

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

**January 21, 2025**

**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. Review and Approval of Development Agreements for North Village Crossing and Harvest Village (Tony Kohler, Community Development Director, Jeremy Cook, City Attorney ) - *110 min*

**II. BREAK - 10 MIN**

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

1. Call to Order
2. Pledge of Allegiance (Aaron Cheatwood, Council Member)
3. Prayer/Thought by Invitation (Scott Phillips, Council Member)

**IV. AWARDS, RECOGNITION, and PROCLAMATIONS:**

1. Mayor's Award Nomination of Kyle Mair

**V. CONFLICT OF INTEREST DISCLOSURE:**

**VI. CONSENT AGENDA:**

1. Resolution 2024-20 to Update the Parks Policy (J. Mark Smedley, Asst. City Manager)
2. Contract Award to Garrett Parks and Play for Provision of Park Equipment for the Coyote Springs Park in Heber City (Russ Funk, City Engineer)

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

**VIII. GENERAL BUSINESS ITEMS:**

1. Fiscal Year 2024 Financial Statement Audit Presentation (Jon Haderlie, CPA Larson & Company, PC) - *15 min*
2. Monthly Development Report (Jamie Baron, Planning Manager) - *10 min*
3. The Views on Main Development Agreement Term Sheet (Luke Kennard) - *45 min*
4. Wasatch Highlands Discussion (Matt Brower, City Manager) - *10 mins*

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

1. City Council Strategic Planning Priorities 2026 (Matt Brower, City Manager) - *30 min*
2. Review and Approval of Development Agreements for North Village Crossing and Harvest Village (Tony Kohler, Community Development Director, Jeremy Cook, City Attorney ) - *90 min*

**X. COMMUNICATION:**

**XI. CLOSED MEETING:**

1. To Discuss the Purchase, Exchange, or Lease of Real Property (Matt Brower, City Manager)

**XII. 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 January 16, 2025, in the Heber City Municipal Building located at 75 North Main, the Heber City Website at [www.heberut.gov](http://www.heberut.gov), and on the Utah Public Notice Website at <http://pmn.utah.gov>. Notice provided to the Wasatch Wave.



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025

**SUBJECT:** Review and Approval of Development Agreements for North Village Crossing and Harvest Village

**RESPONSIBLE:** Tony Kohler, Jeremy Cook

**DEPARTMENT:** Planning

**STRATEGIC RELEVANCE:** Community Development

## SUMMARY

The North Village Crossing and Harvest Village properties are located near the intersection of Highway 40 and SR 32. On December 17, Council approved the annexation conditional upon approval of final development agreements for the petitioners in upcoming meeting(s) with Council.

## RECOMMENDATION

Staff recommends Council discuss the proposed development agreements and approve them when ready.

## BACKGROUND

Staff has been negotiating final development agreements with the petitioners based on feedback from the City Council. Legal Staff has been working with the petitioners to finalize the agreements.

## DISCUSSION

Legal Staff is planning to lead a discussion and request feedback on key provisions of the development agreements, including the following:

### Harvest Village:

- Zoning as North Village (NV) sub-district (Section 3.1)
- Project Density (Section 4.1)
- Site Plan Vesting (Section 4.2)
- Exceptions to NVOZ Zone (Section 4.2.1)
- Affordable Housing (Section 4.5)
- Term (Section 5)

UDOT Bypass Road and Delay in Approvals (Section 6.2)  
Parks and Open Space (Section 7)  
North Fields Preservation (Section 7.8)

Crossings:

Zoning as North Village (NV) sub-district (Section 3.1)  
Site Plan Vesting (Section 4.2)  
Exceptions to NVOZ Zone (Section 4.2.1)  
Affordable Housing (Section 4.5)  
Term (Section 5)  
Parks and Open Space (Section 7)  
North Fields Preservation (Section 7.8)

**Pros** to approving the proposed annexation include: 1) less density than proposed in the county; 2) assurance of implementing the City’s Transportation, Storm Water, North Village Overlay Zone and General Plan; 3) financial benefits such as property tax, sales tax and transient room tax; 4) job and housing creation for the UVU campus; 5) Heber City controlling land uses along its primary entrance; 6) creation of affordable housing; and 7) moving already planned development from the unincorporated area to within Heber City Corporate limits.

**Cons** to the proposed annexation include the potential for impacts to some of the planned bypass route alternatives.

**FISCAL IMPACT**

The planned development will have positive financial benefits such as property tax, sales tax and transient room tax.

**CONCLUSION**

The proposed development agreements further the implementation of the policies and goals of the general plan, standards of the North Village Overlay Zone (NVOZ) and ensure a balance between property rights and the public good.

**ALTERNATIVES**

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

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**POTENTIAL MOTIONS**

**Alternative 1 - Approval - Staff Recommended Option**

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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 , 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.

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**ACCOUNTABILITY**

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

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**EXHIBITS**

1. HV Updated Site Plan (12-30-24)
2. NVC-12-17-24 Rendering
3. NVC\_Heber Mtg\_12\_3\_2024
4. NVC concept 12-31-24 PHASING PLAN
5. NVC concept 12-31-24 OPEN SPACE PLAN
6. NVC concept 12-31-24 TRAIL PLAN
7. NVC concept 12-31-24 SITE PLAN
8. Crossings Development Agreement 1.15 - 4930-2337-0512 - 1
9. Harvest Village Final MDA 1-16-25 - 4936-9262-9520 - 1

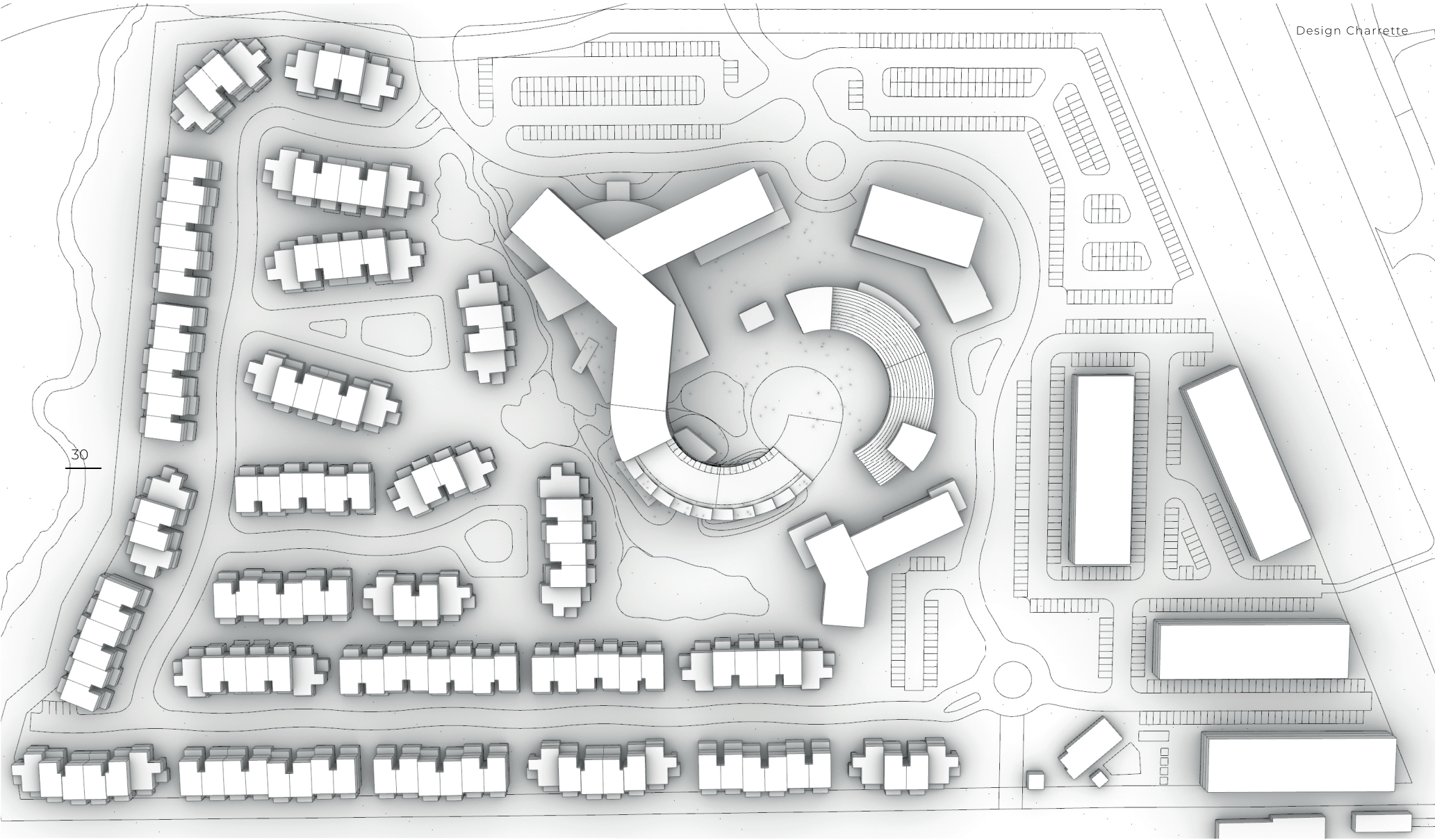
# HARVEST VILLAGE MASTER PLAN

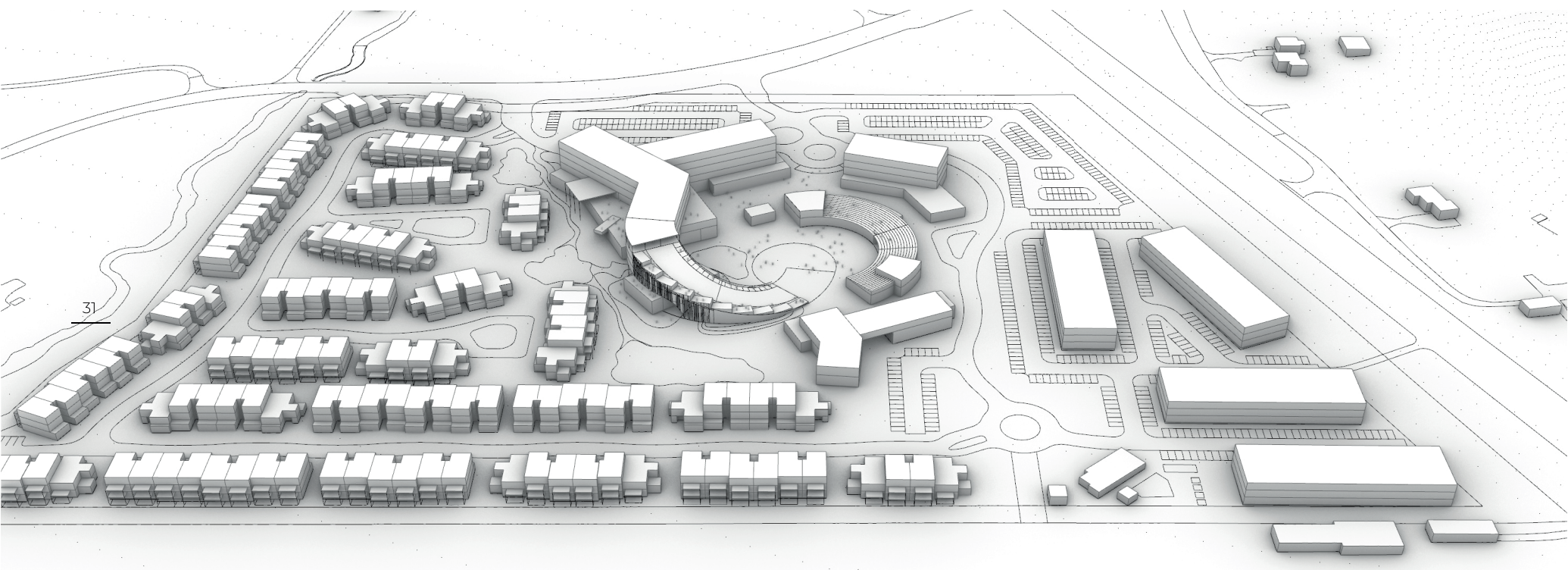


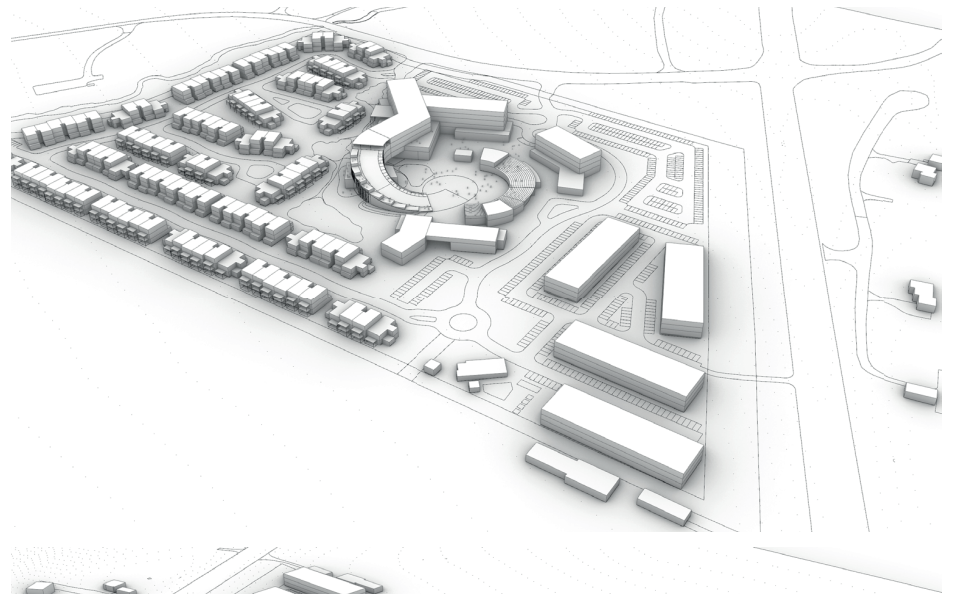
- 1 HOTEL
- 2 CONDOS
- 3 OFFICE
- 4 AMENITIES/POOL DECK
- 5 COMMERCIAL
- 6 ELEVATED DECK
- 7 SLED HILL
- 8 SLED HILL PLAZA
- 9 TOWNHOMES
- 10 AFFORDABLE HOUSING
- 11 PARKING
- 12 PUMP/LIFT STATION
- 13 EMERGENCY ENTRANCE
- 14 30' NO-BUILD EASEMENT
- 15 BIKE/ PEDESTRIAN PATH



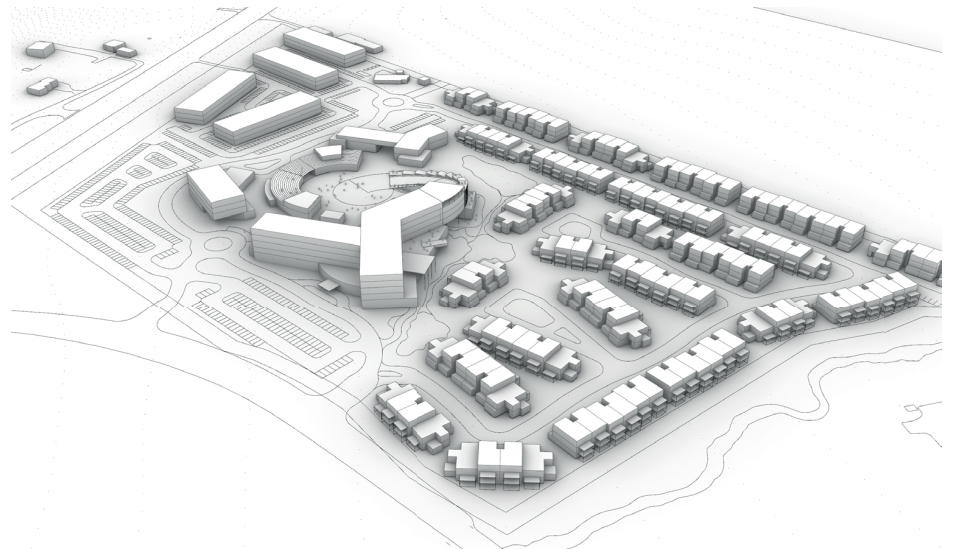
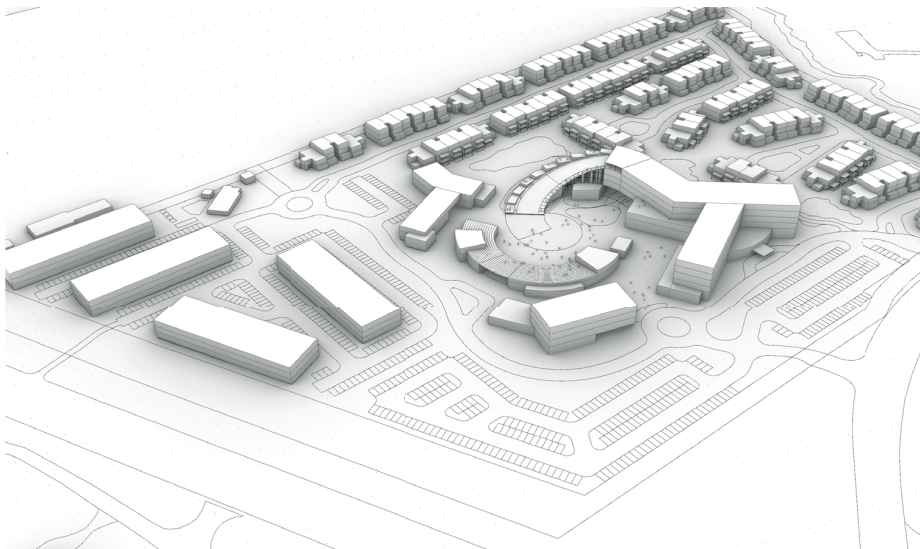


