it is currently estimated at 711,319, and for the Provo-Orem MSA it is estimated at 348,628 jobs as of 2022. Between 2011 and 2022 (year-end), employment rose by a combined 305,702 jobs, equivalent to a 39.60% increase over the entire period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, Wasatch County, and the two MSAs unemployment rate has been consistently close to that of Utah, with an average unemployment rate of 3.7% with three combined in comparison to a 3.7% rate for Utah. This is a positive sign of the unemployment rate healing from the impact of the COVID-19 pandemic which affected unemployment rates drastically in 2020.

EMPLOYMENT TRENDS								
Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)			
	Wasatch County	Salt Lake MSA	Provo-Orem MSA	Utah	Wasatch County	Salt Lake MSA	Provo-Orem MSA	Utah
2011	11,007	536,943	224,103	1,263,082	7.3%	7.0%	6.6%	7.1%
2012	11,500	557,386	235,417	1,304,925	5.1%	4.7%	4.4%	4.8%
2013	12,072	574,333	245,173	1,345,552	4.3%	4.1%	3.9%	4.2%
2014	12,460	583,560	254,924	1,379,448	3.6%	3.6%	3.3%	3.6%
2015	13,098	600,318	267,810	1,420,643	3.4%	3.4%	3.2%	3.5%
2016	13,720	619,043	280,515	1,469,250	3.3%	3.1%	3.0%	3.3%
2017	14,651	634,983	295,015	1,517,655	3.2%	3.0%	2.8%	3.1%
2018	15,396	647,637	304,099	1,553,834	3.0%	2.8%	2.7%	2.9%
2019	16,076	665,802	314,702	1,599,028	2.7%	2.5%	2.3%	2.5%
2020	16,140	660,041	322,444	1,608,498	6.6%	5.2%	3.9%	4.8%
2021	17,151	688,825	338,841	1,675,599	2.9%	2.8%	2.4%	2.7%
2022	17,808	711,319	348,628	1,724,331	2.4%	2.3%	2.1%	2.3%
Overall Change 2011-2022	6,801	174,376	124,525	461,249				
Avg Unemp. Rate 2011-2022					4.0%	3.7%	3.4%	3.7%
Unemployment Rate - December 2023					2.4%	2.5%	2.4%	2.5%

Source: Bureau of Labor Statistics and Economy.com. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Local Area Unemployment Statistics (LAUS). The figures are seasonally adjusted, except for the state of Utah unemployment which was not provided as seasonally adjusted by the Bureau of Labor Statistics

Major employment categories for Wasatch County and the two MSAs are detailed below:

EMPLOYMENT CATEGORIES			
Name	Wasatch County	Salt Lake MSA	Provo-Orem MSA
Architecture/Engineering	1.43%	2.27%	1.89%
Arts/Design/Entertainment/Sports/Media	2.80%	2.05%	3.07%
Building/Grounds Cleaning/Maintenance	4.70%	2.90%	2.90%
Business/Financial Operations	4.82%	6.77%	6.37%
Community/Social Services	0.68%	1.32%	1.50%
Computer/Mathematical	1.53%	4.94%	6.01%
Construction/Extraction	7.18%	5.76%	5.06%
Education/Training/Library	5.86%	5.29%	8.25%
Farming/Fishing/Forestry	0.05%	0.12%	0.32%
Food Preparation/Serving Related	8.03%	4.36%	4.39%
Healthcare Practitioner/Technician	5.71%	5.68%	4.41%
Healthcare Support	2.48%	1.99%	2.61%
Installation/Maintenance/Repair	1.97%	2.83%	2.47%
Legal	0.84%	0.98%	0.77%
Life/Physical/Social Science	1.23%	1.13%	0.86%
Management	14.68%	11.71%	12.37%
Office/Administrative Support	10.06%	13.20%	12.93%
Production	3.04%	5.95%	4.66%
Protective Services	1.97%	1.53%	1.76%
Sales/Related	9.66%	9.46%	9.46%
Personal Care/Service	3.38%	2.49%	2.20%
Transportation/Material Moving	7.91%	7.28%	5.74%

Source: Environics Analytics

The area's largest category falls within management for Wasatch County, and in office/ administrative support for both the Salt Lake MSA and Provo-Orem MSA.

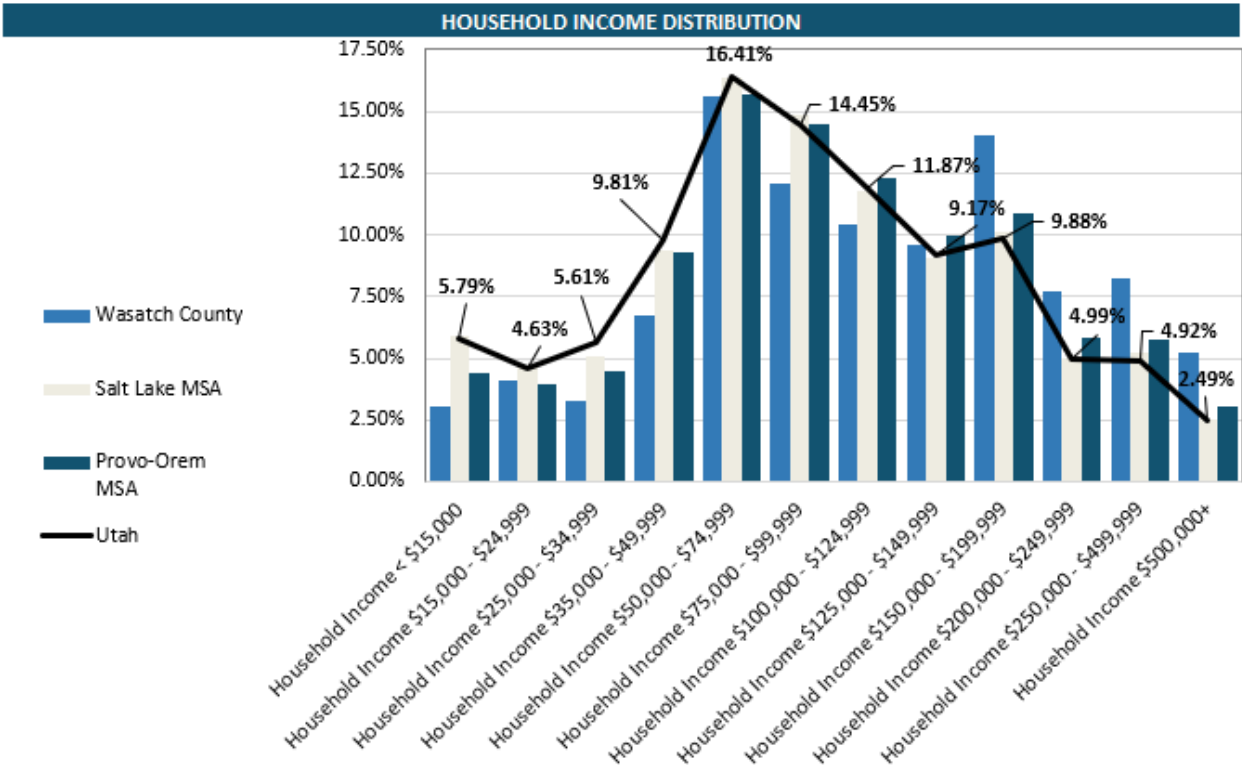
HOUSEHOLD INCOME

The three MSAs are more affluent than Utah, as a whole. Median household income for the Wasatch County is \$112,107, for the Salt Lake MSA it is \$88,998, and for the Provo-Orem MSA it is \$95,810.

MEDIAN HOUSEHOLD INCOME		
	Average	Median
Wasatch County	\$149,623	\$112,107
Salt Lake MSA	\$117,032	\$88,998
Provo-Orem MSA	\$125,276	\$95,810
Utah	\$115,561	\$87,942

Source: Environics Analytics

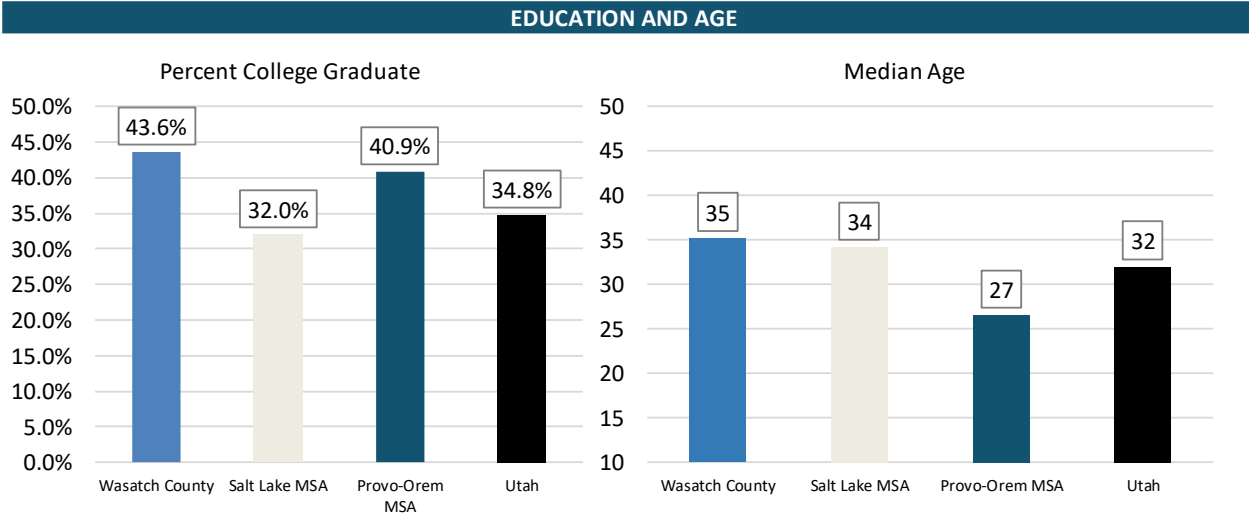
The following chart shows the distribution of households across twelve income levels. Wasatch County and the two MSAs generally follow the same trend as the state of Utah. The three MSAs have an average of 62.70% households are at the \$75,000 or greater levels in household income as compared to the 43.32% of Utah households. A lesser concentration of households is apparent in the lower income levels, as an average of 12.94% for the three MSAs' households are below the \$35,000 level in household income versus 16.02% of Utah households.



Source: Environics Analytics

EDUCATION & AGE

Residents of the Wasatch County and Provo-Orem MSA have a higher level of educational attainment than those of Utah. An estimated 43.6% of the Wasatch County and 40.9% of the Provo-Orem MSA residents attained a bachelor's degree or higher, versus 32.0% of Salt Lake MSA residents and 34.8% of Utah residents. The median age of the Wasatch County of 35 and the Salt Lake MSA of 34 exceed that of the Utah median of 32. The Provo-Orem MSA has a significantly lower median age of 27 in comparison to the other MSAs and the overall state.



Source: Environics Analytics

CONCLUSION

The economy of the two MSAs and Wasatch County boasts a diverse economic base along with a young population that is anticipated to keep the area growing rapidly into the foreseeable future. The two MSAs and Wasatch County benefits from a growing population base and has also maintained consistently lower unemployment rates than most of the United States over the past decade. Propelled by tech, the metro will grow fast for longer with employment and income growth topping that in most other large metropolitan areas. We anticipate that these economic indicators within the two MSAs and Wasatch County will continue to strengthen the overall demand for real estate in the region.

NEIGHBORHOOD AREA ANALYSIS

INTRODUCTION

A neighborhood area is “the defined geographic area in which the subject property competes for the attentions of market participants; the term broadly defines an area containing diverse land uses.” Neighborhood areas are defined by a combination of factors including physical features the demographic and socioeconomic characteristics of the residents or tenants, the condition of the improvements, and land use trends. Neighborhood analysis focuses on the identification of boundaries and the social, economic, governmental and environmental influences that affect the value of real property within those boundaries. In conducting neighborhood analysis, the competitive supply and demand for the subject property is more directly addressed.

The purpose of a neighborhood analysis is to provide a bridge between the study of general influences on all property values and the analysis of a subject. Neighborhood boundaries are identified by determining the area in which the four forces that affect value (social, economic, governmental and environmental) operate in the same way they affect the subject property. Interaction of the various components influencing these four forces often results in the dissimilarities regarding the length of time between the stages of a market’s life cycle.

SURROUNDING USE MAP



ACCESS/VISIBILITY

Access to the subject neighborhood is considered average. The following tables provide distances to Interstate/Freeways and other supporting services:

DISTANCE TO SUPPORTIVE USES / ACCESS		
Type	Distance	Direction
Interstate/Freeways		
Highway 40, Heber City, UT	2.0 miles	N
Highway 189, Heber City, UT	2.4 miles	N
Transportation Centers		
Heber Valley Airport, Heber City, UT	1.7 miles	S
Provo Municipal Airport, Provo, UT	25.4 miles	SW
Salt Lake International Airport, Salt Lake City, UT	35.4 miles	NW
Shopping Facilities		
Walmart Supercenter, Heber City, UT	0.8 miles	S
New Park Town Center, Park City, UT	16.3 miles	NW
Outlets Park City, Park City, UT	16.9 miles	NW
Education Centers		
Wasatch High School, Heber City, UT	0.8 miles	SE
Park City High, Park City, UT	11.9 miles	N
Brigham Young University, Provo, UT	21.4 miles	SW
Utah Valley University, Orem, UT	21.9 miles	SW
University of Utah, Salt Lake City, UT	28.7 miles	NW
Employment Centers		
Walmart Supercenter, Heber City, UT	0.8 miles	S
Wasatch County, Heber City, UT	0.4 miles	S
Wasatch County School District, Heber City, UT	0.4 miles	NE
Probst Electric, Heber City, UT	1.9 miles	S
Landmarks / Other		
Memorial Hill, Wasatch County, UT	2.6 miles	W
Historic Main Street in Park City, Park City, UT	10.5 miles	NW

The neighborhood is served by the Utah Transit Authority, which provides mass transportation. The Utah Transit Authority (UTA) is responsible for providing public transportation in the metropolitan areas of Ogden, Park City, Provo, Salt Lake City, and Tooele.

Growth patterns have occurred primarily along major commercial thoroughfares such as Interstate 15, as well as along various primary arterial carriers.

LAND USE PATTERNS

The subject market is suburban in nature and is estimated to be approximately 90% developed. The land uses within the defined neighborhood are a mix of moderate-end residential with commercial development along highways, secondary arterials, and specific corridors. Neighborhood retail/commercial development is along the major roadways in the residential areas. The vacant, undeveloped land in the area is a mixture of zoning districts that appear to follow the pattern of the existing development. That is, commercial and retail uses along the primary

roadways and intersections, and single family residential in the interior. Continuation of the recent new development of single family, multifamily, retail, and office is expected into the future, resulting in changing land uses from vacant to developed.

LIFE STAGE AND TRENDS

The subject market is in the late stage of its life cycle. Within a 5-mile radius of the subject, the population is expected to increase 3,077 people over the next five years. This population growth should reflect an increased demand for real estate. Improved property values are relatively stable to rising. Prices for vacant land for speculative development have also been increasing. Most of the residential development, including multifamily, range in age from new construction to 30 years. Approximately 10% of the neighborhood is vacant land being held for development.

DEMOGRAPHIC DATA

The data below summarize the market area demographics for the 1, 3, and 5-mile radii from the address of the subject, as provided by Claritas, Inc (Spotlight).

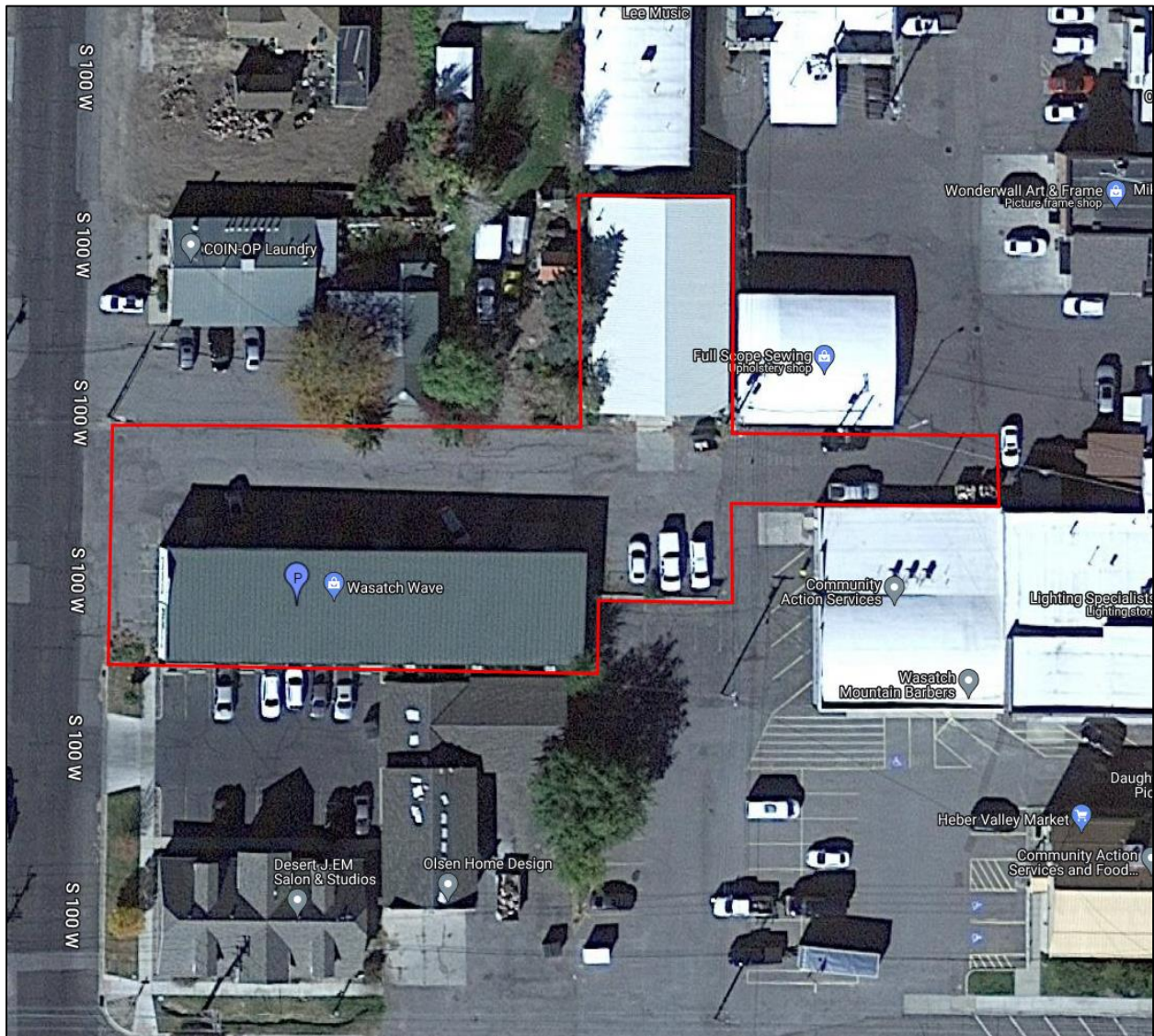
COMPARATIVE DEMOGRAPHIC ANALYSIS FOR PRIMARY TRADE AREA			
	165 South 100 West - 1 mi.	165 South 100 West - 3 mi.	165 South 100 West - 5 mi.
Description	Totals	Totals	Totals
Population			
2029 Projection	10,210	26,910	34,774
2024 Estimate	9,654	25,092	32,190
2020 Census	9,087	23,251	29,570
2010 Census	4,942	14,862	17,969
2024 Est. Median Age	31.13	31.80	33.34
2024 Est. Average Age	33.42	34.34	35.54
Households			
2029 Projection	3,110	8,035	10,603
2024 Estimate	2,954	7,501	9,836
2020 Census	2,807	6,941	9,038
2010 Census	1,555	4,461	5,398
2024 Est. Average Household Size	3.29	3.32	3.25
2024 Est. Households by Household Income (%)			
Household Income < \$15,000	3.4	2.9	3.0
Household Income \$15,000 - \$24,999	5.6	3.7	3.8
Household Income \$25,000 - \$34,999	5.1	3.7	3.2
Household Income \$35,000 - \$49,999	9.6	6.3	6.3
Household Income \$50,000 - \$74,999	15.7	18.1	16.8
Household Income \$75,000 - \$99,999	12.8	13.6	13.1
Household Income \$100,000 - \$124,999	12.9	11.4	11.0
Household Income \$125,000 - \$149,999	11.5	10.8	10.1
Household Income \$150,000 - \$199,999	11.0	12.9	13.3
Household Income \$200,000 - \$249,999	7.6	7.8	7.9
Household Income \$250,000 - \$499,999	3.5	5.9	7.3
Household Income \$500,000+	1.3	3.1	4.2
2024 Est. Average Household Income	\$113,984	\$133,092	\$142,525
2024 Est. Median Household Income	\$95,530	\$103,728	\$108,283
2024 Est. Tenure of Occupied Housing Units (%)			
Owner Occupied	66.8	72.7	75.7
Renter Occupied	33.1	27.3	24.3
2024 Est. Median All Owner-Occupied Housing Value	\$456,497	\$540,968	\$605,657
Source: 2024 Claritas, Inc.			

Growth has been steady at all radii over the past decade and is projected to continue over the next five years. Within a three-mile radius of the subject, 72.7% of the housing is owner occupied. The median household income within a three-mile radius is \$103,728.

SITE DESCRIPTION

GENERAL SITE DESCRIPTION OVERVIEW		
Location	The subject is located on the east side of 100 W.	
Parcel Number	00-0011-8294	
Legal Description	BEGINNING NW CORNER OF LOT 2, BLOCK 66, HEBER CITY SURVEY: S.88 DEG 58'E.151.66FT; N.0 DEG 48'E.90.33FT; S.88 DEG 58'E.50FT; S.0 DEG 48'W.90.33FT; S.88 DEG 58'E.97.98FT; S.0 DEG 48'W.29FT; N.88 DEG 58'W.97.98FT; S.0 DEG 48'W.30FT; N.88 DEG 58'W.45.60FT; S.0 DEG 48'W.28.74FT; N.88 DEG 48'W.156.06FT; N.0 DEG 48'E.88.33FT TO THE BEGINNING. AREA: 0.54 ACRES	
Latitude, Longitude	40.505525, -111.414966	
Site Area	23,522 square feet	(0.54 acres)
Configuration	Irregular	
Topography	Level	
Drainage	Appears adequate	
Utilities/Municipal Services	Typical utilities and municipal services available to site.	
Off-Site Improvements	Completed	
Flood Zone(s)	<u>Zone</u>	<u>Map</u> <u>Date</u>
	Zone X (Shaded)	49051C0118E March 15, 2012
	Zone X Shaded (Inside 500Y) is a Non-Special Flood Hazard Area (NSFHA) of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods. Are also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than 1 square mile. This is an area in a low to moderate risk flood zone that is not in any immediate danger from flooding caused by overflowing rivers or hard rains. In communities that participate in the National Flood Insurance Program (NFIP), flood insurance is available to all property owners and renters in this zone.	
Census Tract No.		
Soil/Subsoil Conditions	We did not receive nor review a soil report. However, we assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property.	
Environmental Concerns	The inspecting appraiser did not observe any environmental issues and for the purpose of this appraisal, it is specifically assumed that none exist. No independent environmental studies were provided. This appraisal assignment was engaged to determine the market value of the property, independent of any potential environmental issues. In the event the property is determined to be impacted by environmental concerns, it could affect our appraisal conclusions.	
Easements, Encroachments and Deed Restrictions	There is an access easement to the subject from 100 S	
Hazards Nuisances	No hazards or nuisances noted at time of inspection.	
Frontage	Approximately 90 feet along 100 W.	
Access	Access to the subject is offered via curb cuts along 100 W and 100 S.	
Visibility	Average/Good	
Surrounding Land Uses	Surrounding uses include industrial and retail to the north, east and south, and residential to the west.	
Traffic Counts	The subject is located along an access street with average exposure for similar industrial buildings	
Site Utility	Average	

SITE PLAN



GIS MAP



FLOOD MAP

Flood Map Report

For Property Located At

165 S 100 W, HEBER CITY, UT 84032-2001

Report Date: 12/04/2024

County: WASATCH, UT

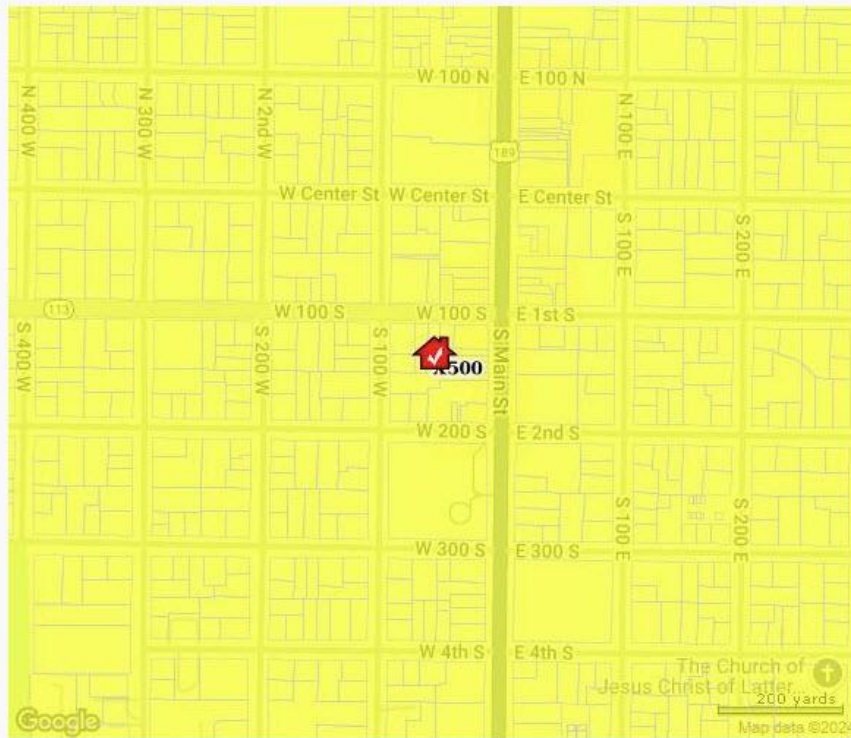


RealQuest

Flood Zone Code	Flood Zone Panel	Panel Date
X500	490166 - 49051C0118E	03/15/2012
Special Flood Hazard Area (SFHA)	Within 250 ft. of multiple flood zones?	Community Name
Out	No	HEBER CITY

Flood Zone Description:

Zone X (500-year)-An area inundated by 500-year flooding; an area inundated by 100-year flooding with average depths of less than 1 foot or with drainage areas less than 1 square mile; or an area protected by levees from 100-year flooding.

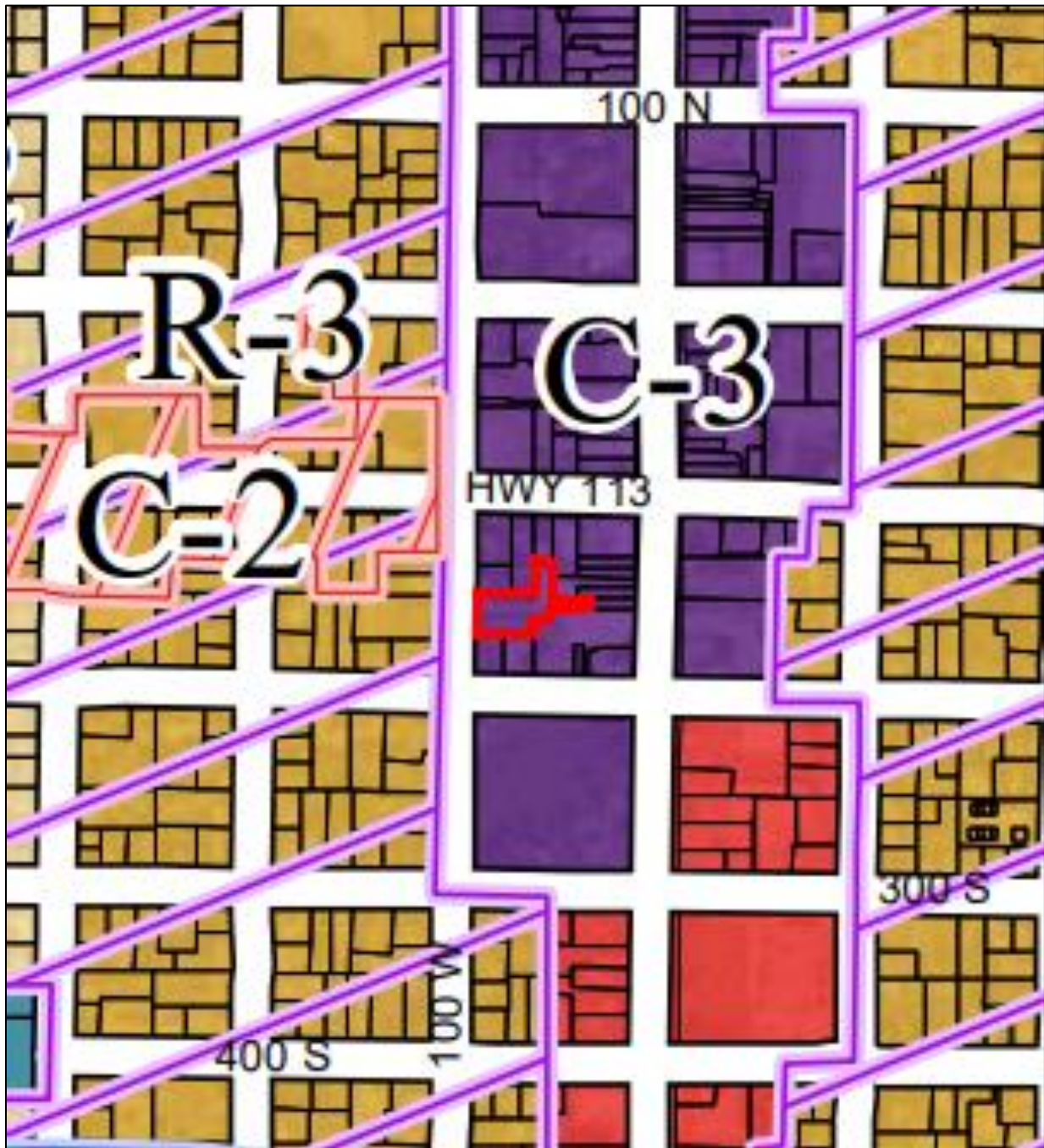


Coastal 100-year Floodway	100-year Floodway	Undetermined	500-year Floodplain incl. levee protected area
Coastal 100-year Floodplain	100-year Floodplain	Unknown or Area Not Included	Out of Special Flood Hazard Area

ZONING DESCRIPTION

ZONING	
Designation	C-3
Zoning Authority	Heber City
Description	Central Commercial Zone
Zoning Intent	The C-3 central commercial zone has been established as a district in which the primary use of the land is for business purposes. The area covered by this zone is now, and it is intended that it shall continue to be, the dominant shopping and financial center for the city and surrounding territory. For this reason, the zone has been located in the central part of the city where the street pattern makes the business buildings readily accessible to all parts of the city and surrounding region and where business and shopping activities can be carried on with maximum convenience. The C-3 zone is characterized by wide, clean, well-lighted streets, ample pedestrian ways and vehicular parking lots for the convenience and safety of the public. Attractive, inviting and well-maintained shops, stores, offices and other buildings are also characteristic of this zone.
Compliance	Based on the appraiser's interpretation of the zoning ordinance, the subject is a pre-existing non-conforming use of the site as it is currently operating as an industrial building which is not a permitted use within the zone. We called the Heber City Planning and Zoning department to see if a conditional use permit was in place or if the subject was grandfathered in; however, they were unable to be reached.
ZONING REQUIREMENTS	
Permitted Uses	Home occupations, Bed and breakfast inns, Funeral establishments, mortuaries and wedding chapels, Gymnasium/physical fitness/spa establishments, Public utilities, shops and storage yards, and public buildings, Public water reservoir/public storage tank, Retail shops/services, Financial institutions, Restaurants, Professional offices, Private instructional studio.
Minimum Lot Size	None
Maximum Lot Size	None
Minimum Lot Width	None
Maximum Height	None stated in code
Parking Requirements	
Industrial	1 parking space per two employees. Subject required parking based on 10 employees.
Required No. Parking Spaces	5
Subject's Total Parking Spaces	15

ZONING MAP



IMPROVEMENTS DESCRIPTION

GENERAL IMPROVEMENT DESCRIPTION OVERVIEW	
Address	165 South 100 West Heber City, Utah 84032-2001
Property Description	Industrial (Single Tenant Industrial Building) (2) Industrial Buildings
Year Built	1999 & 1970's
Number of Buildings	2
Number of Stories	1
Building Construction Class (MVS)	Class S & Class C
Net Rentable Area	9,800 square feet
Gross Building Area	9,800 square feet
Warehouse	5,835 square feet
Office	3,965 square feet
Building Footprint	9,800 square feet
Ceiling Heights	14'
Coverage Ratio	41.7% (9,800 SF Bldg Footprint ÷ 23,522 SF Primary Site)
Ingress/Egress	A preliminary title report was not available for review. During the on-site inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there is no negative value impact on the subject improvements. If questions arise regarding easements, encroachments, or other encumbrances, further research is advised.
Percentage Office Build-Out	40%
Clear Height	14'
Power	Assumed adequate and to code
Loading Doors	
Dock High	0
Roll-Up	3
Loading Door Ratio	3.1
Parking	
Surface Parking Spaces	15
Parking Ratio	1.53 spaces per 1,000 SF of net building area.
ADA Compliance	The property is assumed to be fully ADA compliant.

INDIVIDUAL BUILDING DESCRIPTIONS										
Building	GBA	NRA	Office SF	Office %	Year Built	Clear Height	Grade Doors	Dock Doors	Loading Door Ratio	Site Coverage
Flex Bldg.	6,000	6,000	3,480	58%	1999	14'	1	0	1.7	26%
Warehouse Bldg.	3,800	3,800	485	13%	1970's	14'	2	0	5.3	16%
TOTAL	9,800	9,800	3,965	40%		14'	3	0	3.1	42%

CONSTRUCTION DETAIL

General Layout	The subject property includes two industrial buildings located on a 0.54-acre site, along the east side of 100 West.
Foundation	Reinforced concrete slab
Construction	Metal and concrete block
Floor Structure	Reinforced concrete
Exterior Walls	Metal and concrete block
Roof Type	Sloped
Roof Cover	Metal
Windows	Double-pane, metal

INTERIOR DETAIL

Interior Walls	Drywall in the office area and exposed walls in the warehouse.
Ceilings	2 x 4 acoustical tile and drywall in the office area and exposed ceilings in the warehouse area.
Floor Coverings	Commercial grade carpet, tile and linoleum in the office area with sealed concrete in the warehouse area
Lighting	Fluorescent and Incandescent
Warehouse Clear Height	14'

MECHANICAL DETAIL

Heating	Forced air in the office area. Reznor heaters in the warehouse
Cooling	Central A/C in the office area. No cooling units were observed within the warehouse area.
Plumbing	Standard plumbing for an industrial building
Electrical	Assumed to code and adequate.
Fire Protection	No sprinkler system observed.

SITE IMPROVEMENTS

Parking Type	Surface
Landscaping	Asphalt paving, concrete sidewalks, concrete curbing, pole mounted lights and low maintenance sprinklered landscaping
Signage	Occupant has signage on the building façades

RENOVATION/DEFERRED MAINTENANCE

Recent Renovations or Replacements	None noted
Deferred Maintenance	None noted

SUMMARY	
Building Condition	Average We did not inspect the roof of the building(s) nor make a detailed inspection of the mechanical systems. We are not qualified to render an opinion as to the adequacy or condition of these components. The client is urged to retain an expert in this field if detailed information is needed about the adequacy and condition of mechanical systems.
Building Quality	Average
Design and Functionality	Average
Actual Age	25 Years & Approx. 54 Years
Expected Economic Life	50 years
Effective Age	20 years
Remaining Economic Life	30 years
Comments	The subject improvements offer average utility to the tenants. The site coverage and parking ratios are within market standards. Overall, the subject has a functional design for an industrial building based on the site and building configurations.

PROPERTY ASSESSMENT AND TAX ANALYSIS

In Utah, taxes are calculated by multiplying the tax rate by the taxable value. The taxable value is calculated at 100% of the final value or market value for commercial properties and 55% for residential properties. All property is reappraised annually, and Utah law requires a review of property characteristics once every five years. The final value is the reported market value of the property, as reported by the assessor's offices. Tax rates are set by procedures established in the Utah Constitution. There are many different rates in Wasatch County, and they vary across the county depending on which school district, city, special service districts, and etc. the property is located.

- Real property is reassessed annually, and reappraised and physically inspected every five years. A sale or conversion does not specifically trigger a reassessment as all property is reassessed annually regardless of the property history.
- The State of Utah is a non-disclosure State. The transaction price of a property is not known to the public or the assessor unless parties to the transaction choose to disclose. Therefore, sales prices greater than the current assessed value of a property will not necessarily trigger a higher assessed value.
- There is no annual cap on assessed property value or property tax increases for individual property.

PROPERTY ASSESSMENT AND TAX DATA

The following table summarizes the subject's real property taxation and our projection of real property taxes:

REAL ESTATE ASSESSMENT AND TAXES							
Tax Year: 2024		Tax Area: 003		Tax Rate: 0.009252			
Tax ID No.	Land	Improvement	Personal/Other	Total	Exemptions	Taxable	Base Tax
00-0011-8294	\$390,000	\$1,420,000	\$79,395	\$1,889,395	\$0	\$1,889,395	\$17,481
Total Tax Value	\$390,000	\$1,420,000	\$79,395	\$1,889,395	\$0	\$1,889,395	\$17,481
Total Tax Value PSF							\$1.78
Total Base Taxes							\$17,481
Total Taxes PSF							\$1.78

CONCLUSION

According to the Wasatch County Assessor's website, real estate taxes for the subject property are current as of the date of this report

MARKET ANALYSIS

SALT LAKE CITY INDUSTRIAL MARKET

Costar is the source for the following data. The data reflects conditions of 2024 Q3, the most recent data available. The initial discussion provides information on the overall Salt Lake City Industrial market.

CoStar's forecast scenarios include its Houseview Base Case, introduced in 2023, and several algorithmic forecast scenarios. These have been produced using CoStar's internal econometric property sector models based on inputs from Oxford Economics' macroeconomic models in its North American Cities and Regions service published in June 2024.

The Houseview Base Case forecast scenario is based on the Algorithmic Base Case below, where manual interventions are made to the property sector forecasts to account for structural and cyclical impacts in the commercial real estate markets that are not adequately reflected in macroeconomic forecasts. For example, tighter financial conditions have resulted in higher cap rates and steeper valuation losses, while low office utilization rates caused by the adoption of hybrid work arrangements have weakened fundamentals beyond what headline job gains or losses encapsulate. These interventions result in forecasts that are better aligned with the professional views of CoStar's property sector specialists.

The Houseview offers two accompanying scenarios: the Houseview Moderate Upside and the Houseview Severe Downside, where the former provides a more optimistic view of the economy with job gains and economic growth moderately improved over the Houseview Base Case, and the latter seeing a more muted economic environment.

The Algorithmic Base Case forecast is based on the Oxford Economics baseline forecast, which reflects moderate economic growth throughout 2024, driven by a solid labor market and the strong state of household balance sheets. GDP is expected to grow by 2.4% in 2024 and by 1.8% in 2025. Job gains have been slowing and are expected to continue to slow for the next few years. Firms are projected to add 2.4 million positions in 2024, compared to 3 million in 2023, and 1.2 million in 2025. The unemployment rate is expected to end the year at 4.1% and drift higher to 4.2% by mid-2025, staying there through the forecast period.

Headline and core inflation are expected to continue easing through the next four quarters but remain above the Federal Reserve's 2% target rate throughout 2024. The Federal Reserve is expected to lower its target rate in the second half of 2024. Capital markets remain calm. Spreads between BBB corporate bonds and the 10-year Treasury stay between 1.0% and 1.25% through the end of the forecast period.

CoStar also offers a forecast based on the 2024Q2 Algorithmic Moderate Upside scenario, which sees economic activity surprising to the upside over the coming year. Domestic demand 2 accelerates in this scenario, and GDP grows by 2.9% in 2024 and 3.3% in 2025, boosted by a virtuous cycle of higher asset prices, resilient confidence and vigorous lending growth. The Moderate Upside has the economy adding about 4 million jobs in 2024 before slowing to 1.6 million in 2025. The unemployment rate will fall to 3.1% by the end of this year and tick lower to 3.0% in 2025.

The Algorithmic Moderate Downside scenario envisions conditions where higher inflation, higher interest rates, and weakening demand cause a contraction in economic output in the second and third quarters of 2024. The economy will grow by 1.7% in 2024 compared to 2.4% in the Algorithmic Base Case scenario. Financial market turmoil unfolds, as well as weaker consumer confidence and reduced business investment.

Job losses begin in the second quarter of 2024 and continue through the end of 2025, with employment falling by about 1.9 million jobs during that time. The unemployment rate will rise to 5.2% by the end of 2024, 6.6% by the end of 2025, and 7.1% by 2026. The shock to aggregate demand and the labor market leads to slower inflation, weaker asset prices, and higher bond yields, leading to deteriorating financial conditions.

The Algorithmic Interest Rate Shock forecast consists of the same economic forecast as the Moderate Downside scenario but delivers a shock to the BBB corporate bond yield as a proxy for a sudden increase in risk originating in financial markets or from significant and unexpected geopolitical events. In this scenario, higher risk spreads drive cap rates higher, which causes sharper near-term property value losses before eventually recovering.

The Algorithmic Severe Downside scenario envisions a severe global recession that might occur in the event of a major geopolitical crisis impacting supply chains, commodity prices and domestic consumer and business sentiment. This combination results in a severe and prolonged contraction in output and employment, which spills over to reduced capital accumulation and total factor productivity.

In this scenario, the economy begins to contract sharply in the third quarter of 2024 and is in recession through early 2026, with GDP falling about 7.5% peak through trough. Job losses start immediately and continue through 2025, with more than 7.4 million positions lost during that time. The unemployment rate rises to 10% by the end of 2025. The severe economic distress weighs heavily on prices, and asset prices plummet.

Costar provides statistics related to the industrial market based on the following subtypes: Flex, Logistics and Specialized.

KEY INDICATORS AT A GLANCE

	PRIOR QUARTER	CURRENT QUARTER	COMPARISON
Vacancy (%)	7.20%	6.19%	decreased 101 Basis Points
Absorption (SF)	1,932,639	2,526,232	increased 593,593 SF
Quoted Rental Rates (\$/SF/Year)	\$11.04	\$11.13	increased \$0.09 PSF
Inventory (SF)	196,483,091	197,064,468	increased 581,376 SF
Net Deliveries (SF)	1,871,442	581,377	decreased 1,290,065 SF
Under Construction (SF)	2,431,043	2,179,974	decreased 251,069 SF

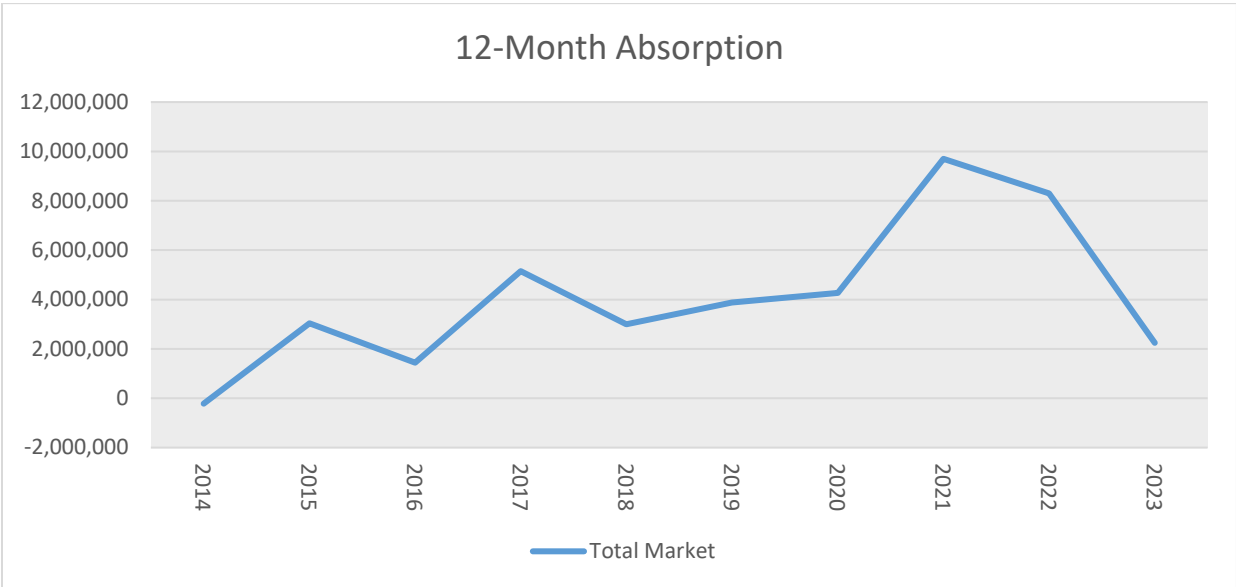
SALT LAKE CITY INDUSTRIAL MARKET STATISTICS

PERIOD	EXISTING INVENTORY (SF)	VACANCY %	NET ABSORPTION (SF)	NET COMPLETIONS (SF)	UNDER CONST. (SF)	QUOTED RATES (\$/SF/YEAR)
2024 Q3	197,064,468	6.19%	2,526,232	581,377	2,179,974	\$11.13
2024 Q2	196,483,091	7.20%	1,932,639	1,871,442	2,431,043	\$11.04
2024 Q1	194,611,649	7.30%	-85,496	1,142,025	3,922,397	\$10.96
2023 Q4	193,469,624	6.71%	586,989	3,177,650	5,042,173	\$10.93
2023	193,469,624	6.71%	2,247,207	9,723,539	5,042,173	\$10.93
2022	183,746,085	2.99%	8,301,029	6,938,415	11,562,438	\$10.02
2021	176,807,670	3.88%	9,699,641	10,018,811	10,264,117	\$8.83
2020	166,788,859	3.92%	4,261,770	3,885,005	9,710,813	\$7.84
2019	162,903,854	4.25%	3,876,160	5,300,496	4,688,941	\$7.20
2018	157,603,358	3.49%	3,000,169	3,959,257	4,961,307	\$6.72
2017	153,609,006	2.95%	5,150,964	2,549,087	3,326,469	\$6.33
2016	150,953,068	4.73%	1,446,355	2,159,091	1,643,008	\$5.96
2015	148,793,977	4.44%	3,035,022	2,371,001	2,052,407	\$5.71

The Salt Lake City Industrial market ended the third quarter with a vacancy rate of 6.19%. The vacancy rate was decreased over the previous quarter, with net absorption totaling 2,526,232 square feet in the third quarter. Rental

rates increased compared to the previous quarter, ending third quarter at \$11.13. A total of 581,377 square feet was delivered to the market, with 2,179,974 square feet still under construction at the end of the quarter.

ABSORPTION

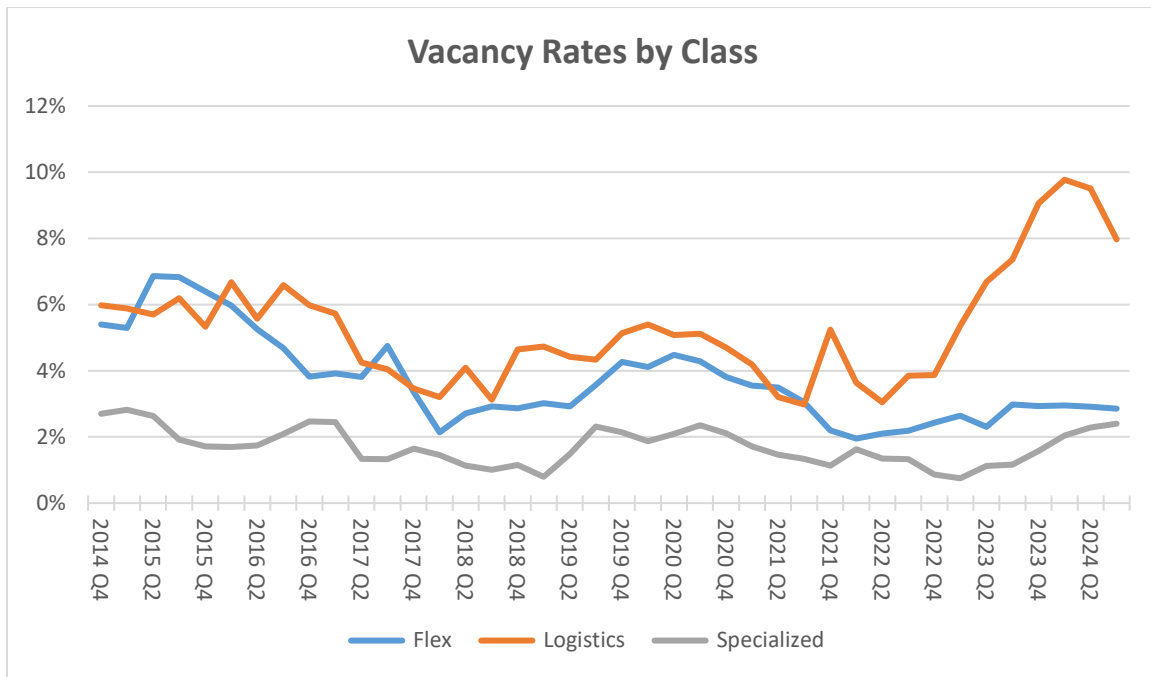


Net absorption for the overall Salt Lake City Industrial market was 2,526,232 square feet in third quarter 2024. That compares to 1,932,639 square feet in second quarter 2024, -85,496 square feet in first quarter 2024, and 586,989 square feet in fourth quarter 2023.

The Flex Industrial subtype recorded net absorption of 23,207 square feet in the third quarter 2024, compared to 8,657 square feet in the second quarter 2024, -30,187 in the first quarter 2024, and 50,060 in the fourth quarter 2023.

The Logistics Industrial subtype recorded net absorption of 2,490,572 square feet in the third quarter 2024, compared to 2,026,751 square feet in the second quarter 2024, 149,772 in the first quarter 2024, and 718,992 in the fourth quarter 2023.

The Specialized Industrial subtype recorded net absorption of 12,453 square feet in the third quarter 2024, compared to -102,769 square feet in the second quarter 2024, -205,081 in the first quarter 2024, and -182,063 in the fourth quarter 2023.

VACANCY

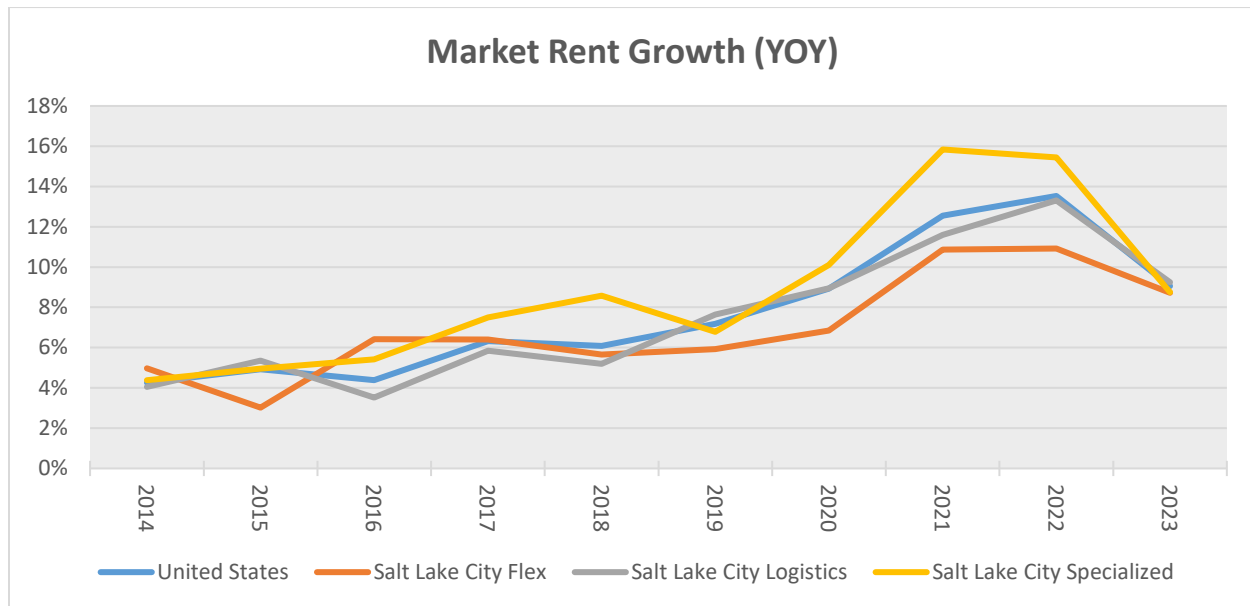
Vacancy for the overall Salt Lake City Industrial market decreased to 6.19% in the third quarter 2024. That compares to 7.20% in the second quarter 2024, 7.30% in the first quarter 2024, and 6.71% in the fourth quarter 2023.

Flex subtypes reported a vacancy rate of 2.85% at the end of the third quarter 2024, 2.91% at the end of the second quarter 2024, 2.95% at the end of the first quarter 2024, and 2.93% at the end of the fourth quarter 2023.

Logistic subtypes reported a vacancy rate of 7.97% at the end of the third quarter 2024, 9.51% at the end of the second quarter 2024, 9.77% at the end of the first quarter 2024, and 9.06% at the end of the fourth quarter 2023.

Specialized subtypes reported a vacancy rate of 2.40% at the end of the third quarter 2024, 2.28% at the end of the second quarter 2024, 2.04% at the end of the first quarter 2024, and 1.58% at the end of the fourth quarter 2023.

RENTAL RATES



The rental rates shown below are per square foot per year on a NNN basis.

The average quoted asking rental rate for available Industrial space, all classes, was \$11.13 psf at the end of the third quarter 2024 in the Salt Lake City market area. This represented a 0.8% increase in quoted rental rates from the end of the second quarter 2024, when rents were reported at \$11.04.

The average quoted rate within the Flex sector was \$14.08 at the end of the third quarter 2024, while Logistics rates stood at \$9.97, and Specialized rates at \$13.29. At the end of the second quarter 2024, Flex rates were \$14.34, Logistics rates were \$9.89, and Specialized rates were \$13.00.

INVENTORY & CONSTRUCTION

During the third quarter 2024, a total of 581,377 square feet was completed in the Salt Lake City market area. This compares to a total of 1,871,442 square feet that was completed in the second quarter 2024, a total of 1,142,025 square feet completed in the first quarter 2024, and 3,177,650 square feet completed in the fourth quarter 2023.

There were 2,179,974 square feet of Industrial space under construction at the end of the third quarter 2024.

SUBTYPE	EXISTING INVENTORY (SF)	NET DELIVERIES (12 MONTHS)	UNDER CONSTRUCTION (SF)
Flex	20,820,493	24,836	42,182
Logistics	132,354,259	6,678,402	2,098,126
Specialized	43,885,216	69,256	39,666
Total	197,064,468	6,772,494	2,179,974

MARKET OUTLOOK

The Salt Lake City Industrial market ended the third quarter 2024 with a vacancy rate of 6.19%. The vacancy rate decreased over the previous quarter, with net absorption totaling 2,526,232 square feet in the third quarter 2024. Rental rates increased \$0.09 PSF over the previous quarter and ended at \$11.13. A total of 581,377 square feet was delivered in the quarter, with 2,179,974 square feet still under construction at the end of the quarter.

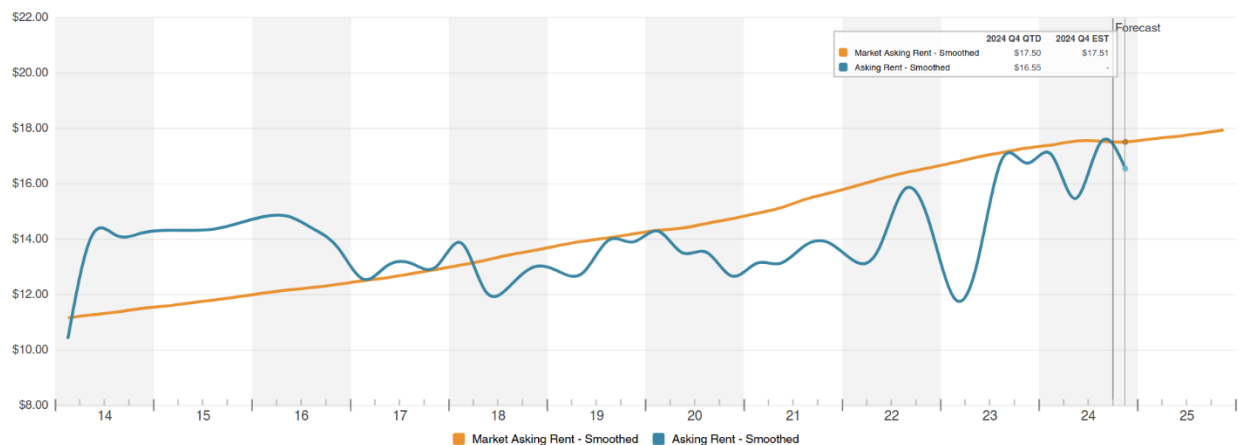
SUMMIT/WASATCH COUNTIES INDUSTRIAL SUBMARKET

Based on Costar analytics, the Summit/Wasatch Counties are represented by 166 industrial/flex properties with a total inventory of approximately 2,500,000 SF. The following is a snapshot of the submarket overview:

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET ASKING RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
2.5M +1.7%	0 -100.0%	45.5K -41.2%	1.7% -0.3%	\$17.50 +1.8%	\$197 +0.5%	8.1% +0.4%
Prior Period 2.5M	Prior Period 40.9K	Prior Period 77.4K	Prior Period 2.0%	Prior Period \$17.18	Prior Period \$196	Prior Period 7.7%

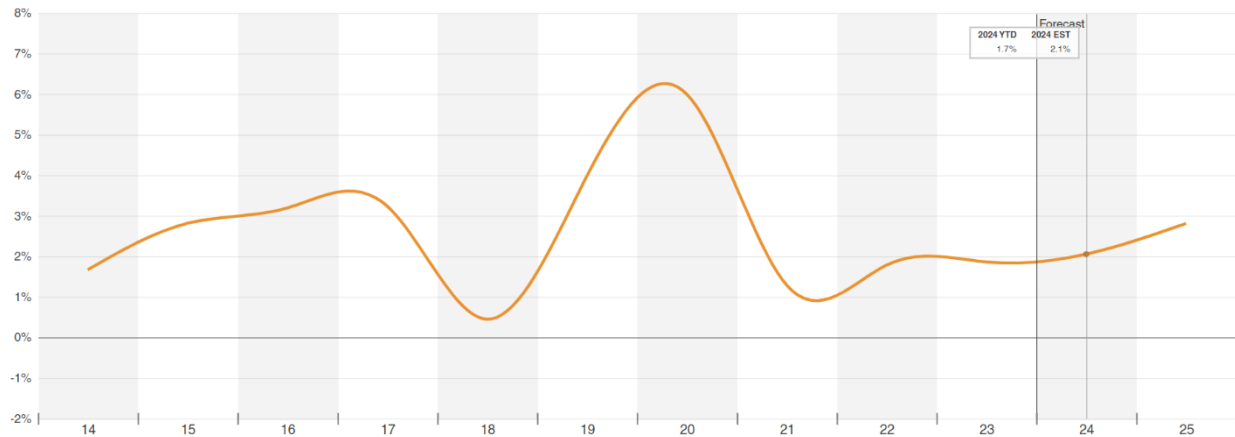
Availability	Inventory	Sales Past Year	Demand
Vacant SF 44K ↓	Existing Buildings 157 ↑	Asking Price Per SF \$376 ↓	12 Mo Net Absorp % of Inventory 1.8% ↓
Sublet SF 0 ↓	Under Construction Avg SF -	Sale to Asking Price Differential 0% ↓	12 Mo Leased SF 83.3K ↓
Availability Rate 2.6% ↓	12 Mo Demolished SF 0 ↓	Sales Volume \$1.7M ↓	Months on Market 2.5 ↓
Available SF Total 64.9K ↓	12 Mo Occupancy % at Delivery 42.8% ↓	Properties Sold 8 ↓	Months to Lease 3.8 ↓
Available Asking Rent/SF \$16.55 ↓	12 Mo Construction Starts SF 0 ↓	Months to Sale 12.9 ↓	Months Vacant 4.0 ↓
Occupancy Rate 98.3% ↓	12 Mo Delivered SF 40.8K ↓	For Sale Listings 7 ↓	24 Mo Lease Renewal Rate 74.9%
Percent Leased Rate 98.5% ↓	12 Mo Avg Delivered SF 15.2K ↓	Total For Sale SF 123K ↓	Population Growth 5 Yrs 11.5%

MARKET ASKING RENT & ASKING RENT PER SF



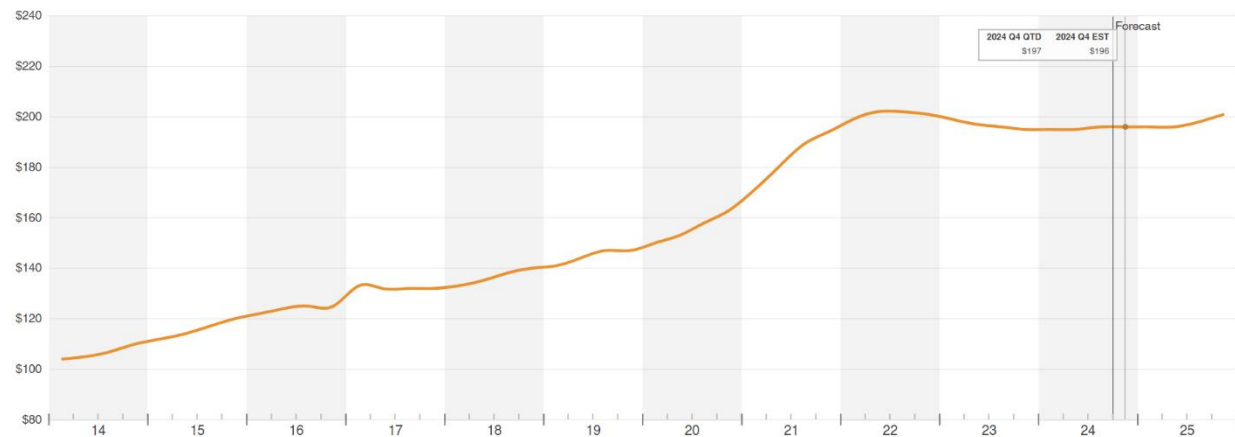
Over the past 10-years, rental rates have had a steady upward trend. Over the course of 10-years, market appreciation has average 2.3% per year. It should be noted that rental rates have remained relatively flat over the past 3 quarters.

VACANCY RATE



Over the past 10-year vacancy rates have ranged from as low as 0.5% (2018) up to 6.00% (2020), with a 10-year average of 97%. As of Q3 2024, the submarket vacancy is 2.1%, slightly below the 10-year average. Costar forecasts a slight increase up to 2.8% within the next year.

MARKET SALE PRICE PER SF



Over the past 10-years, values have generally increase. On average, the yearly appreciation exhibited within the subject market is 9.3% per year, which a large majority of that appreciation accrued from early 2020 to middle of 2022 (13.9% annually). In late 2022, values slightly decreased (likely related to the increased cost of financing); however, over the past 6 quarters, values have generally remained stable and are currently averaging around \$197/SF.

CURRENT MARKET CHALLENGES

In late 2021, the Federal Reserve initially suggested modest increases in interest rates during 2022 and possibly beyond. However, as inflation forecasts moved from transitory to permanent and became more robust in those months, the FED forecast a possible greater number of rate increases during 2022. Most recently, The FED increased rates commencing in the Q2-2022 and during the year to curtail inflationary trending. The number of rate increases and the magnitude of each remained unknown, as well as the impact on commercial real estate. The rate was nearly zero in early 2022. The first increase occurred in March 2022 (+25 bps), then May 2022 (+50 bps), then June 2022

(+75 bps), then July 2022 (+75 bps), September 2022 (+75 bps), November 2022 (+75 bps), December 2022 (+50 bps), February 2023 (+25 bps), March 2023 (+25 bps), May 2023 (+25 bps), and July 2023 (+25 bps); with a cumulative 525 bps increase. At its second gathering of 2024, held March 19 and 20, the Federal Reserve once again declined to adjust interest rates. It similarly held rates steady after its inaugural 2024 session in January. The federal funds target rate has remained at 5.25% to 5.50% since summer 2023, the highest it's been in over 20 years. In September 2024, the rate dropped (-50 bps), followed by a -25 bps drop in November 2024 lowering their target rate range to 4.50%–4.75%. The effect of the most recent rate drop is yet to be seen; however, general market appreciation is anticipated.

Rising interest rates have been a concern for real estate investors as it may compress returns and impact financing alternatives. Inflation remains a chief concern among investors and lenders. Should inflation not come in line with Federal Reserve target quickly the risk of additional prime interest rate hikes will remain elevated.

HIGHEST AND BEST USE

INTRODUCTION

The highest and best use is the reasonable, probable, and legal use of vacant land or an improved property that is physically possible, legally permissible, appropriately supported, financially feasible and that results in the highest value. These criteria are often considered sequentially. The tests of legal permissibility and physical possibility must be applied before the remaining tests of financial feasibility and maximal productivity. A financially feasible use is precluded if it is legally prohibited or physically impossible. If a reasonable possibility exists that one of the prior, unacceptable conditions can be changed, is it appropriate to proceed with the analysis with such an assumption.

HIGHEST AND BEST USE CRITERIA

The site's highest and best use is analyzed both as vacant and as improved, and if improvements are proposed then an as proposed analysis is required. In all cases, the property's highest and best use must meet four criteria: (1) legally permissible; (2) physically possible; (3) financially feasible; and (4) maximally productive.

HIGHEST AND BEST USE AS VACANT

LEGALLY PERMISSIBLE

Legal restrictions include deed restrictions, CC&R's, lease encumbrances, zoning requirements, building codes, historic district controls and environmental regulations, and were previously analyzed to determine legally permitted uses. Legally, the subject is zoned C-3 (Central Commercial Zone). Allowable uses include home occupations, public utilities, retail shops/services, financial institutions, restaurants, professional offices. No other legal restrictions have been identified that would limit development of the property beyond the development standards stipulated by municipal code.

PHYSICALLY POSSIBLE

Size, shape, topography, soil condition, availability of utilities, transportation access, surrounding uses, and locational characteristics were previously analyzed to determine which legal land uses are physically possible and which are best to conform to the physical and locational aspects of the site and its setting with respect to the neighborhood and community. Overall, the physical site attributes result in adequate utility, and the property could be developed with a variety of legally-conforming uses. Given the surrounding uses and location, the site is best suited for commercial use.

FINANCIALLY FEASIBLE

Financial feasibility is determined by the relationship of supply and demand for the legally probable land uses versus the cost to create them. The market analysis section reveals that commercial uses in the subject's market are generally stabilized. Recent and planned commercial developments in the market area serve as direct evidence that new commercial development is financially feasible. Comparisons of rental rates, operating expenses and construction costs indicate the property is capable of providing an adequate return on investment to warrant new commercial development in the current market. This assertion is supported by the fact that the property has the potential to generate rental income as shown in the income approach. Commercial use is considered financially feasible.

MAXIMALLY PRODUCTIVE

The final test of highest and best use of the site as vacant is that the use be maximally productive, yielding the highest return to the land. In order to determine the maximally productive use, a comparison of rental rates, occupancy, operating expenses, and rates of return for the financially feasible uses have been made. Based on this analysis, commercial use renders the highest residual land value; therefore, commercial development on the subject's site is the maximally productive use of the subject as vacant.

HIGHEST AND BEST USE AS IMPROVED**LEGALLY PERMISSIBLE**

The subject appears to be a pre-existing non-conforming use of the site as it is currently operating as an industrial building which is not a permitted use within the zone.

PHYSICALLY POSSIBLE

As noted in the Improvements Analysis section, the site is improved with two industrial buildings totaling 9,800 SF and situated on a 0.54-acre parcel of land. The property is presently in average condition.

FINANCIALLY FEASIBLE

The location proximate to employment centers, area transportation network of roadways and support development is conducive to tenancy.

MAXIMALLY PRODUCTIVE

The maximally productive use should conform to neighborhood trends and be consistent with existing nearby land uses. The single use that produces the greatest return on investment and usually the highest price and value is typically the highest and best use. As shown in the applicable valuation sections, properties like the subject have been acquired and continue to be used for industrial use. None of the comparable properties were acquired for conversion to an alternative use. This provides evidence suggesting that the current industrial use is maximally productive; therefore, continued use of the subject property as an industrial development is the maximally productive use of the subject as is.

VALUATION PROCESS

Valuation in the appraisal process generally involves three techniques, including the Cost Approach, Sales Comparison Approach and the Income Capitalization Approach.

These three valuation methods are defined in the following table:

VALUATION METHODS	DEFINITION
Cost Approach	In this approach, value is based on adding the contributing value of any improvements (after deductions for accrued depreciation) to the value of the land as if it were vacant based on its highest and best use. If the interest appraised is other than fee simple, additional adjustments may be necessary for non-realty interest and/or the impact of existing leases or contracts.
Sales Comparison Approach	In this approach, recent sales of similar properties in the marketplace are compared directly to the subject property. This comparison is typically accomplished by extracting “units of comparison”, for example, price per square foot, and then analyzing these units of comparison for differences between each comparable and the subject. The reliability of an indication found by this method depends on the quality of the comparable data found in the marketplace.
Income Capitalization Approach	In this approach, a property is viewed through the eyes of a typical investor, whose primary objective is to earn a profit on the investment principally through the receipt of expected income generated from operations and the ultimate resale of the property at the end of a holding period.

VALUATION METHODS UTILIZED

This appraisal employs the Sales Comparison Approach and the Income Capitalization Approach. Based on our analysis and knowledge of the subject property type and relevant investor profiles, it is our opinion that these approaches would be considered applicable and/or necessary for market participants. The subject's age makes it difficult to accurately form an opinion of depreciation and tends to make the Cost Approach unreliable. Investors do not typically rely on the Cost Approach when purchasing a property such as the subject of this report. Therefore, we have not employed the Cost Approach to develop an opinion of market value.

The valuation process is concluded by analyzing each approach to value used in the appraisal. When more than one approach is used, each approach is judged based on its applicability, reliability, and the quantity and quality of its data. A final value opinion is chosen that either corresponds to one of the approaches to value, or is a correlation of all the approaches used in the appraisal.

SALES COMPARISON APPROACH

METHODOLOGY

In the Sales Comparison Approach, we developed an opinion of value by comparing similar, recently sold properties in the surrounding or competing area to the subject property. In order to determine the value of the subject property, these comparable sales and/or listings are then evaluated and adjusted based on their differences when compared to the subject property. Inherent in this approach is the principle of substitution, which states that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution.

The Sales Comparison Approach to value requires the following sequential steps:

Unit of Comparison	A unit of comparison (i.e. price per square foot, price per dwelling unit) must be selected for comparable analysis of the sales and the subject. The selected unit of comparison must be consistent with market behavior.
Search for Sales	Research must be done to locate comparable sales, listings and contracts of properties that are similar to the subject. Similarities may include property type, size, physical condition, location and the date of the sale.
Confirmation	All sales must be confirmed to verify that the data used is accurate, and that all of the sales, listings or contracts represent arm's-length transactions.
Comparison	Each of the improved sales that is chosen for this valuation is considered generally similar to the subject. Therefore, each difference between the comparables and the subject must be identified, and then adjusted for the various differences. All adjustments are made to the comparables as they relate to the subject property.
Reconciliation	Once the comparables have been adjusted, a value must be concluded based on the indications produced from the analysis of the comparables.