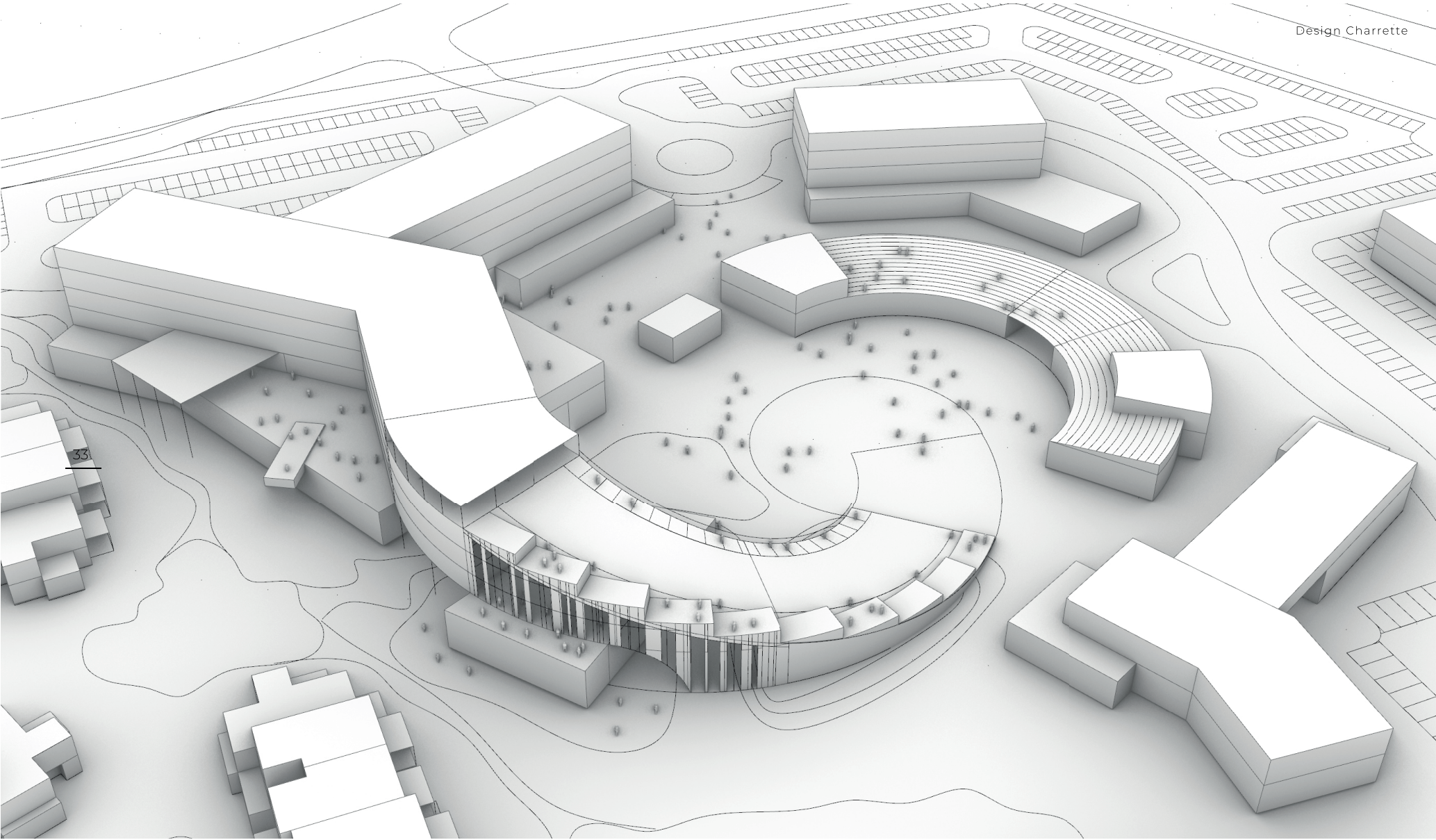






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34

	Parking	Hotel	Condo	Amenities	Retail/Comm./Office	Townhomes
L1	45,095	23,598	-		63,454	
L2	-	11,703	6,904	29,700	36,748	
L3	-	11,703	36,496	0	5,598	
L4	-	11,703	36,496	0		
L5	-	19,466	11,037	0		
<b>Areas in project</b>	<b>45,095</b>	<b>78,173</b>	<b>90,933</b>	<b>29,700</b>	<b>105,800</b>	<b>386,130</b>
<b>Original brief (charrette)</b>	45,095	77,600	90,900	29,700	105,800	287,960
<b>Difference</b>	0	573	33	0	0	98,170

# THE RESIDENCES





L1

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



L2

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



L3

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



40

L3

3 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 319 sf

Total: 2,472 sf



41

L1

4 Bed TH:

L1 - 1,307 sf  
L2 - 1,400 sf

Total: 2,707 sf



L2

4 Bed TH:

L1 - 1,307 sf  
L2 - 1,400 sf

Total: 2,707 sf

**UNIT MIX**

Townhome prototype		#	%	Sq.ft.	Total area
Townhome type 1A (4 bed + loft)	3 floors	110	79%	2,772	304,920
Townhome type 2 (4 bed + loft)	2 floors	30	21%	2,707	81,210
		<b>140</b>			<b>386,130</b> sf *

**AREA SUMMARY PER BUILDING TYPE**

Building type	# units/bldng	# Buildings	sq.ft. /bldng	Total area
Building 1	4	7	10,958	76706
Building 2	6	8	16,632	133056
Building 3	6	8	16,502	132016
Building 4	8	2	22,176	44352
		<b>25</b>		<b>386,130</b> sf *

\* Townhome Type 1B not not included in this mix/area summary.

**GVI** GOMEZ VAZQUEZ  
INTERNATIONAL

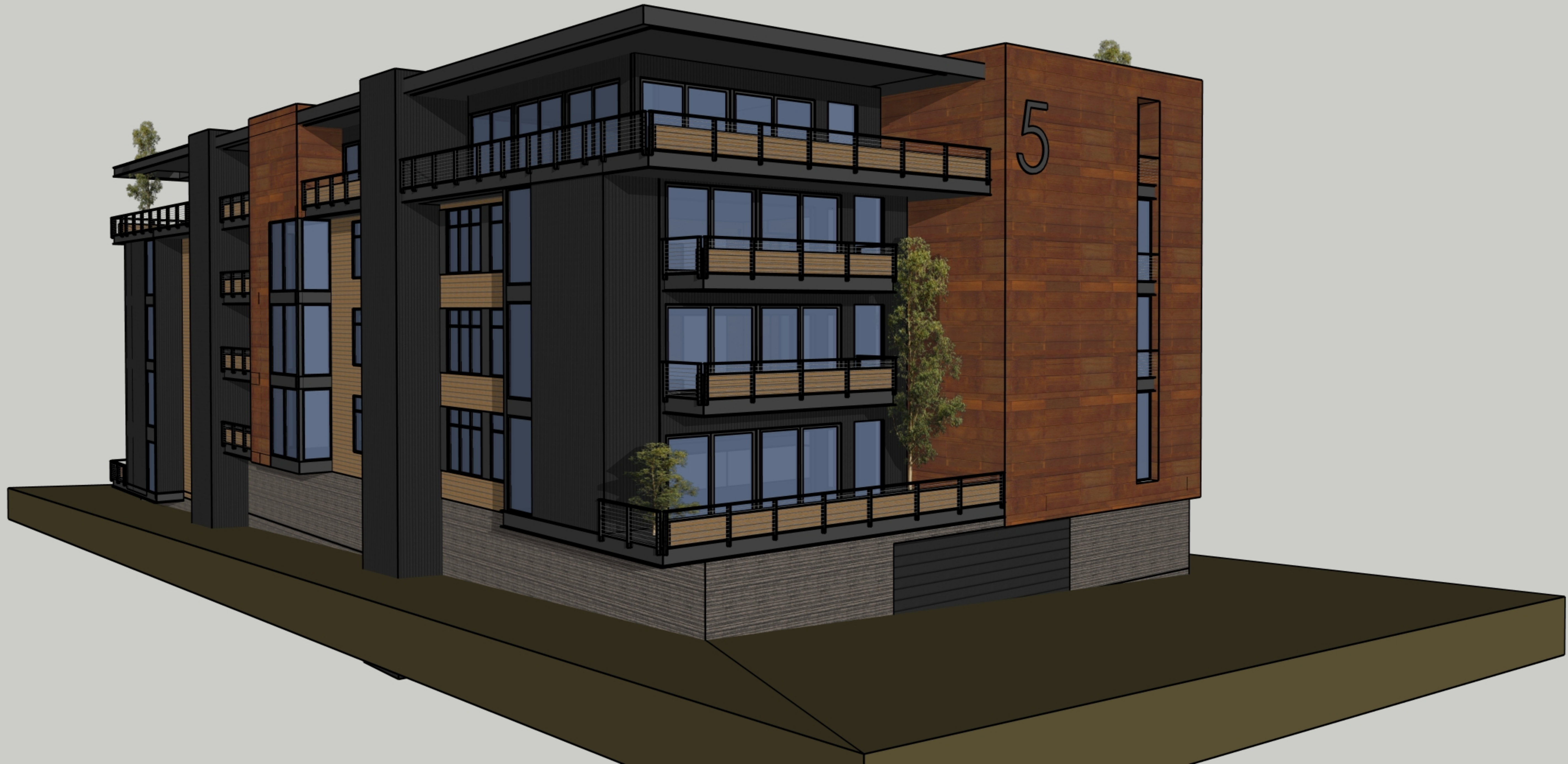










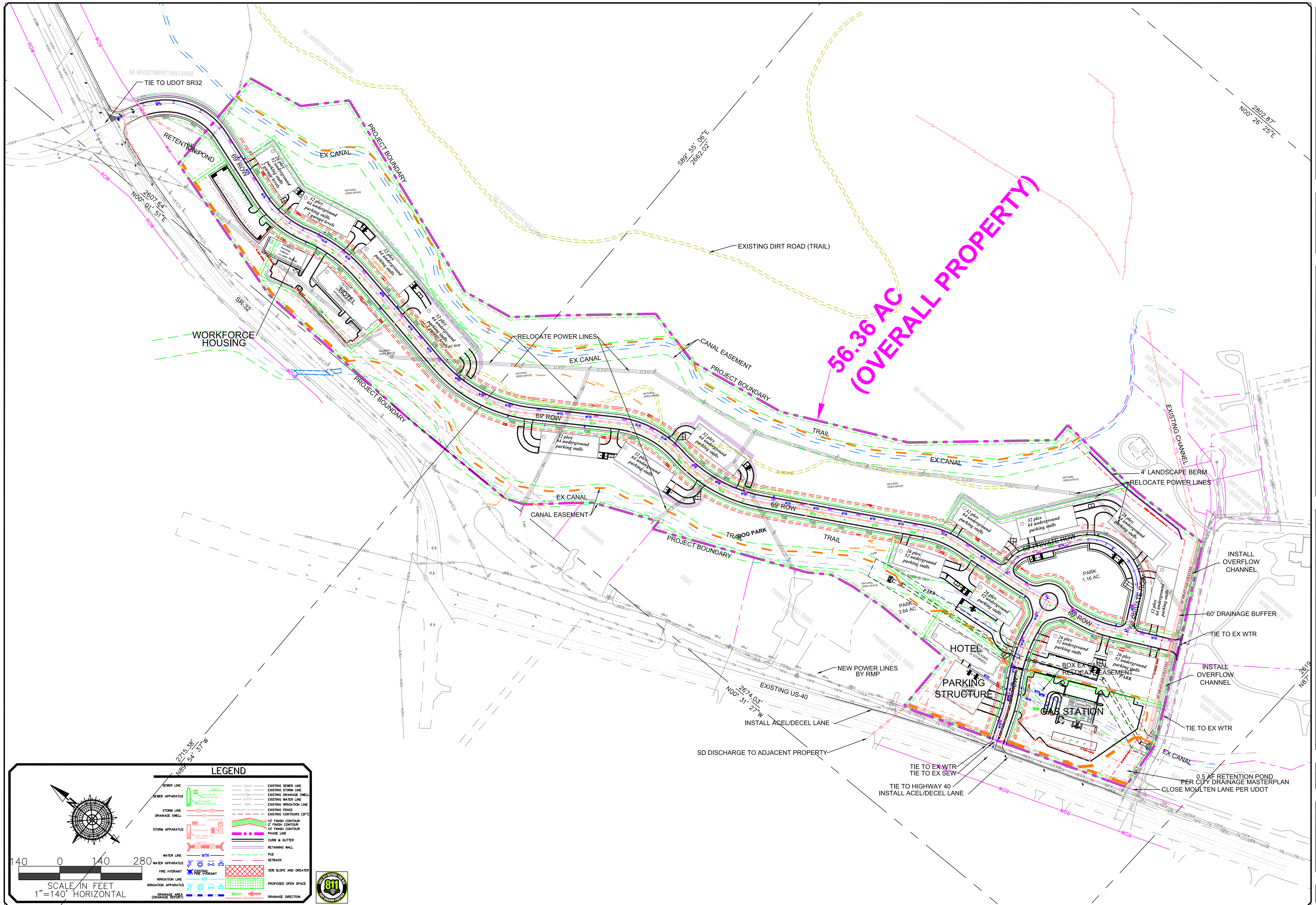






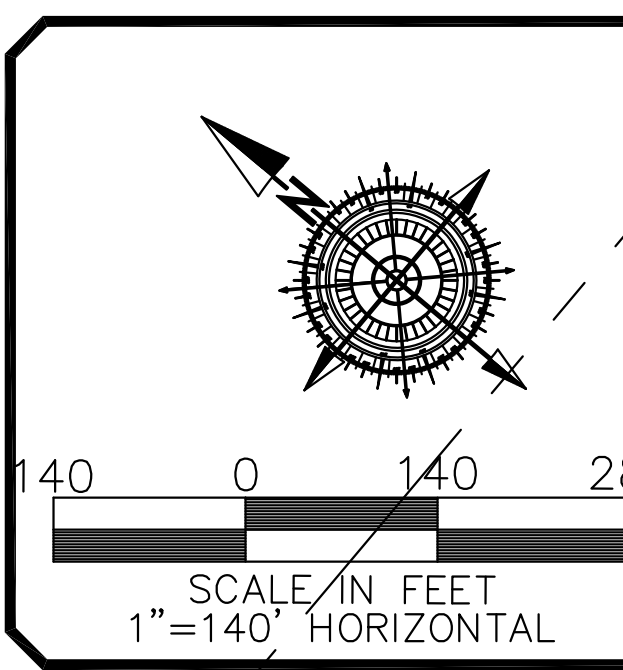






**LEGEND**

SEWER LINE	EXISTING SEWER LINE
SEWER APPARATUS	EXISTING STORM LINE
STORM LINE	EXISTING DRAINAGE SMELL
DRAINAGE SHELL	EXISTING WATER LINE
STORM APPARATUS	EXISTING IRRIGATION LINE
WATER LINE	EXISTING FENCE
WATER APPARATUS	EXISTING CONTOURS (3FT)
FIRE HYDRANT	10' FINISH CONTOUR
IRRIGATION APPARATUS	2' FINISH CONTOUR
IRRIGATION APPARATUS	10' FINISH CONTOUR
DRAINAGE APPARATUS	PHASE LINE
	CURB & OUTER
	RETAINING WALL
	PUE
	SETBACK
	30% SLOPE AND GREATER
	PROPOSED OPEN SPACE
	DRAINAGE DIRECTION



NO.	DESCRIPTION	DATE	APP'D

ORIG. DATE:	8-5-14
SURVEY BY:	CPW
DRAWN BY:	CPW
DESIGNED BY:	CPW
CHECKED BY:	CPW
SCALE:	1"=140'

**GATEWAY CONSULTING, Inc**  
 P.O. BOX 951005 SOUTH JORDAN, UT 84095  
 PH: (801) 694-5848  
 paul@gatewayconsultingllc.com

CIVIL ENGINEERING \* CONSULTING \* LAND PLANNING  
 CONSTRUCTION MANAGEMENT

**NORTH VILLAGE CROSSINGS**

**SITE PLAN**

12-31-2024

HEBER CITY



SHEET NO. **2**

**WHEN RECORDED, RETURN TO:**

Heber City  
Attention: City Recorder  
75 North Main Street  
Heber City, Utah 84032

Tax Parcel Nos.: 00-0020-4584, 00-0007-7458,  
00-0007-7664, 00-0007-7623, & 00-0007-7730

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(Space above for Recorder's use only.)