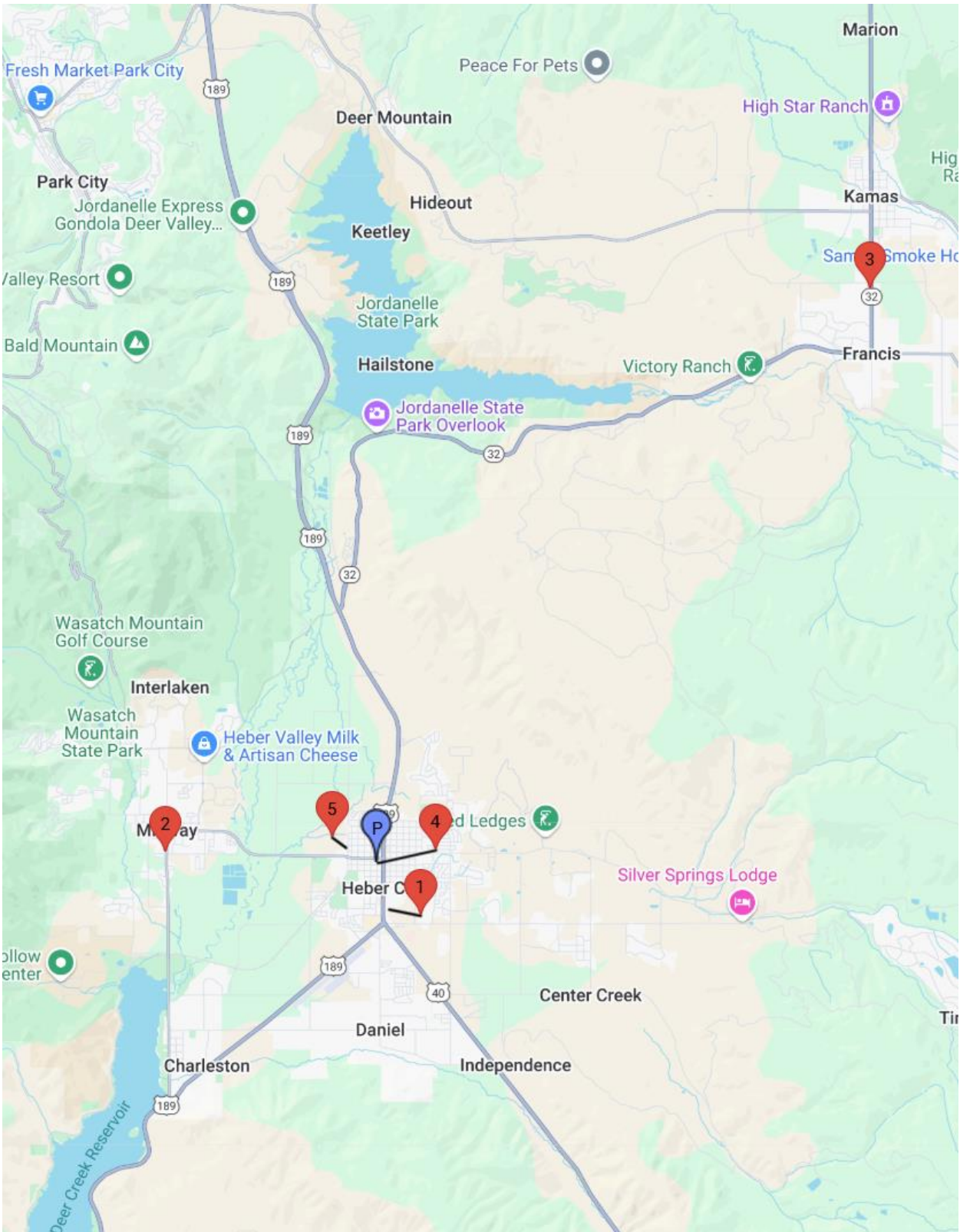
UNITS OF COMPARISON

Based on market behavior observed, the most appropriate unit of comparison for this analysis is price per square foot.

COMPARABLE IMPROVED SALES

On the following pages, we present a summary of the improved properties that we compared to the subject property, a map showing their locations, and the adjustment process.

COMPARABLE IMPROVED SALES MAP



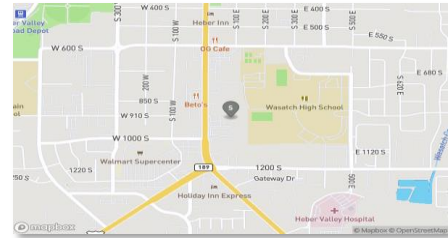
COMPARABLE IMPROVED SALES SUMMARY

SUMMARY OF IMPROVED SALES											
Comp No.	Property / Location	Date of Sale / Status	Property Rights	Year Built / Renovated	Site Size (SF) (Acres)	Bldg. Size (SF Net) (SF Gross)	Percent Office	Clear Heights (Ft)	Coverage Ratio	Sale Price	Price per SF (Net)
1	Industrial Warehouse (APN: 00-0005-9159) 90 East 900 South Heber City, UT	Dec-24 Listing	Fee Simple	1981	30,492 0.70	6,000 6,000	5%	14	20%	\$1,249,900	\$208.32
2	Industrial/Automotive Building 298 South Center Street Midway, UT	May-24 Closed	Fee Simple	1950	9,583 0.22	3,014 3,014	9%	16	31%	\$930,000	\$308.56
3	Industrial Building 1264 Utah 32 Kamas, UT	May-23 Closed	Fee Simple	2007	18,731 0.43	2,880 2,880	48%	12	15%	\$750,000	\$260.42
4	Industrial Warehouse 74 West 200 South Heber City, UT	May-22 Closed	Fee Simple	1976	7,841 0.18	3,420 3,420	15%	15	44%	\$900,000	\$263.16
5	Industrial Building 89 North 600 West Heber City, UT	Jan-22 Closed	Fee Simple	1998	38,333 0.88	12,735 12,735	26%	12	33%	\$1,625,000	\$127.60
Subj.	Industrial Property (APN: 00-0011-8294) 165 South 100 West Heber City, Utah	---	Fee Simple	1999 & 1970's	23,522 0.54	9,800 9,800	40%	14'	42%	---	---

COMPARABLE IMPROVED SALES DATA SHEETS



Sale Comparable #1
Industrial Warehouse (APN: 00-0005-9159)
 90 East 900 South
 Heber City, UT 84032-2445
 Wasatch County
 BBG Property #863356



Property Data

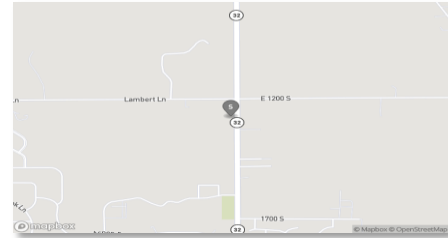
Improvement Details

Property Type/Use	Industrial - Warehouse	Lat/Long	40.495843 / -111.4121
Parcel ID #	00-0005-9159	Number of Buildings	1
Year Built	1981	Year Renovated	N/A
Gross Building Area	6,000 SF	Rentable Area	6,000 SF
Number of Stories	1	Land to Building Ratio	5.08
Parking	Total: 6	Parking Ratio	1.00:1,000 SF of Rentable Area
Site Size (Gross)	30,492 SF (0.70 acres)	Site Size (Net)	30,492 SF (0.70 acres)
Office Percentage	5%		
Clear Heights	14 feet		
Loading Doors	3		
Comments	The subject property is a freestanding industrial building. Based on our property inspection, the building includes approximately 5% office build-out, 14' clear height and 3 grade level doors, resulting in a loading door ratio of 5.0 per 10K SF NRA. The site is undeveloped; however, there is a yard area sufficient to conform to the zoning's parking requirements		

Sale Transaction Data for BBG Event #1290994 on				PSF (GBA)	PSF (Rentable)
Transaction Date		Consideration	\$0	\$208.32	\$208.32
Sale Status	Listing	Adjustments	\$0	\$0.00	\$0.00
Occupancy at TOS	0%	Cash Equivalent Price	\$1,249,900	\$208.32	\$208.32
Days on Market	119				
Property Rights	Fee Simple				
Transaction Component	Real Estate				
Tenancy	Vacant				
Grantor	Agape INC				
Grantee	N/A				
Comments	Property was listed in August.				
Verification	12/3/2024 - WFRMLS				



Sale Comparable #2
Industrial Building
 1264 Utah 32
 Kamas, UT 84036-5530
 Summit County
 BBG Property #723932



Property Data

Improvement Details

Property Type/Use	Industrial - Industrial Shop	Lat/Long	40.624040 / -111.2811
Parcel ID #	FT-33-2	Number of Buildings	1
Year Built	2007	Year Renovated	N/A
Gross Building Area	2,880 SF	Rentable Area	2,880 SF
Number of Stories	2	Land to Building Ratio	6.50
Parking	Total: 6	Parking Ratio	2.08:1,000 SF of Rentable Area
Site Size (Gross)	18,731 SF (0.43 acres)	Site Size (Net)	18,731 SF (0.43 acres)
Office Percentage	48%		
Clear Heights	12 feet		
Loading Doors	1		
Comments	This property is located on the west side of Highway 32, and benefits from a daily traffic count of 5,085. There are two structures on the property. One being an outbuilding for storage and not included within the building SF; however, it is included as an amenity/storage space. The other is a two story barn (2,880 SF) with utilities connected. The building has a sliding grade level loading door and was historically used as a welding shop on the main level, with a 1,380 SF 2nd story office space.		

Sale Transaction Data for BBG Event #987998 on 5/19/2023				PSF (GBA)	PSF (Rentable)
Transaction Date	5/19/2023	Consideration	\$750,000	\$260.42	\$260.42
Sale Status	Closed	Adjustments	\$0	\$0.00	\$0.00
Occupancy at TOS	0%	Cash Equivalent Price	\$750,000	\$260.42	\$260.42
Days on Market	17				
Property Rights	Fee Simple				
Transaction Component	Real Estate				
Tenancy	Vacant				
Grantor	KENT YOUNGSTROM ART CO				
Grantee	GREAT WEST INVESTMENTS LLC				
Comments	This property was listed and under contract within 17-days. Buyer paid cash.				
Verification	4/3/2024 - Debbie Bunker W/ Impression Realty & PC MLS				



Sale Comparable #3
Industrial/Automotive Building
 298 South Center Street
 Midway, UT 84049-6524
 Wasatch County
 BBG Property #728582



Property Data

Improvement Details

Property Type/Use	Industrial - Warehouse	Lat/Long	40.507519 / -111.4728
Parcel ID #	00-0020-1303	Number of Buildings	1
Year Built	1950	Year Renovated	N/A
Gross Building Area	3,014 SF	Rentable Area	3,014 SF
Number of Stories	1	Land to Building Ratio	3.18
Parking	Total: 4	Parking Ratio	1.33:1,000 SF of Rentable Area
Site Size (Gross)	9,583 SF (0.22 acres)	Site Size (Net)	9,583 SF (0.22 acres)
Office Percentage	9%		
Clear Heights	16 feet		
Loading Doors	2		
Comments	Former auto garage with 264 SF of finished office space and 2,750 SF of open shop space with 2 roll-up doors.		

Sale Transaction Data for BBG Event #1290991 on 5/10/2024

				PSF (GBA)	PSF (Rentable)
Transaction Date	5/10/2024	Consideration	\$930,000	\$308.56	\$308.56
Sale Status	Closed	Adjustments	\$0	\$0.00	\$0.00
Occupancy at TOS	0%	Cash Equivalent Price	\$930,000	\$308.56	\$308.56
Days on Market	10				
Property Rights	Fee Simple				
Transaction Component	Real Estate				
Tenancy	Owner				
Grantor	WB LEGACY LLC				
Grantee	DAYBELL PERFORMANCE LLC				
Comments	Property was vacant at the time of sales.				
Verification	12/3/2024 - WFRMLS				



Sale Comparable #4
Industrial Warehouse
 74 West 200 South
 Heber City, UT 84032-2005
 Wasatch County
 BBG Property #649934



Property Data

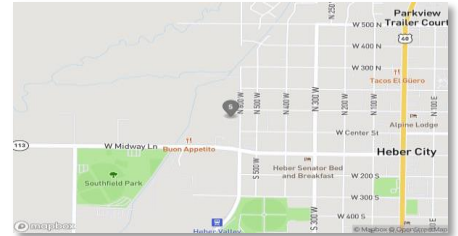
Improvement Details

Property Type/Use	Industrial – Warehouse	Lat/Long	40.505333 / -111.4148
Parcel ID #	00-0004-7550	Number of Buildings	1
Year Built	1976	Year Renovated	N/A
Gross Building Area	3,420 SF	Rentable Area	3,420 SF
Number of Stories	1	Land to Building Ratio	2.29
Parking	Total: 4	Parking Ratio	1.17:1,000 SF of Rentable Area
Site Size (Gross)	7,841 SF (0.18 acres)	Site Size (Net)	7,841 SF (0.18 acres)
Office Percentage	15%		
Clear Heights	15 feet		
Loading Doors	2		
Comments	Located on the north side of W 200 South, which benefits from a 1,000 VPD traffic count. The building contains 2 grade doors, resulting in a loading door ratio of 6.15. Building includes 2 offices and a restroom (500 SF Est. or 15% NRA).		

Sale Transaction Data for BBG Event #789820 on 5/18/2022				PSF (GBA)	PSF (Rentable)
Transaction Date	5/18/2022	Consideration	\$900,000	\$263.16	\$263.16
Sale Status	Closed	Adjustments	\$0	\$0.00	\$0.00
Occupancy at TOS	100%	Cash Equivalent Price	\$900,000	\$263.16	\$263.16
Property Rights	Fee Simple				
Grantor	Matthew Butters and Jared Butters				
Grantee	Triple O Ventures LLC				
Comments	Sold for owner-occupancy				
Verification	4/19/2023 - Public record				



Sale Comparable #5
Industrial Building
 89 North 600 West
 Heber City, UT 84032-1811
 Wasatch County
 BBG Property #724182



Property Data

Improvement Details

Property Type/Use	Industrial – Warehouse	Lat/Long	40.508614 / -111.4237
Parcel ID #	00-0005-9084	Number of Buildings	2
Year Built	1998	Year Renovated	N/A
Gross Building Area	12,735 SF	Rentable Area	12,735 SF
Number of Stories	2	Land to Building Ratio	3.01
Parking	Total: 30	Parking Ratio	2.36:1,000 SF of Rentable Area
Site Size (Gross)	38,333 SF (0.88 acres)	Site Size (Net)	38,333 SF (0.88 acres)
Office Percentage	26%		
Clear Heights	12 feet		
Loading Doors	1		
Comments	The property is on the west side of 600 W, and benefits from a daily traffic count of 1,084. The buildings have an office build-out of 26%, and contain 1 dock door and 2 grade doors, resulting in a loading door ratio of 2.36.		

Sale Transaction Data for BBG Event #843399 on 1/7/2022

				PSF (GBA)	PSF (Rentable)
Transaction Date	1/7/2022	Consideration	\$1,625,000	\$127.60	\$127.60
Sale Status	Closed	Adjustments	\$0	\$0.00	\$0.00
Occupancy at TOS	100%	Cash Equivalent Price	\$1,625,000	\$127.60	\$127.60
Days on Market	6				
Property Rights	Fee Simple				
Transaction Component	Real Estate				
Tenancy	Owner				
Grantor	BDK Enterprises, LLC				
Grantee	Red Wagon Ventures, LLC				
Comments	The 12,735 SF Industrial property sold for \$1,625,000, or \$127.60 per square foot, and was on the market for 6 days. The property is C-4 commercial zoned and was occupied by Highway 40 Garage, an automotive repair shop, after the sale. The buyer added more overhead doors after the sale, as the property only has one overhead door to the main shop area at the time of sale.				
Verification	4/12/2023 - Utah MLS/Public Record				

COMPARABLE IMPROVED SALES ADJUSTMENT GRID

COMPARABLE SALE SUMMARIES AND ADJUSTMENTS						
Property / Location	Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5
Property / Location	Industrial Property (APN: 00-0011-8294) 165 South 100 West Heber City, Utah	Industrial Warehouse (APN: 00-0005-9159) 90 East 900 South Heber City, UT	Industrial/Automotive Building 298 South Center Street Midway, UT	Industrial Building 1264 Utah 32 Kamas, UT	Industrial Warehouse 74 West 200 South Heber City, UT	Industrial Building 89 North 600 West Heber City, UT
Date of Sale / Status	---	Dec-24 Listing	May-24 Closed	May-23 Closed	May-22 Closed	Jan-22 Closed
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Year Built	1999 & 1970's	1981	1950	2007	1976	1998
Bldg. Size (SF Net)	9,800	6,000	3,014	2,880	3,420	12,735
Site Size (Acres)	0.54	0.70	0.22	0.43	0.18	0.88
Sale Price	---	\$1,249,900	\$930,000	\$750,000	\$900,000	\$1,625,000
Unadjusted Price per SF (Net)	-----	\$208.32	\$308.56	\$260.42	\$263.16	\$127.60
Transactional Adjustments						
Property Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0%	0%	0%	0%	0%
Financing						
Adjustment		0%	0%	0%	0%	0%
Terms/Conditions of Sale		(Negotiations)				
Adjustment		-10%	0%	0%	0%	0%
Expenditures After Sale						
Adjustment		0%	0%	0%	0%	0%
Market Conditions	Nov-24	Dec-24	May-24	May-23	May-22	Jan-22
Adjustment		0%	2%	5%	8%	9%
Total Transactional Adjustments		-10%	2%	5%	8%	9%
Adjusted Price per SF (Net)		\$187.49	\$314.73	\$273.44	\$284.21	\$139.09
Property Adjustments						
Location		Similar 0%	Superior -10%	Slightly Inferior 5%	Similar 0%	Slightly inferior 5%
Property Size SF (Net)	9,800	6,000 -5%	3,014 -10%	2,880 -10%	3,420 -10%	12,735 5%
Condition / Effective Age	Average	Average/Fair 5%	Average/Fair 5%	Average/Good -5%	Average 0%	Average 0%
Quality / Appeal	Average	Average/Fair 5%	Average/Good -5%	Average/Fair 5%	Good -10%	Fair 10%
Exposure/Access	Average/Good	Average/Fair 10%	Good -5%	Average/Good 0%	Average/Good 0%	Average 5%
Coverage Ratio	42%	20% -10%	31% -5%	15% -10%	44% 0%	33% 0%
Clear Height(s)	14'	14 0%	16 -5%	12 5%	15 0%	12 5%
% Office	40%	5% 10%	9% 10%	48% 0%	15% 10%	26% 5%
Loading Door Ratio	3.0	5.0 0%	6.6 -5%	3.5 0%	5.8 -5%	0.8 5%
Total Gross Adjustments		45%	60%	40%	35%	40%
Total Net Adjustments		15%	-30%	-10%	-15%	40%
Overall Comparison		Primary	Primary	Secondary	Primary	Primary
Indication for Subject		\$215.61	\$220.31	\$246.09	\$241.58	\$194.72

ADJUSTMENT PROCESS

The sales that we have utilized represent the best available information that could be compared to the subject property. The major elements of comparison for an analysis of this type include the property rights conveyed, the financial terms incorporated into a particular transaction, the conditions or motivations surrounding the sale, changes in market conditions since the sale, the location of the real estate, its physical traits and the economic characteristics of the property.

TRANSACTIONAL ADJUSTMENTS

PROPERTY RIGHTS CONVEYED

This adjustment accounts for any impact that the property rights transferred to the buyer may have on sale price. For leased fee properties, the length of leases in place and the relationship of market to contract rent could impact value. Some properties may have stronger appeal to an owner-user or an investor, resulting in a premium or discount associated with fee simple property rights. If a buyer acquires the leasehold interest in a comparable, then an adjustment may be necessary that accounts for the impact to the of ground rent and/or risk associated with the expiration of the ground lease to the sale price.

All comparables transacted with fee-simple property rights and no adjustments were required for this category.

FINANCING TERMS

This category accounts for differences in financing terms associated with the transaction. Financing arrangements that may require an adjustment include mortgage assumptions (at favorable interest rates), seller buydowns, installment sales, wrap-around loans, or any other atypical financing arrangements that do not represent cash-equivalent terms.

None of the comparables included favorable financing, thus no adjustments warranted for this category.

TERMS/CONDITIONS OF SALE

Adjustments for conditions of sale typically reflect various motivations of the buyer and/or seller. This may include such factors as seller distress (short sale, REO, auction) or buyer motivation (assemblage, etc.). In some situations, the conditions of sale may significantly affect transaction prices. Properties that are listed for sale may require adjustments herein to account for any disparity between asking prices and the achievable sale price anticipated.

None of the comparables included atypical conditions of sale, thus no adjustments warranted for this category.

EXPENDITURES IMMEDIATELY AFTER SALE

In order to arrive at the effective sale price, the actual sale price of each comparable is adjusted to account for any expenditures planned by the buyer immediately after sale, such as capital expenditures, cost to cure deferred maintenance, or lease-up costs.

None of the comparables included expenditures immediately after sale, thus no adjustments warranted for this category.

MARKET CONDITIONS

This time-adjustment category accounts for differences in economic conditions between the effective date of appraisal and the transaction date of the comparable, such as may be caused by changing supply and demand factors, rental rates, vacancy rates and/or capitalization rates.

Market condition adjustments are based on 3.0% annual appreciation up through the as-is date of value.

PROPERTY ADJUSTMENTS

LOCATION

The appeal of a property's location to users of and/or investors in a particular property type can influence value significantly. This factor broadly considers the impact of demographics, geographical attributes, access to transportation networks and local land use trends on pricing. Comparisons of location can often be derived, or even quantified, by examining rent, vacancy, capitalization rate, and land value trends in the subject and directly competitive areas.

Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 3 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

PROPERTY SIZE SF (NET)

Normally, all other characteristics being equal, the unit value of a property is affected by its size. Building size and price per square foot typically have an inverse relationship. Larger buildings tend to achieve lower pricing on a per-unit basis due to their economies of scale, and smaller pool of prospective buyers.

Comparable No. 1 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 3 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 4 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

CONDITION / EFFECTIVE AGE

Older properties that have been well maintained could be considered to be in better condition than newer properties that have not been well maintained or that have incurred deferred maintenance. This adjustment also considers the comparables effective age. Unlike chronological age differences, this reflects differences in the amount of observed deterioration and obsolescence sustained, which may be different than physical age.

Comparable No. 1 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 2 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 3 was regarded superior to the subject and received a downward adjustment of 5%.

QUALITY / APPEAL

Quality adjustments reflect differences in the quality and durability of construction materials, design, general market appeal, building classification, finish-out, et cetera.

Comparable No. 1 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 3 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 4 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 10%.

EXPOSURE / ACCESS

Street exposure and access from arterials and highways is highly desirable to a variety of development impacted by traffic counts. However, depending on the property type, visibility is often a secondary factor to businesses or uses less influenced by traffic counts. Proximity to interstates, arterials and the general flow of traffic is also considered within this adjustment.

Comparable No. 1 was judged inferior to the subject and received an upward adjustment of 10%. Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

COVERAGE RATIO

This represents the gross area of the building footprint divided by the site area. Properties with a lower site coverage are generally considered superior to those with a higher ratio due to the possibility for expansion, redevelopment, outside storage, parking, et cetera.

Comparable No. 1 was regarded superior to the subject and received a downward adjustment of 10%. Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 3 was regarded superior to the subject and received a downward adjustment of 10%.

CLEAR HEIGHT(S)

The clear height for industrial properties impacts potential uses in terms of stacking plans, overhead crane usage and other factors. Premiums may be offered for properties with higher spans when compared with similar properties with lower spans.

Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 3 was judged inferior to the subject and received an upward adjustment of 5%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

% OFFICE

For industrial or flex-space properties, the percentage of building area with office finish-out may bring a premium over similar properties with a lower ratio. Conversely, excessive ratios may be regarded as an over-improvement.

Comparable No. 1 was judged inferior to the subject and received an upward adjustment of 10%. Comparable No. 2 was judged inferior to the subject and received an upward adjustment of 10%. Comparable No. 4 was judged inferior to the subject and received an upward adjustment of 10%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

LOADING DOOR RATIO

In the industrial market, tenants tend to favor buildings with a higher ratio of loading doors as it allows for greater utility of the warehouse space (1 door per 10,000 SF displayed).

Comparable No. 2 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 4 was regarded superior to the subject and received a downward adjustment of 5%. Comparable No. 5 was judged inferior to the subject and received an upward adjustment of 5%.

SUMMARY OF PROPERTY ADJUSTMENTS

The total gross adjustment to each comparable sale is calculated by adding the absolute values of all positive and negative adjustments. The total gross adjustments are typically the best indicator of the comparability to the subject as they reflect the overall adjustment made to a comparable; whereas net adjustments display offsetting adjustments and may not reflect a comparable that required large levels of adjusting.

The average gross adjustment between all comparables was 22%, and a median 18%. The total adjustments applied to the comparables are considered moderate and reasonable, increasing the overall credibility of the data to derive a market price per square foot conclusion.

SALES COMPARISON APPROACH CONCLUSION

SALES SUMMARY	UNADJUSTED	ADJUSTED
Minimum	\$127.60	\$194.72
Maximum	\$308.56	\$246.09
Average	\$233.61	\$223.66
Median	\$260.42	\$220.31

After adjustments, the comparable improved sales reflect a range from \$194.72 to \$246.09 per square foot, with an average of \$223.66 per square foot. Based on the results of the preceding analysis, Comparable 1 (\$215.61/SF); Comparable 2 (\$220.31/SF), Comparable 4 (\$241.58/SF), and Comparable 5 (\$194.72/SF) are given primary consideration as they are all located in Heber/Midway, whereas, Comparable 3 (\$246.09/SF) is located in Francis, which is the furthest comparable from the subject. The average of the primary comparables is \$218.05/SF. Based on the data available, and the analyses presented, the indicated value of the subject property by the Sales Comparison Approach is \$220.00 per square foot, calculated in the following table.

SALES COMPARISON APPROACH VALUE CONCLUSION	
Indicated Value per SF	\$220.00
per SF (Net)	x 9,800
Indicated As Is Value	\$2,156,000
Rounded to nearest \$10,000	\$2,160,000
Per SF (Net)	\$220.41

INCOME CAPITALIZATION APPROACH

GENERAL PROCESS

In the Income Capitalization Approach, the appraiser concludes to a value indication for the subject by converting a projected net operating income into a single present value by using either the direct capitalization or yield capitalization method.

In direct capitalization, the estimated net operating income is divided by a market-driven capitalization rate to provide an indication of value. In yield capitalization, a series of income streams are discounted over a holding period to estimate a present value. The yield capitalization approach is referred to as a discounted cash flow analysis and is most useful for properties that are not stabilized or expect to have large fluctuations in the income stream over a holding period.

The Income Capitalization Approach to value requires the following sequential steps:

Estimate Economic Gross Income	Estimate the economic gross income for the subject’s space based on existing leases and market data.
Estimate Effective Gross Income	Estimate a proper vacancy and credit loss for the subject’s market, then deduct this rent loss from the estimated economic gross income to arrive at an effective gross income.
Estimate the Net Operating Income	Calculate the net operating income by deducting the estimated operating expenses (fixed and variable) and a provision for replacement of short-lived building components from the estimated effective gross income.
Value Indication	Convert the net operating income into a value indication by using a market-derived capitalization rate in the case of direct capitalization and/or a market-derived discount rate in the yield capitalization analysis (discounted cash flow analysis). The yield capitalization approach also forecasts the anticipated future income streams and estimates a reversion price at the end of a presumed holding period. These future income streams are then discounted to a present value using a market-extracted discount rate based on investor expectations based on the risks associated with a property.

RENT ROLL

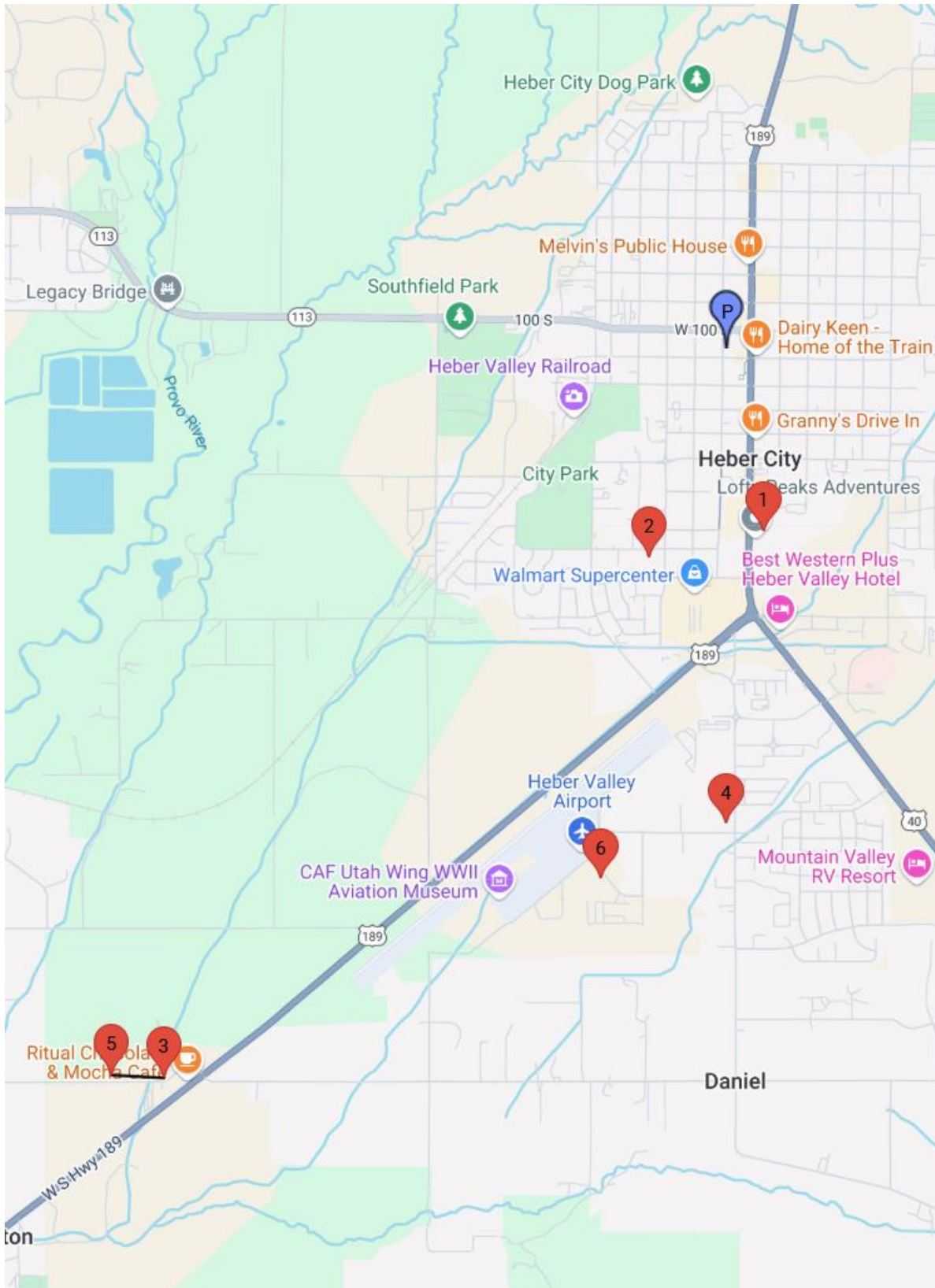
The subject property will be 100% owner-occupied and will therefore be unencumbered by an arm’s length lease. The rental income conclusion will be based on our market rent analysis

MARKET RENT

To estimate the market rental rate of the Industrial space in the subject, the rental rates of similar buildings in the subject and surrounding areas have been analyzed. Our analysis of rental rates for similar space within the market are summarized below.

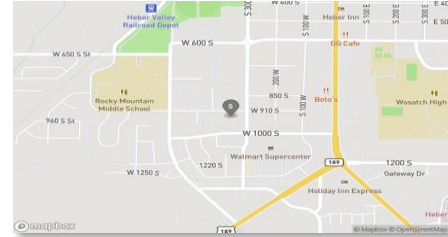
COMPARABLE LEASE SURVEY									
Comp No.	Property Name / Location	Bldg. Size (SF Net)	Year Built	Tenant	Lease Start	Lease Term	Unit Size (SF)	Lease Rate (\$/SF/Yr)	Expense Structure
Lease 1	Industrial w/ Yard (APN:00-0005-9134) 843 South Main Street Heber City, UT	7,680	1948	Contractor	Jun-2024	12 mos.	2,250	\$18.67	Gross
Lease 2	Industrial Warehouse (APN: 00-0015-5882) 357 West 910 South Heber City, UT	10,047	1995	Ark Tiny Homes	Jan-2024	62 mos.	10,200	\$14.00	NNN
Lease 3	Weathervane Warehouse Condos 2210 West 3000 South Heber City, UT	46,194	2020	Fleety Heber	Oct-2023	60 mos.	20,996	\$12.60	NNN
Lease 4	Multi-Tenant Industrial 86 West Airport Road Heber City, UT	18,000	2022	Inspiration Design	Sep-2023	60 mos.	4,560	\$14.40	NNN
Lease 5	5-Unit Industrial Condos 2210 West 3000 South Units 3-7 Daniel , UT	46,471	2020	Utah Spa Depot	Apr-2023	60 mos.	8,243	\$10.80	NNN
Lease 6	Multi-Tenant Industrial 551 Powerline Road Heber City, UT	16,200	2022	Jorgensen Builders	Jan-2023	60 mos.	5,400	\$14.40	NNN
	Minimum		1948					\$10.80	
	Maximum		2022					\$18.67	
	Average		2005					\$14.15	
	Subject	9,800	1999 & 1970's						

INDUSTRIAL COMPARABLE LEASE MAP





Lease Comparable #2
Industrial Warehouse (APN: 00-0015-5882)
 357 West 910 South
 Heber City, UT 84032-2443
 Wasatch County
 BBG Property #723867



Property Data

Improvement Details

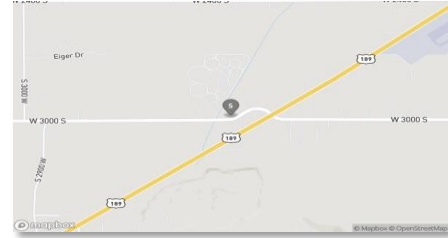
Property Type/Use	Industrial – Warehouse	Lat/Long	40.495623 / -111.4198
Parcel ID #	00-0015-5882	Number of Buildings	1
Year Built	1995	Year Renovated	N/A
Gross Building Area	10,047 SF	Rentable Area	10,047 SF
Number of Stories	1	Land to Building Ratio	4.34
Parking	Surface: 30 Total: 30	Parking Ratio	2.99:1,000 SF of Rentable Area
Site Size (Gross)	43,560 SF (1.00 acres)	Site Size (Net)	43,560 SF (1.00 acres)
Office Percentage	60%		
Clear Heights	16 feet		
Loading Doors	3		
Comments	The property is located on the south side of 910 S. The site is located on an access street and no traffic data is available. There are two units in the building. The northern half is being utilized as a day care and is assumed to be 100% office. The southern half is being utilized as a warehouse and has an estimated office build-out of 10%. Based on our understanding of the building, we have estimated an total office build-out of 60%. The building contains 3 grade doors, resulting in a loading door ratio of 2.99.		

Leases

Commence	Suite	Tenant	Leased Area	Rent \$/SF/Year	Term (Mos)	TI (PSF)	Escalations	Comments
1/1/2024		Ark Tiny Homes	10,200 SF	\$14.00 NNN	62	0	4%/Yr.	



Lease Comparable #3
Weatherlane Warehouse Condos
 2210 West 3000 South
 Heber City, UT 84032
 Wasatch County
 BBG Property #657112



Property Data

Improvement Details

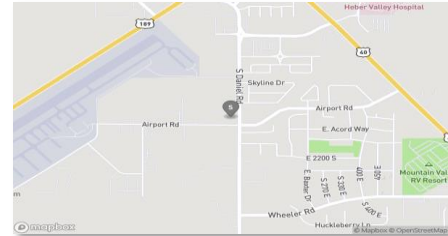
Property Type/Use	Industrial - Condominium	Lat/Long	40.470980 / -111.4500
Parcel ID #	00-0021-5603; 00-0021-5604; 00-0021-5605; 00-0021-5606; 00-0021-5607; 00-0021-5608; 00-0021-5609	Number of Buildings	1
Year Built	2020	Year Renovated	N/A
Gross Building Area	46,194 SF	Rentable Area	46,194 SF
Number of Stories	1	Land to Building Ratio	4.25
Parking	Total: 105	Parking Ratio	2.27:1,000 SF of Rentable Area
Site Size (Gross)	196,455 SF (4.51 acres)	Site Size (Net)	196,455 SF (4.51 acres)
Office Percentage	25%		
Clear Heights	28 feet		
Loading Doors	8		
Comments	This is a 7-unit industrial condominium building located along the northwest side of 3000 South, in Heber, UT. There are a total of 8 loading doors (2 dock and 6 grade) resulting in a loading door ratio of 1.7 per 10K SF. Office space is estimated to be 25%.		

Leases

Commence	Suite	Tenant	Leased Area	Rent \$/SF/Year	Term (Mos)	TI (PSF)	Escalations	Comments
10/1/2023		Fleety Heber	20,996 SF	\$12.60 NNN	60	0	3%/Yr.	New 5-year lease W/ 3% yearly increases.



Lease Comparable #4
Multi-Tenant Industrial
 86 West Airport Road
 Heber City, UT 84032
 Wasatch County
 BBG Property #724147

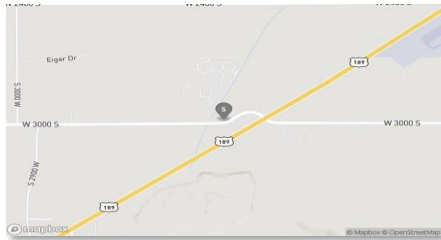


Property Data			
Improvement Details			
Property Type/Use	Industrial - Multi-Tenant Industrial Building	Lat/Long	40.482989 / -111.4150
Parcel ID #	00-0021-7744	Number of Buildings	1
Year Built	2022	Year Renovated	N/A
Gross Building Area	18,000 SF	Rentable Area	18,000 SF
Parking	Total: 30	Parking Ratio	1.67:1,000 SF of Rentable Area
Site Size (Gross)	41,382 SF (0.95 acres)	Site Size (Net)	41,382 SF (0.95 acres)
Office Percentage	10%		
Clear Heights	24 feet		
Loading Doors	8		
Comments	The property is located on the northwest corner of W Airport Rd and S Daniels Rd, and benefits from a daily traffic count of 538 along Airport Rd. The office build-out is not known. Based on our understanding of the building, we have concluded an office build-out of 10%. The building contains 8 grade level doors, resulting in a loading door ratio of 4.44. The site has a coverage ratio of 43%.		

Leases									
Commence	Suite	Tenant	Leased Area	Rent \$/SF/Year	Term (Mos)	TI (PSF)	Escalations	Comments	
9/26/2023		Inspiration Design	4,560 SF	\$14.40 NNN	60	0	3%/Yr.		



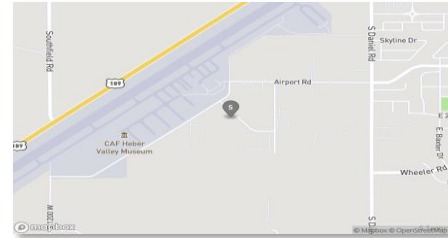
Lease Comparable #5
5-Unit Industrial Condos
 2210 West 3000 South Units 3-7
 Daniel, UT 84032
 Wasatch County
 BBG Property #649841



Property Data								
Improvement Details								
Property Type/Use	Industrial - Condominium	Lat/Long	40.470980 / -111.4500					
Parcel ID #	00-0021-5605,00-0021-5606, 00-0021-5607, 00-0021-5608, 00-0021-5609	Number of Buildings	1					
Year Built	2020	Year Renovated	N/A					
Gross Building Area	46,471 SF	Rentable Area	46,471 SF					
Number of Stories	1	Land to Building Ratio	3.67					
Parking	Total: 106	Parking Ratio	2.28:1,000 SF of Rentable Area					
Site Size (Gross)	170,320 SF (3.91 acres)	Site Size (Net)	170,320 SF (3.91 acres)					
Office Percentage	10%							
Clear Heights	28 feet							
Loading Doors	8							
Comments	Located on the north side of W 3000 South. The site is located on an accessory road and no traffic data is available. The condos were purchased in shell condition with no office build-out. We anticipate an office build-out of 10%.							
Leases								
Commence	Suite	Tenant	Leased Area	Rent \$/SF/Year	Term (Mos)	TI (PSF)	Escalations	Comments
4/4/2023		Utah Spa Depot	8,243 SF	\$10.80 NNN	60	None	3%	This lease is for unit C. The condo contains 1 grade door, 28' clear height and is one story. The condo was leased in shell condition with no TI's as the tenant will pay for improvements themselves.



Lease Comparable #6
Multi-Tenant Industrial
 551 Powerline Road
 Heber City, UT 84032
 Wasatch County
 BBG Property #649896



Property Data								
Improvement Details								
Property Type/Use	Industrial - Multi-Tenant Industrial Building		Lat/Long	40.480410 / -111.4228				
Parcel ID #	00-0021-2854		Number of Buildings	1				
Year Built	2022		Year Renovated	N/A				
Gross Building Area	16,200 SF		Rentable Area	16,200 SF				
Number of Stories	1		Land to Building Ratio	5.57				
Parking	Total: 25		Parking Ratio	1.54:1,000 SF of Rentable Area				
Site Size (Gross)	90,169 SF (2.07 acres)		Site Size (Net)	90,169 SF (2.07 acres)				
Office Percentage	5%							
Clear Heights	22 feet							
Loading Doors	9							
Comments	Located on the west side of Powerline Road. Office build-out is approximately 5%. All 9 loading doors are grade level with 22' clear heights, resulting in a loading door ratio of 5.6.							
Leases								
Commence	Suite	Tenant	Leased Area	Rent \$/SF/Year	Term (Mos)	TI (PSF)	Escalations	Comments
1/1/2023		Jorgensen Builders	5,400 SF	\$14.40 NNN	60			The leased was signed January 1, 2023, however, the tenant has not occupied the space yet.

INDUSTRIAL LEASE COMPARABLE ADJUSTMENT GRIDS

LEASE ADJUSTMENT GRID - INDUSTRIAL							
	Subject	Lease 1	Lease 2	Lease 3	Lease 4	Lease 5	Lease 6
Property Name	Industrial Property (APN: 00-0011-8294)	Industrial w/ Yard (APN:00-0005-9134)	Industrial Warehouse (APN: 00-0015-5882)	Weatheravane Warehouse Condos	Multi-Tenant Industrial	5-Unit Industrial Condos	Multi-Tenant Industrial
Property Address	165 South 100 West Heber City, Utah	843 South Main Street Heber City, 84032- 2464	357 West 910 South Heber City, 84032- 2443	2210 West 3000 South Heber City, 84032	86 West Airport Road Heber City, 84032	2210 West 3000 South Units 3-7 Daniel , 84032	551 Powerline Road Heber City, 84032
Year Built / Renovated	1999 & 1970's	1948	1995	2020	2022	2020	2022
Coverage Ratio %	42%	7%	23%	24%	43%	27%	18%
Clear Height	14'	18'	16'	28'	24'	28'	22'
Loading Door Ratio	3.1	14.3	3.0	1.7	4.4	1.7	5.6
Representative Lease							
Tenant		Contractor	Ark Tiny Homes	Fleety Heber	Inspiration Design	Utah Spa Depot	Jorgensen Builders
Unit Size (SF)	9,800	2,250	10,200	20,996	4,560	8,243	5,400
% Office	40%	5%	60%	25%	10%	10%	5%
Lease Start Date		Jun-24	Jan-24	Oct-23	Sep-23	Apr-23	Jan-23
Lease Term (mos)		12	62	60	60	60	60
Lease Rate (\$/SF/Yr)		\$18.67	\$14.00	\$12.60	\$14.40	\$10.80	\$14.40
Expense Structure		Gross	NNN	NNN	NNN	NNN	NNN
\$ Adjustment		-\$4.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Conditions of Lease		(M-T-M)					
\$ Adjustment		-\$0.93	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Market Conditions		Jun-24	Jan-24	Oct-23	Sep-23	Apr-23	Jan-23
% Adjustment		2.5%	4.6%	5.8%	6.3%	8.3%	9.6%
Cumulative Adjusted Rent		\$14.08	\$14.64	\$13.34	\$15.30	\$11.70	\$15.78
Location		0%	5%	10%	5%	10%	5%
Unit Size (SF)	9,800	-10%	0%	10%	-5%	0%	-5%
Condition / Effective Age	Average	10%	0%	-10%	-10%	-10%	-10%
Quality / Appeal	Average	10%	0%	0%	-5%	25%	-10%
Exposure / Access	Average/Good	5%	5%	5%	5%	5%	5%
Coverage Ratio	42%	-10%	-5%	-5%	0%	-5%	-10%
Clear Height	14'	-5%	-5%	-15%	-10%	-15%	-10%
% Office	40%	10%	-5%	5%	10%	10%	10%
Loading Door Ratio	3.0	-10%	0%	0%	0%	0%	-5%
Subtotal Gross Adjustments		70%	25%	60%	50%	80%	70%
Subtotal Net Adjustments		0%	-5%	0%	-10%	20%	-30%
Adjusted Lease Rate per Sq.Ft.		\$14.08	\$13.91	\$13.34	\$13.77	\$14.04	\$11.05
Overall Comparison		Secondary	Primary	Primary	Primary	Secondary	Secondary

Lease Summary - Industrial	Adjusted
Minimum	\$11.05
Maximum	\$14.08
Average	\$13.36
Median	\$13.84
Concluded Market Rent	\$13.75
Concluded Expense Structure	NNN

INDUSTRIAL MARKET RENT CONCLUSION

The lease comparables indicated an adjusted lease range from \$11.05 PSF up to \$14.08 PSF, with a median of \$13.84 PSF and an average of \$13.36 PSF. The average gross adjustments applied to the comparables was 59% with a median of 65%. The total gross adjustments are considered slightly above average due to the majority of the comparables being newer than the subject; however, the comparable information is the best local comparables that were verified and deemed reasonable and reliable to derive a market rental rate. Based on the results of the preceding analysis, Comparable 2 (\$13.91/SF), Comparable 3 (\$13.34/SF), and Comparable 4 (\$13.77/SF) are given primary consideration for the lease rate conclusion as they required the lowest level of gross adjustments, indicating their overall similarity to the subject. The average of the primary comparables is \$13.67 PSF. Based on our analysis, a market rent of \$13.75 PSF per year NNN is concluded.

SUMMARY OF MARKET RENT CONCLUSIONS

Based upon the preceding data and analysis, a summary of the concluded market rents utilized within the following analysis is presented within the following table.

MARKET RENT CONCLUSION	
	Industrial
Net Rentable Area (SF)	9,800
Percent of Total Area	100%
Comparable Lease Rate Range	\$11.05 - \$14.08
Concluded Market Rent (\$/SF)	\$13.75
Expense Structure	NNN
Concessions	0 - 3 Mos.
Annual Escalations	1% - 4%
Tenant Improvements (\$/SF)	
New	\$10.00
Renewal	\$0.00
Leasing Commissions (%)	
New	6%
Renewal	3%
Average Lease Term (years)	5

VACANCY AND COLLECTION LOSS

Occupancy data for the market, submarket, lease comparables and the subject, as well as the concluded occupancy/vacancy for the subject, is shown in the following table.

VACANCY CONCLUSION	
Market Occupancy (Currently)	94%
Market Occupancy (10-Year Ave.)	96%
Submarket Occupancy (Currently)	98%
Submarket Occupancy (10-Year Ave.)	97%
Subject's Current Occupancy	100%
Subject's Stabilized Occupancy	97.0%
Subject's Stabilized Vacancy Loss	3.0%

A total vacancy loss for the subject property of 3.0% is projected. We also estimate a nominal level of collection loss which is considered within our overall vacancy conclusion. It should be noted that operating expenses during periods of vacancy is incorporated into the cap rate.

OTHER INCOME

EXPENSE RECOVERIES

The subject is owner-occupied. However, if the subject were leased, it would likely be leased on a triple net basis. The rental income conclusion assumes a triple net expense structure where the tenant (owner) pays real estate taxes, property insurance, utilities, and property maintenance, while management fees and structural reserves are incurred by the subject owner and generally not reimbursable. For the purpose of our analysis, we assume that the reimbursable expenses are paid directly.

EXPENSE RECOVERIES					
Tenant Name	Area (SF)	Expense Structure	Management	Replacement Reserves	Total Expenses
Reimbursable ->			No	No	
Wasatch Wave (Owner Occupant)	9,800	NNN	\$3,921	\$980	\$4,901
Total	9,800	-----	\$3,921	\$980	\$4,901

SUBJECT'S INCOME AND EXPENSES

The subject's proforma income and expenses are detailed in the table on the following page.

SUBJECT'S INCOME & EXPENSES		
	BBG Proforma*	
	Total	per SF
INCOME		
Gross Potential Rent	\$134,750	\$13.75
Potential Gross Income	\$134,750	\$13.75
Physical Vacancy	-\$4,043	-\$0.41
Vacancy & Collection Loss	-\$4,043	-\$0.41
EFFECTIVE GROSS INCOME (EGI)	\$130,708	\$13.34
EXPENSES		
Management	\$3,921	\$0.40
Replacement Reserves	\$980	\$0.10
TOTAL EXPENSES	\$4,901	\$0.50
NET OPERATING INCOME (NOI)	\$125,806	\$12.84

* Fiscal Year Beginning Nov-24

OPERATING EXPENSE ANALYSIS AND PROJECTIONS

Each of the respective expense items is estimated in the following analysis with consideration given to comparable expense data from the local market.

OPERATING EXPENSE CONCLUSION	
Expense Item	BBG Forecast
Management	\$0.40
	\$3,921
Replacement Reserves	\$0.10
	\$980
Total Operating Expenses Per SF	\$0.50
Total Operating Expenses	\$4,901

COMMENTS	
Management	This expense reflects the professional management service of the subject. The conclusion is based of typical marketing parameters that range from 2% to 6% for properties. Given the number of tenant units within the facility, a rate near the lower end of the range is concluded.
Replacement Reserves	Reserves for replacements are not typical cash expenditures, but rather the annualized cost of major expenses in the future. Reserves for replacement represent a prudent investor's or manager's cash flow model that includes a savings account to pay for the periodic replacement of building components. This expense typically ranges from \$0.05 to \$0.15 depending on the age and condition of the building. An estimate near the middle of the range is used in this analysis based on the subject's age and condition.

PRO FORMA OPERATIONS

Following is a summary of the income and expense projections for the subject which is a summation of the preceding analysis.

PRO FORMA		FY 2025	
Income		\$	Per SF
Gross Potential Rent		\$134,750	\$13.75
Total Potential Gross Income		\$134,750	\$13.75
Less: Vacancy Loss & Collection Loss	3.0%	(\$4,043)	-\$0.41
Effective Gross Income (EGI)		\$130,708	\$13.34
Expenses			
Management	3.0%	\$3,921	\$0.40
Replacement Reserves		\$980	\$0.10
Total Expenses	3.7%	\$4,901	\$0.50
NET OPERATING INCOME (NOI)		\$125,806	\$12.84

DIRECT CAPITALIZATION

Direct capitalization is a method used to convert a projected single year's income expectancy into an indication of value. Dividing a property's net operating income by an appropriate market-derived capitalization rate provides a value indication. This capitalization rate is known as the overall rate.

There are several methods that can be used in deriving an overall rate that can be used to capitalize the net operating income that was projected in the previous Pro Forma Operating Statement.

MARKET DERIVATION

When adequate data is available, the overall rate is best derived from the comparable sales employed in the Sales Comparison Approach. The following table summarizes capitalization rates extracted from the comparable sales transactions.

SUPPLEMENTAL MARKET CAP RATES

Due to the subject's fee-simple interest, all sales used within the Sales Comparison Approach are also owner-user fee-simple sales; therefore, the following table presents a summary of supplemental leased-fee comparable sales located within the subject's market, and the capitalization rates from each of those sales.

MARKET DERIVED CAPITALIZATION RATE SUMMARY (SUPPLEMENTAL)								
No.	Property / Location	Date of Sale	Year Built	Occup.	Sale Price	NOI	Sale Price PSF	Capitalization Rate
1	Multi-Tenant Industrial 215 East 700 South Clearfield, UT	04/26/2024	2008	100%	\$1,755,000	\$101,675	\$ 132.65	5.79%
2	Industrial Warehouse W/ Yard 2280 Alexander Street West Valley City, UT	11/22/2023	1979	100%	\$6,000,000	\$384,000	\$ 197.46	6.40%
3	Industrial Condo Unit-101 13863 South 2700 West Bluffdale, UT	08/11/2023	2020	100%	\$2,400,000	\$152,160	\$ 310.00	6.34%
4	Multi-Tenant Warehouse 2900-2912 South West Temple Street South Salt Lake, UT	08/10/2023	1983	100%	\$2,500,000	\$185,479	\$ 188.36	6.74%
5	Industrial W/ Yard 343 West 5560 South Murray, UT	07/24/2023	1990	100%	\$1,800,000	\$110,047	\$ 509.34	6.11%
6	Multi-Tenant Industrial 86 West Airport Road Heber City, UT	03/17/2023	2022	100%	\$3,950,000	\$240,108	\$ 219.44	6.08%
7	Industrial Warehouse W/ Yard 4080 South West Temple Murray, UT	03/06/2023	1979	100%	\$6,637,000	\$384,943	\$ 217.24	5.80%
8	Industrial Condominium 3855 South 500 West Unit D Salt Lake City, UT	01/03/2023	1979	100%	\$650,000	\$36,140	\$ 162.50	5.56%
Low								5.56%
High								6.74%
Median								6.10%
Average								6.10%
Appraiser's Concluded Range								5.50% - 6.75%

The sales above indicate a wide range of capitalization rates from [Click or tap here to enter text.](#) to [Click or tap here to enter text.](#) with an average of [Click or tap here to enter text.](#) and a median of [Click or tap here to enter text.](#) All comparables are somewhat recent transactions (past 24-months) that have occurred within the subject market. Therefore, the subject should achieve a capitalization rate below the average of the sales. Based on the data available and the analyses presented, the subject warrants a capitalization rate between [Click or tap here to enter text.](#)

INVESTOR SURVEYS

INVESTOR SURVEYS		
Survey/Investment Type	OAR Range	Average
PwC Real Estate Investor Survey (3Q24)		
Warehouse	4.00% - 8.50%	5.55%
Situs RERC Real Estate Report (3Q24)		
Warehouse	4.80% - 6.00%	5.50%
Flex	5.80% - 7.00%	6.70%
Indicated OAR:	4.00% - 8.50%	5.92%

The subject property represents a Class C property in a secondary market. Due to the size of the property, it would not likely attract the attention of institutional investors. Thus, the subject warrants a capitalization rate above the reported average of investor surveys.

MARKET PARTICIPANT INTERVIEWS

The following table indicates data from market participant interviews relative to capitalization rates for the subject and/or similar properties.

MARKET PARTICIPANT INTERVIEWS				
Respondent	Company	Property Type	Survey Date	Cap Rate Range
Christopher Liddell, Broker	CBRE	Industrial	4Q 2024	5.25% - 6.50%
Mr. Liddell, a prominent industrial broker along the Wasatch Front indicated that the market is currently experiencing downward pressure on both values and lease rates due to the extended time period interest rates have been elevated. Additionally, with the higher vacancy rate in the market due to the availability of first generation tilt-up product, tenants are better able to negotiate/lease new space at lower rates than what has been available over the past several years. On the other hand, 2nd generation space owners likely have more wiggle room to entice tenants. It was indicated that concessions are increasing and TI's are being provided whereas, those have been absent from the market over the past decade. Regarding cap rates, tilt-up distribution building are still being acquired as low as 5.25%; however, they are typically leased below market and buyer's will take a small rent loss in hopes to re-sign tenants at market rates over the next 3-5 years. Ultimately, their pro-forma cap rates are more inline of 6.00% up to 6.50% when considering rent-loss and future potential rents. 2nd generation cap will generally transact near the higher end of the provided range (as-is).				
Kelsie Akiyama, Broker	Newmark	Industrial Warehouse	3Q 2024	5.75% - 6.50%
Mr. Akiyama indicated that cap rates have generally remained stable over the past year between the 5.75% - 6.50% range.				
Reported Range				5.75% - 6.50%

BAND OF INVESTMENT

The band of investment calculation is summarized in the following table.

BAND OF INVESTMENT				
Loan Parameters				
Loan-to-Value (LTV)				70%
Amortization Period (yrs)				30
Interest Rate				6.25%
Mortgage Constant				0.07389
Equity Dividend Rate				5.00%
Calculation				
0.70 LTV	x	0.07389 Mortgage Constant	=	0.05172
0.30 Equity	x	0.05000 Equity Dividend Rate	=	0.01500
Capitalization Rate				6.67%

CAPITALIZATION RATE SUMMARY AND CONCLUSIONS

The capitalization rates derived from the various techniques are summarized in the following table.

SUMMARY CAPITALIZATION RATE AND CONCLUSION	
Method	Capitalization Rate
Market Extraction (Supplemental)	5.50% - 6.75%
Market Extraction Ave (Supplemental)	6.10%
Investor Surveys	5.92%
Market Participants	5.75% - 6.50%
Band of Investment	6.67%
Primary Weight	Market Extraction, Market Participants
Secondary Weight	Investor Surveys, BOI
Capitalization Rate Conclusion	6.00%

Typically, most weight is placed on the rates derived from sources most closely associated with the subject's immediate market, that is, comparable sales, particularly if the comparable sales have a similar risk profile to the subject property. Based on all available data sources, we conclude to a 6.00% capitalization rate.

VALUE INDICATION FROM DIRECT CAPITALIZATION

A value indication by the Direct Capitalization Method is calculated by dividing the net operating income (NOI), derived earlier in this section by the appropriate capitalization rate. Our conclusion via the Direct Capitalization Method is as follows.

DIRECT CAPITALIZATION METHOD VALUE CONCLUSION - AS IS		
NET OPERATING INCOME	\$125,806	\$12.84
Based on Most Probable Rate of 6.00%	\$2,096,771	\$213.96
Indicated As Is Value	\$2,096,771	\$213.96
Rounded to nearest \$10,000	\$2,100,000	\$214.29

RECONCILIATION AND FINAL VALUE

SUMMARY OF VALUE INDICATIONS

VALUE INDICATIONS		
As Is as of November 26, 2024		
Sales Comparison Approach	\$2,160,000	\$220.41 Per Square Foot (NRA)
Income Capitalization Approach		
Direct Capitalization	\$2,100,000	\$214.29 Per Square Foot (NRA)
Approach Reliance		
Direct Capitalization	\$2,160,000	\$220.41 Per Square Foot (NRA)
Exposure Time (Months)	6 Months or Less	
Marketing Time (Months)	6 Months or Less	

MARKET VALUE - VALUATION RELIANCE

The Sales Comparison Approach is primarily used by owner-users in making purchase decisions. The subject has high appeal to an owner-user due to the size and use of the property. Reasonable sale comparable data was available for analysis. For these reasons, the Sales Comparison Approach was given primary weight in the final conclusion of value.

The Income Approach is the valuation method most commonly used by investors in making purchase decisions for investment properties. The subject lends more to an owner-user due to its size location and buyer pool. As such, the Income Approach is given secondary emphasis in our reconciliation.

FINAL OPINION(S) OF VALUE

Based on the inspection of the property and the investigation and the analysis undertaken, we have developed the following value opinion(s).

MARKET VALUE CONCLUSION(S)			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value - As Is	Fee Simple	November 26, 2024	\$2,160,000

MARKETING TIME AND EXPOSURE TIME

The sales used in the Sales Comparison Approach were formally marketed and purchased after being exposed to the market in a range from off market (no exposure time) to approximately six months.

Financing for industrial properties purchased for owner user purposes is generally available, however, with the recent increase in interest rates, there appears to be a slight reduction in the pool of potential buyers for this property type. Therefore, we do not believe the increased cost of financing has any major negative impact on the marketability of the subject, and we believe it would have a marketing time of 6 months or less at the appraised market value (marketing time occurs after the effective date of value). The exposure time (time preceding the effective date of value) is also estimated at 6 months or less.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved with this assignment.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, as well as the requirements of the state of Utah.
9. The reported analyses, opinions, and Value Indications were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics, the Standards of Professional Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, John Blaser, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
12. John Blaser, MAI has made a personal inspection of the property that is the subject of this report.
13. Brady D. Hagblom (Trainee License Number 5997229-TR00) provided significant real property appraisal assistance to the appraiser signing this certification. Assistance included gathering regional, neighborhood, zoning, and tax information, highest & best use analysis, confirming the comparable data and assisting in the valuation analysis and reconciliation analysis under guidance and review of the appraiser.
14. John Blaser, MAI has provided services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.



John Blaser, MAI
 UT Certified General Appraiser
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 jblaser@bbgres.com

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions:

- 1) Notwithstanding that Appraiser may comment on, analyze or assume certain conditions in the appraisal, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas or other mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.
 - c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
 - d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way.
 - e) The appraisal report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the appraisal report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the appraisal report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.

- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
 - g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.
 - h) It is assumed the subject property is not adversely affected by the potential of floods; unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.
 - i) Unless otherwise stated within the appraisal report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's inspection.
 - j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report. Further, unless so stated in the appraisal report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
 - k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
 - l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
 - m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the appraisal report.
- 2) If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the

inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

- 3) If provided, the estimated insurable value is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The Appraiser is not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraiser is not a cost expert in cost estimating for insurance purposes.
- 4) The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. This appraisal is based on market conditions existing as of the date of this appraisal.
- 5) The value opinions reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.
- 6) Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
- 7) The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
- 8) Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
- 9) If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 10) Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.

- 11) The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
- 12) The submission of the appraisal report constitutes completion of the services authorized and agreed upon. Such appraisal report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, or judicial or administrative proceedings. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. The Client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files, and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the opinion of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.
- 13) Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (b) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of an Appraisal Report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

Company Overview

BBG OVERVIEW

BBG is one of the nation's largest real estate services firms with more than 45 offices across the country serving more than 4,500 clients. We deliver best-in-class valuation, advisory and assessment services with a singular focus of meeting our clients' needs.

Our professional team offers broad industry expertise and deep market knowledge to help clients meet their objectives throughout the real estate life cycle.

BBG clients include commercial real estate professionals, investors, lenders, attorneys, accountants and corporations.

THE BBG DIFFERENCE

National Footprint. BBG is one of only two national firms offering in-house valuation and environmental and property condition assessment services for all commercial property types.

Customer-focused Growth. BBG is one of the largest national due diligence firms because we deliver best-in-class work product and provide excellent customer care.

Qualified Team. Over 50 percent of BBG appraisers are MAI designated and offer deep industry expertise gained through real-world experience.

Unbiased Independence. By focusing exclusively on due diligence services, BBG guarantees an independent perspective free from potential conflicts of interest.

Innovative Technology. BBG has made significant analytics and IT investments to continually improve our data and report quality.

For more information, please visit www.bbgres.com

SERVICES

Valuation

- + Single Asset Valuation
- + Portfolio Valuation
- + Institutional Asset Valuation
- + Appraisal Review
- + Appraisal Management
- + Lease and Cost Analysis
- + Insurance Valuation
- + Arbitration & Consulting
- + Feasibility Studies
- + Highest and Best Use Studies
- + Evaluation
- + Investment analysis
- + Tax appeals
- + Litigation Support
- + Manufactured Housing and Campgrounds

Advisory

- + ASC 805 Business combinations
- + ASC 840 Leases
- + Purchase Price Allocations
- + Portfolio Valuations for reporting net asset values (NAV)
- + Public and non-traded REIT valuations
- + Valuations for litigation and litigation support
- + Sale-leaseback valuation analysis
- + Valuations for bankruptcy/fresh start accounting
- + Cost segregation analysis

Assessment

- + Environmental due diligence
- + Building Services
- + Construction Risk Management
- + HUD
- + Energy Efficiency Services
- + Land Surveying
- + Zoning

ADDENDA

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Appraiser Qualifications and Licenses.....C

GLOSSARY

Appraisal: (noun) the act or process of developing an opinion of value; an opinion of value. (adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.⁷

Appraisal Practice: valuation services performed by an individual acting as an appraiser, including but not limited to appraisal and appraisal review.⁷

Appraisal Review: (noun) the act or process of developing an opinion about the quality of another appraiser's work (i.e., a report, part of a report, a workfile, or some combination of these), that was performed as part of an appraisal or appraisal review assignment, (adjective) of or pertaining to an opinion about the quality of another appraiser's work that was performed as part of an appraisal or appraisal review assignment.⁷

Appraiser: one who is expected to perform valuation services competently and in a manner that is independent, impartial and objective.⁷

Appraiser's Peers: other appraisers who have expertise and competency in a similar type of assignment.⁷

Assessed Value: The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.¹

Asset:

1. Any item, the rights to which may have economic value, including financial assets (cash or bonds), business interests, intangible assets (copyrights and trademarks), and physical assets (real estate and personal property).
2. In general business usage, something owned by a business and reflected in the owner's business sheet.

Asset: A resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.²

Assignment: a valuation service that is provided by an appraiser as a consequence of an agreement with a client.⁷

Assignment Conditions: Assumptions, extraordinary assumptions, hypothetical conditions, laws and regulation, jurisdictional exceptions, and other conditions that affect the scope of work.⁷

Assignment Elements: Specific information needed to identify the appraisal or appraisal review problem: client and any other intended users, intended use of the appraiser's opinions and conclusions, type and definition of value; effective date of the appraiser's opinions and conclusions; subject of the assignment and its relevant characteristics; and assignment conditions.⁷

Assignment Results: An appraiser's opinions or conclusions, not limited to value, that were developed when performing an appraisal assignment, an appraisal review assignment, or a valuation service other than an appraisal or appraisal review.⁷

Bias: a preference or inclination that precludes an appraiser's impartiality, independence, or objectivity in an assignment.⁷

Business Enterprise: an entity pursuing an economic activity.⁷

Business Equity: the interests, benefits, and rights inherent in the ownership of a business enterprise or a part thereof in any form (including, but not necessarily limited to, capital stock, partnership interests, cooperatives, sole proprietorships, options, and warrants).⁷

Capital Expenditure: Investments of cash (or the creation of liability) to acquire or improve an asset, e.g., land, buildings, building additions, site improvements, machinery, equipment; as distinguished from cash outflows for expense items that are normally considered part of the current period's operations. Also referred to as Cap Ex.¹

Cash Equivalency Analysis: An analytical process in which the sale price of a transaction with nonmarket financing or financing with unusual conditions or incentives is converted into a price expressed in terms of cash or its equivalent.¹

Client: the party or parties (i.e., individual, group or entity) who engage an appraiser by employment or contract in a specific assignment, whether directly or through an agent.⁷

Condominium Ownership: A form of fee ownership of separate units or portions of multiunit buildings that provides for formal filing and recording of a divided interest in real estate.¹

Confidential Information:

1: information that is either:

- Identified by the client as confidential when providing it to a valuer and that is not available from any other source, or
- Classified as confidential or private by applicable law or regulation.

2: Information that is either

- Identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or
- Classified as confidential or private by applicable law or regulation *
- NOTICE: For example, pursuant to the passage of the Gramm-Leach-Bliley Act in November 1999, some public agencies have adopted privacy regulations that affect appraisers. The Federal Trade Commission (FTC) issued two rules. The first rule (16 CFR 313) focuses on the protection of "non-public personal information" provided by consumers to those involved in financial activities "found to be closely related to banking or usual in connection with the transaction of banking." These activities include "appraising real or personal property." The second rule (16 CFR 314) requires appraisers to safeguard customer non-public personal information. Significant liability exists for appraisers should they fail to comply with these FTC rules.⁷

Cost: the actual or estimated amount required to create, reproduce, replace or obtain a property.⁷

Cost Approach: A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.¹

Credible: worthy of belief.⁷

Deferred Maintenance: Items of wear and tear on a property that should be fixed now to protect the value or income-producing ability of the property, such as a broken window, a dead tree, a leak in the roof, or a faulty roof that must be completely replaced. These items are almost always curable.¹

Disposition Value: The most probable price that a specified interest in real property should bring under the following conditions: 1) Consummation of a sale within a specific time, which is short than the typical exposure time for such a property in that market. 2) The property is subjected to market conditions prevailing as of the date of valuation. 3) Both the buyer and seller are acting prudently and knowledgeably. 4) The seller is under compulsion to sell. 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) An adequate marketing effort will be made during the exposure time. 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration of the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Economic Life: The period over which improvements to real estate contribute to property value.¹

Effective Date: the date to which the appraiser's analysis, opinions and conclusions apply, also referred to as date of value.⁷

Effective Gross Income Multiplier (EGIM): The ratio between the sale price (or value) of a property and its effective gross income.¹

Effective Rent: Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions, the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.¹

Exposure Time: an opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effect date of the appraisal.⁷

Extraordinary Assumption: an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.⁷

Fair Market Value:

1. In nontechnical usage, a term that is equivalent to the contemporary usage of market value.
2. As used in condemnation, litigation, income tax, and property tax situations, a term that is similar in concept to market value but may be defined explicitly by the relevant agency. For example, one definition of *fair market value* provided by the Internal Revenue Service for certain purposes is as follows: The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property to be determined by the sale price of the item in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate. (IRS Regulation §20.2031-1)¹

Fair Share:

1. A share of a fund or deposit that is divided or distributed proportionately.
2. A share of a burden or obligation that is divided proportionately; e.g., a tenant in a multitenant building or development may be required to pay a pro rata share of the building's operating expenses based on the number of square feet the tenant occupies. In a shopping center, the tenant's share of operating costs is often stated as a fraction, with the gross leasable area of the tenant's premises as the numerator and the gross leasable area or gross leased area of the entire shopping center as the denominator.
3. The share of a trade area that a retail facility is likely to capture; assumes that capture is a function of property size as a proportion of the overall inventory of competitive space in the trade area, i.e., that the facility captures a "fair share" of the trade area.¹

Fair Value:

1. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (FASB)
2. The estimated price for the transfer of an asset or liability between identified knowledgeable and willing parties that reflects the respective interests of those parties. (This does not apply to valuations for financial reporting.) (IVS).¹
3. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.²

Feasibility Analysis: a study of the cost benefit relationship of an economic endeavor.¹

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

Floor Area Ratio (FAR): The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.¹

Going Concern:

1. An established and operating business having an indefinite future life.
2. An organization with an indefinite life that is sufficiently long that, over time, all currently incomplete transformations [transforming resources from one form to a different, more valuable form] will be completed.¹

Gross Building Area (GBA):

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the super structure and substructure basement; typically does not include garage space.¹

Highest and Best Use:

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS).
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)¹

Hypothetical Condition: a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.⁷

Income Capitalization Approach: Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.¹

Inspection: Personal observation of the exterior or interior of the real estate that is the subject of an assignment performed to identify the property characteristics that are relevant to the assignment, such as amenities, general physical condition, and functional utility. Note that this is not the inspection process performed by a licensed or certified building inspector.¹

Insurable Value: A type of value for insurance purposes.¹

Intangible Property (intangible Assets): Nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment.⁷

Intended Use: the user(s) of an appraiser's reported appraisal or appraisal review assignment results, as identified by the appraiser based on communication with the client at the time of the assignment.⁷

Intended User: the client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser, based on communication with the client at the time of the assignment.⁷

Internal Rate of Return ("IRR"): The annualized yield rate or rate of return on capital that is generated or capable of being generalized within an investment of portfolio over a period of ownership. Alternatively, the indicated return of capital associated with a projected or pro forma income stream. The discount rate that equates the present value of the net cash flows of a project with the present value of the capital investment. It is the rate at which the Net Present Value (NPV) equals zero. The IRR reflects both the return on invested capital and the return of the original investment, which are basic considerations of potential investors. Therefore, deriving the IRR from analysis of market transactions of similar properties having comparable income patterns is a proper method for developing market discount rates for use in valuations to arrive at Market Value. Used in discounted cash flow analysis to find the implied or expected rate of return of the project, the IRR is the rate of return which gives a zero net present value (NPV). See also equity yield rate (YE); financial management rate of return (FMRR); modified internal rate of return (MIRR); yield rate (Y).¹

Investment Value: 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. 2) The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (IVS)¹

Jurisdictional Exception: an assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.⁷

Leasehold Interest: The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.¹

Leased Fee Interest: The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.¹

Liquidation Value: The most probable price that a specified interest in real

property should bring under the following conditions: 1) Consummation of a sale within a short time period; 2) The property is subjected to market conditions prevailing as of the date of valuation; 3) Both the buyer and seller are acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated. 6) Both parties are acting in what they consider to be their best interests. 7) A normal marketing effort is not possible due to the brief exposure time 8) Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto. 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms.¹

Load Factor: A measure of the relationship of common area to useable area and therefore the quality and efficiency of building area layout, with higher load factors indicating a higher percentage of common area to overall rentable space than lower load factors; calculated by subtracting the amount of usable area from the rentable area and then dividing the difference by the usable area:¹

Load Factor =

$$\frac{(\text{Rentable Area} - \text{Useable Area})}{\text{Useable Area}}$$

Market Value: a type of value stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal.⁷

Market Value "As If Complete" On The Appraisal Date: Market value as if complete on the effective date of the appraisal is an estimate of the market value of a property with all construction, conversion, or rehabilitation hypothetically completed, or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value should reflect the market value of the property as if complete and prepared for occupancy by tenants.

Market Value "As Is" On The Appraisal Date: Value As Is -The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning. See also effective date; prospective value opinion.