**DEVELOPMENT AGREEMENT  
FOR THE  
NORTH VILLAGE CROSSINGS**

THIS DEVELOPMENT AGREEMENT FOR THE NORTH VILLAGE CROSSINGS (this "**Agreement**") is made and entered into by and between HEBER CITY, a political subdivision of the State of Utah (the "**City**"), and NORTH VILLAGE DEVELOPMENT LLC, a Utah limited liability company ("**NVD**"). Each of NVD and the City are hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. NVD is the owner of approximately 56.39 acres of undeveloped real property located on the Southeast intersection of Hwy 40 and River Road (Parcel Nos. 00-0020-4584 (12.89 acres); 00-0007-7458 (3.85 acres); 00-0007-7664 (28.73 acres); 00-0007-7623 (4.02 acres); 00-0007-7730 (6.9 acres)) in Wasatch County, State of Utah (the "**Property**"). A legal description of the Property is attached hereto as **Exhibit A**.

B. In conjunction with the approval of this Agreement, the City approved and adopted a Site Plan for the Project (excluding exact location, layout and sizes of utilities and stormwater channels) (the "**Site Plan**"), subject to the Parties entering into this Agreement.

C. The Site Plan for the Property provides for a mixed-use development, including open space uses. All such uses shall be consistent with the permitted uses in the North Village Overlay Zone ("**NVOZ**") as North Village (NV) Sub-District or as outlined within this Agreement.

D. This Agreement and the Site Plan meets the intent of, complies with, and is guided by, the Envision 2050 Heber General Plan.

E. The Parties now desire to enter into this Agreement to establish and set forth the rights and responsibilities of NVD and its successors in interest, including but not limited to, those

developers, sub-developers and builders who will develop the Property as a mixed-use project in accordance with the terms hereof, and to establish the rights and responsibilities of the City to annex the Property into the boundaries of Heber City and to authorize and regulate such development pursuant to the requirements of this Agreement.

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

## TERMS

### 1. **Incorporation of Recitals and Exhibits/ Definitions.**

1.1 **Incorporation.** The foregoing Recitals and **Exhibits A** through **G** are hereby incorporated into this Agreement. **Definitions.** Any capitalized term or phrase used in this Agreement has the meaning given to it below or in the section where the definition of such term is given.

1.2.1 **Act** means the Municipal Land Use, Development, and Management Act, Utah Code Ann. §§ 10-9a-101, *et seq.* (2024), as amended.

1.2.2 **Administrative Action** means and includes any amendment to the Exhibits to this Agreement or other action that may be approved by the Administrator as provided in Section 16.

1.2.3 **Administrator** means the Person designated by the City as the Administrator of this Agreement.

1.2.4 **Affordable Housing** means a dwelling unit that will be offered to low-income households pursuant to Section 5.

1.2.5 **Agreement** has the meaning set forth in the preamble and includes all Exhibits attached hereto.

1.2.6 **Applicant** means a Person submitting a Development Application, a Modification Application or a request for an Administrative Action.

1.2.7 **Backbone Improvements** means those improvements shown as such in the Infrastructure Plan and which are, generally, infrastructure improvements that are intended to support the overall development of the Property and not merely a part of the development of any particular Subdivision. Backbone Improvements are generally considered to be in the nature of “System Improvements,” as defined in Utah Code Ann. § 11-36a-101, *et seq.* (2024).

1.2.8 **Building Permit** means a permit issued by the City to allow construction, erection or structural alteration of any building, structure, private or public infrastructure, On-Site Infrastructure on any portion of the Project, or to construct any Off-Site Infrastructure.

1.2.9 **CC&Rs** means one or more declarations of conditions, covenants and restrictions regarding certain aspects of design and construction on the Property recorded or to be recorded with regard to the Property or any part thereof, as amended from time to time.

1.2.10 **Capital Facilities Plan** means a plan adopted or to be adopted by the City in the future to substantiate the collection of Impact Fees as required by State law.

1.2.11 **City** means the City of Heber, a political subdivision of the State of Utah.

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

1.2.13 **City North Village Street Master Plan** shall mean the City's Street Master Plan and Street Capital Facilities Plan.

1.2.14 **City's Future Laws** means the ordinances, policies, standards, procedures and processing fee schedules of the City that will be in effect as of a particular time in the future when a Development Application is submitted for a part of the Project and that may, in accordance with the provisions of this Agreement, be applicable to the Development Application.

1.2.15 **City's Vested Laws** means the ordinances, policies, standards, procedures and processing fee schedules of the City related to zoning, subdivisions, development, public improvements and other similar or related matters that are in effect as of the Effective Date, including the Envision 2050 Heber General Plan.

1.2.16 **Collector Road** means the collector road shown on the Site Plan. The width and configuration of the Collector Road shall comply with Site Plan, except that City may require the Collector Road to be modified or expanded, in accordance with the City's ordinances, at the intersections of Highway 40 and State Road 32 if the traffic study for the Project establishes that turn lanes or other modifications are required at those intersections.

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

1.2.18 **Default** shall have the meaning provided in Section 14.

1.2.19 **Design Guidelines** means the design guidelines referenced in the North Village Overlay Zone.

1.2.20 **Developer** shall have the meaning provided in Section 22.

1.2.21 **Development Application** means an application to the City for development of a portion of the Project, a Building Permit, improvement plans or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.22 **Development Property** shall have the meaning provided in Section 22.1.

1.2.23 **Development Report** means a report containing the information specified in Section 4.6 submitted to the City by NVD or any successor for the sale of any Parcel to a Developer, Sub-developer or Builder or the submittal of a Development Application by a Developer, Sub-developer or Builder pursuant to an assignment from NVD.

1.2.24 **Development Unit** means either a commercial or residential use of property with respect to which an ERU calculation can be applied in accordance with this Agreement.

1.2.25 **Effective Date** means the date on which both the Parties have executed this Agreement.

1.2.26 **Equivalent Residential Unit (ERU)** means the residential density allocated to: (a) any given Residential Unit when measured against a single-family dwelling unit, which measure shall be determined pursuant to Section 18.21.020.2.2 of the City's Vested Laws; and (b) commercial ERUs will be calculated as provided in Section 18.21.020.2.2 of the City's Vested Laws. A copy of Section 18.21.020.2.2 of the City's Vested Laws is attached hereto as **Exhibit E**.

1.2.27 **Final Plat** means the recordable map or other graphical representation of land prepared in accordance with Utah Code Ann. § 10-9a-603, and approved by the City, effectuating a Subdivision of any portion of the Project.

1.2.28 **Highway 40** means a "state highway" type transportation corridor maintained by the Utah Department of Transportation and referred to as U.S. Highway 40, as that route may be changed from time-to-time.

1.2.29 **Impact Fees** means those fees, assessments, exactions or payments of money imposed by the City as a condition on development activity as specified in Utah Code Ann. §§ 11-36a-101, *et seq.* (2023), as amended.

1.2.30 **Infrastructure Plan** means the conceptual infrastructure plan, including culinary water, secondary water, storm water, sanitary sewer and private roads, as amended from time to time.

1.2.31 **Intended Uses** means the use of all or portions of the Project for open space, parks, trails and other uses permitted in the Zoning Ordinance, Design Guidelines and as shown on the Site Plan.

1.2.32 **Market Rate Units** means any non-Affordable Housing within the Project.

1.2.33 **Modification Application** means an application to amend this Agreement (but not including those changes which may be made by Administrative Action).

1.2.34 **Mortgage** means (1) any mortgage or deed of trust or other instrument or transaction in which the Property, or a portion thereof or a direct or indirect ownership or other interest therein, or any improvements thereon, is conveyed or pledged as security, or (2) a sale and leaseback arrangement in which the Property, or a portion thereof, or any improvements thereon, is sold and leased back concurrently therewith.

1.2.35 **Mortgagee** means any holder of a lender's beneficial or security interest (or the owner and landlord in the case of any sale and leaseback arrangement) under a Mortgage.

1.2.36 **Non-City Agency** means a governmental or quasi-governmental entity, other than those of the City, which has jurisdiction over the approval of an aspect of the Project.

1.2.37 **North Fields** means that certain real property generally depicted on **Exhibit C** attached hereto.

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

1.2.39 **Off-Site Infrastructure** means the off-site public or private infrastructure, such as roads and utilities, specified in the Infrastructure Plan that is necessary for development of the Property but is not located on the portion of the Property that is subject to a Development Application.

1.2.40 **On-Site Infrastructure** means the on-site public or private infrastructure, such as roads or utilities, specified in the Infrastructure Plan that is necessary for development of the Property and is located on that portion of the Property that is subject to a Development Application.

1.2.41 **On-Site Retention/Detention** shall mean a storm drain facility that is provided on the Property or neighboring property to handle on-site or off-site storm drain requirements.

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

1.2.43 **Parcel** means an area identified on the Site Plan with a specific land use designation that is intended to be further subdivided for future development.

1.2.44 **Person** means any natural person, corporation, Limited Liability Company, trust, joint venture, association, company, partnership, limited partnership, governmental authority or other entity.

1.2.45 **Phase** means the development of a portion of the Project.

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

1.2.47 **Project** means the mixed-used Site Plan to be developed on the Property in accordance with this Agreement, including, without limitation, all associated public and private facilities, Intended Uses, Phases and all of the other aspects approved as part of this Agreement and the Site Plan.

1.2.48 **Property Owner or Property Owners** means NVD and any other successor-in-interest to NVD as an owner of the Property or any portion thereof, including but not limited to, Developers, Sub-developers and builders.

1.2.49 **Property Owners' Association(s)** means one or more associations or other entities (including a public infrastructure district or other financing district) formed pursuant to Utah law to perform the functions of an association of property owners.

1.2.50 **Site Plan** means the Site Plan attached as **Exhibit B**.

1.2.51 **Sub-developer** means any Person that obtains title to a Parcel from a Developer for development.

1.2.52 **Subdivision** means the division of any portion of the Project into a subdivision pursuant to State Law and/or the Zoning Ordinance.

1.2.53 **System Improvement** means those elements of infrastructure that fall within the definition of System Improvements pursuant to Utah Code

Ann. § 11-36a-102(21). System Improvements shall be defined as set out in the North Village Capital Facilities Plans and Master Plans.

1.2.54 **Zone** means the City’s North Village Overlay District Zone - – North Village (NV) Sub-District.

1.2.55 **Zoning Ordinance** means the City’s Land Use and Development Ordinance adopted pursuant to the Act that is in effect as of the Effective Date.

2. **Development of the Project.** Development of the Project shall be in accordance with this Agreement, the City’s Vested Laws and the City’s Future Laws as expressly set forth in this Agreement.

3. **Zoning and Vested Rights.**

3.1 **Zoning.** Concurrently with its execution of this Agreement, the City has annexed the Project to the City and zoned the Property under the North Village Overlay District Zone as a North Village (NV) Sub-District.

3.2 **Vesting of Site Plan.** It is the intent of the Parties that NVD shall be both entitled to and required to develop the Project in accordance with the following elements shown on the Site Plan: (1) general street configurations and sizes, (2) building locations, uses and parking, (3) maximum building heights, (4) park and open space locations, and (5) maximum retaining wall heights and locations. Except as specifically set forth herein, if there is a conflict between the five elements of the Site Plan set forth above and this Agreement, the City’s Vested Laws or the City’s Future Laws, the Site Plan shall supersede and take precedence.

3.3 **General Vested Rights.** Subject to paragraphs 3.3 and 3.4, and except as specifically provided herein, the Parties intend that this Agreement grants to Developer all rights to develop the Project in fulfillment of this Agreement, the City’s Vested Laws, and the zoning of the Property. The Parties specifically intend that this Agreement grant to Developer the “vested rights” identified herein as that term is construed in Utah’s common law and pursuant to Utah Code Ann. § 10-9a-509 (2024).

3.4 **Compliance with City Requirements and Standards.** Developer and Owners expressly acknowledge that nothing in this Agreement shall be deemed to relieve Developer or any Continuing or Successor Owner from its obligations to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats for the Project, which are in place at the time of a complete and approved application, including the payment of unpaid fees, the approval of subdivision plats, the approval of building permits and construction

permits, and compliance with all applicable ordinances, resolutions, policies and procedures of the City except as otherwise provided in this Agreement.

**3.5 Exceptions to Vested Rights.** The vested rights and the restrictions on the applicability of City's Future Laws as specified in Section 3.3 are subject to the following exceptions:

3.5.1 Agreed to Regulations. City's Future Laws or other regulations to which the Developer agrees in writing;

3.5.2 State and Federal Compliance. City's Future Laws or other regulations that are enacted or required to comply with State or Federal laws or regulations;

3.5.3 Development Review Processes. Amendments or changes to the City's application processes, review criteria, required application materials or submittal checklists that are generally applicable, and do not materially impact (i) the ability of Developer to develop the Project in accordance with the Site Plan or (ii) the overall cost of the Project;

3.5.4 Safety Codes. Any City's Future Laws that are updates or amendments to building, fire, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are enacted to meet legitimate concerns related to public health, safety or welfare;

3.5.5 Engineering Standards. Amendments or changes to the City's Engineering Standard Drawings and Specifications provided that the amendments or changes (i) do not materially impact the ability of Developer to develop the Project in accordance with the Site Plan, (ii) do not materially impact the overall cost of the Project, and (iii) are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

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

3.5.7 Fees. Changes to the amounts of fees for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law;

3.5.8 Impact Fees. Impact Fees or modifications thereto which are

lawfully adopted, and imposed by the City pursuant to Utah Code Ann. Section 11-36a-101 (2024) et seq., and are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

3.5.9 Planning and Zoning Modifications. Changes by City to its planning principles and design standards such as architectural or design requirements, setbacks or similar items so long as such changes do not (i) reduce the Density Entitlements or (ii) materially impact the ability of Developer to develop the Project in accordance with the Site Plan or increase the overall cost of the Project; or

3.5.10 Compelling, Countervailing Interest. Laws, rules or regulations that the City's land use authority finds, on the record, are necessary to avoid jeopardizing a compelling, countervailing public interest pursuant to Utah Code Ann. § 10-9a-509(1)(a)(ii)(A) (2024).

#### **4. Development of the Property in Compliance with the Site Plan.**

4.1 **Project Density.** Property Owners shall be entitled to and are vested with the right to develop and construct up to 60 hotel ERUs, up to 311 residential ERUs (for Market Rate Units), and up to 5 commercial ERUs on the Property consistent with the Intended Uses specified in the Zoning Ordinance and generally identified on the Site Plan (collectively, the "**Density Entitlements**"). Property Owners shall also provide a minimum of 37.6 residential ERUs of Affordable Housing in accordance with Section 5 of this Agreement.

4.2 **Building Elevations and Design.** As part of the approval process, Property Owner has provided potential building elevations for the hotel and condominium portions of the Project, which elevations are attached hereto as **Exhibit F**. The building elevations and design standards must be similar in materials and appearance to the proposed elevations, or Property Owner must propose and obtain approval from the City Council for building elevations that are consistent with the NVOZ design guidelines.