Market Value of the Total Assets of the Business: The market value of the total assets of the business is the market value of all of the tangible and intangible assets of a business as if sold in aggregate as a going concern. This assumes that the business is expected to continue operations well into the future.⁴

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property Market Value Opinions" address the determination of reasonable exposure and marketing time.).³

Mass Appraisal: the process of valuing a universe of properties as of a given date using standard methodology, employing common data and allowing for statistical testing.⁷

Mass Appraisal Model: a mathematical expression of how supply and demand factors interact in a market.⁷

Misleading: intentionally or unintentionally misrepresenting, misstating or concealing relevant facts or conclusions.⁷

Net Lease: A lease in which the landlord passes on all expenses to the tenant. See also lease.¹

Net Rentable Area (NRA): 1) The area on which rent is computed. 2) The

Rentable Area of a floor shall be computed by measuring to the inside finished surface of the dominant portion of the permanent outer building walls, excluding any major vertical penetrations of the floor. No deductions shall be made for columns and projections necessary to the building. Include space such as mechanical room, janitorial room, restrooms, and lobby of the floor.⁵

Penetration Ratio (Rate): The rate at which stores obtain sales from within a trade area or sector relative to the number of potential sales generated; usually applied to existing facilities. Also called: penetration factor.¹

Personal Inspection: a physical observation performed to assist in identifying relevant property characteristics in a valuation service.⁷

Personal Property: any tangible or intangible article that is subject to ownership and not classified as real property, including identifiable tangible objects that are considered by the general public as being "personal", such as furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and equipment, and intangible property that is created and stored electronically such as plans for installation art, choreography, emails or designs for digital tokens.⁷

Physical Characteristics: attributes of a property that are observable or measurable as a matter of fact, as distinguished from opinions and conclusions, which are the result of some level of analysis or judgement.⁷

Price: the amount asked, offered or paid for a property.⁷

Prospective opinion of value. A value opinion effective as of a specified future date. The term does not define a type of value. Instead it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.¹

Real Estate: an identified parcel or tract of land, including improvements, if any.⁷

Real Property: the interests, benefits and rights inherent in the ownership of real estate.⁷

Reconciliation: A phase of a valuation assignment in which two or more value indications are processed into a value opinion, which may be a range of value, a single point estimate, or a reference to a benchmark value.¹

Relevant Characteristics: features that may affect a property's value or marketability such as legal, economic or physical characteristics.⁷

Reliable Measurement: [The IAS/IFRS framework requires that] neither an asset nor a liability is recognized in the financial statements unless it has a cost or value that can be measured reliably.²

Remaining Economic Life: The estimated period over which existing improvements are expected to contribute economically to a property; an estimate of the number of years remaining in the economic life of a structure or structural components as of the effective date of the appraisal; used in the economic age-life method of estimating depreciation.¹

Replacement Cost: The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.¹

Report: any communication, written or oral, of an appraisal or appraisal review that is transmitted to the client or a party authorized by the client upon completion of an assignment.⁷

Retrospective Value Opinion: A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."¹

Sales Comparison Approach: The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.¹

Scope of Work: the type and extent of research and analyses in an appraisal or appraisal review assignment.⁷

Signature: personalized evidence indicating authentication of the work performed by the appraiser and the acceptance of the responsibility for content, analyses and the conclusions in the report.⁷

Stabilized value: A value opinion that excludes from consideration any abnormal relationship between supply and demand such as is experienced in boom periods when cost and sale price may exceed the long-term value, or during periods of depression, when cost and sale price may fall short of long-term value. It is also a value opinion that excludes from consideration any transitory condition that may cause excessive construction costs, e.g., a premium paid due to a temporary shortage of supply.

Substitution: The principle of substitution states that when several similar or commensurate commodities, goods, services are available, the one with the lowest price will attract the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.³

Total Assets of a Business: Total assets of a business is defined by the Appraisal Institute as “the tangible property (real property and personal property, including inventory and furniture, fixtures and equipment) and intangible property (cash, workforce, contracts, name, patents, copyrights, and other residual intangible assets, to include capitalized economic profit).”

Use Value:

The value of a property assuming a specific use, which may or may not be the property’s highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually.¹

Valuation Service: a service pertaining to an aspect of property value, regardless of the type of service and whether it is performed by appraisers or by others.⁷

Value: the monetary relationship between properties and those who buy and sell, or use those properties, expressed as an opinion of the worth of a property at a given time.⁷

Workfile: data, information and documentation necessary to support the appraiser’s opinions and conclusions and to show compliance with USPAP.⁷

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute 2010). ² Appraisal Institute, *International Financial Reporting Standards for Real Property Appraiser*, IFRS Website, www.ifrs-ebooks.com/index.html. ³ Appraisal Institute, *The Appraisal of Real Estate*, 13th ed. (Chicago: Appraisal Institute 2008). ⁴ This definition is taken from “Allocation of Business Assets Into Tangible and Intangible Components: A New Lexicon,” *Journal of Real Estate Appraisal*, January 2002, Volume LXX, Number 1. This terminology is to replace former phrases such as: value of the going concern. ⁵ Financial Publishing Company, *The Real Estate Dictionary*, 7 ed. ⁶ U.S. Treasury Regulations. ⁷ USPAP 2020-2021

LETTER OF ENGAGEMENT



November 18, 2024

Matt Brower
City Manager
Heber City
75 N Main Street
Heber City, UT 84032

Phone: 435-657-7885
Email: mbrower@Heberut.gov

RE: Appraisal Report | Commercial Properties located at Heber City, Utah (Parcel 00-0011-8294, 00-0004-7584, and 00-0004-7592)

Dear Brower,

We are pleased to submit this proposal and our Terms and Conditions for the above-referenced real estate.

PROPOSAL SPECIFICATIONS

Valuation Premise:

Form an opinion of the Market Value

Property Rights Appraised:

Fee Simple Estate

Intended Use:

Internal business purposes

Intended Users:

Heber City
75 N Main Street
Heber City, UT 84032

Scope of Work:

All Applicable Approaches

Inspection:

BBG Inspection

Site/Property Contact:

Name: Paul McFee
Phone: 435-671-8314
Email: paul@wasatchwave.com

Appraisal Standards:

Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics, and the Standards of Professional Appraisal Practice of the Appraisal Institute

Report Type:
Report Format:
Fee:

Appraisal Report

Narrative

- 1) Parcel ID 00-0011-8294 (Owner: Richard and Susan Buys) - \$3,000
- 2) Parcel ID 00-0004-7584 (Owner: Albert Merryweather) - \$3,000
- 3) Parcel ID 00-0004-7592 (Owner: Albert Merryweather) - \$3,000

Total: \$9,000

The fee includes up to two hours of consultation time after the delivery of the final reports. Any time incurred thereafter will be billed at an hourly rate.

Please indicate below who is responsible for payment:

Name:

Matt Brower

Company:

Heber City

Address:

75 S. Main, Heber, UT
84032

Phone:

435-315-8860

Email:

mbrower@heberut.gov

Signature:

[Signature]

Retainer:

None

Wire Payment/ACH Information Below:

Bank of America

Acct#: 488038497058

Wire Payment Routing#: 026009593

ACH Payment Routing#: 111000025

Payment Terms:

Balance is due and payable upon delivery of the final report or within 30 days of your receipt of our draft report, whichever is sooner. If a draft report is requested, the fee is considered earned upon delivery of our draft report.

Payment Options:

- Credit card (a 3% fee is applied)
- Wire or ACH payment. (See the information below for sending the wire or ACH)
- A check mailed to BBG, Inc., 8343 Douglas Avenue, Suite 700, Dallas, TX 75225

Payment Options (cont.):

If you would like to pay by credit card, please pay the invoice online directly from our website at www.bbgres.com

1. The client can access the credit card portal by choosing "Pay Your Invoice" in the right-hand corner of the website.
2. A 3% convenience fee is automatically applied to all credit card payments.
3. Please add the Accounting BBG email (eft@bbgres.com) as a correspondent for remit payment (BBG Email Contact), so that we can get this applied to our system on time.
4. Please include the BBG Invoice # in your credit card submission. If you have not yet received an invoice number, please use the drop-down tool to select 'Property Details' and include the property's address.
5. A copy of the receipt will be sent directly to you once the payment has been made.

If you choose to pay by wire or ACH, please let us know once the wire or ACH has been initiated and forward the bank confirmation.

Be sure to include the address as a reference whenever sending any wire payment.

BBG Appraisal Wiring and ACH Instructions:

Bank of America Account # 488038497058

Payment via ACH Routing # 111000025

Payment via Wire Routing # 026009593

Bank Address: Bank of America
6019 Berkshire Lane
Dallas, TX 75225

Due to the limited capability to provide complete remittance details in ACH and Wire payments, please send all payment remittance details, including applicable invoice numbers, to eft@bbgres.com to ensure a timely and accurate payment application.

Report Copies:

Delivery Date:

Report Delivery Recipients:

1 Final PDF

3 weeks

If any other person(s) is authorized to be included in the delivery of the report, please include their information in the space below:

Name(s): _____

Email(s): _____

Acceptance Date:

Date of Execution

11/20/24

Property Information Request:

The following list of items will be needed within 2 days to meet the above-referenced delivery date:

Do not provide Personally Identifiable Information (PII) to BBG, Inc. or any of its agents. PII is any piece of information meant to identify a specific individual. This includes data such as a Social Security number, driver's license number, and financial account numbers.

The attached Terms and Conditions of the Engagement are deemed part of this Appraisal Services Agreement and are incorporated fully herein by reference and shall apply to any appraisal reports, contracts, or orders into which they are incorporated. In addition, with respect to any appraisal report, any use of or reliance on the appraisal by any party, regardless of whether the use or reliance is authorized or known by BBG, Inc. and its agents, servants, employees, principals, affiliated companies and all those in privity with them, constitutes acceptance of such Terms and Conditions of the Engagement, as well as acceptance of all other appraisal statements, limiting conditions and assumptions stated in the appraisal report. Use of this appraisal report constitutes acknowledgment and acceptance of the Terms and Conditions of the Engagement, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based. This appraisal report has been prepared for the exclusive benefit of the client. It may not be used or relied upon by any other party. Any other party who is not the identified client within this report who uses or relies upon any information in this report does so at their own risk.

Client acknowledges and agrees that BBG may anonymize all property and operational information ("Client Data") provided and aggregate with other anonymized data from other Clients and/or other sources and use such aggregated, anonymized Client Data in existing or future BBG product offerings. BBG shall process the Client Data in a manner that renders the form and source of the Client Data unidentifiable to any other Client or third party.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.



As Agent for BBG, Inc.
John Blaser | MAI
Managing Director
BBG, Inc.
6965 South Union Park Ave, Suite 460
Cottonwood Heights, UT 84047

AGREED AND ACCEPTED


Client Signature
Date

Terms and Limiting Conditions of the Engagement

The Terms and Conditions of the Engagement are deemed part of the attached Proposal Specifications and Appraisal and Consulting Services Agreement and are incorporated fully therein, and shall apply to any appraisal services, consulting services, oral testimony, reports, contracts, or orders into which they may be incorporated.

A) Definitions. In the Terms and Conditions of the Engagement:

1. "BBG, Inc." means BBG, Inc. and its agents, successors, assigns, servants, employees, principals, affiliated companies, and all those in privity with them.
2. "Appraiser" means the appraiser(s) performing part or all of the appraisal services and/or signing an appraisal report. "Appraiser" may also mean "Consultant" in a consulting assignment.
3. "Appraisal and Consulting Services Agreement" means any written agreement with the Client for performance of the appraisal services by Appraiser, including any agreement entered into electronically.
4. "Client" means any party identified expressly as a client in an Appraisal and Consulting Services Agreement and also any party identified expressly as a client by the Appraiser in an appraisal report.
5. "Appraisal" means any appraisal or consulting report(s) prepared by or oral report and/or testimony presented by BBG, Inc.
6. "Report" means a written or oral report prepared by and/or oral testimony presented by BBG, Inc.

B) Venue and Jurisdiction

THIS APPRAISAL SERVICES AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC SUBSTANTIVE LAWS OF THE STATE OF UTAH, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION. IF ANY ACTION RELATING TO THIS APPRAISAL SERVICES AGREEMENT OR THE CONTEMPLATED TRANSACTIONS IS BROUGHT BY A PARTY HERETO AGAINST ANY OTHER PARTY HERETO, THE PREVAILING PARTY IN SUCH ACTION WILL BE ENTITLED TO RECOVER ALL REASONABLE EXPENSES RELATING THERETO (INCLUDING ATTORNEYS' FEES AND EXPENSES) FROM THE NON-PREVAILING PARTY.

Each party to this Appraisal Services Agreement (a) hereby irrevocably submits to the exclusive jurisdiction and venue of the state courts located in Salt Lake County, Utah (or, if but only if such court lacks jurisdiction, the United States District Court for the Utah District of Utah) for the purpose of any Action between any of the parties hereto arising in whole or in part under or in connection with this Appraisal Services Agreement, any Ancillary Agreement, or the Contemplated Transactions, (b) hereby waives and agrees not to assert any claim that he, she or it is not subject personally to the jurisdiction of the above-named courts or that any such Action brought in the above-named courts should be dismissed on grounds of forum non convenience. Notwithstanding the foregoing, a party hereto may commence any Action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by the above-named courts.

C) Limitations of Liability

It is expressly agreed that in any action which may be brought against BBG, Inc., arising out of, relating to, or in any way pertaining to this engagement, this Appraisal and Consulting Services Agreement, or any services, reports, information, or opinions contained therein or presented, BBG, Inc. shall not be responsible or liable for any incidental or consequential losses, unless the same was fraudulent or prepared with gross negligence. It is further agreed that the collective liability of BBG, Inc. in any such action shall not exceed the fees paid for the preparation of the respective report or services unless the same was fraudulent or prepared with gross negligence. Finally, it is agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

Client hereby agrees to indemnify, defend, protect, and hold BBG, Inc. harmless from and against all claims, damages, losses, and expenses, including attorneys' fees, expenses, and costs, incurred upon investigating and defending any claim, action, or proceeding arising from, or in any way connected to, relating to, or in any way

Terms and Limiting Conditions of the Engagement

pertaining to this engagement, this Appraisal and Consulting Services Agreement, or any services, reports, information, or opinions contained therein or presented.

Further, you acknowledge that any opinions and conclusions expressed by professionals employed by BBG, Inc. related to this agreement are representations made by them as employees and not as individuals. BBG, Inc.'s responsibility is limited to you as a Client. The use of BBG, Inc.'s product by third parties is not intended unless expressly stated and shall be solely at the risk of you and/or third parties. BBG, Inc. acknowledges that Client will be the end-user of, and can rely upon, the opinion and conclusions of BBG, Inc.

D) Confidentiality

The parties agree that (i) this Appraisal and Consulting Services Agreement and the terms contained herein, (ii) opinions or valuation conclusions, (iii) the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designations thereof, and (iv) all information regarding the property of whatever nature made available to either party by the other (including all versions of BBG, Inc.'s final report and all prior drafts of same) and methods of each party revealed during the performance of the Services (altogether, collectively, the "Confidential Information") shall be treated as strictly confidential. Accordingly, neither party nor any employee, agent, or affiliate thereof shall disclose the same to any third party without the written consent of the other party and approval of the Appraiser; provided, however, that, a party shall not hereby be precluded from disclosure of Confidential Information that may be compelled by legal requirements, or from disclosing this Appraisal and Consulting Services Agreement (and the terms contained herein) to its attorneys, accountants, auditors, lenders, and other professionals who may be bound to that party by duties of confidence.

Do not provide Personally Identifiable Information (PII) to BBG, Inc. or any of its agents. PII is any piece of information meant to identify a specific individual. This includes data such as a Social Security number, driver's license number, and financial account numbers.

E) General Assumptions and Limiting Conditions

Appraisal services have been provided with the following general assumptions:

1. Notwithstanding that the Appraiser may comment on, analyze or assume certain conditions in the appraisal or consulting assignment, BBG, Inc. shall have no monetary liability or responsibility for alleged claims or damages pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) the property's compliance with local, state or federal zoning, planning, building, disability access and environmental laws, regulations, and standards; (c) building permits and planning approvals for improvements on the property; (d) structural or mechanical soundness or safety; (e) contamination, mold, pollution, storage tanks, animal infestations or other hazardous conditions affecting the property; and (f) other conditions and matters for which licensed real estate appraisers are not customarily deemed to have professional expertise. Accordingly:
 - a) The Appraiser has not conducted any engineering or architectural surveys in connection with this appraisal or consulting assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the Appraiser or the Appraiser's staff or was obtained or taken from referenced sources and is considered reliable. The Appraiser and BBG, Inc. shall not be monetarily liable or responsible for or assume the costs of preparation or arrangement of geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
 - b) Unless otherwise stated in the written report or oral report, only the real property is considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment. Further, unless otherwise stated, it is assumed that there are no subsurface oil, gas, or other mineral deposits or subsurface rights of

Terms and Limiting Conditions of the Engagement

value involved in this appraisal, whether they are gas, liquid, or solid. Further, unless otherwise stated, it is assumed that there are no rights associated with extraction or exploration of such elements considered. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.

- c) Any legal description or plats reported in the appraisal are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the subject property, the environs, and the competitive data. BBG, Inc. has made no survey of the property and assumes no monetary liability or responsibility in connection with such matters.
- d) Title is assumed to be good and marketable, and in fee simple, unless otherwise stated in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as stated. Further, BBG, Inc. assumes there are no private deed restrictions affecting the property which would limit the use of the subject property in any way, except as stated.
- e) The appraisal report is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report; additionally, that all applicable zoning, building, and use regulations and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value opinion. Moreover, unless otherwise stated herein, it is assumed that there are no encroachments or violations of any zoning or other regulations affecting the subject property, that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no trespasses or encroachments.
- f) The American Disabilities Act (ADA) became effective January 26, 1992. The Appraiser has not made a specific compliance survey or analysis of the property to determine whether it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative impact upon the value of the property. Since the Appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
- g) No monetary liability or responsibility is assumed for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report or oral report.
- h) It is assumed the subject property is not adversely affected by the potential of floods unless otherwise stated herein. Further, it is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any existing or proposed buildings.
- i) Unless otherwise stated within the appraisal report or oral report, the depiction of the physical condition of the improvements described therein is based on visual inspection. No monetary liability or responsibility is assumed for (a) the soundness of structural members since no engineering tests were conducted; (b) the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made; and (c) hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during the Appraiser's or Consultant's inspection.
- j) If building improvements are present on the site, it is assumed that no significant evidence of termite damage or infestation was observed during physical inspection, unless so stated in the appraisal report

Terms and Limiting Conditions of the Engagement

- or oral report. Further, unless so stated in the report or oral report, no termite inspection report was available. No monetary liability or responsibility is assumed for hidden damages or infestation.
- k) Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No monetary liability or responsibility is assumed for such conditions or for engineering which may be required to discover them.
 - l) BBG, Inc., excepting employees of BBG Assessment, Inc., and the appraiser(s) are not experts in determining the presence or absence of hazardous substances toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. BBG, Inc. and the appraiser(s) assume no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. The Client is free to retain an expert on such matters in this field; however, Client retains such expert at Client's own discretion, and any costs and/or expenses associated with such retention are the responsibility of Client.
 - m) BBG, Inc. is not an expert in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. BBG, Inc. assumes no monetary liability or responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species. The Appraiser hereby reserves the right to alter, amend, revise, or rescind any of the value opinions contained within the appraisal report based upon any subsequent endangered species impact studies, research, and investigation that may be provided. However, it is assumed that no environmental impact studies were either requested or made in conjunction with this analysis, unless otherwise stated within the report.
- 2. If the Client instructions to the Appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the inspection date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the subject property is consistent with the exterior conditions as observed and that other information relied upon is accurate.
 - 3. If provided, the estimated insurable value or cost is included at the request of the Client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value or cost purposes. The Appraiser is not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The Appraiser is not a cost expert in cost estimating for insurance purposes.
 - 4. The dollar amount of any value opinion herein rendered is based upon the purchasing power and price of the United States Dollar as of the effective date of value. Any appraisal report is based on market conditions existing as of the effective date.
 - 5. Any value opinions reported or expressed apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value opinions, unless such proration or division of interests is set forth in the report. Any division of the land and improvement values stated herein is applicable only under the program of utilization shown. These separate valuations are invalidated for any other application.
 - 6. Any projections of income and expenses, including the reversion at time of resale, are not predictions of the future. Rather, they are BBG, Inc.'s best estimate of current market thinking of what future trends will be. No warranty or representation is made that such projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future

Terms and Limiting Conditions of the Engagement

real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.

7. The Appraiser assumes no monetary liability or responsibility for any changes in economic or physical conditions which occur following the effective date of value within this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.
8. Any proposed or incomplete improvements included in the appraisal report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.
9. If the appraisal report has been prepared in a so-called "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. If this is such a "non-disclosure" state, although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the Appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
10. Although the Appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the Appraiser either by the Client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the Appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or opinions of value.
11. The right is reserved by the Appraiser to make adjustments to the analyses, opinions, and conclusions set forth in the appraisal report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the Appraiser or Consultant. The Appraiser shall have no monetary liability or responsibility for any unauthorized change(s) to the report.
12. The submission of the appraisal report constitutes completion of the services authorized and agreed upon unless other services are provided for in this agreement. Such report is submitted on the condition the Client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, or judicial or administrative proceedings, unless otherwise defined herein. In the event the Appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the Client immediately. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the Client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work. A payment agreement must be reached in advance of the Appraiser providing such services.
13. Client shall not disseminate, distribute, make available or otherwise provide any appraisal report prepared hereunder to any third party (including without limitation, incorporating or referencing the report, in whole or in part, in any offering or other material intended for review by other parties) except to (a) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the report provided that either Appraiser has received an acceptable release from such third party with respect to such report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the report to such third party, (b) any third party service provider (including rating agencies

Terms and Limiting Conditions of the Engagement

and auditors) using the report in the course of providing services for the sole benefit of an Intended User, or (c) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, the receipt of a report by such party shall not confer any right upon such party to use or rely upon such report, and Appraiser shall have no liability for such unauthorized use or reliance upon such report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the report.

Millie Reyes

From: John Blaser
Sent: Thursday, November 21, 2024 8:52 AM
To: Trina Cooke
Cc: Millie Reyes
Subject: Re: Heber City Appraisal Report
Attachments: 3524_001.pdf

Follow Up Flag: Follow up
Flag Status: Completed

Thanks Trina. We will attach this email to the engagement letter as authorization to value this fourth parcel at \$3,000 and 3 weeks per my original bid with Matt.

We will get going on these four reports.

Thanks,



John Blaser, MAI
Managing Director
Valuation
6965 S. Union Park Center, Suite 460 Cottonwood Heights, UT 84047
P [801-618-1881](tel:801-618-1881) **C** [702-343-7882](tel:702-343-7882)
E jblaser@bbgres.com !



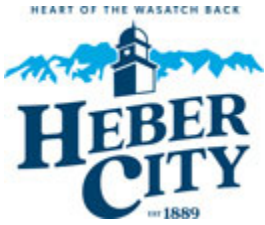
From: Trina Cooke <tcooke@Heberut.gov>
Sent: Thursday, November 21, 2024 8:45 AM
To: John Blaser <jblaser@bbgres.com>
Subject: Heber City Appraisal Report

CAUTION: EXTERNAL EMAIL

Hello John –

Matt Brower asked me to forward the attached appraisal agreement and ask you for a second appraisal (or to amend the attached agreement to include the second appraisal if easier). The other property is parcel 00-0004-9101-671-0617 and is owned by Kirk North: kirknorth3@gmail.com. Let me know if you have any questions.

Thank you –



Trina Cooke, CMC
City Recorder

Heber City
75 North Main Street, Heber City, UT 84032
Phone: 435-657-7886
Email: tcooke@Heberut.gov

PRIVACY NOTICE:

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APPRAISER QUALIFICATIONS AND LICENSES

Profile

John is the Managing Director at BBG of the Salt Lake City region office. His experience includes valuation in multi-family properties throughout the Utah, Nevada, Idaho, and Wyoming regions. John also has experience across many other property types including LIHTC multifamily properties, single and multi-tenant retail properties, single and multi-tenant industrial properties, single and multi-tenant office properties, self-storage properties, hospitality properties, medical properties, senior housing properties, manufactured housing properties, specialty properties, and vacant land. John has performed work in primary, secondary, and tertiary markets throughout the United States.

Employment with BBG Inc. began in February 2022 as a Managing Director in Utah, Nevada, Idaho, and Wyoming regions. Prior experience John was the Managing Director for the Salt Lake City office at Colliers International Valuation & Advisory Services. John directed the valuation services for a growing office of professionals throughout a multi-state area from 2014 to 2022. John began his valuation career as a Real Estate Analyst in the newly formed Las Vegas office of PGP Valuation (acquired by Colliers) in 2006. Prior to this, John worked as a credit analyst with a regional commercial bank.

Professional Affiliations

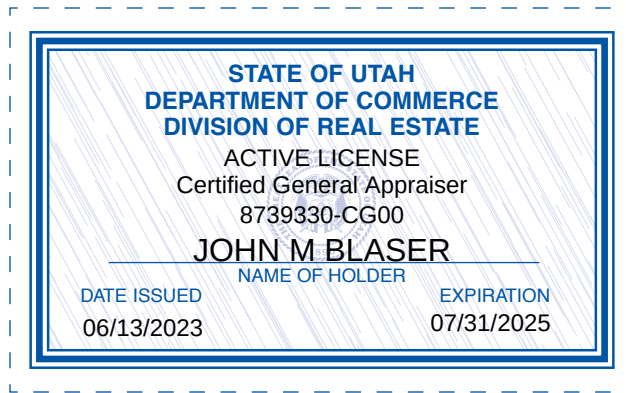
Certified General Appraiser, State of Utah (License No. 8739330-CG00)
Certified General Appraiser, State of Idaho (License No. CGA-3465)
Certified General Appraiser, State of Nevada (License No. A.0205932-CG)
Certified General Appraiser, State of Wyoming (License No. AP-1308)
Certified General Appraiser, State of California (License No. AG044409)

Education

Brigham Young University, Provo, UT
BS Finance, 2005 - (Elective Coursework in Bank & Financial Institution Management and Real Estate)

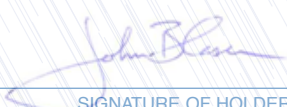
Coursework

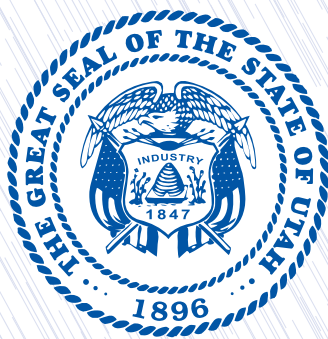
- 15-Hour USPAP
- Basic Appraisal Principles, Appraisal I
- Basic Appraisal Procedures, Appraisal II
- Appraisal Institute's, General Appraiser Income Approach, Part I
- Appraisal Institute's, General Appraiser Income Approach, Part II
- General Appraiser Sales Comparison Approach
- General Appraiser Market Analysis and H&BU
- General Appraiser Site Valuation & Cost Approach
- General Appraiser Report Writing and Case Studies
- Statistics, Modeling, and Finance
- Appraisal Institute's – Business Practices & Ethics
- Comparative Analysis, 2017
- Small Hotel/Motel Valuation, 2017
- Rates and Ratios, Making Sense of GIMs, OARs, and DCF, 2017
- Appraisal of Small Apartments, 2018
- Appraisal of Storage Facilities, 2018
- Appraisal of Industrial and Flex Buildings, 2021
- Intermediate Income Approach Case Studies, 2021
- Commercial Land Valuation, 2021
- Evaluations, Desktops, and Other Limited Scope Appraisals, 2021



- Your license is valid until the expiration date listed on your license.
- Below is your public address of record for the division. All correspondence will be mailed to this address. If your address is incorrect, please go to <https://secure.utah.gov/relms/index.html> to update it.
- All Continuing Education must be completed by the 15th of the month of expiration in order to ensure a timely renewal.
- Inactive licenses must be renewed.
- Please visit our web site at realestate.utah.gov should you have any questions.



STATE OF UTAH	
DEPARTMENT OF COMMERCE	
DIVISION OF REAL ESTATE	
ACTIVE LICENSE	
DATE ISSUED:	06/13/2023
EXPIRATION DATE:	07/31/2025
LICENSE NUMBER:	8739330-CG00
LICENSE TYPE:	Certified General Appraiser
ISSUED TO:	JOHN M BLASER
	6965 SOUTH UNION PARK CENTER
	BUILDING 7, SUITE 460
	COTTONWOOD HEIGHTS UT 84047
 SIGNATURE OF HOLDER	 REAL ESTATE DIVISION DIRECTOR





APPRAISAL REPORT

HEBER LIGHT & POWER OFFICE BUILDING

**LOCATED AT
31 SOUTH 100 WEST
HEBER, UTAH 84032**

**PREPARED FOR:
HEBER LIGHT & POWER**
c/o Bart Stanley Miller | CPA
Chief Financial Officer
31 South 100 West
Heber, UT 84032

Submitted by:
Mark L. Reed | MAI
InQoba-1, PC
2816 S Highland Drive, Suite 201
Salt Lake City, UT 84106

FILE NUMBER 24-07-02MR
CASE CODE: hlpob-240606

EFFECTIVE VALUATION DATE:
June 14, 2024



July 18, 2024

Mr. Bart Stanley Miller | CPA
Chief Financial Officer
Heber Light & Power
31 South 100 West
Heber, UT 84032

Re: Appraisal Report: Heber Light & Power office building, located at 31 South 100 West, Heber, Utah.

Dear Mr. Miller:

At your request, we have completed an appraisal addressing market value of the fee simple estate of the above-referenced property. This report contains the data, bases, and analyses upon which the value estimate is based. The intended use of this report is to assist with sale negotiations.

This appraisal report conforms with Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice (USPAP).

The subject was inspected on June 13, 2024, which is the effective valuation date. After careful consideration of available information, we are of the opinion market value of the subject property is:

EIGHT HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
\$875,000

The value estimate is subject to assumptions and limiting conditions contained in the report. Based on market observations, the foregoing value reflects a reasonable market exposure period of three to six months. The prospective marketing period is also estimated at three to six months. We trust this is sufficient to accomplish its intended function. Please call if we can be of further assistance.

Respectfully submitted,

Mark L. Reed, MAI
InQoba-1, PC
Utah State - Certified General Appraiser
Certificate 5834628-CG00 Expires 07-31-25

Brandon G. Bess | MAI
Commercial Appraisal & Valuation Experts, LLC
Utah State – Certified General Appraiser
Certificate 7897866-CG00 Expires 07-31-24

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EXECUTIVE SUMMARY

PROPERTY TYPE:	Heber Light & Power Office Building
LOCATION:	31 South 100 West Heber, Utah 84032
PURPOSE OF APPRAISAL:	Estimate market value
PROPERTY RIGHTS APPRAISED:	Fee Simple
REPORT DATE:	July 18, 2024
EFFECTIVE VALUATION DATE:	June 13, 2024
PARCEL NUMBER(s):	00-0004-9119
PROPERTY TAXES (2021):	The subject is exempt from ad valorem taxation
SITE:	
- Size	0.41 acre; 17,725 sq. ft.
- Topography	Near Level
- Zoning	C-4 (Central Commercial Zone)
- Flood Zone	Zone "B" (within 500-year flood risk); Community Panel No. 49051C0118E, dated March 15, 2012
IMPROVEMENTS:	
- Use	General office building and storage garage
- Year Built ¹	Approx. 1950
- Construction	Class "D" wood-frame
- Quality	Average
- Number of Stories	One plus basement
- Usable Area	3,962 square feet
- Rentable Area ²	3,962 square feet
- Gross Area ³	5,935 square feet
- Effective Age & Remaining Life	20 years/35 Years
HIGHEST AND BEST USE:	
As Vacant:	Mixed-use development with main level commercial space and upper-level residential units.
As Improved:	Continuation of current office use
VALUE CONCLUSION:	\$875,000

¹ Wasatch County has no building records for the subject. Therefore, the actual year built could not be obtained. The reported year built is an estimate based on the subject's characteristics and the age of surrounding properties.

² The usable and rentable areas are based on measurements taken at the time of inspection. It includes 1,758 square feet of basement level office space, and 416 square feet of office space located in the rear building.

³ The gross area includes 1,973 square feet of garage space in the rear building.

CERTIFICATION

We certify that we have made an investigation and analysis of the following property:

**HEBER LIGHT & POWER OFFICE BUILDING
LOCATED AT
31 SOUTH 100 WEST
HEBER, UTAH**

We certify that to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. Mark Reed and Brandon Bess personally inspected the property that is the subject of this report on June 13, 2024.
10. No one else provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. As of the date of this report, Mark Reed and Brandon Bess have completed the continuing education program for Designated Members of the Appraisal Institute.
13. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
14. Mark L. Reed is currently a Certified General Appraiser in the State of Utah. License #5834628-CG00.
15. Brandon Bess is currently a Certified General Appraiser in the State of Utah. License #7897866-CG00.

Dated: July 18, 2024



Mark L. Reed, MAI
InQoba-1, PC
Utah State - Certified General Appraiser
Certificate 5834628-CG00 Expires 07-31-25



Brandon G. Bess | MAI
Commercial Appraisal & Valuation Experts, LLC
Utah State – Certified General Appraiser
Certificate 7897866-CG00 Expires 07-31-24

APPRAISAL REPORT

CLIENT:

HEBER LIGHT & POWER
c/o Bart Stanley Miller | CPA
Chief Financial Officer
31 South 100 West
Heber, UT 84032

APPRAISERS:

Mark L. Reed | MAI
InQoba, LLC
2816 S Highland Drive, #201
Salt Lake City, UT 84106

Brandon Bess | MAI
Commercial Appraisal & Valuation Experts, LLC
2816 S Highland Drive, #201
Salt Lake City, UT 84106

SUBJECT: Office building located at 31 South 100 West, Heber, Utah

DEFINITIONS: Applicable definitions are presented in the addenda.

PURPOSE OF THE APPRAISAL: Estimate market value.

MARKET VALUE DEFINITION (FIRREA): “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well-informed or well-advised and each acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangement comparable thereto;

5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”⁴

INTENDED USE OF THE REPORT: This report is intended to assist with potential sale negotiations.

INTENDED USERS: The intended user of this report is the client.

INTEREST VALUED: Fee Simple.

PERSONAL PROPERTY: No personal property or intangible value is included in the conclusions of this Appraisal Report.

EFFECTIVE DATE OF VALUE: June 13, 2024.

DATE OF THE REPORT: Shown on the letter of transmittal.

SCOPE OF WORK: This report is intended to satisfy all requirements of an Appraisal Report, as defined by the Uniform Standards of Professional Appraisal Practice. The primary objective is to arrive at a value conclusion that would be considered reasonable and well documented by a disinterested third party.

In valuing real property, the following three primary valuation approaches are employed within the appraisal profession – cost, income capitalization, and sales comparison. The use of each approach depends on the type of property and availability of market data upon which the approach is predicated. The use of more than one approach requires a correlation analysis that checks and refines toward a dependable estimate.

The subject consists of an office building estimated to have been constructed circa 1950. The sales comparison and income approaches are developed to value the subject. Given the age of the subject improvements, there is limited data from which to accurately measure depreciation. Therefore, the

⁴ This definition of market value is taken from the final rule issued by the Department of Treasury, Office of the Comptroller of the Currency (12CFR Part 34, August 24, 1990), which are the implementing regulations for Title XI of FIRREA. The definition is also supported by most regulatory agencies as follows: Board of Governors of Federal Reserve System (CFR Parts 208 and 225, July 25, 1991); National Credit Union Administration (CFR Parts 701, 722, and 741, July 25, 1990); Federal Deposit Insurance Corporation (12 CFR Part 323, August 20, 1990); Resolution Trust Corporation (12CFR Part 1608, August 22, 1990); Office of Thrift Supervision, Treasury (12CFR Parts 506, 545, 563, 564, and 571, August 23, 1990). This definition has been adopted by the Appraisal Institute in their Standards of Professional Appraisal Practice, and the Appraisal Foundation in the Uniform Standard of Professional Appraisal Practice (June 30, 1989, amended April 20, 1990, and June 5, 1990).

cost approach is not developed. Further, buyers and their representatives report that they give little weight to the cost approach when making purchase decisions for this property type.

In preparation of this appraisal report, a variety of market data were gathered. These include general data applicable to the subject area, specific data relating to the neighborhood, improved property sales, leases, and other market data. General and specific data were obtained from appropriate government or private agencies, or through personal inspection. To the extent possible, market data were verified with the buyer, seller, broker, owner, or through public records.

APPRAISAL DEVELOPMENT AND REPORTING PROCESS: In preparing this appraisal report, the appraiser:

- Inspected the subject site, improvements, and surrounding neighborhood;
- Analyzed the subject's operating and sale history;
- Analyzed highest and best use;
- Gathered information on comparable rental data, vacancy rates, operating expenses, capitalization rates, and improved sales; and
- Confirmed and analyzed the data and applied the income and sales comparison approaches to value.
- Reconciled the conclusions of the approaches into a single value estimate.

DESCRIPTION OF REAL ESTATE APPRAISED

Legal Description

The subject consists of one Wasatch County tax parcel. A legal description was obtained from the County Recorder and is reproduced as follows:

Parcel # 00-0004-9119

BEG SW COR LOT 3, BLK 79, HEBER SURVEY; N00°48'E 83 FT; S88°58'E 100 FT; N00°48'E 16.5 FT; S88°58'E 45 FT; S00°48'W 16.5 FT; S88°58'E 54.32 FT; S00°48'W 87 FT; N88°58'W 110 FT; N00°48'E 4 FT; N88°58'W 89.32 FT TO BEG.

Real Estate Tax Information

The subject is currently exempt from ad valorem taxation due to its ownership by a utility provider. The effective tax rate in the area has ranged from 0.009252 to 0.009374 over the last two years. Based on the conclusion of this report, the rates suggest a potential tax burden of approximately \$7,000 per year, if ownership were to change.