4.3 **Gas Station Design.** It is the intent of the Parties that the building and canopy design and lighting for the gas station shall be designed to reduce the visual impact of the gas station by creating a gas station that matches the mountain modern design of the Project. Accordingly, the gas station building must be similar in architectural design and building materials as the neighboring hotel or condominiums. In addition to other limitations or requirements in the City's Vested Laws, no illuminated signage, light or back lighting is allowed on the canopy except downlighting that complies with the City's lighting and dark sky ordinance. A rendering of a canopy that meets the requirements is attached hereto as **Exhibit H**. The building must be constructed with a mix of wood, hardie

plank, metal, and stone, natural rock or brick. Property Owners shall install a minimum 10 foot wide park strip between the gas station and Highway 40 that is fully landscaped with a mix of trees, and wood chips, shrubs or grass. All signage must comply with the City's sign code.

**4.4 Intended Uses by Parcel and Densities.** Intended Uses and Densities for the Project are shown on the Site Plan for the Property. This includes the City's acceptance of the following exceptions to NVOZ ordinances, which exceptions shall be considered Vested Rights:

**4.4.1 Building Heights.** The Property Owners shall be permitted to construct buildings within the Project to the maximum height of (i) five (5) stories from final grade (not natural grade), excluding any underground parking, or (ii) seventy (70) feet from final grade (not natural grade); provided that Building 15 shown on the Site Plan shall not exceed (y) four (4) stories from final grade (not natural grade), excluding any underground parking, or (z) sixty (60) feet from final grade (not natural grade), each as more particularly set forth on the Site Plan.

**4.4.2 Setbacks.** The Property Owners shall be permitted to construct buildings in the Project with a minimum fifteen-foot (15') front setback.

**4.4.3 Scenic Buffer.** As result of the significant percentage of Open Space within the Project, the Property Owners shall be permitted to develop up to thirty-five feet (35') into the seventy-five foot (75') scenic buffer being provided along the east side of Highway 40 and on the south side of Highway SR 32 east of Highway 40 as shown in the Site Plan.

**4.4.4 Slopes.** The Property Owners shall be permitted to construct residential and commercial structures in areas with natural slopes greater than thirty percent (30%) so long as the Property Owners reasonably demonstrates to City staff, through soil testing or other means, that the stability of such slopes is reasonably sufficient in its natural or proposed condition or would be reasonably sufficient following the implementation of any needed reinforcement measures for support.

**4.4.5 Retaining Walls.** The Property Owners shall not be required to erect retaining walls or similar structures in areas in which such walls and/or structures would be required under City's Vested Laws or City's Future Laws if the Property Owners reasonably demonstrates to City staff, through soil testing or other means, that the applicable soil is sufficiently stable; provided that, and except as set forth on the Site Plan, if any retaining walls or similar structures are required as a result of insufficient stability of the soil, then the Property Owners shall be permitted to erect vertical retaining walls and similar structures up to a total maximum height of forty-five feet

(45') so long as such vertical retaining walls are no more than ten feet (10') tall with a minimum step back to the next wall of four feet (4'), as more particularly set forth on the Site Plan; provided that, the Property Owner may erect up to a thirty foot (30') vertical retaining wall without any step back on the rear of Building 6 if soil testing reveals that step backs are not feasible. Any retaining walls for the Project may be constructed using stamped concrete or other materials that blend into the surrounding environment.

4.4.6 **Height Variations.** The Property Owner shall not be required to construct the buildings in the Project to vary in height.

4.5 **Accounting for Density for Parcels Sold to Sub-developers.** In connection with the sale of any Parcel sold by NVD to a Developer or Sub-developer, NVD shall provide the City with a written document specifying the identity of the Person to whom the Parcel is sold, the allocation, if any, of any Development ERUs associated with such Parcel, and the open space requirements and/or obligations associated with such Parcel. In connection with the recordation of a Final Plat or other document of conveyance for any Parcel sold to a Developer or Sub-developer, NVD shall provide the City Recorder with a development report (a "**Development Report**") identifying the Parcel(s) sold, the Residential Development ERU and/or other type of use or Development Unit allocated with the Parcel(s), the Development ERU remaining with NVD and any material effects of the sale on the Site Plan.

4.5.1 **Return of Unused Density.** If a Developer or Sub-developer cannot or does not utilize all of the Development ERU allocated to it in connection with the transfer of one or more Parcels at the time the Developer or Sub-developer receives approval for the final Development Application for such transferred Parcel(s), the unused Development ERU shall automatically revert back to NVD. Such Development ERU shall be accounted for in any subsequent Development Report that NVD, or any of its successors in interest may be required to file with the City Recorder.

## 5. **Affordable Housing.**

5.1 **Affordable Housing Requirement.** Developer shall provide not less than 37.6 residential ERUs of Affordable Housing as a condition of the Project, as set forth in this Section 5. Affordable Housing shall be sold or rented, as applicable, to individuals or families with an average income of Eighty percent (80%) or less of the area median income (AMI) in Wasatch County, Utah and the monthly cost shall not be more than Thirty percent (30%) of a household's income. Individual income limits for occupants of the Affordable Housing may be anywhere within the affordable housing AMI ranges, including up to 120% of AMI; however, the overall unit mix shall have an AMI averaged of no more than 80% AMI. Property Owners shall have no obligation to disperse the Affordable Housing throughout

the Project but may consolidate the on-site Affordable Housing in one or more areas of the Project. Unless otherwise approved by the City Council, the Property Owner shall construct at least 12.5 residential ERUs of Affordable Housing on the Property (the “**Onsite Affordable Housing Obligation**”), which, for the avoidance of doubt, may be satisfied by the provision of workforce housing and Property Owners may enter into one or more master leases with local employers whereby local employers may lease a block of units to meet the housing needs of their qualifying employees. The Developer shall propose to the City one or more options to satisfy the remaining Affordable Housing unit obligation of 25.1 residential ERUs (the “**Alternative Affordable Housing Obligation**”), which may include additional onsite affordable housing or any of the alternatives in Section 5.4. The City may, in its sole discretion, accept the proposal of Developer to comply with the Alternative Affordable Housing Obligation or require Developer to pay a fee-in-lieu in accordance with Section 5.4.3. Developer and the City shall follow and comply with any deed restrictions as outlined in Chapter 18.102 of the City's Vested Laws. Property Owner's failure to comply with the Affordable Housing obligation pursuant to the terms of this Agreement shall constitute a material breach of this Agreement, and the City may pursue all available remedies to enforce compliance, including but not limited to legal and equitable relief.

**5.2 Geographic Waterfall.** Property Owners shall use a geographic waterfall approach in selecting from affordable housing applicants, in the following priority: (1) qualifying applicants employed in the immediate Harvest Village community; (2) qualifying applicants employed within Heber City limits; and (3) qualifying applicants living in Wasatch County generally. There shall be no time limit required in selecting between orders of priority. Rather, when all qualifying applicants from a category have been exhausted, applicants from the next order of priority shall immediately be given priority. If any of the geographic selection criteria are deemed to violate any federal or state rules and regulations, then the priority waterfall will be allowed to shift to become in alignment with the governing rules.

**5.3 Timing.** At least 50% of the required Affordable Housing requirement shall be completed no later than the construction of the first 50% of the Market Rate Units and all of the Alternative Affordable Housing Obligation satisfied by the no later than the construction of the first 75% of the Market Rate Units.

#### **5.4 Potential Affordable Housing Alternatives.**

**5.4.1 Off-site Affordable Housing.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by construction of Affordable Housing off site on property owned by the City or another third party.

**5.4.2 Land Donation.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by donating, or causing another third party to donate, one or more parcels of unimproved land to the City for the purpose of constructing Affordable Housing. The value of any donated land shall be determined by either of the following: (a) if the donated land was acquired within three (3) years of the date of such donation, the aggregate price per acre paid for such donated land, or (b) as determined by written appraisal in accordance with Heber City Code 18.102.050(J)(3) conducted within six months of the proposed donation. The full value of any donated land shall be recognized as a fee in lieu of \$35,000.00 in value required per residential ERU, consistent with the terms of Section 5.3.3. The Parties must agree in writing to the terms of any land donation, including the specific parcel(s), selection of the valuation method above, and compliance with the requirements outlined in this Section.

**5.4.3 Fee in Lieu.** The Property Owners may at any time satisfy all or part of the Alternative Affordable Housing Obligation by paying a fee in lieu in the amount of \$35,000 per residential ERU. Beginning in January 2026, and continuing annually thereafter, this fee in lieu payment amount shall increase annually by the consumer price index amount published by the U.S. Bureau of Labor Statistics, Mountain-Plains Information Office, Mountain division, commonly known as “CPI.” Payment of the fee, as adjusted by CPI over time, shall be deemed sufficient to fulfill the relevant Alternative Affordable Housing Obligation without prejudice to any other rights or remedies available under this Agreement. Property Owners agree that City may utilize the fee-in-lieu in any manner that the City deems appropriate, including, but not limited to, investing in properties or other resources that could be utilized or sold in the future to generate income for affordable housing.

## **5.5 Additional Requirement.**

**5.5.1 Eligibility and Pricing.** For all on-site for rent affordable housing, a qualified third-party professional property management company shall manage the rental of all Affordable Housing. Eligibility for the affordable for-rent housing will be based on the AMI standards of for-rent affordable housing.

**5.5.2 Deed Restrictions Protecting the Affordability and Sustainability of the Affordable Homes.** Prior to issuance of a certificate of occupancy for any Affordable Housing, Developer/ Owner shall negotiate and enter into with the City a Deed Restrictions Covenant (which shall be recorded with the Wasatch County Recorder) that shall serve as a Covenant Running With the Land to protect the affordability and sustainability of the

Affordable Housing. Some of the terms of such a Covenant should include, but shall not be limited to the following:

5.5.2.1. The Covenant is to provide and articulate terms, conditions, and restrictions. The Covenant shall be enforceable by the City and, upon its execution and recording in the public records of the County Recorder of Wasatch County, Utah, shall run with the land, enforceable against the Owners; each Unit Owner, and each Unit Owner's successors interest, assignees, heirs, devisees, mortgagees, lessees, trustees, beneficiaries, executors, administrators, personal representatives; any subsequent owners; and any other parties claiming an interest in the Property. In addition to the recording of this Covenant, Developer/Owner shall cause that any deed or plat map associated with any affordable housing properties or units shall reference said Covenant.

5.5.2.2. The City shall have the right to enforce the terms of such a Covenant. The City may enforce this Covenant by any appropriate legal or equitable action including but not limited to specific performance, injunction, abatement, damages and such other remedies and penalties as may be specified in this Covenant. This Covenant shall inure to the benefit of the City and nothing herein shall be construed as creating a general scheme to be enforced by Unit Owners against each other.

5.5.3. **Building Permit Fee Waiver.** Property Owners shall receive a waiver of building permit fees (but not the state surcharge and third-party building plan check fees) for the construction of Affordable Housing in accordance with the City's Vested Laws.

## 6. **Term.**

6.1 **Term of Agreement.** The term of this Agreement shall commence on the Effective Date and continue either for a period of twenty-five (25) years, or the day upon which the final certificate of occupancy is approved and granted, whichever first occurs (the "**Term**"), unless it is terminated in accordance with Section 26. Unless otherwise agreed between the Parties, NVD's vested rights and interests set forth in the Agreement shall expire at the end of the Term, or as the Term may be extended by mutual agreement of the Parties. Upon termination of this Agreement for any reason, the licenses, building permits, or certificates of occupancy granted prior to the expiration of the Term shall remain vested rights in accordance with the terms and conditions of such approvals. Furthermore, any obligations of Developer related to any licenses, building permits, or certificates of occupancy shall continue in full force and effect.

7. **Approval Processes for Development Applications.**

7.1 **Phasing.** The City acknowledges that NVD, Developers, and Sub-developers who have purchased Parcels of the Property will submit multiple applications from time to time to develop and/or construct portions of the Project in phases, as generally described in the Site Plan.

7.2 **Timing of Collector Road Construction.** Prior to issuance of any building permits for each phase of the Project, as shown on the Phasing Plan attached hereto as **Exhibit D**, NVD shall complete or post completion assurance in accordance with Utah Code § 10-9a-604 (2024) for the construction of the portion of the Collector Road within that phase.

8. **Open Space, Improved Public Parks, and Trails Requirements.**

8.1 **Development Timing: Open Space, Neighborhood Parks, and Trails.** For each Phase, neighborhood Parks and Trails shall be constructed and developed concurrently with the respective development within which said trails are located. Open space, parks and trails shall comply with the requirements of Heber City Code § 18.21.050 for the NV Sub-District, except that NVD shall provide not less than 10% of the total Project area as Open Space and NVD must provide 10% of the overall Project area as Traditional Park Space in accordance with Heber City Code Table 5.1(1)). In accordance with Utah Code § 10-9a-604(3)(d)(iv) and (4) (2024), the City may require completion assurance for any landscaping that is necessary to meet the open space or traditional park space requirements.

8.2 **Dedication of Open Space or Trails.** All trails, open space and park space within the Project shall be dedicated to and maintained by the Homeowner's Association.

8.3 **Park Improvements and Design.** The Site Plan includes one neighborhood park (the "**Neighborhood Park**"), which is located in Phase 2 of the Project. The Neighborhood Park shall be fully landscaped with a mix of commercial playground equipment and recreational amenities. Prior to issuance of any building permits for the residential ERU's, NVD shall submit a park plan to the City for approval.

8.4 **Park Impact Fees.** Property Owners acknowledge that all required park, trail and open space improvements within the Project are a condition of development approval and are project improvements pursuant to Utah Code § 11-36a-102(15). Property Owners may be required to pay parks, recreation, open space and trails impact fees for system improvements that benefit the Project as established in the City's impact fee analysis.

**8.5 Tax Benefits.** The City acknowledges that Property Owners may seek to qualify for certain tax benefits by reason of conveying, dedicating, gifting, granting or transferring open space and/or trails to the City or to a charitable organization. Property Owners shall have the sole responsibility to claim and qualify for any tax benefits sought by Property Owners by reason of the foregoing. The City shall reasonably cooperate with Property Owners to the maximum extent allowable under law to allow Property Owners to take advantage of any such tax benefits.

**8.6 North Fields Preservation.** Property Owners, for themselves and with respect to each subsequent Owner of the Property, agree that upon issuance of any building permit for residential, hotel or commercial ERUs, the Property Owner shall pay to the City a one-time fee equal to \$2,500 per ERU or such prorated amount on partial ERU attributable to such unit, as applicable (the “**North Fields Preservation Fee**”). The City shall utilize funds collected pursuant to the North Fields Preservation Fee solely for the purpose of preserving open space in the North Fields, including the acquisition of development rights or the use of other conservation related tools for the preservation of open space. The City agrees that the North Fields Preservation Fee shall not be charged for Development Units constructed and operated as Affordable Housing.

## **9. Public Improvements.**

**9.1 Utilities Provided by the North Village Special Service District (NVSSD) and the Jordanelle Special Service District (JSSD).** The Parties acknowledge that the Project is currently served by the NVSSD and the JSSD for sewer and water, including secondary water. It is the intent by both Parties that the NVSSD and the JSSD shall continue to serve the project for these utilities through such service districts as long as they have capacity and are capable of serving. The Developer shall provide Commitment Letters from JSSD and NVSSD for the plat and/or phase being served before final approval for that particular plat is granted. Water for phases and all amenities shall be dedicated up front. If at any time it is deemed unfeasible to have JSSD or NVSSD serve the Project, the Developer shall secure other service providers. The City shall not be liable or responsible to provide such services. However, if at any point City sewer and water, including secondary water is available in the area, the City agrees that Property Owner shall be able to obtain City services. Developers shall be required to comply with the JSSD and NVSSD water policies generally applicable to all NVSSD customers.

**9.2 Streets.** Unless otherwise designated on the Site Plan, all streets within the Project shall be improved to the Residential / Minor Collector standard as set forth in Heber City Code § 18.21.040.4.6. Property Owners shall be responsible to construct all streets and road accesses to the Project as shown on the Site Plan. Unless accepted by the City, all streets shall be dedicated to the Homeowners Association and shall be owned and maintained by the Homeowner’s Association.

9.3. **Storm Water Improvements and Management.** The Parties acknowledge that the City has adopted a regional storm water master plan (the “**North Village Stormwater Master Plan**”). Property Owners shall be required to comply with the policies and standards of the North Village Stormwater Master Plan and associated Stormwater Design Manual, and all standards and requirements of any and all exhibits attached and incorporated into this Agreement. Property Owners acknowledges that compliance with North Village Stormwater Master Plan may require construction of off-site improvements as outlined in the North Village Storm water Master Plan, Developer and Property Owner shall restore or replace the historic, natural drainage channels on the Property downstream of the existing irrigation canals, as outlined and contemplated in the above referenced Master Plan.