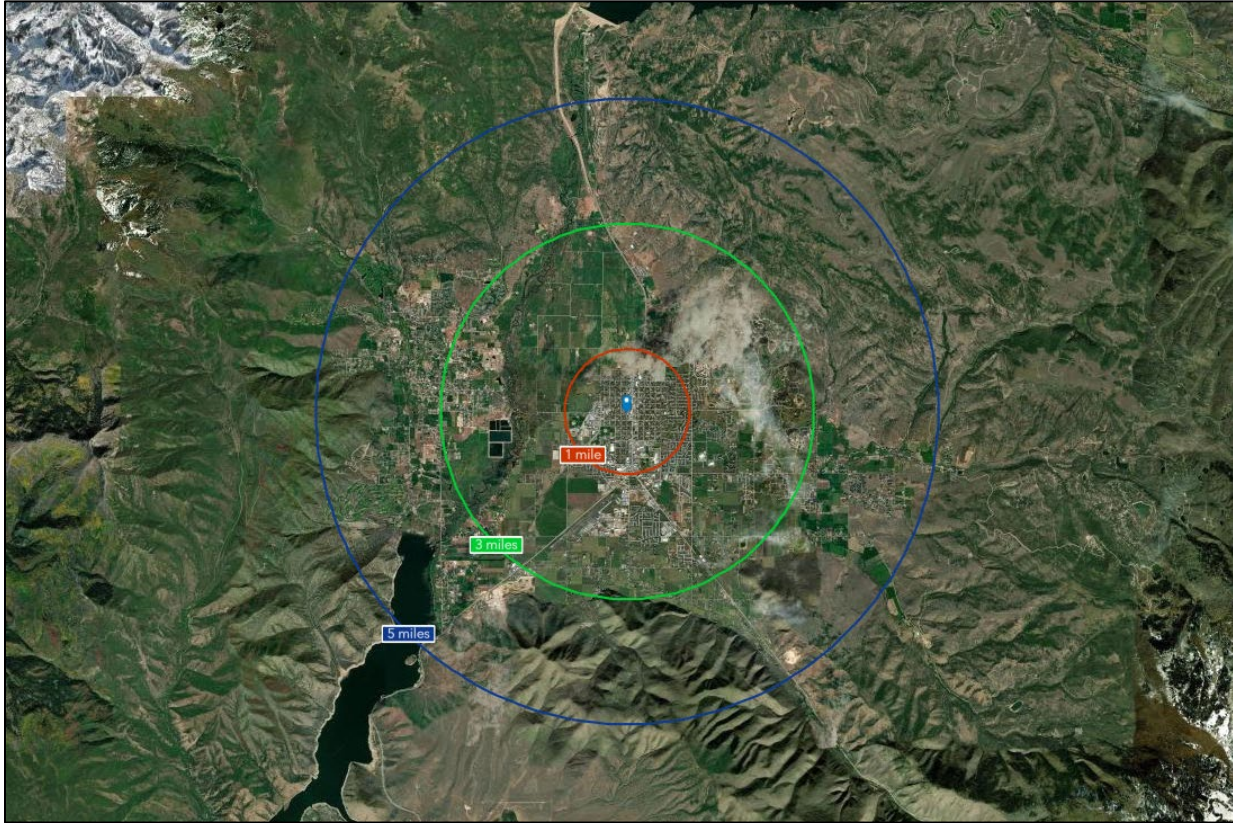
Ownership and Property History

According to Wasatch County records, ownership of the subject is vested in Heber Light & Power Co. Ownership has remained under this entity for many years. The owners have reportedly been approached by Heber City with the intent to acquire the property as part of a Main Street redevelopment project. No formal offer has been made, and this appraisal is intended to assist in negotiating a purchase price. No other details regarding the potential sale were provided.

Aside from the foregoing, we are not aware of any contracts, listings, or offers to purchase the subject within the previous five years.

Location and Neighborhood

The subject is identified on the following aerial map with concentric radius markers of 1 mile, 3 miles and 5 miles.



The subject is located within the corporate jurisdiction of Heber City in Wasatch County. Heber is bounded by unincorporated areas to the north and east, Daniel, Charleston, and Independence to the south, and unincorporated areas and Midway to the west. The Heber micropolitan statistical area has an estimated population of 79,903. Park City is approximately 12 miles north, while Interstate 80 is approximately 16 miles north. The Salt Lake Central Business District and Salt Lake International Airport are approximately 30 and 35 miles northwest, respectively.

Neighborhood Boundaries

A neighborhood is defined as “a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.”⁵ Neighborhood boundaries may consist of well-defined

⁵ The Dictionary of Real Estate Appraisal, 7th ed. (Chicago, IL: Appraisal Institute, 2022), p. 130.

natural or man-made barriers or by a distinct change in land use. Based on this definition, the neighborhood boundaries are considered to be 400 North to the north, 600 South to the south, 100 East to the east, and 200 to the west. The neighborhood constitutes the primary commercial corridor through Heber City.

Neighborhood Land Use

The neighborhood contains a variety of uses, with commercial development located along major arterials, and residential use on interior roads. The subject lies in a transitional area, one street west of Main Street. Development surrounding the subject is a mix of commercial and residential uses. Main Street is the major commercial artery through the neighborhood. Most development west of the subject is for residential use.

Life Cycle:	The neighborhood is considered to be in a stable phase. There are few vacant land tracts that remain available for development. Some older residential properties along arterial roads have been redeveloped for commercial use in recent years.
Age/Life Trends:	Improvements range in age from new to over 100 years.
Access/Linkages:	The subject is immediately accessed from 100 West. Main Street (Highway 40) is the primary artery through the neighborhood and is just east of the subject. Main Street provides access to Interstate 80, which is a major east-west freeway connecting to Salt Lake City, approximately 30 miles northwest of the subject.
Demographic Data:	Demographic data for the neighborhood was obtained from ESRI and is summarized in the following table.

2024 DEMOGRAPHIC DATA			
Radius	One Mile	Three Mile	Five Mile
Population	8,912	26,551	34,023
Households	2,743	7,898	10,325
Persons Per Household	3.23	3.33	3.27
Pop. Density (per sq. mile)	2,837	939	433
Median Age	31.7	33.2	34.7
Average Household Income	\$ 114,511	\$ 134,936	\$ 144,775
Median Household Income	\$ 97,789	\$ 107,843	\$ 113,103
Per Capita Income	\$ 35,394	\$ 40,416	\$ 43,974
Source: US Census Bureau via the Environmental Systems Research Institute			

Employment:

Historical employment data for Wasatch County and the state is summarized in the following table.

EMPLOYMENT DATA - WASATCH COUNTY					
Year	2020	2021	2022	2023	May-24
Labor Force	16,505	16,979	17,724	18,659	18,286
Employed	15,417	16,485	17,303	18,208	17,679
Unemployed	1,088	494	421	451	607
Unemployment Rate	6.6%	2.9%	2.4%	2.4%	3.3%
State Unemployment Rate	4.8%	2.8%	2.4%	2.6%	3.2%
Source: Utah Department of Workforce Services					

Unemployment numbers have generally trended downward over the last five years, but spiked in April 2020 due to economic impacts from the COVID-19 pandemic. Recent data shows that unemployment at the county and state levels has returned to near historic lows.

Influences:

The neighborhood is positively influenced by proximity to transportation linkages, and stable surrounding population base. No negative influences are noted.

Property Description

Please see the subject photographs, plat map, and aerial photograph presented in the addenda.

General Site Data

Frontage:	83 feet on 100 West
Access:	One approach from 100 West
Street Improvements:	100 West is asphalt paved with one travel lane in each direction. The frontages are improved with concrete curb, gutter, and sidewalks. There are also four street parking stalls at the subject's frontage.
Size:	0.41 acre; 17,725 sq. ft.
Shape:	Irregular
Street Orientation:	Interior
Topography:	Near Level
Drainage:	General drainage for the area is southwesterly.
Flood Zone:	Zone "B" (moderate flood risk); Community Panel No. 49051C0118E, dated March 15, 2012. FEMA defines Zone "B" as follows: "Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods. B Zones are also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than 1 square mile." ⁶
Soil:	A complete soils study was not provided. Development on the subject and nearby properties suggests that soils in the area are adequate to support development.
Utilities:	All are immediately available.
Easements/encumbrances:	A title report was not reviewed in connection with this appraisal. No encumbrances were noted at the time of inspection, and it is assumed there are no adverse easements.

⁶ <https://www.fema.gov/glossary/zone-b-and-x-shaded>.

Contamination:	No evidence of contamination was observed during inspection, and it is assumed none exists. In the event contaminants are discovered, the value provided herein is subject to change.
Site Utility:	The site benefits from relatively flat terrain and adequate shape to support efficient development. The site also benefits from proximity to Main Street and supporting retail development. The moderate flood risk designation impacts most properties in the immediate neighborhood and is not considered a significant detriment to the site. Overall, site utility is considered average for the neighborhood.

Zoning

The subject site is zoned C-3 (Central Commercial Zone) under the jurisdiction of Heber City. The zoning ordinance states the following regarding the C-3 zone.

“The C-3 central commercial zone has been established as a district in which the primary use of the land is for business, a mixture of uses, and community activities. The area covered by this zone is the historical core area encompassing Main Street and adjacent blocks, which acts as the dominant shopping, community gathering place, and financial center for the City and surrounding territory. For this reason, the zone has been located in the central part of the City, where the street pattern makes the variety of uses readily accessible to all parts of the City and surrounding region and where business, shopping, and engaging activities can be carried on with maximum convenience. The C-3 zone is characterized by wide, clean, well-lighted streets and ample pedestrian ways for the convenience and safety of the public. It is the historic core of the City with an historic architectural style and variety that is distinct from the rest of the City.”

Development requirements within the “C-3” zone are summarized in the following table.

ZONE REQUIREMENTS	
C-3 (Central Commercial)	
Minimum Lot Size	None
Minimum Lot Width/Frontage	None
Building Restrictions	
- Min. Front Setback	0' maximum
- Min. Rear Setback	None Reported
- Min. Side Setback	None Reported
Minimum Building Height	None
Maximum Building Height	46 feet or three stories
Minimum Landscape Coverage	None Reported
Maximum Lot Coverage	None
Off-Street Parking	
- General Retail	4 spaces per 1,000 sq. ft. of net floor area
- Restaurant	1 space per 200 sq. ft. of net floor area
- Professional Office	4 spaces per 1,000 sq. ft. of net floor area
- Multi-family Residential	2 spaces per dwelling unit

Permitted uses within the C-3 zone include residential, office, retail, restaurant, and mixed-use. Hotels and motels are listed as conditional uses. Warehouse and manufacturing use, as well as higher-intensity retail uses, such as gas stations and drive-through restaurants, are not allowed. The subject's current use is legal according to the zoning requirements.

Description of Improvements

Please refer to the subject photographs presented in the addenda.

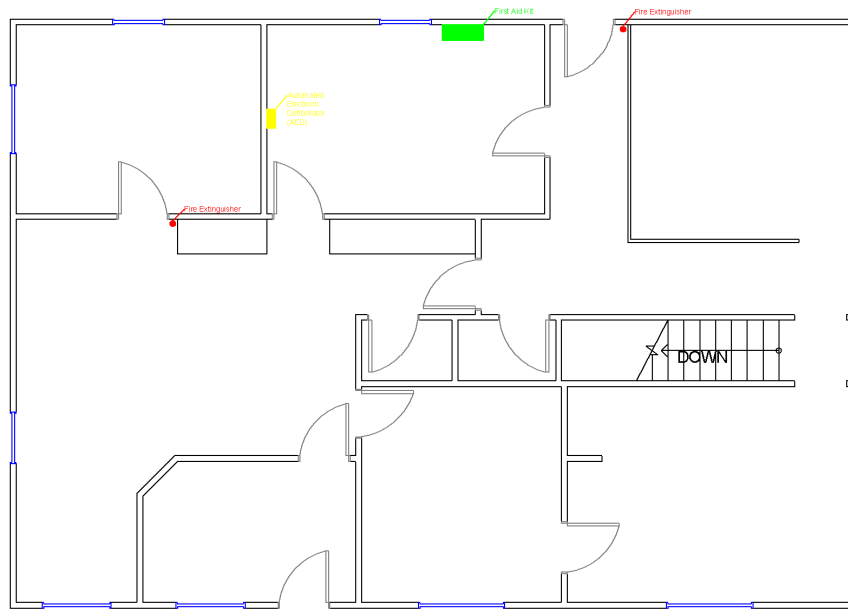
The vertical improvements comprise two buildings identified herein as the East Building and the West Building. The East Building is fully finished as office space, while the West Building consists mainly of garage/storage area with some finished office space. Measurements were taken at the time of inspection. A summary of the building areas is provided in the following table:

BUILDING AREA SUMMARY						
Building	Floor	Gross Area	Usable Office Area	Bldg Common Area	Rentable Area	Storage/Amenity Area
West	Main	1,758	1,758	0	1,758	0
	Basement	1,758	1,758	0	1,758	0
East	Main	2,419	446	0	446	1,973
TOTALS		5,935	3,962	0	3,962	1,973

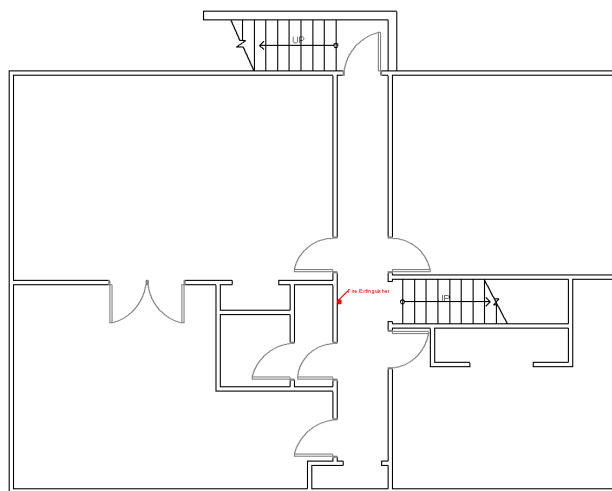
Building Construction/Features

Both buildings consist of Class “D” wood frame construction with brick exteriors. The West Building is designed for single tenant occupancy, but could accommodate one tenant per floor. The basement level includes an exterior entry/exit from the east side of the building; however, the basement level has minimal windows and mainly consists of large meeting areas without private offices. Interior finishes are consistent between the two levels and include commercial grade carpet and ceramic tile flooring, painted gypsum board walls and ceilings with paint grade moldings, and solid wood interior doors. The layout is efficient for general office use, and includes a reception area, private offices, open cubicle area, restrooms, and copy/supply room. The space has good functional utility for general office use; however, the basement space has somewhat limited functionality as an independent space. Floor plans for the West Building are shown as follows.

Office Main Level



Office Basement Level



The East Building is wood framed with brick exterior and contains a standing seam metal roof. It contains a total of 2,419 square feet, 446 of which is finished office space. The remaining area is open garage or storage space. The building includes five overhead doors. Two doors are 10'x10' and three doors are 12' x10'. The garage space has a ceiling height of 11'9" and is heated, but not cooled. The walls and ceiling are finished with painted gypsum board, and floors are bare concrete.

Basic Construction Components. Basic construction components are described as follows.

Footings and Foundation:	Poured, reinforced concrete
Structure:	Class "D" Wood-frame
Ground Level Floor:	Poured concrete slab
Upper-Level Floors:	Wood subfloor over engineered joists
Exterior Walls:	Wood framed with brick veneer
Roof Finish:	Asphalt shingle over wood decking and trusses
Interior Partitions:	2x4" stud walls with painted gypsum board
Lighting/Electrical:	Primarily surface-mounted fixtures; assumed to meet code
Plumbing/Restrooms:	Average quality fixtures, assumed to meet code
HVAC:	Gas-fired, forced-air furnaces and central air throughout
Fire Sprinklers:	None
Elevator:	None

Site Improvements

The site contains landscaping and concrete walkways surrounding the West Building. The remainder of the site is asphalt paved, with parking located between the two buildings. The parking lot contains eight stalls. An additional four stalls of street parking are located in front of the building. The garage can accommodate five additional vehicles. This equates to a total parking ratio of 4.29 stalls per 1,000

square feet of rentable building area, which is adequate per zoning and market standards. The site also includes a backup generator located adjacent to the East Building.

Design/Appeal and Functionality

Construction quality and quality of interior finishes are considered average. The layout of the space is typical and would have broad appeal for a variety of office users. Overall appeal is average for the market.

Effective Age and Remaining Economic Life

As previously discussed, the Wasatch County Assessor's office reported that they have no building records for the subject; therefore, the actual year built could not be determined. Nearby buildings were built between approximately 1920 and 1970. Based on the subject's characteristics, the estimated year built is 1950, indicating an actual age near 74 years. Considering the current condition, the effective age is estimated at 20 years. Marshall Valuation Service estimates typical economic lives for such buildings at 45 years. Remaining economic life is therefore 25 years.

HIGHEST AND BEST USE

Highest and best use is defined as, "...the reasonably probable and legal use of vacant land or improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value."⁷

There are four tests of highest and best use implicit within the foregoing definitions. These include: (1) physically possible, (2) legally permitted, (3) financially feasible, and (4) that use which having met the foregoing tests results in the highest present land value. Highest and best use is considered first as if the land were vacant and available for development and second, as improved.

As If Vacant

- Physically Suitable. The subject's site comprises a 0.41-acre parcel that is generally level and has adequate width, depth, and overall shape to support efficient development. Utilities are immediately available, and access is adequate from 100 West. From a physical standpoint, there are no significant obstacles to development.
- Legally Permissible. The subject is currently zoned "C-3" (Central Commercial Zone) under Heber City jurisdiction. Permitted uses within the C-3 zone include office, retail, restaurant, residential, and mixed-use. The zoning allows for up to three stories with no front setback.
- Economic Feasibility. Economic feasibility relates to supply and demand and the ability to provide a product at a cost that is less than its ultimate market value. The site is proximate to Main Street but lacks significant traffic exposure, which reduces the potential for high intensity retail uses. Additionally, the broader market for retail and office uses is fairly stagnant at present. However, given the relatively small size of the site, a main level commercial component would be feasible. The Heber Valley residential market remains strong, despite slowed activity due to rising interest rates. There is sufficient demand in the market for residential units in the subject's neighborhood. Based on the subject's

⁷ Appraisal Institute, *The Appraisal of Real Estate*, 15th Edition, Chicago, Illinois, Appraisal Institute 2020, p. 306.

location and current market factors, mixed-use with main level commercial space and upper-level residential units is considered a feasible use and would maximize site value.

- Maximum Productivity. Highest and best use as vacant is concluded to be for mixed use development with main level commercial space and upper-level residential units.

As Improved

- Physically Possible. Improvements are well laid out and have been adequately maintained. The building shows some signs of wear, but has substantial physical life remaining.
 - Legally Permissible. Improvements are legal and conforming under the prevailing zone. The zoning does not allow for warehousing or manufacturing uses, which limits the functionality of the East Building; however, the unfinished space provides storage and covered parking, and serves as an amenity to the office area.
 - Economic Feasibility. The primary test of economic feasibility is whether improvements contribute to value or whether land value exceeds value as improved. In this case, the improvements contribute substantial value to the property. Significant alterations or modifications to the building are not necessary as presently improved.
- Maximum Productivity. Highest present value is for continued office use.

VALUATION ANALYSIS

INCOME APPROACH TO VALUE

This approach is based on the appraisal principle of anticipation, which attests that property value is estimated as the present worth of future anticipated benefits accruing to ownership. In the subject instance, these benefits take the form primarily of monetary factors.

The steps of the approach are: (1) estimate gross potential rental income that the property can generate; (2) estimate probable vacancy; (3) estimate applicable operating expenses to arrive at net operating income; and (4) capitalize net operating income to value by an overall rate considered attractive to a prudent investor.

The foregoing process is known as the stabilized income capitalization method. The steps of the approach are presented as follows:

- Gross Potential Income. The subject is currently owner-occupied. In order to estimate gross potential income for the subject, recent leases from comparable properties have been researched. The leased properties were analyzed in comparison to the subject to estimate the revenue the building would likely achieve under current market conditions. This data is summarized below with full detail sheets for each comparable property presented in the addenda.

COMPARABLE OFFICE LEASE ADJUSTMENT GRID						
	SUBJECT	ONE	TWO	THREE	FOUR	FIVE
Address	31 South 100 West	340 South Main Street	786 East Division Street #203	722 West 100 South #2	1790 Bonanza Dr. #201	150 North Main Street
City	Heber	Heber	Park City	Heber	Park City	Heber
Lease Date	N/A	Jan-23	Feb-22	Nov-23	Jul-23	Listing
Year Built/Renovated	1950	1927	2009	2000	2004	2008
Lease Area (Size)	3,962	2,200	1,800	1,000	4,651	1,359
Lease Basis	NNN	NNN	NNN	MG	NNN	NNN
Lease Rate/Sq.Ft.		\$22.00	\$23.00	\$25.00	\$26.00	\$25.00
Conditions of Lease		0%	0%	0%	0%	-5%
Adjusted Rate		\$22.00	\$23.00	\$25.00	\$26.00	\$23.75
Lease Basis		\$0.00	\$0.00	-\$3.00	\$0.00	\$0.00
Adjusted Rate		\$22.00	\$23.00	\$22.00	\$26.00	\$23.75
Market Conditions		1.4%	2.3%	0.6%	0.9%	0.0%
Adjusted Rate		\$22.30	\$23.53	\$22.13	\$26.25	\$23.75
Location/ Exposure		-5%	-5%	5%	-10%	-5%
Physical Characteristics						
Size		0%	0%	0%	0%	0%
Age/Condition		0%	-15%	-8%	-8%	-8%
Quality/Appeal		0%	0%	0%	-5%	0%
Parking/Site Area		0%	0%	0%	0%	0%
Functional Utility/Basement		-5%	-18%	-18%	-18%	-18%
Storage/Amenities		-1%	11%	11%	9%	10%
Net Adjustments		-10%	-27%	-9%	-31%	-20%
Adjusted Value/Sq.Ft.		\$19.99	\$17.18	\$20.17	\$18.21	\$19.09
AVERAGE	\$18.93					
MEDIAN	\$19.09					
HIGH	\$20.17					
LOW	\$17.18					

The foregoing adjustments have been quantified to the extent possible; however, in many cases the adjustments involve the judgment of the appraisers based on careful review and general market experience.

Prior to adjustment, the comparable properties show a range in rents from \$22.00 to \$26.00 per square foot on varying bases. Typically, there are five factors that affect the lease rate. These include: 1) lease basis; 2) conditions of lease; 3) date of lease; 4) location; and 5) physical characteristics. The comparable properties have been analyzed relative to each of these factors below.

■ Conditions of Lease. This refers to any conditions that would impact the lease rate, such as atypical concessions, amortized tenant improvements included in the lease rate, etc. Lease #5 is a current listing. A small downward adjustment was applied to account for typical negotiations that would result

in an executed lease. The remaining leases were reported as arm's-length with typical terms and do not require adjustment.

■ Lease Basis. The lease basis can range from full service (the landlord is responsible for all operating expenses) to triple net (tenant is responsible for operating expenses within the unit and a pro rata share of common area expenses). A triple net rate is typical for single-tenant or two-tenant properties; therefore, the comparable leases are adjusted to reflect a triple net expense basis. Lease #3 is on modified gross terms and requires downward adjustment to equate to a triple net basis. No adjustments are needed for the remaining comparable leased properties.

■ Market Conditions (Date of Lease). Rents change over time due to various market factors interacting, particularly supply and demand. The comparable leases took place between February 2022 and November 2023. Historical average rental data from CoStar was reviewed in order to determine an appropriate adjustment for changes in market conditions. Unfortunately, data specific to the Wasatch or Summit County markets was not available. The two nearest office markets for which data is available are the Salt Lake and Provo markets. Data for both markets is summarized in the following table:

HISTORICAL AVERAGE RENT RATES							
Source	Property Type	2020	2021	2022	2023	YTD	CAGR
Costar	Office-Salt Lake Market	\$23.23 4%	\$24.02 3%	\$25.39 6%	\$25.61 1%	\$25.93 1%	3.2%
	Office-Provo Market	\$21.33 16%	\$22.48 5%	\$22.99 2%	\$23.22 1%	\$23.43 1%	2.7%

The average lease rates in Salt Lake County show a compound annual growth rate over the last five years of 3.2%; however, minimal growth has occurred since 2022. The Provo office market shows average lease rates increasing at a compound rate of 2.7% since 2020, but again, most of that growth occurred in 2020 and 2021. Considering the data, an upward adjustment of 1% annually is applied to the comparable leases through the valuation date. Lease #5 is a current listing and does not require adjustment for this factor.

■ Location. Adjustments for location account for differences in access, exposure, attractiveness of surrounding development, and the overall perception of an area. The subject has adequate access,

and is proximate to major arterial roads and supporting retail development, but lacks substantial traffic exposure.

Leases #1 and #5 are on Main Street with superior exposure and warrant small downward adjustments.

Lease #2 is in the Silver Creek Junction area of Summit County, and has superior exposure and freeway access. Downward adjustment is also applied to this lease.

Lease #3 is approximately one-half mile west of the subject, but is considered inferior regarding exposure and surrounding development. Upward adjustment is applied.

Lease #4 is on Bonanza Drive in Park City. The location has superior surrounding development and greater population density. A larger downward adjustment is warranted for this lease.

■ Physical Characteristics. Physical characteristics that can affect the rental rate include building size, age and condition, and quality/appeal. Each of these factors is addressed below.

- Size: Often there is an inverse relationship between size and rent per square foot. The comparable leased spaces range in size from 1,000 to 4,651 rentable square feet. As currently demised, the subject would function for a single tenant or two tenants. This indicates unit sizes of 1,758 to 3,962 square feet. The comparable properties reflect a similar range. No adjustments are needed.

- Age and Condition: With respect to age and condition, properties that are well cared for and are of modern design and materials generally rent for higher rates. The subject has an estimated effective age of 20 years. The comparable buildings were constructed between 1927 and 2009, and have estimated effective ages ranging from 10 to 20 years. Adjustments are applied based on a factor of approximately 1% per year difference in estimated effective age.

- Quality: The subject is considered average quality regarding construction and quality of interior finishes. Lease #4 is located in a superior building with higher quality finishes and more common

areas. Downward adjustment is applied to Lease #4. The remaining comparable spaces are similar to the subject regarding construction quality and quality of interior finishes. No other adjustments are necessary.

- Parking/Site Area: The subject and comparable properties all have adequate parking and site area. No adjustments are needed for this factor.

- Functional Utility/Basement: The subject contains approximately 44% of its rentable area below grade. Basement office typically achieves lower lease rates than otherwise comparable above-grade space. In order to derive an adjustment for this factor, current listings for several office properties with basement space were considered. The data is shown as follows:

BASEMENT OFFICE LEASE RATES			
Location	Above Grade Asking Rate	Below Grade Asking Rate	Indicated Discount
786 East Division Street, Park City	\$32.00	\$20.00	-38%
150 North Main Street, Heber	\$25.00	\$15.00	-40%

The two properties in the table both offer above-grade and basement-level office space. The asking rates indicate a discount ranging from 38% to 40% for basement-level space. Based on the data, the subject could expect to achieve a 40% discount for the basement office area. This equates to a 17.6% discount on the entire property.

Lease #1 contains 32% of its leased area below grade, and is the only comparable leased property that contains basement office. Adjustments are applied to the comparable leases based on a 40% discount to the difference in basement office ratio.

- Storage/Amenities: The subject includes 1,973 square feet of garage/storage area that is considered an amenity and not included in the rentable area. Lease #1 includes approximately 1,150 square feet of garage space, which equates to a slightly higher ratio to rentable area. The remaining leased properties do not contain substantial storage or other amenities.

Storage warehouses in the market area show lease rates ranging from approximately \$8.00 to \$15.00 per square foot. A rate below the range is warranted for the subject's storage space, given that it is not likely to be rented independently, and the zoning does not allow for most industrial uses. A contributory rate of \$5.00 per square foot suggests additional income of \$9,865 annually for the storage area, which equates to \$2.49 per square foot of rentable area. Adjustments are applied to the comparable leases based on this factor.

■ Adjustment Summary: After adjustments, the comparable leases indicate a lease rate range from \$17.18 to \$20.17 per square foot, with an adjusted average of \$18.93 per square foot and a median of \$19.09. Lease #1 is the only property that is similar to the subject in regard to basement office space and storage space. It shows an adjusted lease rate slightly above the average. Overall, each of the adjusted leases warrant consideration but additional weight is given to Lease #1.

Considering the data, the market lease rate for the subject is concluded at \$19.50 per square foot on a triple net expense basis.

Expense Reimbursements/Other Income

The foregoing market rent is concluded on a triple net basis with tenants paying all operating expenses except for management fees and replacement reserves. Operating expenses would likely be paid directly by the tenant. Therefore, no common area maintenance fees would be collected, and no other income is anticipated.

Vacancy and Credit Loss

In order to estimate a vacancy rate for the subject over a typical holding period, several market publications were reviewed. Historical vacancy rate data for the Salt Lake and Provo office markets, as presented by CoStar, is summarized as follows.

HISTORICAL VACANCY							
Source	Property Type	2020	2021	2022	2023	YTD	Average
Costar	Office-Salt Lake Market	9.00%	9.10%	10.10%	9.90%	10.70%	9.76%
	Office-Salt Lake Market (3 Star)	7.10%	8.10%	10.10%	9.70%	10.40%	9.08%
	Office-Provo Market	10.50%	9.10%	9.20%	12.30%	11.70%	10.56%
	Office-Provo Market (3 Star)	11.50%	9.80%	10.70%	12.80%	13.70%	11.70%

CoStar reports an annual range from 9.00% to 10.70%, with a five-year average of 9.76% for the Salt Lake market. Three-star properties, which best reflect the subject's rental class, show a similar range, with a five-year average vacancy rate of 9.08%. The Provo office market shows slightly higher vacancy, with a five-year average of 10.56%. All of the categories suggest current vacancy is at, or near, a five-year high; however, market vacancy has remained somewhat elevated since 2020. Unfortunately, office vacancy data specific to Wasatch County is not available; however, a similar long-term vacancy rate would be expected.

Considering the foregoing, a 10.0% vacancy and collection loss factor is concluded. This is consistent with the vacancy allowance used to derive capitalization rates from investment sales of similar age and quality as the subject.

Operating Expenses

The foregoing lease rate is concluded on a triple net basis with the tenant responsible for all operating expenses, except for management fees and structural repairs. Some leases in recent years include an expense for management fees within reimbursement charges. Although this is becoming more common, it is not yet the market standard and is not reflected in the comparable leases or comparable investment sales. Therefore, management fees must be deducted to reach net operating income. Typical management fees for office properties have been quoted at 3.0% to 7.0% of collected income. The subject is a small, single or two-tenant building and will require minimal management effort. A management fee of 3.0% is considered reasonable and is concluded.

In addition to management fees, the landlord is responsible for structural repairs. Prudent landlords will typically set aside a reserve factor to cover shorter lived building components. PricewaterhouseCoopers National Warehouse study suggests replacement reserves should be between \$0.10 and \$0.50 per square foot. Given the quality and age of the building, a \$0.15 per square foot reserve factor is projected.

The landlord is also responsible for operating expenses on vacant space. In the event of vacancy, maintenance, and utility expenses would be reduced; however, the landlord would be responsible for limited variable expenses plus fixed expenses, including property taxes and insurance. Property tax expenses for the subject were previously estimated to be \$1.77 per rentable square foot if exempt status were removed. Insurance expenses for similar buildings have been reported within the range of \$0.05 to \$0.30 per square foot, annually. Considering the foregoing, the landlord's expense on vacant space is estimated at **\$3.00** per square foot.

Capitalization Rate

The preferred method of capitalization rate selection is to extract such rate from the market. This is accomplished by dividing net operating income by the sale price of similar properties that have sold recently in the open market. To determine the most likely capitalization rate the subject would achieve in the market, an analysis of recent investment sales was performed, as well as a review of published market reports.

Two significant factors that can influence the achieved cap rate for a property are the presence of below or above-market lease rates, and the current occupancy. The subject is owner-occupied; however, this analysis will consider the subject as if leased to stabilized occupancy at market rents. An absorption deduction will then be applied in order to account for the cost of leasing the property to stabilized occupancy.

The following table shows cap rates derived from recent office investment sales along the Wasatch Front.

INVESTMENT SALES SUMMARY										
Sale Date	Property Type	Location	Bldg. Size (Leasable)	Sale Price	PGI	Vacancy	EGI	Operating Exp.	NOI	Capitalization Rate
Mar-23	Office	5353 South 900 East, Murray	37,926	\$ 6,450,000	\$ 749,039	10%	\$ 674,135	\$ 233,245	\$ 440,890	6.84%
Sep-22	Office	7910-7938 S. 3500 E., Cottonwood Hts.	22,334	\$ 3,400,000	\$ 380,236	10%	\$ 342,212	\$ 115,020	\$ 227,192	6.68%
Sep-22	Office Condo	7410 South Creek Rd. #301, Sandy	8,200	\$ 1,950,000	\$ 192,420	10%	\$ 173,178	\$ 42,230	\$ 130,948	6.72%
Oct-22	Med. Off.	25 North 1100 East, American Fork	2,570	\$ 960,000	\$ 72,525	10%	\$ 65,273	\$ 9,946	\$ 55,327	5.76%
	Average	6.50%								
	Median	6.70%								
	High	6.84%								
	Low	5.76%								
Note: Operating Expenses include \$0.15 per square foot replacement reerve.										

The investment sales show a range of capitalization rates from 5.76% to 6.84%, averaging 6.50%. The most recent sale represents the high end of the range. This may reflect the impact of higher interest rates in the current market, which puts upward pressure on capitalization rates. The low end of the range is a medical office building. Medical office investments tend to have a lower risk profile than general office investments, suggesting a rate above 5.76% is warranted for the subject. Overall, the data suggests a rate between 6.50% and 7.00% is best supported for the subject.

In addition to the investment sales analysis, we have reviewed aggregated investment data from CoStar. The data is summarized in the following table.

SURVEYED CAPITALIZATION RATES		
Costar	Salt Lake Office (2024 YTD)	6.60%
	Provo Office (2023)	6.40%

CoStar reports average capitalization rates for office investments in the Salt Lake market area are 6.60% thus far in 2024. The most recent data for the Provo market shows an average rate of 6.40%. Both market reports suggest that the number of transactions has declined in recent years, with reported capitalization rates varying widely between property types and asset classes. Given the subject's age and location, outside of primary market areas, a rate above the average is warranted.

Capitalization Rate Summary

Overall, the subject is of average quality and condition, but is an older building and is located outside of primary market areas. These factors suggest above-average investment risk. The data best supports a capitalization rate between 6.50% and 7.00%.

Based on the available data, a 6.75% capitalization rate is concluded for the subject.

Direct Income Capitalization Analysis Summary

The direct income capitalization analysis is summarized in the following table.

DIRECT INCOME CAPITALIZATION					
	Rentable Area	Annual Lease Rate			
Market Rent					
	3,962	x	\$ 19.50	=	\$ 77,259
Other Income					
Reimbursements/Miscellaneous			0%		\$ -
Potential Gross Income Subtotal					\$ 77,259
Less: Vacancy and Credit Loss			10%		\$ (7,726)
Effective Gross Income					\$ 69,533
Operating Expenses					
Management	3%	of EGI			\$ (2,086)
Reserves	\$0.15	per sq. ft.	annually		\$ (594)
Expenses on vacant space	\$3.00	per sq. ft.	annually		\$ (1,189)
Total Operating Expenses					\$ (3,869)
Net Operating Income					\$ 65,664
Overall Rate					6.75%
Income Approach to Value Estimate					\$ 972,803
Rounded To					\$ 975,000

Absorption Discount

The foregoing conclusion represents value for the subject as if at stabilized occupancy. In order to reach the “as is” value for the subject, an adjustment is necessary to account for the costs a prospective buyer would incur to lease the property to stabilization. These costs include rent loss during the

absorption period, operating expenses on the vacant space, marketing expenses, leasing commissions, and tenant improvements. Each item is discussed as follows.

Rent Loss

A long-term vacancy factor for the subject was determined to be 10%; however, the subject is likely to be leased to a single tenant. Therefore, vacancy will represent 100% of the rentable area during the marketing period. Based on conversations with leasing agents and a review of recently leased properties, the marketing period for similar properties in the subject's market segment has ranged from three to six months. For this analysis, a three-month rent loss period is projected.

Operating Expenses

Lost rent is projected on a triple net basis, where the tenant is responsible for all operating expenses, with the exception of management and reserves. Therefore, the landlord is responsible for operating expenses on vacant space during the lease-up period. As previously discussed, these include fixed expenses and a reduced amount of variable expenses. A projected annual operating expense of \$3.00 per square foot during the lease-up period is considered reasonable for the subject. This equates to \$0.25 per square foot per month.

Marketing/Lease Commissions

In addition to lost rent, leasing commission must also be deducted to reach the as is value of the subject. Leasing commissions are estimated at 6.0%, and are based on a typical lease term of three years. No other marketing expenses are projected for the subject.

Tenant Improvements

The subject is in adequate condition to support immediate occupancy, and the concluded market lease rate is based on the current condition. Therefore, no tenant improvement costs are anticipated.

The total absorption discount is summarized in the following table.

ABSORPTION DISCOUNT									
Lost Rent	3,962	sq.ft. x	\$19.50	x	6	months	=	\$	(38,630)
Operating Expenses	3,962	sq.ft. x	\$3.00	x	6	months	=	\$	(5,943)
Commissions	3,962	sq.ft. x	\$19.50	x	3	years	x	6%	= \$ (13,907)
Tenant Improvements	3,962	sq.ft. x	\$0.00	x			=	\$	-
TOTAL								\$	(58,479)
ROUNDED TO:								\$	(60,000)

Considering the foregoing, the “as is” value of the subject by the income approach is concluded as follows.

Value as if at Stabilized Occupancy	\$975,000
Absorption Discount	<u>-\$ 60,000</u>
As Is Value	\$915,000

SALES COMPARISON APPROACH TO VALUE

This approach is based on the appraisal principle of substitution and takes into consideration the selling price of improved properties that provide utility equal or similar to the subject. Comparative adjustments are made for variances to arrive at a value estimate for the subject. The analysis is summarized in the grid below, followed by narrative discussion of the adjustments. Individual data sheets are presented in the addenda.

IMPROVED SALES SUMMARY/ADJUSTMENT GRID

	SUBJECT	ONE	TWO	THREE	FOUR
Address	31 South 100 West	37 East 100 North	906 South 300 West	35 South 500 East	89 North 600 West
City	Heber	Heber	Heber	Heber	Heber
Rentable Area	3,962	6,942	6,133	3,960	3,312
Sale Price	N/A	\$1,261,000	\$1,245,000	\$1,100,000	\$1,625,000
Year Built	1950	1949	1997	1974	1998
Date of Sale	N/A	Jun-22	Feb-24	Aug-21	Jan-22
Net Income/sq.ft.	N/A	N/A	N/A	N/A	N/A
Capitalization Rate	N/A	N/A	N/A	N/A	N/A
Condition	Average	Average	Average	Average	Average
SALES PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
PROPERTY RIGHTS		0%	0%	0%	0%
ADJUSTED PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
FINANCING TERMS		0%	0%	0%	0%
ADJUSTED PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
CONDITIONS OF SALE		0%	0%	0%	0%
ADJUSTED PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
EXPENDITURES AFTER PURCHASE		0%	0%	0%	0%
ADJUSTED PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
MARKET (TIME) ADJ.		0.0%	0.0%	0.0%	0.0%
ADJUSTED PRICE/SQ.FT.		\$181.65	\$203.00	\$277.78	\$490.64
LOCATION/ACCESS		0%	10%	0%	10%
PHYSICAL CHARACTERISTICS					
Size		0%	0%	0%	0%
Quality/Appeal		0%	0%	-10%	0%
Age/Condition		0%	0%	0%	0%
Site Area/Parking		13%	-7%	-5%	-12%
Functional Utility/Basement		-18%	-18%	-18%	-18%
Storage/Amenities		19%	17%	13%	-31%
GROSS ADJUSTMENT		50%	52%	46%	70%
NET ADJUSTMENT		14%	3%	-21%	-50%
ADJUSTED PRICE/SQ.FT.		\$206.86	\$208.29	\$219.92	\$244.83
AVERAGE	\$219.98				
MEDIAN	\$214.11				
HIGH	\$244.83				
LOW	\$206.86				

Prior to adjustment, the sales range from \$181.65 to \$490.64 per square foot. In appraisal theory there are eight basic elements of comparison that should be considered in a sales comparison analysis. These include: 1) real property rights conveyed, 2) financing terms, 3) conditions of sale, 4)

expenditures made immediately after sale, 5) market conditions (date of sale), 6) location, 7) physical characteristics, and 8) use. Adjustments for these factors are presented below.

- Property Rights Conveyed. This factor accounts for differences in property rights that impact the sale price of a property. Such differences can include occupancy, above or below-market lease rates, remaining lease terms, or lease concessions that will impact the property's income stream. The fee simple value is sought in this analysis. All of the sales involved the transfer of fee simple rights. No adjustments are needed for this factor.
- Financing Terms. The market value definition used in this report stipulates cash purchases. All of the sales presented were reported as cash, or cash equivalent, and no adjustment for this factor is necessary.
- Conditions of Sale. Conditions of sale refer to factors surrounding the sale process that result in less than an arm's-length transaction. These circumstances could include sellers under distress, highly motivated buyers, or related parties. The comparable sales were reportedly at arm's-length and do not require adjustment.
- Expenditures Made Immediately After Purchase. Expenditures made immediately after purchase can include the cost to cure deferred maintenance, necessary renovations to the structure, seismic upgrades, or any extraordinary expenses not typically associated with the purchase of real estate. No expenditures were reported for the comparable sales.
- Market Conditions (Date of Sale). Market conditions refer to price changes occurring over time due to various market forces. The sales took place between August 2021 and February 2024. As discussed in the market rent analysis, lease rates for office space have shown minimal increase in recent years. CoStar shows a slight decline in its market pricing index for the Salt Lake and Provo office markets. This suggests rising capitalization rates and/or slowed growth in the owner/user market. Considering the data, no adjustment for market conditions is warranted.

■ Location. Location refers to market perceptions of a specific area, exposure, accessibility, and surrounding development. The subject has adequate access and is proximate to main arterial roads and supporting retail development, but does not have exposure on a main thoroughfare. The comparable sales are all located within Heber City, and are similar in regard to location characteristics. However, Sales #2 and #4 are located farther from Main Street and supporting retail development. Upward adjustments are warranted for these sales.

■ Physical Characteristics. Physical characteristics refer to building size, age and condition, and construction quality. Each is discussed below.

- Size: The comparable properties range in size from 3,312 to 6,942 rentable square feet. The subject is within the range at 3,962 square feet. Generally, as size increases the price per square foot decreases and vice versa. Overall, the range is fairly narrow and no adjustments are needed for this factor.

- Quality (Construction/Finishes): The subject is an average quality office building with average quality interior finishes. The comparable properties are generally of similar quality; however, Sale #3 contains some medical office space, which is more costly than general office, and typically commands higher lease rates. Downward adjustment is warranted for Sale #3. The remaining sales do not require adjustment for this factor.

- Age and Condition: The subject has an estimated effective age of 20 years. The comparable sales were built between 1949 and 1998, but all have a similar effective age of 20 years. No adjustments are needed for this factor.

- Site Area/Parking: The subject has adequate parking and site area, with a floor area ratio of 0.22. The comparable sales vary in this regard, with floor area ratios ranging from 0.08 to 0.61. Sale #1 has the lease site area and warrants upward adjustment for this factor. The remaining properties are superior to the subject in this regard. Prevailing commercial land values in the area range from approximately \$10.00 to \$25.00 per square foot, and can be significantly higher for prime retail land. However, the data suggest that additional, or surplus site area has a lower contributory value than otherwise similar, independently developable land. Therefore, adjustment based on a lower per square

foot factor is warranted. Considering the data, the comparable sales are adjusted based on a factor of \$8.00 per square foot of additional land area.

- Functional Utility/Basement. The subject includes basement office area that represents 44% of the total rentable area, while the comparable properties are all fully above grade. As discussed in the market rent analysis, an appropriate discount for basement office space is 40% of the rate achieved for otherwise similar above-grade space. This implies a total discount of 18% for the subject's rentable area ($0.44 \times 0.40 = 0.18$). Accordingly, an 18% downward adjustment is applied to all of the comparable sales.

- Storage/Amenities. The subject includes 1,973 square feet of garage/storage space that is not included in the rentable area. Sale #4 contains 9,423 square feet of storage warehouse area, and is the only comparable sale with this amenity. As discussed in the market rent analysis, a reasonable contributory rent for the subject's storage space is \$5.00 per square foot. If the concluded vacancy, expenses, and capitalization rate are applied to this income, it suggests a contributory value of \$67.55 per square foot. For additional support of an adjustment factor, Marshall Valuation Service reports construction costs for average/good quality storage warehouse space range from approximately \$57.00 to \$90.00 per square foot. Taking into account depreciation, an adjustment factor toward the low end of the range is well supported.

Considering the data, the comparable sales are adjusted based on a factor of \$65.00 per square foot of garage/storage space.

■ Adjustment Summary. After adjustments, the comparable sales range from \$206.86 to \$244.83 per square foot, averaging \$219.98. The adjusted median is \$214.11 per square foot. Sale #4 is somewhat of an outlier at the high end of the range. This may reflect the higher quality of storage space available at this property compared to the subject. The remaining sales show a fairly narrow range, averaging \$211.69 per square foot. Sale #2 is the most recent sale and is most similar to the subject regarding physical characteristics. It shows an adjusted sale price of \$208.29. Overall, each of the sales warrant consideration, but most weight is given to Sales #1 through #3.

Considering the foregoing analysis, a rounded value of \$215.00 per square foot is concluded for the subject. Total value by the sales comparisons approach is calculated as follows.

3,962 Square Feet x \$215.00 =	\$851,830
Rounded To =	\$850,000

RECONCILIATION AND FINAL VALUE ESTIMATE

The value estimates indicated by the two approaches to value are reviewed as follows.

Income Approach to Value	\$915,000
Sales Comparison Approach to Value	\$850,000

The income approach relied on estimates of market rent, vacancy, expenses, and an overall capitalization rate. There was sufficient data to derive a credible market rent estimate and capitalization rate. The income approach is most heavily relied on with investment properties, or when the leased fee value is sought. The subject is a single-tenant property, and the most likely buyer is an owner-user rather than an investor. Overall, the income approach is given secondary weight, but is not completely disregarded.

The sales comparison approach involved comparison of properties that were considered reasonably similar to the subject and adjusting for differences. The strength of this approach reflects the actions of buyers in the marketplace. The weakness is the limited number of directly comparable sales in the subject's neighborhood. Despite the limited data, there were adequate comparable sales to derive credible results, and the conclusion is generally supported by the income approach. Greatest weight is given to this approach.

After careful consideration and analysis of available information, We are of the opinion that market value of the fee simple interest in the subject property is:

EIGHT HUNDRED SEVENTY-FIVE THOUSAND DOLLARS
(\$875,000)

ADDENDA

SUBJECT PHOTOGRAPHS



Front View of Main Building



Main Building – South Elevation



Main Building – East Elevation



Main Building – North Elevation



Entry/Reception Area



Copy/Supply Room



Typical Office



Office/ Conference Area



Open Office/Cubicle Area



Typical Office



Main Level Restroom



Basement Level Conference Room



Basement Level Office/Conference Area



Basement Level Kitchen



Basement Level Restroom



Basement Level Storage/Supply Room



Front View of East Building



Garage Interior



East Building Office Space



East Building Office Space



East Building Office Space

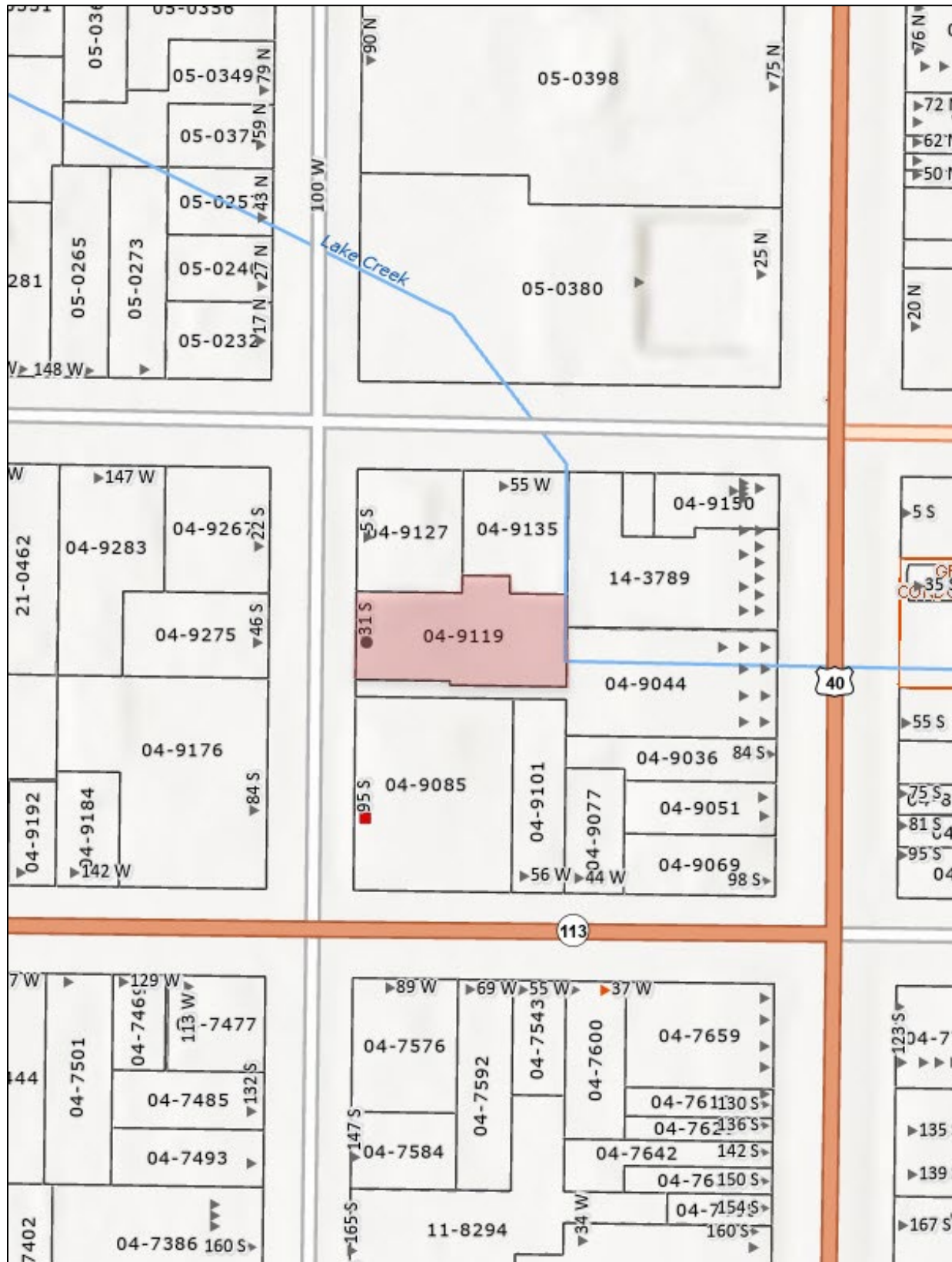


Southerly View Along 100 West Frontage

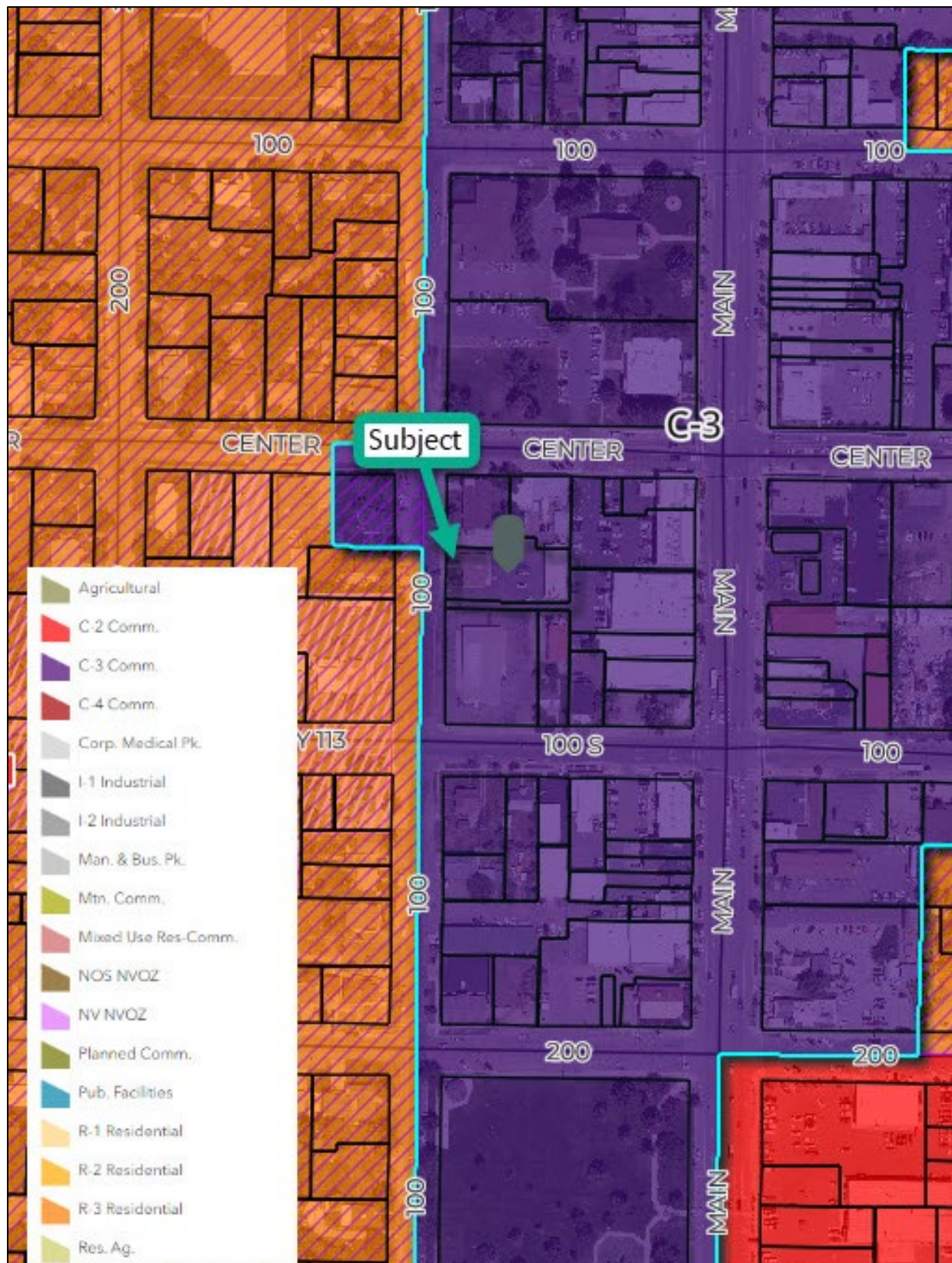


Northerly View Along 100 West Frontage

PARCEL MAP



ZONING MAP



AERIAL PHOTOGRAPH



FLOOD MAP

RiskMeter

CoreLogic

The closest match to 31 South 100 West, Heber, Utah is 31 S 100 W HEBER, UT 84032-1841

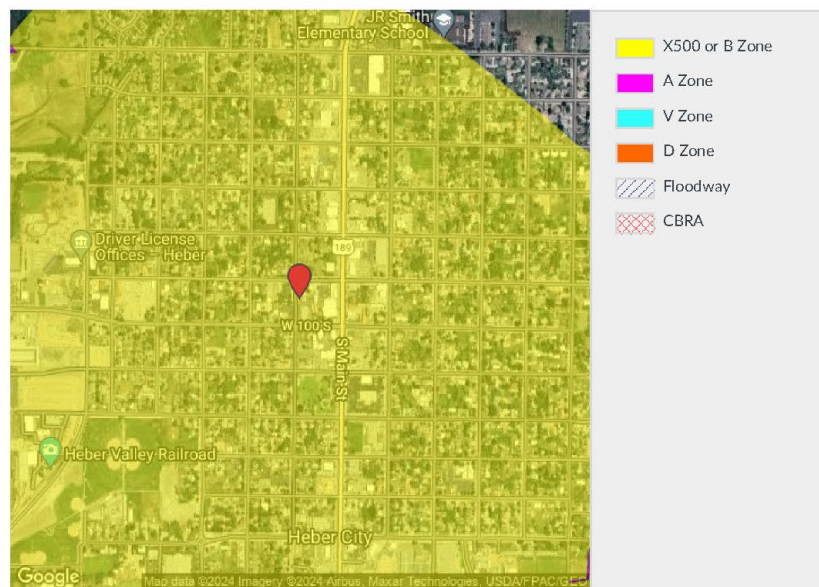
31 S 100 W HEBER, UT 84032-1841

LOCATION ACCURACY: Excellent

Flood Zone Determination Report

Flood Zone Determination: **OUT**

COMMUNITY	490166	PANEL	0118E
PANEL DATE	March 15, 2012	MAP NUMBER	49051C0118E



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DEFINITIONS

■ Fee Simple Estate. Fee simple ownership is defined as, "absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."⁸

■ Leased Fee Estate. Leased fee estate is defined as, "the ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires."⁹

■ Leasehold Interest. Leasehold interest is defined as, "the right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease."¹⁰

■ Market Value (FIRREA). "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well-informed or well-advised and each acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangement comparable thereto;
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."¹¹

The foregoing definition stipulates that value reflect cash or cash equivalent terms. The following elaborates on the concept of cash equivalency.

"In applying this definition of market value, adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs that are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparison to financing

terms offered by a third-party financial institution that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession, but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment."¹²

■ Market Value (Federal Land Acquisition). "Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of value, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither compelled to buy or sell, giving due consideration to all available economic uses of the property."¹³

■ Market Value (Code of Federal Regulations). "The most probable price in cash, or terms equivalent to cash, which lands or interest in lands should bring in a competitive and open market under all conditions requisite to a fair sale, where the buyer and seller each acts prudently and knowledgeably, and the price is not affected by undue influence."¹⁴

■ Market Value (Utah Code). "Market value is the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."¹⁵

■ Use Value. "The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually."¹⁶

■ Appraisal. "(Noun) The act or process of developing an opinion of value; an opinion of value. (Adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services."¹⁷

⁸ The Dictionary of Real Estate, 7th Edition, 2022, The Appraisal Institute, Chicago, Illinois, p. 73.

⁹ Ibid, p. 105.

¹⁰ Ibid, p. 105.

¹¹ This definition of market value is taken from the final rule issued by the Department of Treasury, Office of the Comptroller of the Currency (12CFR Part 34, August 24, 1990), which are the implementing regulations for Title XI of FIRREA. The definition is also supported by most regulatory agencies as follows: Board of Governors of Federal Reserve System (CFR Parts 208 and 225, July 25, 1991); National Credit Union Administration (CFR Parts 701, 722, and 741, July 25, 1990); Federal Deposit Insurance Corporation (12 CFR Part 323, August 20, 1990); Resolution Trust Corporation (12CFR Part 1608, August 22, 1990); Office of Thrift Supervision, Treasury (12CFR Parts 506, 545, 563, 564, and 571, August 23, 1990). This definition has been adopted by the Appraisal

Institute in their Standards of Professional Appraisal Practice, and the Appraisal Foundation in the Uniform Standard of Professional Appraisal Practice (June 30, 1989, amended April 20, 1990 and June 5, 1990).

¹² Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC).

¹³ The Uniform Appraisal Standards for Federal Land Acquisitions, 2016, p. 93.

¹⁴ 36 Code of Federal Regulations (CFR) 254.2.

¹⁵ Utah Code Title 59-2-102 (13) (a).

¹⁶ The Dictionary of Real Estate, 7th Edition, 2022, The Appraisal Institute, Chicago, Illinois, p. 199.

¹⁷ The Appraisal Foundation, Uniform Standards of Professional Appraisal Practice, 2020-2021 ed, (Washington, D.C.: The Appraisal Foundation), p. 3.

■ Restricted Appraisal Report. "A written report prepared under Standards Rule 2-2(b) or 8-2(b) or 10-2(b) of the Uniform Standards of Professional Appraisal Practice, (2016-2017 Edition)."¹⁸

■ Extraordinary Assumption. "An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions."¹⁹

■ Hypothetical Condition. "A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis."²⁰

■ Insurable Value. "The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted)."²¹

■ Easement. "The right to use another's land for a stated purpose."²²

■ "As Is" Value Premise. "Market Value 'as is' on appraisal date means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared."²³

■ Prospective Market Value Upon Completion of Construction Premise. "Prospective value upon completion of construction means the prospective value of a property on the date that construction is completed, based upon market conditions forecast to exist as of that completion date."²⁴

■ Prospective Market Value Upon Reaching Stabilized Occupancy Premise. "Prospective value upon reaching stabilized occupancy means the prospective value of a property at a point in time when all improvements have been physically constructed and the property has been leased to its optimum level of long-term occupancy."²⁵

■ Surplus Land. "Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel."²⁶

■ Excess Land. "Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately."²⁷

■ Larger Parcel. "A portion of land that is not a complete parcel, but is the greater part of a bigger tract, entitling the owner to damages both for the parcel and for its severance from the larger tract. To grant both kinds of damages, a court generally requires the owner to show unity of ownership, unity of use, and contiguity of the land. But some states and the federal courts do not require contiguity when there is strong evidence of unity of use."²⁸

■ Highest and Best Use (Code of Federal Regulations). "An appraiser's supported opinion of the most probable and legal use of a property, based on market evidence, as of the date of valuation."²⁹

■ Highest and Best Use. "...the reasonably probable and legal use of vacant land or improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value."³⁰

¹⁸ Ibid, p.199- As if Vacant.

¹⁹ The Dictionary of Real Estate, 7th Edition, 2022, The Appraisal Institute, Chicago, Illinois, p. 68.

²⁰ Ibid, p. 92.

²¹ Ibid, p. 163.

²² Ibid, p. 58.

²³ Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, "Final Rule", 12 CFR Parts 563 and 571, December 21, 1987.

²⁴ Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, "Final Rule", 12 CFR Parts 563 and 571, December 21, 1987.

²⁵ Ibid.

²⁶ Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition, Chicago, Illinois. Appraisal Institute, 2022), p. 186.

²⁷ Ibid, pp. 80, 81.

²⁸ Black's Law Dictionary, 9th ed. (1891-2009), p. 959.

²⁹ 36 CFR 254.2.

³⁰ Appraisal Institute, The Appraisal of Real Estate, 15th ed. (Chicago, Illinois: Appraisal Institute, 202), p. 306.

COMPARABLE LEASES

COMPARABLE LEASE #1

		Property ID	
		Address:	340 South Main Street
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Low-Rise (1-2 Stories)
		Parcel Number:	00-0020-8330
Site Details			
Land Area (Acres):	0.36	Zoning:	C-2 (Commercial)
Topography:	Near Level	Flood Zone:	Zone B (moderate risk)
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	2,200	Construction Class:	D (wood frame)
Usable Sq. Ft.:	2,200	Total Levels:	1 + basement
Load Factor:	1.00	Year Built:	1927
Floor Area Ratio:	0.14	Quality:	Average
Parking Ratio (per 1,000 RSF):	1.82	Condition:	Average
Lease Information			
Leased Area (RSF):	2,200	Concessions:	None
Lease Date:	1/30/2023	Tenant Improvements:	None
Expense Basis:	Triple Net	Options:	None
Initial Term:	5 Years	CAM Fees:	N/A
Initial Lease Rate (Annual):	\$22.00	Lessor:	DK Field Enterprises LLC
Escalations:	3% Annually	Lessee:	EA Concept
Verification			
Verified By:	Brandon Bess		
Source:	Broker via Costar, County Records		
Comments			
This is a home that was converted for office use. It includes 1,496 square feet of main level space and 704 square feet of basement office. The property also includes approximately 1,150 square feet of garage space.			

COMPARABLE LEASE #2

		Property ID	
		Address:	786 East Division Street # 203
		City/State:	Unincorporated Summit County, UT
		County:	Summit
		Property Type:	Office
		Subtype:	Low-Rise (1-2 Stories)
		Parcel Number:	SL-I-7-8
Site Details			
Land Area (Acres):	0.92	Zoning:	CC (Community Commercial)
Topography:	Near Level	Flood Zone:	Zone X/C
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	15,000	Construction Class:	D (wood frame)
Usable Sq. Ft.:	N/A	Total Levels:	2 + basement
Load Factor:	N/A	Year Built:	2009
Floor Area Ratio:	0.37	Quality:	Average
Parking Ratio (per 1,000 RSF):	3.13	Condition:	Average
Lease Information			
Leased Area (RSF):	1,800	Concessions:	None
Lease Date:	2/15/2022	Tenant Improvements:	None
Expense Basis:	Triple Net	Options:	None
Initial Term:	3 Years	CAM Fees:	\$6.00
Initial Lease Rate (Annual):	\$23.00	Lessor:	Langley LLC
Escalations:	3% Annually	Lessee:	RE Dev
Verification			
Verified By:	Brandon Bess		
Source:	Broker via Costar, County Records		
Comments			
This property is located in the Silver Creek Estates subdivision, north of I-80.			

COMPARABLE LEASE #3

		Property ID	
		Address:	722 West 100 South #2
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Office Condo
		Parcel Number:	00-0020-9316, -9317
Site Details			
Land Area (Acres):	0.14 (pro rata)	Zoning:	C-4 (Commercial)
Topography:	Near Level	Flood Zone:	Zone X/C
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	2,200	Construction Class:	D (wood frame)
Usable Sq. Ft.:	2,200	Total Levels:	1
Load Factor:	1.00	Year Built:	2000
Floor Area Ratio:	0.36	Quality:	Good
Parking Ratio (per 1,000 RSF):	3.64	Condition:	Average
Lease Information			
Leased Area (RSF):	1,000	Concessions:	None
Lease Date:	11/5/2023	Tenant Improvements:	None
Expense Basis:	Modified Gross	Options:	None
Initial Term:	2 Years	CAM Fees:	N/A
Initial Lease Rate (Annual):	\$25.00	Lessor:	Hollis Investments
Escalations:	3% Annually	Lessee:	Psychiatric Consultation Services
Verification			
Verified By:	Brandon Bess		
Source:	Broker via Costar, County Records		
Comments			
The landlord was responsible for taxes, insurance and common areas. The tenant was responsible for utilities and maintenance within the unit.			

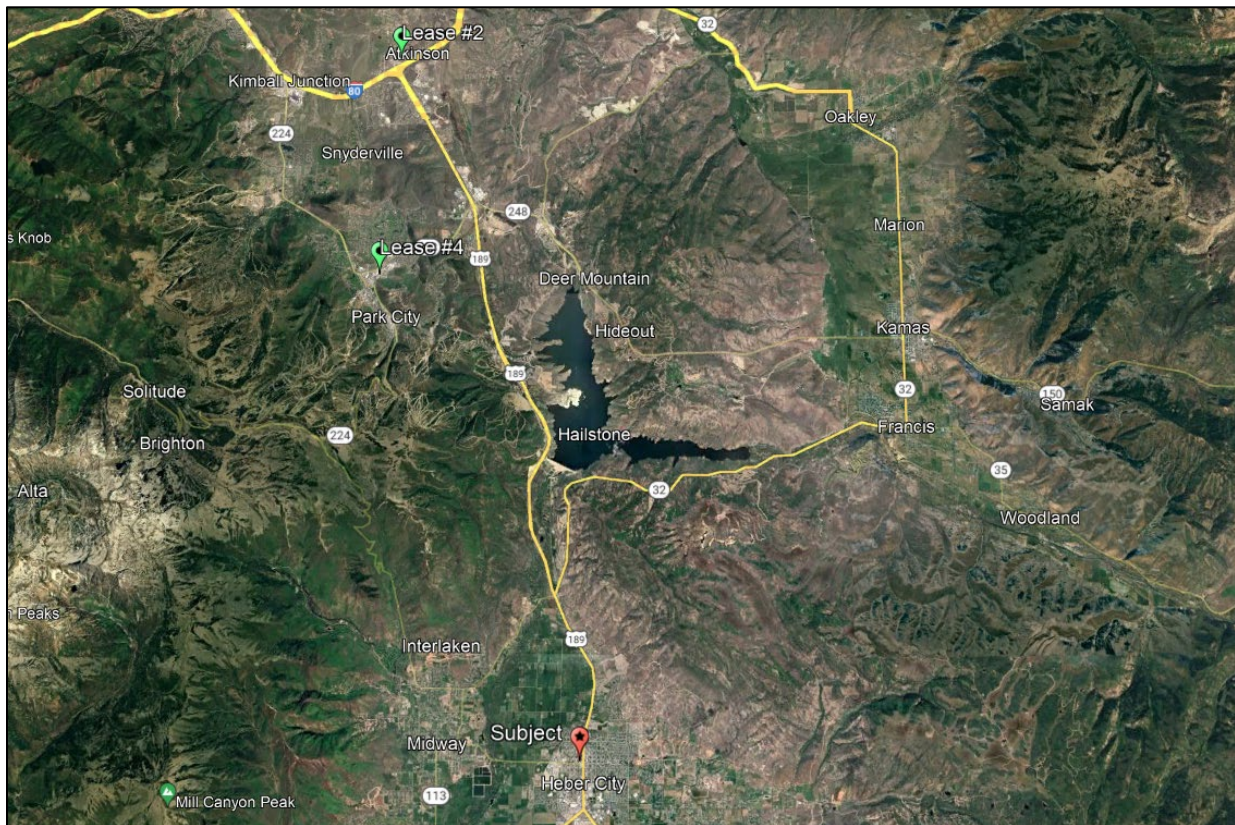
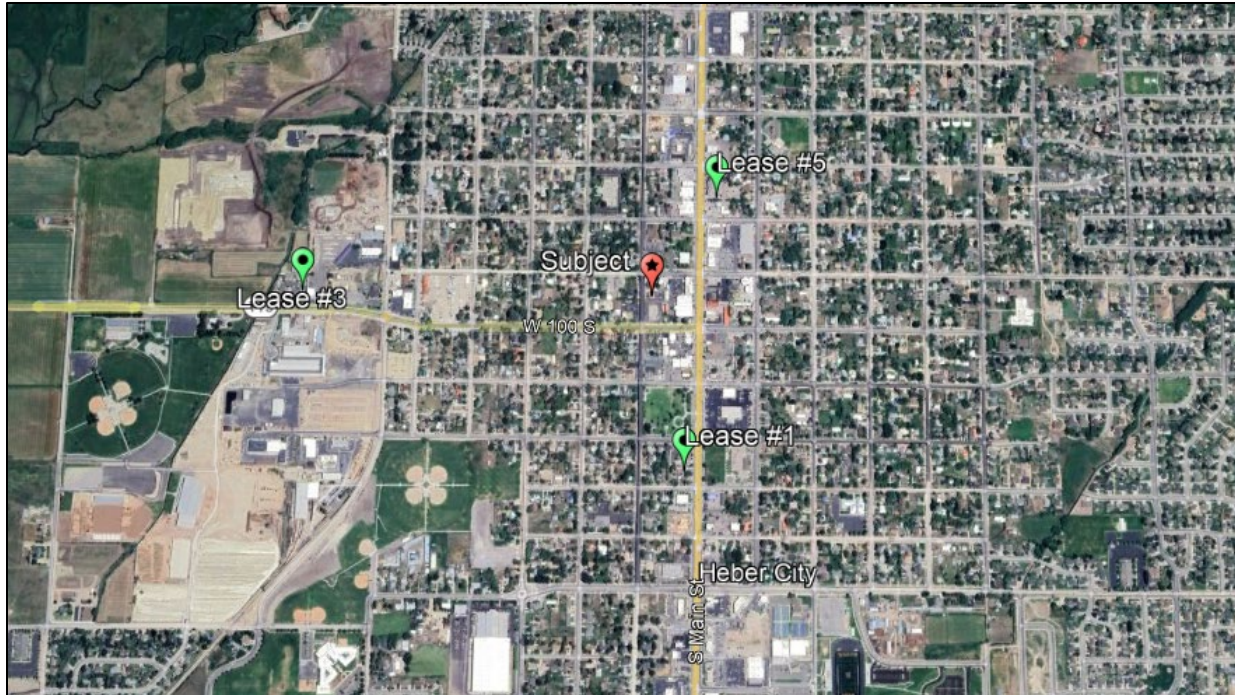
COMPARABLE LEASE #4

		Property ID	
		Address:	1790 Bonanza Drive #201
		City/State:	Park City, UT
		County:	Summit
		Property Type:	Office
		Subtype:	Low-Rise (1-2 Stories)
		Parcel Number:	CCOM-A
Site Details			
Land Area (Acres):	1.82	Zoning:	GC (General Commercial)
Topography:	Near Level	Flood Zone:	Zone X/C
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	29,185	Construction Class:	D (wood frame)
Usable Sq. Ft.:	N/A	Total Levels:	2
Load Factor:	N/A	Year Built:	2004
Floor Area Ratio:	0.37	Quality:	Average
Parking Ratio (per 1,000 RSF):	4.28	Condition:	Average
Lease Information			
Leased Area (RSF):	4,651	Concessions:	None
Lease Date:	7/5/2023	Tenant Improvements:	None
Expense Basis:	Triple Net	Options:	None
Initial Term:	3 Years	CAM Fees:	N/A
Initial Lease Rate (Annual):	\$26.00	Lessor:	Rail Central LLC
Escalations:	3% Annually	Lessee:	Christie's International
Verification			
Verified By:	Brandon Bess		
Source:	Broker via Costar, County Records		
Comments			
This is a unit in the Rail Central building in Park City.			