9.4 **Storm Water Retention/Detention from Off-Site Sources.** The Parties acknowledge that all or a portion of the On-Site Storm Water Retention/Detention for the Project will be on the property of a neighboring development. Prior to issuance of any building permits for the Project, NVD shall be responsible to obtain all easements or other property rights necessary to construct the stormwater retention / detention for that portion of the Project in accordance with City standards and shall meet all other requirements to establish that stormwater can be adequately retained and detained on in accordance with all City standards and specifications. Property Owners must establish that they can meet all City requirements for the On-Site Retention/Detention, which may include groundwater modeling for the Project; and to the extent Property Owners are not able to meet the On-Site Retention/Detention based on the Site Plan, Property Owners may be required to reduce the densities or remove building shown on the Site Plan to meet the requirements.

9.5. **Infrastructure Plan.** NVD shall prepare an Infrastructure Plan (a/k/a Civil Drawings). The Parties acknowledge that there will be a Capital Facilities Plan for the Public Infrastructure approved and adopted by the City. The Property Owners shall have the responsibility and obligation, to construct and fund, or cause to be constructed and installed, in phases, the On-Site and Off-Site Infrastructure that is necessary to support the development proposed within a specific Development Application.

9.6 **General Excess Improvements/Upsizing.** If the City requires NVD to enlarge, increase or otherwise “upsized” or upgrade (collectively, the “**Excess Improvements**”) the City agrees that it shall reimburse NVD from Impact Fees collected by the City for, or to the extent permissible under then-applicable law and as identified in the approved Capital Facilities Plan, costs incurred by NVD in the construction of Excess Improvements. NVD shall not be compensated for any “upsizing” of the Backbone Improvements that are not included as System Improvements in the approved Capital Facilities Plan.

9.7. **Reimbursement for Collector Road.** NVD is required to construct the Collector Road, which is indicated on the Site Plan as being a 69 foot right of way with a minimum of 38 feet of asphalt. City acknowledges and agrees that a standard residential road would only require 32 feet of asphalt. Accordingly, prior to completion of the road, City shall enter into an impact fee reimbursement agreement with NVD, in substantially the form utilized by the City for other similar impact fee reimbursements, to reimburse NVD for the pro-rata costs of the additional required road width. The reimbursable costs shall include only the costs of the materials (asphalt, road base, etc.) to construct the additional road width, and shall not include engineering, retaining walls, geotechnical or other costs that would have otherwise been required to build the Collector Road to a residential road standard.

9.8. **Variations between Infrastructure Plan, Capital Facilities Plan and any City's Future Capital Facilities Plan.** The Parties acknowledge that the City may adopt a new or amended Capital Facilities Plan. Additionally, the City may adopt new or amended Impact Fee ordinances as permitted by State Law for the collection of Impact Fees to pay for the construction of parts or all of the Backbone Improvements. The new Capital Facilities Plan shall in no way change any land uses or permitted uses of the Project; limit or control the rate, timing, phasing or sequencing of the approval, development or construction of all or any part of the Project in any manner so long as all applicable requirements of this Agreement and relevant sections of the Zoning Ordinance are satisfied. The Capital Facilities Plan and any future Capital Facilities Plan may differ from the Infrastructure Plan. As a part of the approval of a Development Application, the City may require Property Owners to build portions of the Backbone Improvements as shown on the Capital Facilities Plan (after it is adopted) instead of as shown on the Infrastructure Plan. Notwithstanding the above, nothing herein obligates the City to pay for the minimum backbone infrastructure needed for the Project.

9.9. **Modifications of Infrastructure Locations.** The Parties acknowledges that additional surveying, engineering and similar studies are needed to finalize the exact location of road, stormwater, canal and utility alignments. Therefore, except as specifically set forth in this Agreement, the exact location of road, stormwater, canal and utility alignments and sizes may be modified and revised upon the City's approval of subsequent Development Applications.

9.10 **Off-Site Connectivity.** All trails, canals, ditches and roads shall connect with existing and internal trails, canals, ditches and roads located immediately adjacent to the Project such that there is consistent, smooth linkage and connectivity with any and all municipal systems.

9.11 **Public Infrastructure District.** City understands that NVD may request a Public Infrastructure District ("PID") pursuant to Utah Code § 17D-4-101 et seq. for the Property. The City shall review and reasonably consider NVD's petition to

create the PID as an option to implement and facilitate the financing, construction, and operation of some or all of the Public Infrastructure for the Project.

9.12 **Cable/Fiber Optic Service.** Subject to all applicable federal and state laws, as well as the City's authorization and capacity to timely install in a reasonable manner all required infrastructure and provide such service, Property Owners agree that the City shall be the sole cable/fiber optic network provider for the Development. The City shall install or cause to be installed all underground conduits necessary to make available a minimum of one cable service/fiber optic communication provider, or other comparable information and communication service provider, within the Project. Property Owners shall cooperate and reasonably accommodate the City's installation and development of said cable service/fiber optic network, (CFON). Notwithstanding the foregoing, Property Owners may contract with any cable TV/fiber optic and other communication provider of their own choice and grant an exclusive right of access and/or easement to such provider to furnish cable TV/fiber optic and other communication services for those dwelling units or other uses on such Property Owner's real property so long as the property is private and not dedicated to the public. The City may charge and collect all taxes and fees with respect to cable, fiber optic and other communication lines as allowed under an applicable City ordinance or state law.

10. **CC&Rs.** As more fully set forth in the CC&Rs, Property Owners shall create and establish one or more Property Owners' Associations, which shall be responsible for the implementation and enforcement of the CC&Rs, including but not limited to architectural reviews, water efficiency, open space, and private street and storm water system maintenance. Subject to business licensing requirements and other regulations on short-term rental that are applicable City wide and are not enacted as a means to prohibit short-term rentals, short-term rentals shall be permitted in the Project and the CC&R's shall contain a provision that regulates the nightly rental of any residential unit located on the Property. Property Owners shall record a notice against all property in the development informing buyers that short-term rentals are allowed with the Project, subject to the terms and conditions of the CC&Rs and City requirements. It is anticipated that nightly rental of residential units within the development shall be through the Property's hotel and within the hotel's brand standards. Recordation of the CC&Rs and creation of such Property Owners' Associations shall be required at the time of Final Plat review and approval. The City shall not be responsible for the implementation and/or enforcement of any such CC&Rs.

11. **Fees & Bonding.**

11.1 **General Requirement of Payment of Fees.** The City acknowledges its fees are subject to applicable State law. The City's impact fee requirements will be set forth in the City's approved Capital Facilities Plan for the Project area to be developed subsequent to this Agreement and incorporated herein.

11.2 **Bonding.** Property Owners, Developers or Sub-developers, as applicable, shall provide performance or warranty bonds, per the Heber City Code, for any on-

site or off-site, publicly dedicated infrastructure or similar improvements for the Project (the “**Security**”), including, without limitation, roads, curb and gutter, storm drains, sewer, water, street lighting, signs, sidewalks, landscaping within public rights of way, public open space, public parks and trails.

12. **Construction Standards and Requirements.**

12.1 **Building Permits.** No buildings or other structures that require permits, shall be constructed within the Project without the Developer or Sub-developer first obtaining building permits in accordance with the City’s Vested Laws. Developers and Sub-developers may apply for and obtain a grading permit following Preliminary Site Plan approval if the Developers or Sub-developers, as applicable, have submitted and received approval of a site-grading plan and SWPPP and subject to a Land Disturbance Permit issued pursuant to Section 13 below.

12.2 **City and Other Governmental Agency Permits.** Before commencement of construction or development of any buildings, structures or other work or improvements upon any portion of the Project, a Developer or Sub-developer shall, at their expense, secure, or cause to be secured, any and all permits which may be required by the City under the City’s Vested Laws or any other governmental entity having jurisdiction over the work. The City shall reasonably cooperate with Developers Sub-developers in seeking to secure such permits from other governmental entities.

13. **Grading, On-Site Processing of Natural Materials and Blasting.** Property Owners may use the natural materials located on the Project, including, without limitation, sand, gravel and rock, and subject to City’s Vested Laws, may process such natural materials into construction materials, including, without limitation, aggregate or topsoil, for use in the construction of On and Off-Site Infrastructure, commercial buildings, residential structures, or other buildings or improvements located in the Project and other locations outside the Project. Property Owner shall remediate any damage to trails, infrastructure, drainage or natural water features caused by such use. Notwithstanding this provision, this does not permit the construction of any subdivision or site-specific improvements prior to the requisite Final Plat review and approval for such improvements. Any such uses shall not be considered gravel pits. Property Owners shall comply with all federal and state requirements related to blasting. In addition, City may impose upon Property Owners reasonable requirements related to the following: (1) hours of blasting, (2) blast blankets or other methods to reduce possible damage to neighboring properties, and (3) notice to neighboring properties or other entities, including at least 48 hours notice prior to blasting, and two hour per day blasting windows.

14. **Provision of Municipal Services.** The City shall provide all City services to the Project that it provides from time to time to other residents and properties within the City including, but not limited to, development services and inspections, road and streetlight maintenance on public streets, police, and other emergency services. Such services shall be provided to the Project at the same levels of service, and on the same terms and rates as provided to other residents and

properties in the City, unless such services are provided by other entities, or, because of the unique topography, location or other special or unique circumstances in the area covered by this Agreement, the cost to provide such services is higher than the like property rate throughout the City, and the City is able to demonstrate by empirical evidence, that such costs are a result of substantive additional or increased costs of municipal services, or financial burden to the City, then such additional costs, including but not limited to those required for additional special fire or police services, may be passed on to the Property Owners by way of special municipal service zonal fees, or some other equivalent of such fees. The City may charge such increased rate fees to Property Owners with respect to the Project, Phase, or sections of a Phase proportionate to their share of the increased cost.

15. **Default.** Any failure by any party to perform any term or provision of this Agreement, which failure continues uncured for a period of ten (10) calendar days following the receipt of written notice of such failure from the other party shall constitute a “**Default**” under this Agreement.

15.1 **Notice.** Any notice of default (“**Default Notice**”) shall: (1) specify the claimed event of Default; (2) identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default; (3) identify why the claimed Default is claimed to be material; and (4) specify the manner in which said failure may be satisfactorily cured.

15.2. **Cure.** Following receipt of a Default Notice, the defaulting Party shall have thirty (30) days in which to cure such claimed Default (the “**Cure Period**”). If more than 30 days is required for such cure, the defaulting Party shall have such additional time as is reasonably necessary under the circumstances in which to cure such Default so long as the defaulting Party commences such cure within the Cure Period and pursues such cure with reasonable diligence. City may, in City’s sole discretion, withhold permits or approvals during any Cure Period.

15.3. **Developer’s Remedies Upon Default.** Developer’s sole and exclusive remedy under this Agreement shall be specific performance of the rights granted in this Agreement and City’s obligations under this Agreement. IN NO EVENT SHALL HEBER CITY BE LIABLE TO DEVELOPER, ITS SUCCESSORS OR ASSIGNS, FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COSTS OF DELAY, OR LIABILITIES TO THIRD PARTIES.

15.4 **City’s Remedies Upon Default.** In addition to all other remedies available at law or in equity, City shall have the right to withhold all further reviews, approvals, licenses, building permits and other permits for development of the Property in the case of a Default by Developer, until the Default has been cured. City shall further have the right to draw on any security posted or provided in connection with the Property and relating to remedying of the particular Default.

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

**To the Property Owners:**

North Village Development, LLC  
Attn: Richard T. Wolper  
7026 S 900 East  
Midvale, UT 84047

**To the City:**

City of Heber  
Attn: City Recorder  
25 North Main Street  
Heber, Utah 84032

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

16.1.1 **Physical Delivery.** Its actual receipt, if delivered personally, by courier service, or by facsimile, provided that a copy of the facsimile Notice is mailed or personally delivered as set forth herein on the same day and the sending Party has confirmation of transmission receipt of the Notice.

16.1.2 **Electronic Delivery.** Its actual receipt if delivered electronically by email, provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending Party has an electronic receipt of the delivery of the Notice.

16.1.3 **Mail Delivery.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail.

16.1.4 **Change of Notice Address.** Any Party may change its address for Notice under this Agreement by giving written Notice to the other Party in accordance with the provisions of this Section.

17. **Administrative Amendments.**

17.1 **Allowable Administrative Applications:** The following modifications to this Agreement may be considered and approved by the Administrator.

17.1.1 **Infrastructure.** Modification of the location and/or sizing of the infrastructure for the Project that does not materially change the functionality of the infrastructure.

17.1.2 **Design Guidelines.** Modifications of the Design Guidelines.

17.1.3 **Development Unit Allocations.** Any allocation of Development Unit densities to be made by NVD or its successors and assigns.

17.1.4 **Minor Amendment.** Any other modifications deemed to be minor modifications by the Administrator.

17.2 **Application to Administrator.** Applications for Administrative Amendments shall be filed with the Administrator.

17.2.1 **Referral by Administrator.** If the Administrator determines for any reason that it would be inappropriate for the Administrator to determine any Administrative Amendment, the Administrator may require the Administrative Amendment to be processed as a Modification Application.

17.2.2 **Administrator's Review of Administrative Amendment.** The Administrator shall consider and decide upon the Administrative Amendment within a reasonable time not to exceed twenty-one (21) days from the date of submission of a complete application for an Administrative Amendment. Applicant must provide all documents in their completed form and pay any required fee in accordance with State law.

17.2.3 **Notification Regarding Application and Administrator's Approval.** Within ten (10) days of receiving a complete application for an Administrative Amendment, the Administrator shall notify the Council in writing. Unless the Administrator receives a notice pursuant to these Sections, requiring that the proposed Administrative Amendment be considered by the Council as a Modification Application, the Administrator shall review the application for an Administrative Amendment and approve or deny the same within the 21-day period set forth in Section 16.2.2. If the Administrator approves the Administrative Amendment, the Administrator shall notify the Council in writing of the proposed approval and such approval of the Administrative Amendment by the Administrator shall be conclusively deemed binding on the City. A notice of such approval shall be recorded against the applicable portion of the Property in the official City records.

17.2.4 **City Council Requirement of Modification Application Processing.** If the Council requires the proposed Administrative Amendment to be considered by the Council as a Modification Application,

it shall, within two (2) business days after the first Council meeting following notification by the Administrator pursuant to Section 16.2.3 above, notify the Administrator that the Administrative Amendment must be processed as a Modification Application, and that the Council shall be the final determining body for any and all Modification Applications.

**17.2.5 Appeal of Administrator's Denial of Administrative Amendment.** If the Administrator denies any proposed Administrative Amendment, the Applicant may process the proposed Administrative Amendment to the Council for final adjudication. The Council shall be the final determining body for any and all Modification Applications.

18. **Amendment.** Except for Administrative Amendments, any future amendments to this Agreement shall be considered as Modification Applications subject to the following processes:

18.1 **Submissions of Modification Applications.** Only the City or NVD or an assignee of NVD, approved in writing by the City, and one that succeeds to all of the rights and obligations of NVD under this Agreement may submit a Modification Application.

18.2 **Modification Application Contents.** Modification Applications shall:

18.2.1 **Identification of Property.** Identify the property or properties affected by the Modification Application.

18.2.2 **Description of Effect.** Describe the effect of the Modification Application on the affected portions of the Project.

18.2.3 **Identification of Non-City Agencies.** Identify any Non-City agencies potentially having jurisdiction over the Modification Application.

18.2.4 **Map.** Provide a map of any affected property and all property within three hundred feet (300') showing the present or Intended Use and density of all such properties.

18.2.5 **Fee.** Modification Applications shall be accompanied by a fee in an amount reasonably estimated by the City to cover the costs of processing the Modification Application.

18.3. **Mutual Cooperation in Processing Modification Applications.** Both the City and Applicants shall cooperate reasonably in promptly and fairly processing Modification Applications.

18.4 **Planning Commission Review of Modification Applications.**

18.4.1 **Review.** All aspects of a Modification Application required by law to be reviewed by the Planning Commission shall be considered by the Planning Commission as soon as reasonably possible in accordance with the City's Vested Laws in light of the nature and complexity of the Modification Application. The City shall not be required to begin its review of any application unless and until the Applicant has submitted a complete application.

18.4.2 **Recommendation.** The Planning Commission's vote on the Modification Application, if required by law, shall be only a recommendation.

18.5 **Council Review of Modification Application.** After the Planning Commission, if required by law, has made or been deemed to have made its recommendation of the Modification Application, the Council shall consider the Modification Application.

18.6 **Council's Objections to Modification Applications.** If the Council objects to the Modification Application, the Council shall provide a written determination advising the Applicant of the reasons for denial, including specifying the reasons the City believes that the Modification Application is not consistent with the intent of this Agreement and/or the City's Vested Laws (or, only to the extent permissible under this Agreement, the City's Future Laws).

18.7 **Mediation of Council's Objections to Modification Applications.** If the Council and Property Owners are unable to resolve a dispute regarding a Modification Application, the Parties shall attempt within seven (7) days to appoint a mutually acceptable expert in land planning or such other discipline as may be appropriate. If the Parties are unable to agree on a single acceptable mediator, each shall, within seven (7) days, appoint its own individual appropriate expert. These two experts shall, between them, choose the single mediator. Property Owners shall pay the fees of the chosen mediator. The chosen mediator shall within fourteen (14) days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties.

18.8 **Amendments by NVD.** Notwithstanding any other provision in this Agreement to the contrary, NVD may propose and if approved by the City, execute any amendment or other modification of this Agreement or the Site Plan, without the consent of any Property Owner provided that such amendments, modifications, land uses and density allocations: (a) are consistent with the requirements of the City's Vested Laws; and (b) shall not alter the ERU density allocated to such Property Owner identified in a duly executed Development Report or assignment from NVD or otherwise affect any development rights associated with such Property Owner's Development Property set forth in a property specific development agreement with the City pertaining to such Development Property or

a recorded Subdivision Plat specific to such Development Property and no other portion of the Project. For avoidance of doubt, neither the City nor NVD shall be required to obtain the consent of any Property Owner or any subsequent owner of a portion of the Project to amend this Agreement pursuant to this Section 18.

19. **Estoppel Certificate.** Upon twenty (20) days prior written request by a Property Owner, the City will execute an estoppel certificate to any third party certifying that this Agreement has not been amended or altered (except as described in the certificate) and remains in full force and effect, and that such Property Owner is not in default of the terms of this Agreement (except as described in the certificate), and such other matters as may be reasonably requested by the Property Owner. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

20. **Entire Agreement.** Unless expressly provided herein, nothing in this Agreement shall be interpreted to conflict with, replace or waive any requirements, obligations, standards, duties, rights and enforcements afforded to the Parties, provided by and through the NVOZ Zone and Ordinance, and shall be interpreted and presumed by the Parties to be consistent, in harmony with, and incorporated herein with this Agreement. This Agreement and all Exhibits hereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

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

22. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Property Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights. The Parties acknowledge that this Agreement refers to a private development and that the City has no interest in, responsibility for or duty to any third parties, including but not limited to JSSD or NVSSD, concerning any improvements to the Property unless the City has accepted the dedication of such improvements at which time all rights and responsibilities for the dedicated public improvement shall be the City's.

23. **Assignability.**

23.1 **Transfer to Developers and Sub-developers.** Notwithstanding anything to the contrary in this Agreement, NVD or its successor may sell any portion of the Property to one or more parties (each a “**Developer**” or “**Sub-developer**”) at any time from and after the Effective Date. Each such transferred portion of the Property (each, a “**Development Property**”) shall be developed by the Developer and/or Sub-developer in accordance with and subject to the terms hereof, including, without limitation, the following:

23.1.1 Developer or Sub-developer shall assume in writing for the benefit of the City and Property Owners all of the obligations and liabilities of Property Owners hereunder with respect to the Development Property.

23.1.2 Developer and Sub-developer shall be afforded the rights of Property Owners granted hereunder in respect of the applicable Development Property only, including, without limitation, any rights of Property Owners in and the impact fee credits and/or reimbursements pertaining to such Development Property; provided, however, that unless NVD otherwise agrees in writing, Developer and/or Sub-developer shall not, in each case without the prior written consent of NVD, which may be granted or withheld in NVD's sole discretion:

(i) submit any design guidelines to the City in respect to the Development Property and/or propose any amendments, modifications or other alterations to the Design Guidelines or any other design guidelines previously submitted by NVD Owners to the City in respect of the Development Property;

(ii) process any Final Plats, site plans or Development Applications for the Development Property and/or propose any amendments, modifications or other alterations of any approved Final Plats, site plans, and/or Development Applications procured by NVD for the Development Property; or

(iii) propose or oppose any amendments, modifications or other alterations to this Agreement.

23.1.3 The City agrees not to accept or process any of the foregoing matters from a Developer and/or Sub-developer unless the matter has been approved by the owner of the Development Property.

23.1.4 NVD shall not amend, modify or alter this Agreement or the Design Guidelines, or any Final Plats, Development Agreements and/or site plans approved for the Development Property in a manner that would materially interfere with Developer and/or Sub-developer's rights hereunder in respect of such Development Property, in each case without Developer and/or Sub-developer's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

24. **Effect of Breach.** Notwithstanding any other provision of this Agreement, no breach or default hereunder, by any Person succeeding to any portion of a Property Owner's obligations under this Agreement shall be attributed to Property Owner. Nor may a Property Owner's rights hereunder be canceled or diminished in any way by any breach or default by any such Person. No breach or default hereunder by a Property Owner shall be attributed to any Person

succeeding to any portion of such Property Owner's rights or obligations under this Agreement, nor shall such transferee's rights be canceled or diminished in any way by any breach or default by such Property Owner. During the development of the Project, until final approval of and dedication to the City, Developer, Owners or Owners, and their assigns, transferees, and sub-developers shall maintain the City as an additional named insured where reasonably possible, and without adding unreasonable cost, on any relevant or applicable liability insurance associated with the Project.

25. **Mortgage Protection.** This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any such Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any Person that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise. Notwithstanding the provisions of this Section, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to guarantee such construction or completion. If the City receives a written notice from a Mortgagee requesting a copy of any notice of default given to a Property Owner or a Sub-developer and specifying the address for service thereof, then the City shall deliver to such Mortgagee, concurrently with service thereon to the Property Owner or a Sub-developer, as applicable, any notice of default or determination of noncompliance given to the Property Owner or such Sub-developer. Each Mortgagee shall have the right (but not the obligation) for a period of 90 days after the receipt of such notice from the City to cure or remedy the default claimed or the areas of noncompliance set forth in the City's notice. If such default or noncompliance is of a nature that it can only be cured or remedied by such a Mortgagee upon obtaining possession of the Property, then such Mortgagee may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall within 90 days after obtaining possession cure or remedy such default or noncompliance. If such default or noncompliance cannot with diligence be cured or remedied within either such 90 -day period, then such Mortgagee shall have such additional time as may be reasonably necessary to cure or remedy such default or noncompliance if such Mortgagee commences such cure or remedy during such 90 -day period and thereafter diligently pursues completion of such cure or remedy to the extent possible.

26. **Termination.**

26.1 This Agreement shall be terminated and of no further effect upon the occurrence of any of the following events:

- (i) Expiration of the Term of this Agreement, unless extended as provided in Section 4.3;
- (ii) Completion of the Project in accordance with the development entitlements and the City's issuance of all required occupancy permits and acceptance of all dedications and improvements required under the development entitlements and this Agreement;

- (iii) Except for the payment of applicable fees and assessments, as for any specific residential dwelling or other structure within the Project, this Agreement shall be terminated for such dwelling or other structure upon the issuance by City of a certificate of occupancy therefore;
- (iv) Entry of final judgment (with no further right of appeal) or issuance of a final order (with no further right of appeal) directing City to set aside, withdraw, or abrogate City's approval of this Agreement,
- (v) The effective date of a party's election to terminate the Agreement as specifically provided in this Agreement, or
- (vi) in the event that Developer or the project are in Default beyond any applicable notice, grace or cure period, or where material, contractual and developmental obligations are not met, or any deadlines and conditions of this Agreement, and relevant State and Federal Laws not fulfilled or are violated, after appropriate default notices and cure provisions of this Agreement.

**26.2 Notice of Termination.** City shall, upon written request made by Developer or Developer's successor(s) or assign(s) or any Owner to City's Planning Director, determine if the Agreement has terminated with respect to any parcel or lot at the Property, and shall not unreasonably withhold, condition, or delay termination as to that lot or parcel. Upon termination of this Agreement as to any lot or parcel, City shall upon Developer or Developer's successor(s) or assign(s) or any Owner's request record a notice of termination that the Agreement has been terminated. The aforesaid notice may specify, and Developer or Developer's successor(s) or assign(s) and Owners agree, that termination shall not affect in any manner any continuing obligation to pay any item specified by this Agreement. Termination of the Agreement as to any parcel or lot at the Property shall not affect Developer or Developer's successor(s) or assign(s) or any Owner's rights or obligations under any of the development entitlements, including but not limited to, the General Plan, Specific Plan, Zoning Ordinance and all other City policies, regulations, and ordinances applicable to the Project at the Property. City may charge a reasonable fee for the preparation and recordation of any notice(s) of termination requested by Developer or Developer's successor(s) or assign(s) or any Owner.

**26.3 Partial Termination.** In the event of a termination of this Agreement with respect of any portion of the Property, any then-existing rights and obligations of the parties with respect to such portion of the Property shall automatically terminate and be of no further force, effect or operation. However, no termination of this Agreement with respect to any portion of the Property or the Project shall affect in any way the parties' rights and obligations hereunder with respect to any other portion of the Property or Project not subject to the termination. Subject to the

provisions of the Default Paragraph 14, the expiration or termination of this Agreement shall not result in any expiration or termination of any Entitlement then in existence, without further action of City.

27. **Insurance and Indemnification.** Each Property Owner shall defend and hold the City and its officers, employees and consultants harmless for any and all claims, liability and damages arising out of the negligent actions or inactions of such Property Owner, its agents or employees pursuant to this Agreement, unless caused by the City's negligence or willful misconduct.

28. **Hazardous, Toxic, and/or Contaminating Materials.** Each Owner shall defend and hold the City and its elected and/or appointed boards, officers, agents, employees and consultants harmless from any and all claims, liabilities, costs, fines, penalties and/or charges of any kind whatsoever relating to the existence and removal, or caused by the introduction of hazardous, toxic and/or contaminating materials by such Property Owner on the Project or arising out of action or inactions of Developer, except where such claims, liability costs, fines, penalties and charges are due to the actions of the City or its elected or appointed boards, officers, agents, employees or consultants.

29. **Binding Effect.** If NVD or another Property Owner conveys any portion of the Property to one or more Sub-developers, the property so conveyed shall have the same rights, privileges, Intended Uses and configurations, and shall be subject to the same limitations and rights of the City, applicable to such property under this Agreement prior to such conveyance, without any required approval, review, or consent by the City, except as otherwise provided herein.

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

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

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

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

34. **Appointment of Representatives.** To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and NVD each shall designate and appoint a representative to act as a liaison between the City and its various departments and NVD. The initial representative for the City shall be City Manager, or his designee and the initial representatives for NVD shall be Richard T. Wolper. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project.

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

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

37. **Recordation and Running with the Land.** This Agreement shall be recorded in the office of the Wasatch County Recorder. Copies of the City's Vested Laws, **Exhibit D**, shall not be recorded. A secure copy of **Exhibit D** shall be filed with the City Recorder and each Party shall also have an identical copy. The provisions of this Agreement shall constitute real covenants, contract and property rights and equitable servitudes, which shall run with all of the land subject to this Agreement. The burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto. All successors in interest shall succeed only to those benefits and burdens of this Agreement which pertain to the portion of the Project Area to which the successor holds title. Such titleholder is not a third party beneficiary of the remainder of this Agreement or to zoning classifications and benefits relating to other portions of the Project Area. The obligations of Property Owners hereunder are enforceable by the City, and no other Person shall or may be a third party beneficiary of such obligations unless specifically provided herein.

38. **Authority.** The parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to City Policy. This Agreement is approved as to form and is further certified as having been lawfully adopted by the City by the signature of the City Attorney.

39. **Covenant of Good Faith and Fair Dealing.** No party shall do anything which shall have the effect of injuring the right of another party to receive the benefits of this Agreement or do anything which would render its performance under his agreement impossible. Each party shall perform all acts contemplated by this Agreement to accomplish the objectives and purposes of this Agreement.

40. **Further Actions and Instruments.** The Parties agree to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of the Agreement. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Agreement.

41. **Partial Invalidity Due to Governmental Action.** In the event state or federal laws or regulations enacted after the Execution Date of this Agreement, or formal action of any governmental jurisdiction other than City, prevent compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified extended or suspended only to the minimum extent necessary to comply with such laws or regulations.

42. **Waiver of Rights Under Utah Code Section 10-9a-532.** The Parties have been represented by an attorney throughout this process. Developer acknowledges that this Agreement does not restrict any of Developer's rights under clearly established state law or that Developer has been advised in writing of any such rights being restricted. As an essential term of this Agreement, Developer hereby waives any claim that any term of this Agreement is void, illegal, invalid, or unenforceable as the result of any failure on the City's part to disclose in writing any rights being restricted by this Agreement.

[Signatures appear on the following two pages.]

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

**PROPERTY OWNER**

NORTH VILLAGE DEVELOPMENT LLC  
Utah limited liability company

By: Mark 25, LLC, a Utah limited liability company  
    Manager of North Village Development LLC

By: \_\_\_\_\_  
Name: Richard T. Wolper  
Title: Manager

**PROPERTY OWNER ACKNOWLEDGMENT**

STATE OF UTAH                    )  
  ):§.  
CITY OF SALT LAKE             )

On the \_\_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared before me Richard T. Wolper, who being by me duly sworn, did say that he is the Manager of Mark 25, LLC, which is the manager of North Village Development LLC, and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

\_\_\_\_\_  
NOTARY PUBLIC

CITY

**Heber City**

\_\_\_\_\_  
Heidi Franco, Mayor

Approved as to form and legality:

Attest:

City Attorney

City Recorder

By:\_\_\_\_\_

By:\_\_\_\_\_

**EXHIBIT A**

TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Legal Description**

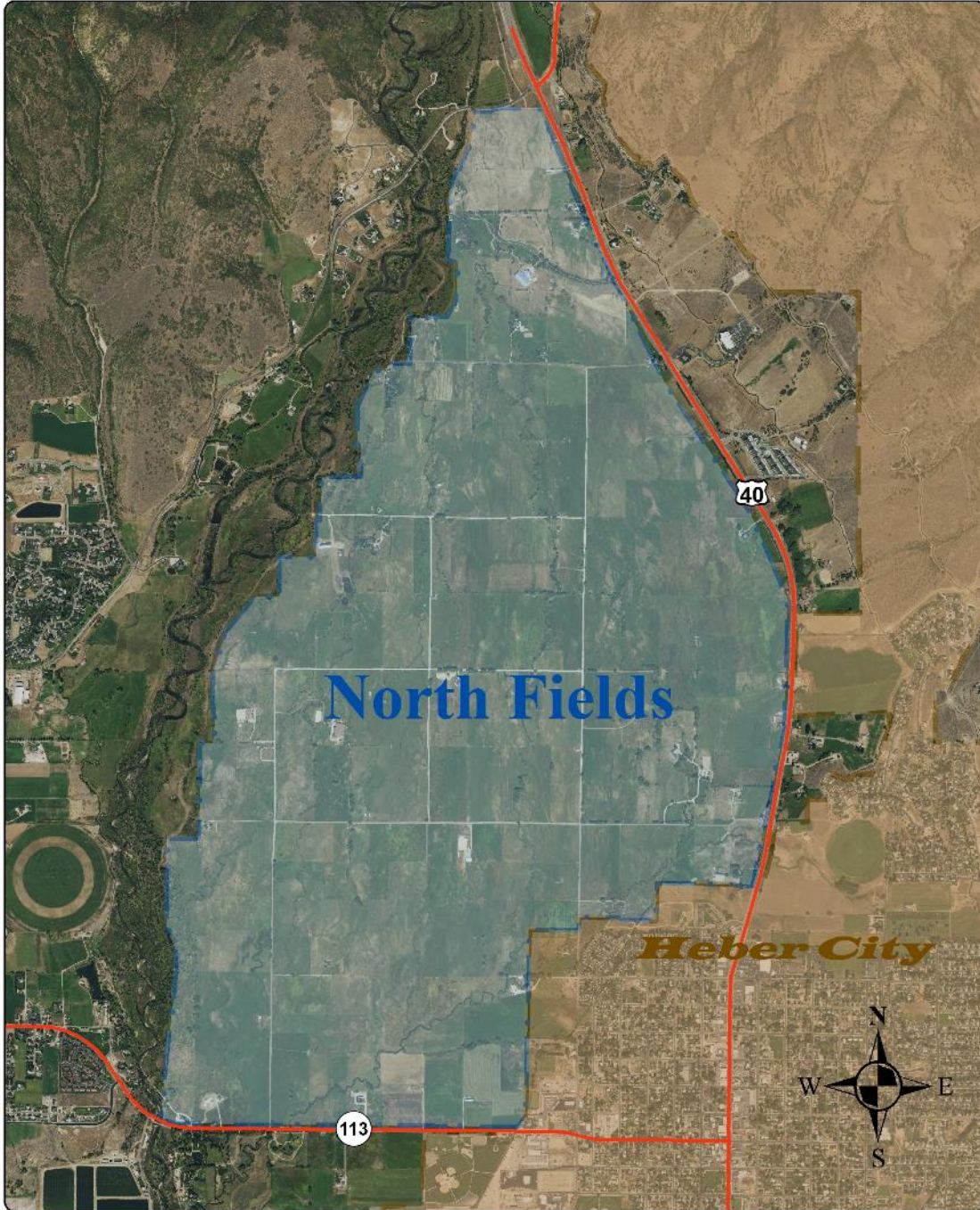
[REDACTED]

**EXHIBIT B**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Site Plan**

**EXHIBIT C**  
**TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS**

**North Fields**



**EXHIBIT D**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Phasing Plan**

**EXHIBIT E**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**ERU Calculation**

**EXHIBIT F**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Building Elevations**

**EXHIBIT G**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**City's Vested Laws**

For the City's Vested Laws, reference the North Village Overlay Zone (NVOZ), adopted by the City Council of Heber City, Utah, in Chapter 18.81 of Heber Municipal Code on March 16, 2021.