COMPARABLE LEASE #5

		Property ID	
		Address:	150 North Main Street
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Low-Rise (1-2 Stories)
		Parcel Number:	00-0005-2162
Site Details			
Land Area (Acres):	1.14	Zoning:	C-3 (Commerical)
Topography:	Near Level	Flood Zone:	Zone X/C
Street Orientation:	Corner	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	30,739	Construction Class:	D (wood frame)
Usable Sq. Ft.:	N/A	Total Levels:	2 + basement
Load Factor:	Typical	Year Built:	2008
Floor Area Ratio:	0.62	Quality:	Average
Parking Ratio (per 1,000 RSF):	1.14	Condition:	Average
Lease Information			
Leased Area (RSF):	1,359	Concessions:	None
Lease Date:	Current Listing	Tenant Improvements:	None
Expense Basis:	Triple Net	Options:	None
Initial Term:	Negotiable	CAM Fees:	\$7.25
Initial Lease Rate (Annual):	\$25.00	Lessor:	Clock Tower Investors LLC
Escalations:	3% Annually	Lessee:	N/A
Verification			
Verified By:	Brandon Bess		
Source:	Listing, County Records		
Comments			
This is a listing for a main level unit in the Clock Tower building on Heber Main Street.			

COMPARABLE LEASE LOCATION MAPS



COMPARABLE SALES

COMPARABLE SALE #1

		Property ID	
		Address:	37 East 100 North
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Mixed-Use
		Subtype:	Office/Retail
		Parcel Number:	00-0005-2089
Site Details			
Land Area (Acres):	0.26	Zoning:	C-3 (Commercial)
Topography:	Near Level	Flood Zone:	Zone B (Moderate Risk)
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	6,942	Construction Class:	D (wood frame)
Usable Sq. Ft.:	6,942	Total Levels:	2
Load Factor:	1.00	Year Built:	1949
Floor Area Ratio:	0.61	Quality:	Average
Parking Ratio (per 1,000 RSF):	2.16	Condition:	Average
Sale Information			
Sale Price:	\$1,261,000	Rights Conveyed:	Fee Simple
Sale Date:	6/17/2022	Sale Conditions:	Arms Length
Asking Price:	\$1,500,000	Financing Terms:	Cash Equivalent
Marketing Time:	14 Days	Buyer:	Heber Firehouse LLC
Price per RSF:	\$181.65	Seller:	The Old Firehouse LLC
Income Information			
Potential Gross Income:	N/A	Gross Inc. Multiplier:	N/A
Vacancy Factor:	N/A	Effective Inc. Multiplier:	N/A
Effective Gross Income:	N/A	Expenses per RSF:	N/A
Operating Expenses:	N/A	Net Income per RSF:	N/A
Net Operating Income:	N/A	Occupancy at Sale:	See Comments
Capitalization Rate:	N/A	Avg. Remaining Term:	N/A
Verification			
Verified By:	Brandon Bess		
Source:	WFRMLS # 1778161, County Records		
Comments			
This property contains main level retail space and upper level office space. The building was occupied at the time of sale, but all leases were month to month.			

COMPARABLE SALE #2

		Property ID	
		Address:	906 South 300 West
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Low-Rise
		Parcel Number:	00-0015-9652
Site Details			
Land Area (Acres):	0.87	Zoning:	B/MP (Business/Medical Park)
Topography:	Near Level	Flood Zone:	Zone B (Moderate Risk)
Street Orientation:	Corner	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	6,133	Construction Class:	D (wood frame)
Usable Sq. Ft.:	6,133	Total Levels:	2
Load Factor:	1.00	Year Built:	1997
Floor Area Ratio:	0.16	Quality:	Average
Parking Ratio (per 1,000 RSF):	3.59	Condition:	Average
Sale Information			
Sale Price:	\$1,245,000	Rights Conveyed:	Fee Simple
Sale Date:	2/13/2024	Sale Conditions:	Arms Length
Asking Price:	\$1,299,000	Financing Terms:	Cash Equivalent
Marketing Time:	32 Days	Buyer:	Rhett M. Roberts
Price per RSF:	\$203.00	Seller:	Silo School LLC
Income Information			
Potential Gross Income:	N/A	Gross Inc. Multiplier:	N/A
Vacancy Factor:	N/A	Effective Inc. Multiplier:	N/A
Effective Gross Income:	N/A	Expenses per RSF:	N/A
Operating Expenses:	N/A	Net Income per RSF:	N/A
Net Operating Income:	N/A	Occupancy at Sale:	Vacant
Capitalization Rate:	N/A	Avg. Remaining Term:	N/A
Verification			
Verified By:	Brandon Bess		
Source:	WFRMLS # 1971251, County Records		
Comments			
This property was previously used as a school but functions well for office use.			

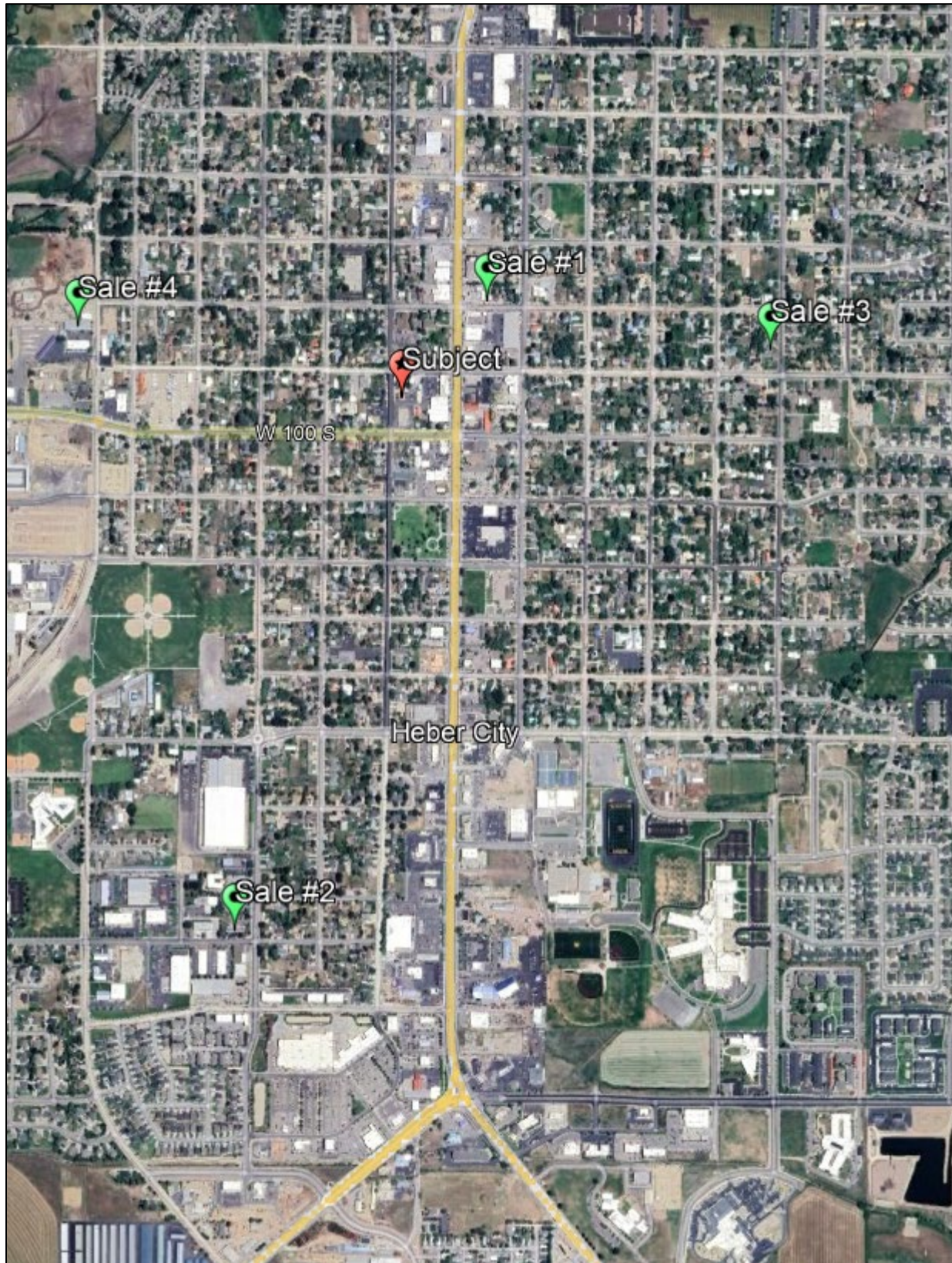
COMPARABLE SALE #3

		Property ID	
		Address:	35 South 500 East
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Medical Office
		Parcel Number:	00-0005-7872
Site Details			
Land Area (Acres):	0.58	Zoning:	R-3 (Residential)
Topography:	Near Level	Flood Zone:	Zone B (Moderate Risk)
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	3,960	Construction Class:	D (Wood frame)
Usable Sq. Ft.:	3,960	Total Levels:	1
Load Factor:	1.00	Year Built:	1974
Floor Area Ratio:	0.16	Quality:	Average
Parking Ratio (per 1,000 RSF):	4.8	Condition:	Average
Sale Information			
Sale Price:	\$1,100,000	Rights Conveyed:	Fee Simple
Sale Date:	8/30/2021	Sale Conditions:	Arms Length
Asking Price:	\$1,240,000	Financing Terms:	Cash Equivalent
Marketing Time:	40 Days	Buyer:	Wasatch County
Price per RSF:	\$277.78	Seller:	Lynda Foote Burton
Income Information			
Potential Gross Income:	N/A	Gross Inc. Multiplier:	N/A
Vacancy Factor:	N/A	Effective Inc. Multiplier:	N/A
Effective Gross Income:	N/A	Expenses per RSF:	N/A
Operating Expenses:	N/A	Net Income per RSF:	N/A
Net Operating Income:	N/A	Occupancy at Sale:	Vacant
Capitalization Rate:	N/A	Avg. Remaining Term:	N/A
Verification			
Verified By:	Brandon Bess		
Source:	WFRMLS # 1750639, County Records		
Comments			
This property was built out for medical office use, but also functions for general office use. It is located in a residential zone and is therefore considered legal, non-conforming. It was purchased by Wasatch County to use for additional government office space.			

COMPARABLE SALE #4

		Property ID	
		Address:	89 North 600 West
		City/State:	Heber, UT
		County:	Wasatch
		Property Type:	Office
		Subtype:	Office/Warehouse
		Parcel Number:	00-0005-9084
Site Details			
Land Area (Acres):	0.88	Zoning:	C-4 (General Commercial)
Topography:	Near Level	Flood Zone:	Zone B (Moderate Risk)
Street Orientation:	Interior	Excess Land:	None
Improvement Details			
Rentable Sq. Ft.:	3,312	Construction Class:	S (metal)
Usable Sq. Ft.:	3,312	Total Levels:	1
Load Factor:	1.00	Year Built:	1998
Floor Area Ratio:	0.09	Quality:	Average
Parking Ratio (per 1,000 RSF):	9.06	Condition:	Average
Sale Information			
Sale Price:	\$1,625,000	Rights Conveyed:	Fee Simple
Sale Date:	1/7/2022	Sale Conditions:	Arms Length
Asking Price:	\$1,650,000	Financing Terms:	Cash Equivalent
Marketing Time:	6 Days	Buyer:	CJC Collective LLC
Price per RSF:	\$490.64	Seller:	BDK Enterprises, LLC
Income Information			
Potential Gross Income:	N/A	Gross Inc. Multiplier:	N/A
Vacancy Factor:	N/A	Effective Inc. Multiplier:	N/A
Effective Gross Income:	N/A	Expenses per RSF:	N/A
Operating Expenses:	N/A	Net Income per RSF:	N/A
Net Operating Income:	N/A	Occupancy at Sale:	Vacant
Capitalization Rate:	N/A	Avg. Remaining Term:	N/A
Verification			
Verified By:	Brandon Bess		
Source:	WFRMLS # 1770862, County Records		
Comments			
This property contains 3,312 square feet of office space and 9,423 square feet of warehouse/storage space. The property previously sold in May of 2017 for \$830,000.			

COMPARABLE SALES LOCATION MAP



STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal has been based on the following limiting conditions:

1. For purposes of this appraisal, any marketing program for the sale of the property would assume cash or its equivalent.
2. No detailed soil studies covering the subject property were available for this appraisal. It is therefore assumed that soil conditions are adequate to support standard construction consistent with highest and best use.
3. The date of value to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further, the dollar amount of any value opinion rendered in this report is based upon the purchasing power of the American dollar existing on that date.
4. The appraisers assume no responsibility for economic or physical factors that may affect the opinions in this report which occur after the valuation date.
5. The appraisers reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
6. No opinion as to title is rendered. Data relating to ownership and legal description was obtained from the client or public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements, and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
7. If no title policy was made available to the appraisers, they assume no responsibility for such items of record not disclosed by their customary investigation.
8. The appraisers assume no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
9. The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated.
10. The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with unless otherwise stated.
11. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
12. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area was taken from sources considered reliable and no encroachment of real property improvements is considered to exist.

13. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
14. Maps, plats, and exhibits included in this report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
15. No opinion is intended to be expressed for matters that require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
16. Possession of this report, or copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
17. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.
18. The appraisers have personally inspected the subject property and find no obvious evidence of structural deficiencies, except as may be stated in this report; however, no responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake or occupancy codes can be assumed without provision of specific professional or government inspections.
19. Unless otherwise noted, no consideration has been given in this appraisal to the value of the property located on the premises which is considered by the appraisers to be personal property, nor has consideration been given to the cost of moving or relocating such personal property; only the real property has been considered.
20. Information obtained for use in this appraisal is believed to be true and correct to the best of our ability; however, no responsibility is assumed for errors or omissions, or for information not disclosed which might otherwise affect the valuation estimate.
21. Unless otherwise stated in this report, the appraisers signing this report have no knowledge concerning the presence or absence of toxic materials in the improvements and/or hazardous waste on the land. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.
22. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the appraiser.

23. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraiser's inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition

on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

24. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect on the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the Property.

QUALIFICATIONS

Mark L. Reed | MAI

InQoba-1, PC
2816 S Highland Drive, Suite 201
Salt Lake City, UT 84106

Phone: 801 910-3921
E-mail: mark@inqoba.com

APPRAISAL EXPERIENCE

- InQoba, Salt Lake City, Utah, April 2016 to Present. Appraiser and consultant of commercial real estate.
- J. Philip Cook & Associates, Salt Lake City, Utah, March 2011 to 2022. Appraisal contractor
- LECCG, Salt Lake City, Utah, January 2007 to March 2011. Appraiser and consultant of commercial real estate.
- Stuart & Company, February 2004 - January 2007. Appraiser.

PROFESSIONAL MEMBERSHIPS & LICENSES

- Certified General Appraiser, State of Utah, #5834628-CG00
- Certified General Appraiser, State of Idaho, #CGA-6161
- Certified General Appraiser, State of New Mexico, #C03859-G
- Designated Member, Appraisal Institute (MAI)

EDUCATION

- MBA, Brigham Young University, August 2000
- Bachelor of Arts, Brigham Young University, August 1991

CLIENTS SERVED (Partial list)

FINANCIAL INSTITUTION/MORTGAGE

Bank of American Fork
Barnes Bank
Citibank
Far West Bank
Frontier Bank
KeyBank National Association
US Bank

Bank of Colorado
Central Bank
City National Bank
First National Bank of Layton
JP Morgan Chase Bank
Mountain America Credit Union
Wells Fargo

CORPORATE/OTHER COMPANIES

Branson Properties
Intermountain Health Care
LDS Church
PacifiCorp
Rocky Mountain Power
The Nature Conservancy

First American Title Insurance
Landrock Development
Marshall Group
Questar
Sundance Development
TransWest Express

GOVERNMENT

Draper City
Small Business Administration
SITLA – Utah Trust Lands
Utah Attorney General
Utah Department of Transportation

FDIC
Salt Lake Community College
South Salt Lake Redevelopment Agency
Utah Transit Authority
Salt Lake City

Mark Reed | MAI (Continued)

LEGAL FIRMS

Anderson Call & Wilkinson
 Callister Nebeker & McCullough
 Holme, Roberts & Owen
 Parr Brown Gee & Loveless
 Ray Quinney and Nebeker
 Stoel Rives
More available upon request

Ballard Spahr, LLP
 Clyde, Snow Sessions and Swenson
 Kirton and McConkie
 Parsons Behle & Latimer
 Reeder Lu Green, LLP
 Wood Crapo, LLC

SPECIALIZED COURSES COMPLETED

Appraisal Principles (Course 110) Appraisal Institute, May 2004
 USPAP (Course 410) Appraisal Institute, October 2004
 Appraisal Procedures (Course 101) Appraisal Institute, January 2005
 Basic Income Capitalization (Course 310) Appraisal Institute, June 2005
 General Applications (Course 320) Appraisal Institute, July 2006
 Advanced Income Capitalization (Course 510) Appraisal Institute, June 2007
 Eminent Domain Update Seminar, Utah Land Use Institute, February 2008
 National USPAP Equivalent Course, Appraisal Institute, 2009, 2011, 2013, 2015, 2017, 2019, 2021, 2023
 Business Practices and Ethics, Appraisal Institute, May 2009
 Advanced Sales Comparison and Cost Approaches, Appraisal Institute, October 2009
 Market Analysis and Highest & Best Use, Appraisal Institute, June 2010
 Subdivision Valuation, Appraisal Institute, August 2013
 Report Writing and Case Studies, Appraisal Institute, April 2015
 Advanced Concepts and Case Studies, Appraisal Institute, November 2016
 Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) Course, April 2023
 The Basics of Expert Witness for Commercial Appraisers, McKissock, April 2023
 Numerous other continuing education courses 2016-2023

APPRAISAL/CONSULTING ASSIGNMENTS (sample)

Land: All types of land including residential, commercial, agricultural, and public use

Office: Various properties including multi-story projects ranging in size from 3,000 to more than 200,000 square feet, bank buildings, and medical office space.

Retail: Various buildings including community and neighborhood shopping centers, sit-down and fast-food restaurants, convenience stores, car washes, oil and lube shops, and stand-alone retail uses.

Specialty Properties: Specialty properties including subdivisions, multifamily developments, mixed use, schools, ski resort properties, guest ranches, train maintenance facilities, utility easements, conservation easements and condemnation easements, including yellow book-compliant appraisals (UASFLA).

Brandon G. Bess | MAI

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Salt Lake City, UT 84106

Phone: 801 633 4491
E-mail: brandon@bgbre.com

PROFESSIONAL MEMBERSHIPS & LICENSES

- Certified General Appraiser, State of Utah, Certificate #7897866-CG00
- Certified General Appraiser, State of Idaho, Certificate #CGA-5100
- Designated Member – Appraisal Institute (MAI)

EDUCATION

- Bachelor of Science, University of Utah (Economics)

APPRAISAL EXPERIENCE

- President, Brandon G. Bess, LLC Appraisal & Consulting–Feb. 2020 to Present
- Appraiser and Consultant of commercial real estate, J. Philip Cook, LLC –Feb. 2015 to Feb. 2020
- Hearing Officer, Salt Lake County Board of Equalization – July 2014 – May 2017
- Appraiser and Consultant of commercial real estate, Insight Appraisal & Consulting, LLC – August 2011 – Feb. 2015
- Appraiser/Researcher, Fortis Group, a commercial appraisal and consulting firm – January 2008 – August 2011

AREAS OF PRACTICE

- Retail
- Industrial: flex space, manufacturing, distribution, business park, and general office/warehouse
- Office Buildings: low rise suburban office and medical office as well as mid-rise buildings in the Central Business District
- Eminent Domain: Road widening and various utility corridors
- Development land including mixed-use projects
- Agricultural and ranch land
- Residential subdivision land

CLIENTS SERVED (Partial list)**FINANCIAL INSTITUTION/MORTGAGE**

Wells Fargo Bank
Zions Bank
Bank of American Fork
Heritage West Credit Union
First National Bank, Cortez

CORPORATE/OTHER COMPANIES

Rocky Mountain Power
LDS Church
The Trust for Public Lands

Brandon G. Bess | MAI (Continued)**GOVERNMENT**

Salt Lake County
West Valley City
West Jordan City
US Dept. of Agriculture
Utah Department of Transportation

SPECIALIZED COURSES COMPLETED

- Basic Appraisal Principles
- Basic Appraisal Procedures
- Uniform Standards of Professional Appraisal Practice
- Residential Highest and Best Use and Market Analysis
- Residential Report Writing & Case Studies
- Residential Sales Comparison & Income Approaches
- Residential Site Valuation & Cost Approach
- 2014/15 USPAP Update Course
- General Sales Comparison Approach
- General Income Approach
- General Site Valuation & Cost Approach
- General Highest and Best Use and Market Analysis
- General Report Writing & Case Studies
- 2016/17 USPAP Update Course
- Statistics, Modeling & Finance
- Commercial Appraisal Review
- Expert Witness for Commercial Appraisers
- Advanced Income Capitalization
- Advanced Market Analysis & Highest and Best Use
- Advanced Concepts and Case Studies
- Quantitative Analysis and Best Use
- Advanced Concepts and Case Studies



Fire Station Re-Envisioned

2026 Annual City Council Retreat

January 24, 2026



Fire Station Studios in Historic Downtown Heber



- Photography
- Sculpting
- Painting

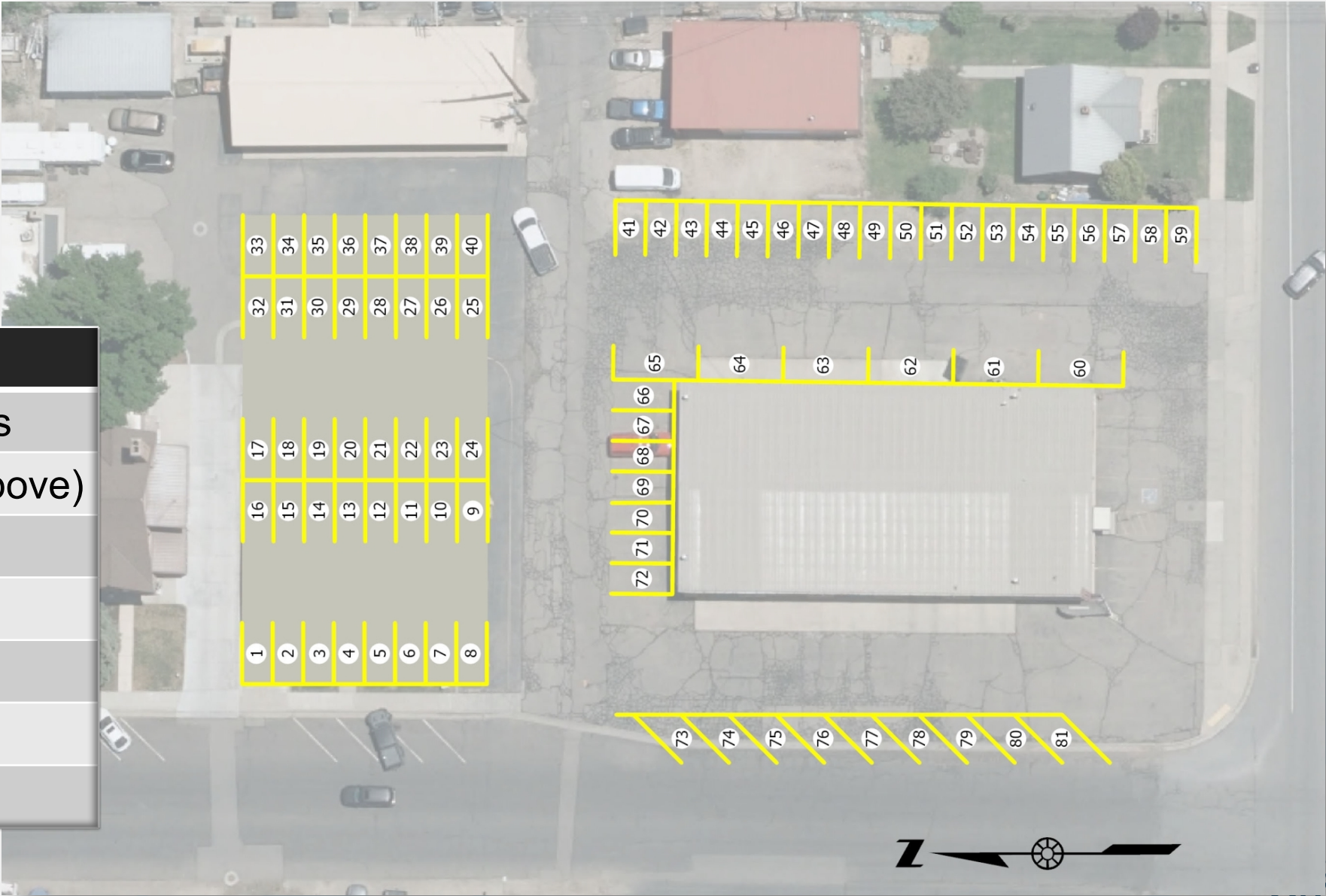


Local Precedent: Helper, Utah



Draft Site Parking Plan

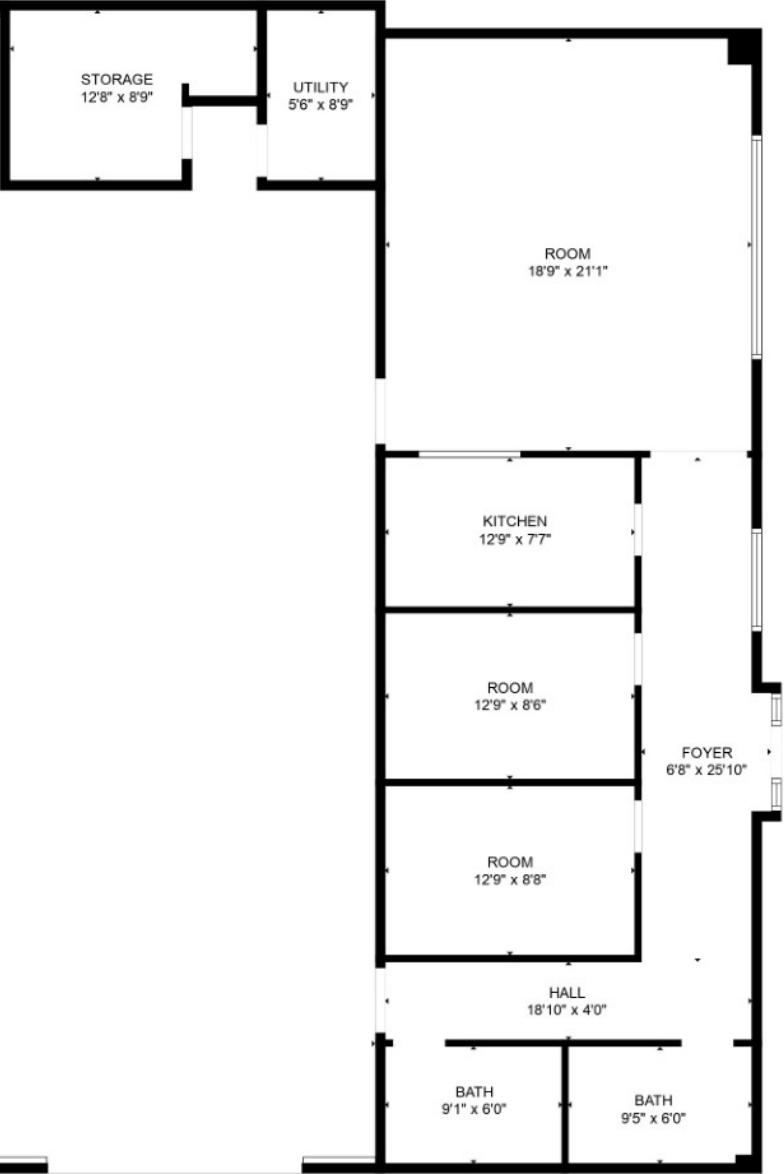
Features
72 off-street parking stalls
6 employee stalls (inc. above)
9 on-street parking stalls
Wide central driveway
Utilize existing driveways
No landscaping
Off-street circulation



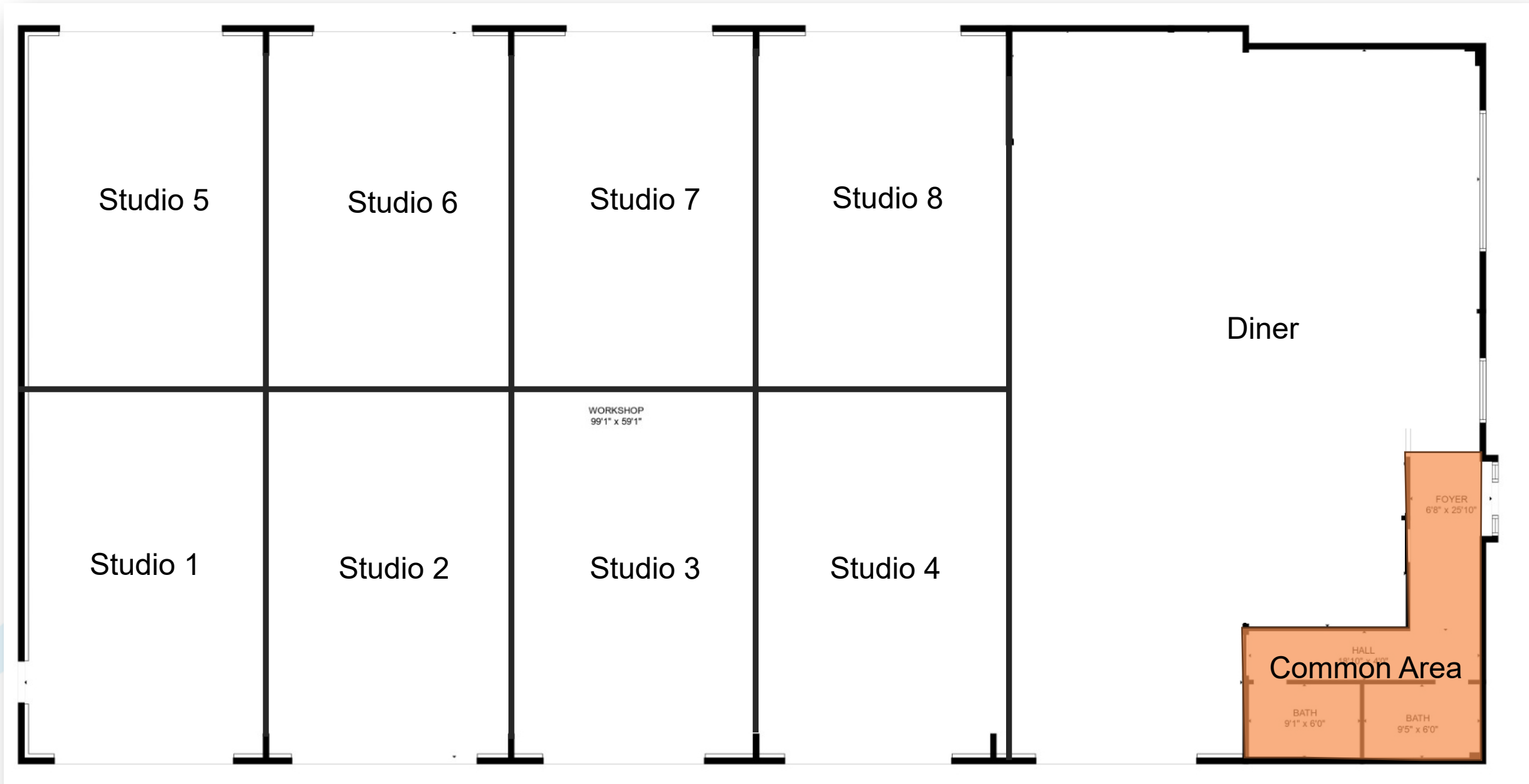
Existing Floor Plan

Feature	Area
Office	1,119 sf
Workshop	5,689 sf
Storage	107 sf
Utility	56 sf
TOTAL	6,971 sf

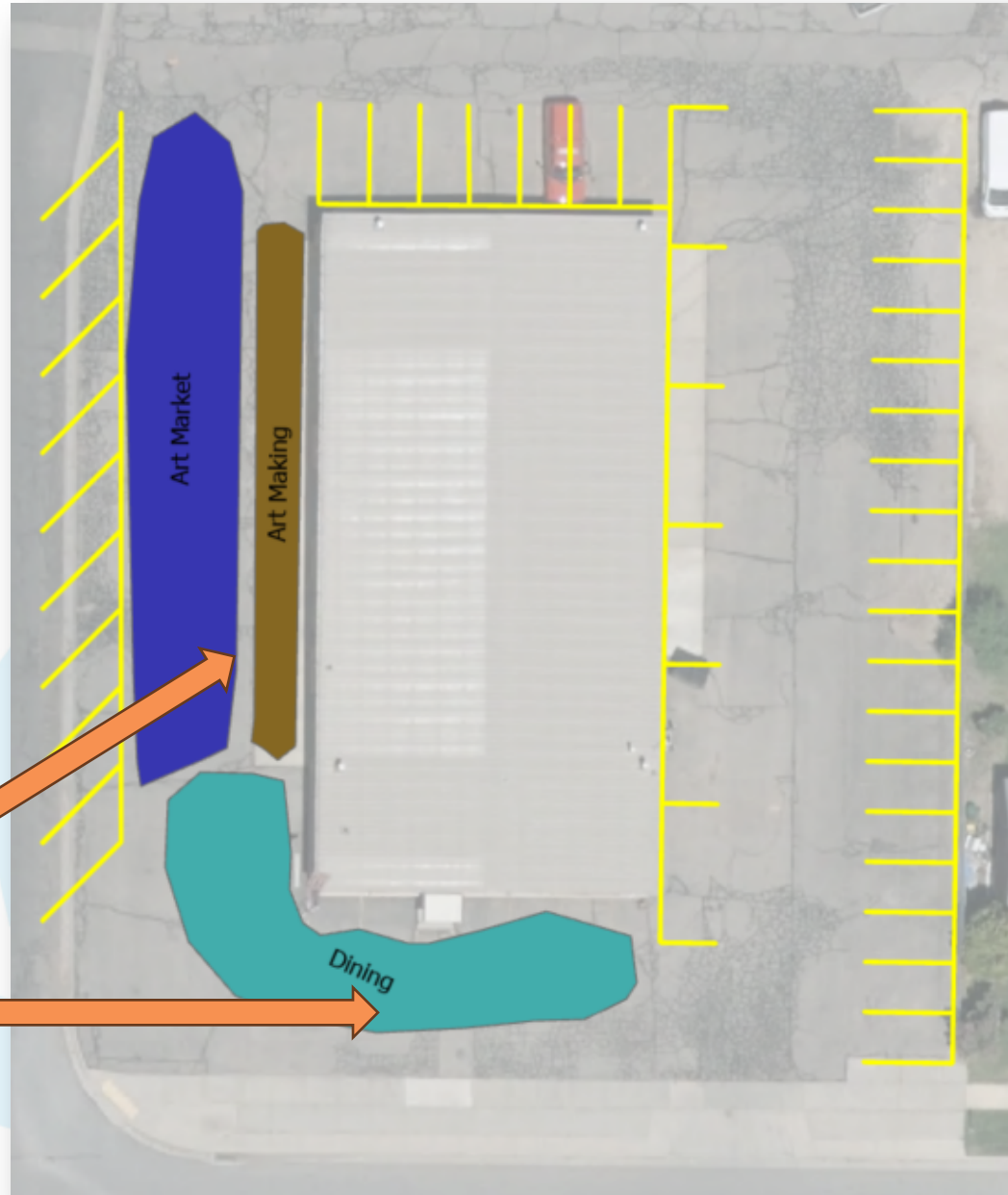
WORKSHOP
99'1" x 59'1"



Fire Station Studios Revised Floor Plan



Fire Station Artist Studios Conceptual Site Plan



Potential shared parking
& multiuse areas

Existing Elevations



Re-envisioned Conceptual Elevations



Use building as-is



Minor elevation upgrades

Major elevation upgrades



Roger Brooks Recommendations

Generalized Downtown Recommendations

10 places that sell food

10 destination retail shops

10 places open after 6 pm

Specific C Street Recommendations

15 sit-down restaurants

6 casual food services (coffee, deli, confectioneries, cupcakes, gourmet foods, panini, etc.)

At least 40 specialty shops

Need them to remain open after 7 pm and on weekends



Policy Questions

- Does Council support razing the Heber Power & Light building and replacing it with parking stalls?
- Does Council support converting the Fire Station into Artist Studios with a diner and parking as proposed?



PLANNING

Discussion