**EXHIBIT H**  
**TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS**

**Gas Station Canopy Example**



**WHEN RECORDED, RETURN TO:**

Heber City  
Attention: City Recorder  
75 North Main Street  
Heber City, Utah 84032

Tax Parcel Nos.: 20-0622, 21-2614, 21-2615, 21-2612, 21-2480, 21-2617, 21-1557, 21-1555, 21-1559, 21-1556, 21-2616, 21-2611, 21-2613, 21-2618, 21-2619, 21-2620, 21-2479, 21-2481 and 21-1558

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(Space above for Recorder's use only.)

**DEVELOPMENT AGREEMENT  
FOR THE  
HARVEST VILLAGE MIXED USE DEVELOPMENT**

THIS DEVELOPMENT AGREEMENT FOR THE HARVEST VILLAGE MIXED USE DEVELOPMENT (this "**Agreement**") is made and entered into by and between HEBER CITY, a political subdivision of the State of Utah (the "**City**"), and KLJB, LLC and its successor and assign ANGSTROM DEVELOPMENT GROUP LLC, a Utah limited liability company ("**ADG**"), BAIBACH, LLC, and K&H DEVELOPMENT HEBER, LLC (collectively "**Property Owners**"). The Property Owners and the City are hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. Property Owners are the owners of approximately 39 acres of undeveloped real property located on the Southwest intersection of Hwy 40 and River Road (Parcel Nos. 20-0622, 21-2614, 21-2615, 21-2612, 21-2480, 21-2617, 21-1557, 21-1555, 21-1559, and 21-1558) in Wasatch County, State of Utah (the "**Property**"). A legal description of the Property is attached hereto as **Exhibit A**.

B. In conjunction with the approval of this Agreement, the City approved and adopted a Site Plan for the Project (the "**Site Plan**").

C. The Site Plan for the Property provides for a mixed-use development, including recreational and open space uses. All such uses shall be consistent with the permitted uses in the North Village Overlay Zone ("**NVOZ**") as North Village (NV) Sub-District or as outlined within this Agreement.

D. This Agreement and the Site Plan meets the intent of, complies with, and is guided by, the Envision 2050 Heber General Plan.

E. The Parties now desire to enter into this Agreement to establish and set forth the rights and responsibilities of Property Owners and their successors in interest, including but not limited to, those developers, sub-developers and builders who will develop the Property as a mixed-use project in accordance with the terms hereof, and to establish the rights and responsibilities of the City to annex the Property into the boundaries of Heber City and to authorize and regulate such development pursuant to the requirements of this Agreement.

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

## **TERMS**

### **1. Incorporation of Recitals and Exhibits/ Definitions.**

1.1 **Incorporation.** The foregoing Recitals and Exhibits A through E are hereby incorporated into this Agreement.

1.2 **Definitions.** Any capitalized term or phrase used in this Agreement has the meaning given to it below or in the section where the definition of such term is given.

1.2.1 **Act** means the Municipal Land Use, Development, and Management Act, Utah Code Ann. §§ 10-9a-101, et seq. (2024), as amended.

1.2.2 **Administrative Action** means and includes any amendment to the Exhibits to this Agreement or other action that may be approved by the Administrator as provided in Section 17.

1.2.3 **Administrator** means the Person designated by the City as the Administrator of this Agreement.

1.2.4 **Agreement** has the meaning set forth in the preamble and includes all Exhibits attached hereto.

1.2.5 **Public Gathering Areas** means any publicly owned area or public park identified on the Site Plan that is intended to provide services to the community at large.

1.2.6 **Applicant** means a Person submitting a Development Application, a Modification Application or a request for an Administrative Action.

1.2.7 **Backbone Improvements** means those improvements shown as

such in the Infrastructure Plan and which are, generally, infrastructure improvements that are intended to support the overall development of the Property and not merely a part of the development of any particular Subdivision. Backbone Improvements are generally considered to be in the nature of “System Improvements,” as defined in Utah Code Ann. § 11-36a-101, et seq. (2024).

1.2.8 **Building Permit** means a permit issued by the City to allow construction, erection or structural alteration of any building, structure, private or public infrastructure, On-Site Infrastructure on any portion of the Project, or to construct any Off-Site Infrastructure.

1.2.9 **CC&Rs** means one or more declarations of conditions, covenants and restrictions regarding certain aspects of design and construction on the Property recorded or to be recorded with regard to the Property or any part thereof, as amended from time to time.

1.2.10 **Capital Facilities Plan** means a plan adopted or to be adopted by the City in the future to substantiate the collection of Impact Fees as required by State law.

1.2.11 **City** means the City of Heber, a political subdivision of the State of Utah.

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

1.2.13 **City’s Future Laws** means the ordinances, policies, standards, and procedures of the City that will be in effect as of a particular time in the future when a Development Application is submitted for a part of the Project and that may, in accordance with the provisions of this Agreement, be applicable to the Development Application.

1.2.14 **City’s Vested Laws** means the ordinances, policies, standards, and procedures of the City related to zoning, subdivisions, development, public improvements and other similar or related matters that are in effect as of the Effective Date.

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

1.2.16 **Default** shall have the meaning provided in Section 14.

1.2.17 **Design Guidelines** means the design guidelines referenced in the North Village Overlay Zone.

1.2.18 **Developer** shall have the meaning provided in Section 22.

1.2.19 **Development Application** means an application to the City for development of a portion of the Project, a Building Permit, improvement plans or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.20 **Development Property** shall have the meaning provided in Section 22

1.2.21 **Development Report** means a report containing the information specified in Section 4.6 submitted to the City by Property Owners or any successor for the sale of any Parcel to a Developer, Sub-developer or Builder or the submittal of a Development Application by a Developer, Sub-developer or Builder pursuant to an assignment from Property Owners.

1.2.22 **Development Unit** means either a commercial or residential use of property with respect to which an ERU calculation can be applied in accordance with this Agreement.

1.2.23 **Effective Date** means the date on which both the Parties have executed this Agreement.

1.2.24 **Equivalent Residential Unit (ERU)** means the residential density allocated to: (a) any given Residential Unit when measured against a single-family dwelling unit, which measure shall be determined pursuant to Section 18.21.020.2.2(2) of the City's Vested Laws; and (b) commercial ERUs will be calculated as provided in Section 18.21.020.2.2(2) of the City's Vested Laws.

1.2.25 **Final Plat** means the recordable map or other graphical representation of land prepared in accordance with Utah Code Ann. § 10-9a-603, and approved by the City, effectuating a Subdivision of any portion of the Project.

1.2.26 **Highway 40** means a "state highway" type transportation corridor maintained by the Utah Department of Transportation and referred to as U.S. Highway 40, as that route may be changed from time-to-time.

1.2.27 **Homeowners' Association(s)** means one or more associations formed pursuant to Utah law to perform the functions of an association of property owners.

1.2.28 **Impact Fees** means those fees, assessments, exactions or payments of money imposed by the City as a condition on development activity as

specified in Utah Code Ann. §§ 11-36a-101, et seq. (2024), as amended.

1.2.29 **Infrastructure Plan** means the conceptual infrastructure plan, including culinary water, secondary water, storm water, sanitary sewer and private roads, as amended from time to time.

1.2.30 **Intended Uses** means the use of all or portions of the Project for open space, parks, trails and other uses permitted in the Zoning Ordinance, Design Guidelines and as shown on the Site Plan.

1.2.31 **Market Rate Units** means any non-Affordable Housing within the Project.

1.2.32 **Modification Application** means an application to amend this Agreement (but not including those changes which may be made by Administrative Action).

1.2.33 **Mortgage** means (1) any mortgage or deed of trust or other instrument or transaction in which the Property, or a portion thereof or a direct or indirect ownership or other interest therein, or any improvements thereon, is conveyed or pledged as security, or (2) a sale and leaseback arrangement in which the Property, or a portion thereof, or any improvements thereon, is sold and leased back concurrently therewith.

1.2.34 **Mortgagee** means any holder of a lender's beneficial or security interest (or the owner and landlord in the case of any sale and leaseback arrangement) under a Mortgage.

1.2.35 **Non-City Agency** means a governmental or quasi-governmental entity, other than those of the City, which has jurisdiction over the approval of an aspect of the Project.

1.2.36 **North Fields** means that certain real property located generally south of the Property and generally depicted on Exhibit C attached hereto.

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

1.2.38 **Off-Site Infrastructure** means the off-site public or private infrastructure, such as roads and utilities, specified in the Infrastructure Plan that is necessary for development of the Property but is not located on the portion of the Property that is subject to a Development Application.

1.2.39 **On-Site Infrastructure** means the on-site public or private infrastructure, such as roads or utilities, specified in the Infrastructure Plan

that is necessary for development of the Property and is located on that portion of the Property that is subject to a Development Application.

1.2.40 **On-Site Retention/Detention** shall mean a storm drain facility that is provided on-site upon private property within the development to handle on-site or off-site storm drain requirements.

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

1.2.42 **Parcel** means an area identified on the Site Plan with a specific land use designation that is intended to be further subdivided for future development.

1.2.43 **Person** means any natural person, corporation, Limited Liability Company, trust, joint venture, association, company, partnership, limited partnership, governmental authority or other entity.

1.2.44 **Phase** means the development of a portion of the Project.

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

1.2.46 **Project** means the mixed-used Site Plan to be developed on the Property in accordance with this Agreement, including, without limitation, all associated public and private facilities, Intended Uses, Phases and all of the other aspects approved as part of this Agreement and the Site Plan.

1.2.47 **Property Owner or Property Owners** means KLJB, LLC and its successor and assign ADG, Baibach, LLC, and K&H Development Heber, LLC and any other successor-in-interest to any of the foregoing as an owner of the Property or any portion thereof, including but not limited to, Developers, Sub-developers and builders.

1.2.48 **Site Plan** refers to the Site Plan attached as Exhibit B, which Site Plans generally depict the development plan for the Property.

1.2.49 **Sub-developer** means any Person that obtains title to a Parcel from a Developer for development.

1.2.50 **Subdivision** means the division of any portion of the Project into a subdivision pursuant to State Law and/or the Zoning Ordinance.

1.2.51 **System Improvement** means those elements of infrastructure that

fall within the definition of System Improvements pursuant to Utah Code Ann. § 11-36a-102(21). System Improvements shall be defined as set out in the North Village Capital Facilities Plans and Master Plans.

1.2.52 **Zone** means the City’s North Village Overlay District Zone – North Village (NV) Sub-District.

1.2.53 **Zoning Ordinance** means the City’s Land Use and Development Ordinance adopted pursuant to the Act that is in effect as of the Effective Date.

2. **Development of the Project.** Development of the Project shall be in accordance with this Agreement, the City’s Vested Laws and the City’s Future Laws as expressly set forth in this Agreement.

3. **Zoning and Vested Rights.**

3.1 **Zoning.** Concurrently with its execution of this Agreement, the City has annexed the Project to the City and zoned the Property under the North Village Overlay District Zone as a North Village (NV) Sub-District.

3.2 **General Vested Rights.** Subject to paragraphs 3.3 and 3.4, and except as specifically provided herein, the Parties intend that this Agreement grants to Developer all rights to develop the Project in fulfillment of this Agreement, the City’s Vested Laws, and the zoning of the Property. The Parties specifically intend that this Agreement grant to Developer the “vested rights” identified herein as that term is construed in Utah’s common law and pursuant to Utah Code Ann. § 10-9a-509 (2024).

3.3 **Compliance with City Requirements and Standards.** Developer and Property Owners expressly acknowledge that nothing in this Agreement shall be deemed to relieve Developer or any Continuing or Successor Owner from its obligations to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats for the Project, which are in place at the time of a complete and approved application, including the payment of unpaid fees, the approval of subdivision plats, the approval of building permits and construction permits, and compliance with all applicable ordinances, resolutions, policies and procedures of the City except as otherwise provided in this Agreement.

3.4 **Exceptions to Vested Rights.** The vested rights and the restrictions on the applicability of City’s Future Laws as specified in Section 3.3 are subject to the following exceptions:

3.4.1 **Agreed to Regulations.** City’s Future Laws or other regulations to which the Developer agrees in writing;

3.4.2 State and Federal Compliance. City's Future Laws or other regulations that are enacted or required to comply with State or Federal laws or regulations;

3.4.3 Development Review Processes. Amendments or changes to the City's application processes, review criteria, required application materials or submittal checklists that are generally applicable, and do not materially impact (i) the ability of Developer to develop the Project in accordance with the Site Plan or (ii) the overall cost of the Project;

3.4.4 Safety Codes. Any City's Future Laws that are updates or amendments to building, fire, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are enacted to meet legitimate concerns related to public health, safety or welfare;

3.4.5 Engineering Standards. Amendments or changes to the City's Engineering Standard Drawings and Specifications provided that the amendments or changes (i) do not materially impact the ability of Developer to develop the Project in accordance with the Site Plan, (ii) do not materially impact the overall cost of the Project, and (iii) are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities.

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

3.4.7 Fees. Changes to the amounts of fees for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law;

3.4.8 Impact Fees. Impact Fees or modifications thereto which are lawfully adopted, and imposed by the City pursuant to Utah Code Ann. Section 11-36a-101 (2024) et seq., and are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

3.4.9 Planning and Zoning Modifications. Changes by City to its planning principles and design standards such as architectural or design requirements, setbacks or similar items so long as such changes do not (i) reduce the Density Entitlements or (ii) materially impact the ability of

Developer to develop the Project in accordance with the Site Plan or (iii) increase the overall cost of the Project; or

3.4.10 Compelling, Countervailing Interest. Laws, rules or regulations that the City’s land use authority finds, on the record, are necessary to avoid jeopardizing a compelling, countervailing public interest pursuant to Utah Code Ann. § 10-9a-509(1)(a)(ii)(A) (2024).

4. **Development of the Property in Compliance with the Site Plan.**

4.1 **Project Density.** Property Owners shall be entitled to and are vested with the right to develop and construct up to 34 hotel ERUs, up to 211 Market Rate residential ERUs (divided between for sale condos/townhomes and for rent multi-family), and up to 48 commercial ERUs (totaling not less than 100,000 square feet of commercial development) on the Property consistent with the Intended Uses specified in the Zoning Ordinance and generally identified on the Site Plan (collectively, the “Density Entitlements”). Property Owners also have an obligation to provide 33 residential ERUs as Affordable Housing as detailed in Section 4.5 of this Agreement.

4.2 **Hotel Elevations.** As part of the approval process, Property Owners have provided potential building elevations for the hotel and condominium portions of the Project, which elevations are attached hereto as Exhibit E. The building elevations and design standards must be similar in materials and appearance to the proposed elevations, or Property Owners must propose and obtain approval from the City Council for elevations that are consistent with NVOZ design guidelines and are to the standard of a four-star resort hotel in Park City or Deer Valley.

4.3 **Transfer of Density for Eminent Domain.** If a portion of the Project is voluntarily or involuntarily transferred for public use, including, but not limited to, property taken by the Utah Department of Transportation as part of a road expansion project, Property Owner shall not be entitled to move density to other portions of the Project or amend the Site Plan to adjust for densities in areas acquired for public use.

4.4 **Intended Uses by Parcel and Densities.** Intended Uses and Densities for the Project are shown on the Site Plan for the Property. The general street configurations, building types and locations, and general layout for the Project shall comply with Site Plan. This includes the City’s acceptance of the following exceptions to NVOZ ordinances:

4.4.1 Building Heights. Property Owners shall be allowed to construct a hotel or condominium hotel as a principal anchor to their development that is no more than five stories with stories being measured in height consistent with the Heber City NVOZ zone “Mixed Use Building” provision of the code found at § 3.3 of Chapter 18.21 of the North Village Overlay District.

Property Owners shall also be allowed to construct townhomes, affordable housing, and commercial retail buildings at three stories consistent with the provisions of Heber City NVOZ zone code found at Chapter 18.21 of the North Village Overlay District. Property Owners shall be allowed to include rooftop decks on the proposed townhomes without violating the building height requirements of Chapter 18.21.

4.4.2 Setbacks. Property Owners shall be permitted to construct residential townhomes with minimum side yard setbacks between building at five (5) feet per building, for a combined setback of ten (10) feet. To protect the natural riparian areas the rear yard setback at Rock Creek on the West side of the Property shall be thirty feet (30) feet from the property line. To provide a natural barrier from the property South of the Property the Property Owners shall provide a thirty-foot (30) foot buffer from the property line.

4.4.3 Contiguous Units. Property Owners shall be permitted to construct residential townhomes with up to eight (8) contiguous units.

4.4.4 Front Drives. Property Owners shall be permitted to build townhomes with front driveways, not alleys, on their private road(s).

4.5 **Parcel Sales**. The City acknowledges that the precise location and details of the public improvements, lot layout and design and any other similar item regarding the development of a particular Parcel may not be known at the time of the sale of a Parcel. City further acknowledges that Developer may adjust boundaries between existing metes and bounds parcels prior to recording a subdivision plat for the Project. City further acknowledges that Developer may adjust boundaries between existing metes and bounds parcels prior to recording a subdivision plat for the Project.

4.6 **Accounting for Density for Parcels Sold to Sub-developers**. In connection with the sale of any Parcel sold by Property Owners to a Developer or Sub-developer, Property Owners shall provide the City with a written document specifying the identity of the Person to whom the Parcel is sold, the allocation, if any, of any Development ERUs associated with such Parcel, and the Open Space requirements and/or obligations associated with such Parcel. In connection with the recordation of a Final Plat or other document of conveyance for any Parcel sold to a Developer or Sub-developer, Property Owners shall provide the City Recorder with a development report (a "Development Report") identifying the Parcel(s) sold, the Residential Development ERU and/or other type of use or Development Unit allocated with the Parcel(s), the Development ERU remaining with Property Owners and any material effects of the sale on the Site Plan.

4.6.1 Return of Unused Density. If a Developer or Sub-developer cannot

or does not utilize all of the Development ERU allocated to it in connection with the transfer of one or more Parcels at the time the Developer or Sub-developer receives approval for the final Development Application for such transferred Parcel(s), the unused Development ERU shall automatically revert back to Property Owners. Such Development ERU shall be accounted for in any subsequent Development Report that Property Owners, or any of its successors in interest may be required to file with the City Recorder.

5. **Affordable Housing.**

5.1 **Affordable Housing Requirement.** Developer shall produce not less than 33 residential ERUs of Affordable Housing as a condition of the Project. Affordable Housing shall be sold or rented, as applicable, to individuals or families with an average income of Eighty percent (80%) or less of the area median income (AMI) in Wasatch County, Utah and the monthly cost shall not be more than Thirty percent (30%) of a household's income. Individual income limits for occupants of the Affordable Housing may be anywhere within the affordable housing AMI ranges, including up to 120% of AMI; however, the overall unit mix shall have an AMI averaged of no more than 80% AMI. Property Owners shall have no obligation to disperse the Affordable Housing throughout the Project but may consolidate the on-site Affordable Housing in one or more areas of the Project. Unless otherwise approved by the City Council, the Property Owner shall construct 11 residential ERUs on the Property (the "Onsite Affordable Housing Obligation"), which, for the avoidance of doubt, may be satisfied by the provision of workforce housing and Property Owners may enter into one or more master leases with local employers whereby local employers may lease a block of units to meet the housing needs of their qualifying employees. The Developer shall propose to the City one or more options to satisfy the remaining Affordable Housing unit obligation of 22 residential ERUs (the "Alternative Affordable Housing Obligation"). Property Owner's failure to comply with the Affordable Housing obligation pursuant to the terms of this Agreement shall constitute a material breach of this Agreement, and the City may pursue all available remedies to enforce compliance, including but not limited to legal and equitable relief.

5.2 **Geographic Waterfall.** Property Owners shall use a geographic waterfall approach in selecting from affordable housing applicants, in the following priority: (1) qualifying applicants employed in the immediate Harvest Village community; (2) qualifying applicants employed within Heber City limits; and (3) qualifying applicants living in Wasatch County generally. There shall be no time limit required in selecting between orders of priority. Rather, when all qualifying applicants from a category have been exhausted, applicants from the next order of priority shall immediately be given priority. If any of the geographic selection criteria are deemed to violate any federal or state rules and regulations, then the priority waterfall will be allowed to shift to become in alignment with the governing rules.

5.3 **Timing.** At least 50% of the required Affordable Housing requirement shall be completed no later than the construction of the first 50% of the Market Rate units and all of the Alternative Affordable Housing Obligation satisfied by the no later than the construction of the first 75% of the Market Rate units.

5.4 **Potential Affordable Housing Alternatives.**

5.4.1 **Off-site Affordable Housing.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by construction of Affordable Housing off site on property owned by the City or another third party. The City may, in its sole discretion, accept the proposal of Developer to comply with the Alternative Affordable Housing Obligation. Developer and the City shall still follow and comply with any deed restrictions as outlined in Chapter 18.102 of the City's Vested Laws.

5.4.2 **Land Donation.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by donating, or causing another third party to donate, one or more parcels of unimproved land to the City for the purpose of constructing Affordable Housing. The value of any donated land shall be determined by either of the following: (a) if the donated land was acquired within three (3) years of the date of such donation, the aggregate price per acre paid for such donated land, or (b) as determined by written appraisal in accordance with Heber City Code 18.102.050(J)(3) conducted within six months of the proposed donation. The full value of any donated land shall be recognized as a fee in lieu of \$60,000.00 in value required per residential ERU, consistent with the terms of Section 4.5.5. The Parties must agree in writing to the terms of any land donation, including the specific parcel(s), selection of the valuation method above, and compliance with the requirements outlined in this Section.

5.4.3 **Fee in Lieu.** The Property Owners may at any time satisfy all or part of the Alternative Affordable Housing Obligation, or City may require Property Owners to satisfy all or part of the Alternative Affordable Housing Obligation, by paying a fee in lieu in the amount of \$60,000 per residential ERU. Beginning in January 2026, and continuing annually thereafter, this fee in lieu payment amount shall increase annually by the Mountain-Plains Consumer Price Index amount, commonly known as "CPI." Payment of the fee as adjusted by CPI over time shall be deemed sufficient to fulfill the relevant Alternative Affordable Housing Obligation without prejudice to any other rights or remedies available under this Agreement. Property Owners agree that City may utilize the fee-in-lieu in any manner that the City deems appropriate, including, but not limited to, investing in properties or other resources that could be utilized or sold in the future to generate income for affordable housing.

## 5.5 Additional Requirements.

5.5.1 **Eligibility and Pricing.** For all on-site for rent affordable housing, a qualified third-party professional property management company shall manage the rental of all Affordable Housing. Eligibility for the affordable for-rent housing will be based on the AMI standards of for-rent affordable housing.

### 5.5.2 Deed Restrictions Protecting the Affordability and Sustainability of the Affordable Homes.

a. Prior to issuance of a certificate of occupancy for any of the Affordable Housing, Developer/ Owner shall negotiate and enter into with the City a Deed Restrictions Covenant (which shall be recorded with the Wasatch County Recorder) that shall serve as a Covenant Running With the Land to protect the affordability and sustainability of the Affordable Housing. Some of the terms of such a Covenant should include, but shall not be limited to the following:

1. The Covenant is to provide and articulate terms, conditions, and restrictions. The Covenant shall be enforceable by the City and, upon its execution and recording in the public records of the County Recorder of Wasatch County, Utah, shall run with the land, enforceable against the Owners; each Unit Owner, and each Unit Owner's successors interest, assignees, heirs, devisees, mortgagees, lessees, trustees, beneficiaries, executors, administrators, personal representatives; any subsequent owners; and any other parties claiming an interest in the Property. In addition to the recording of this Covenant, Developer/Owner shall cause that any deed or plat map associated with any affordable housing properties or units shall reference said Covenant.

2. The City shall have the right to enforce the terms of such a Covenant. The City may enforce this Covenant by any appropriate legal or equitable action including but not limited to specific performance, injunction, abatement, damages and such other remedies and penalties as may be specified in this Covenant. This Covenant shall inure to the benefit of the City and nothing herein shall be construed as creating a general scheme to be enforced by Unit Owners against each other.

6. **Term of Agreement.** The term of this Agreement shall commence on the Effective Date and continue either for a period of twenty years (20) years, or the day upon which the final

certificate of occupancy is approved and granted, whichever first occurs (the “Term”), unless it is terminated in accordance with Section 26. If Property Owners commence construction on the commercial phase of the proposed development within five (5) years of the effective date, they shall be entitled to an automatic extension of the term for an additional five (5) years. This additional five (5) year extension shall be added to the original Term. Unless otherwise agreed between the Parties, Property Owner’s unbuilt vested rights and interests set forth in the Agreement shall expire at the end of the Term, or as the Term may be extended by mutual agreement of the Parties. Upon termination of this Agreement for any reason, the licenses, building permits, or certificates of occupancy granted prior to the expiration of the Term shall remain vested rights in accordance with the terms and conditions of such approvals. Furthermore, any obligations of Developer related to any licenses, building permits, or certificates of occupancy shall continue in full force and effect.

7. **Approval Processes for Development Applications.**

7.1 **Phasing.** The City acknowledges that Property Owners, Developers, and Sub-developers who have purchased Parcels of the Property may submit multiple applications from time to time to develop and/or construct portions of the Project in phases.

7.2 **UDOT Bypass.** The Utah Department of Transportation (UDOT) is currently in the process of developing a Heber Valley Corridor Environmental Impact Statement (EIS). As part of the EIS, UDOT has established five potential alternatives for a future bypass road. Two of the five alternatives established by UDOT, would potentially require UDOT to acquire some amount of the Property via eminent domain. Developer acknowledges the proposed bypass routes. Accordingly, Developer agrees to delay the receipt of any permits until April 1, 2025. To avoid doubt, the Parties acknowledge:

7.2.1 The City will still accept and process permit applications submitted by Developer on, or before April 1, 2025.

7.2.2 Developer’s vested rights granted within this Agreement will not be impacted or in any way limited or impaired by any UDOT EIS report.

7.2.3 If UDOT selects a bypass route that impacts the Property the Property Owners will, in good faith, negotiate with UDOT regarding the condemnation of Property via eminent domain to facilitate the construction of the bypass road.

8. **Open Space, Improved Public Parks, and Trails Requirements.** For each Phase, neighborhood Parks and Trails shall be constructed and developed concurrently with the respective development within which said trails are located. Open space, parks and trails shall comply with the requirements of Heber City Code § 18.21.050 for the NV Sub-District, except that Property Owners shall provide not less than 20% of the total Project area within the Market

Rate residential ERU area as Open Space; Property Owners must provide at least 20% of the overall Project area as Open Space; and Property Owners must provide 10% of the overall Project area as Traditional Park Space in accordance with Heber City Code Table 5.1(1)). In accordance with Utah Code § 10-9a-604(3)(d)(iv) and (4) (2024), the City may require completion assurance for any landscaping that is necessary to meet the open space or traditional park space requirements.

8.1 **Highway 40 Landscape Buffer.** Property Owners shall provide an open space buffer on the Project property of not less than 100 feet from the existing western boundary of the Highway 40 right-of-way. Within the 40 feet of the buffer closest to Highway 40, Property Owners shall construct undulating landscape berming with a minimum height of eight feet to screen the view from Highway 40. The berming shall include trees and other foliage to provide a natural greenscape barrier. No other improvements shall be constructed within the 40 feet. Property Owners may construct portions of the Outer Loop Trail within the remaining 60 foot buffer area along with a split rail wood fence along the trail. Property Owners may also use portions of the remaining 60 feet of buffer area for stormwater retention/detention unless, prior to Heber City's approval of the retention/detention, UDOT provides written notice to Heber City that UDOT reasonably anticipates that future improvements to Highway 40 or the interchange between Highway 40 and SR 32 will be restricted or impaired by the stormwater retention/detention within the buffer area.

8.2 **Outer Loop Trail.** Property Owners shall construct a public access multi-use trail along the perimeter of the Project as generally shown on the Site Plan. The trail shall be not less than 8 feet wide and shall include not less than 6 feet of hard surface.

8.3 **Ownership and Maintenance of Open Space or Trails.** All trails and open space shall be dedicated to and maintained by the Master Association for the development. All trails within the Project shall be open to public use unless the trail is utilized specifically to access a private residence.

8.4 **Sledding Hill and Plaza.** Property Owners have proposed constructing a sledding hill and plaza area, as generally shown on the Site Plan, that would be open to use for a reasonable fee by residents within the Project and the public. The sledding area and plaza shall count towards the required Traditional Park Space portion of the Open Space requirement and Open Space requirements generally. Property Owners acknowledge that the sledding hill and plaza are important characteristics to the approval of the Project, and if they elect not to construct the sledding hill or plaza area, Property Owners shall construct other public recreational amenities and public gathering places within the Project that are similar in cost and scope to the proposed sledding hill and plaza area.

8.5 **Park Impact Fees.** Property Owners acknowledge that all required park,

trail and open space improvements within the Project are a condition of development approval and are project improvements pursuant to Utah Code § 11-36a-102(15). Property Owners may be required to pay parks, recreation, open space and trails impact fees for system improvements that benefit the Project as established in the City's impact fee analysis.

8.6 **Tax Benefits.** The City acknowledges that Property Owners may seek to qualify for certain tax benefits by reason of conveying, dedicating, gifting, granting or transferring Open Space and/or Trails to the City or to a charitable organization. Property Owners shall have the sole responsibility to claim and qualify for any tax benefits sought by Property Owners by reason of the foregoing. The City shall reasonably cooperate with Property Owners to the maximum extent allowable under law to allow Property Owners to take advantage of any such tax benefits.

8.7 **North Fields Preservation.** Property Owners, for themselves and with respect to each subsequent Owner of the Property, agree that upon issuance of any building permit for residential, commercial or hotel ERUs, the Owner shall pay to the City a one-time fee equal to \$2,500 per ERU or such prorated amount on partial ERU attributable to such unit, as applicable (the "North Fields Preservation Fee"). The City shall utilize funds collected pursuant to the North Fields Preservation Fee solely for the purpose of preserving open space in the North Fields, including the acquisition of development rights or the use of other conservation related tools for the preservation of open space. The City agrees that the North Fields Preservation Fee shall not be charged for Development Units constructed and operated as Affordable Housing.

9. **Public Improvements.**

9.1 **Utilities Provided by the North Village Special Service District (NVSSD) and the Jordanelle Special Service District (JSSD).** The Parties acknowledge that the Project is currently served by the NVSSD and the JSSD for sewer and water, including secondary water. It is the intent by both Parties that the NVSSD and the JSSD shall continue to serve the project for these utilities through such service districts as long as they have capacity and are capable of serving. The Developer shall provide Commitment Letters from JSSD and NVSSD for the plat and/or phase being served before final approval for that particular plat is granted. Water for phases and all amenities shall be dedicated up front. If at any time it is deemed unfeasible to have JSSD or NVSSD serve the Project, the Developer shall secure other service providers. The City shall not be liable or responsible to provide such services. However, if at any point City sewer and water, including secondary water is available in the area, the City agrees that Property Owner shall be able to obtain City services. Developers shall be required to comply with the JSSD and NVSSD water policies generally applicable to all NVSSD customers

9.2 **Streets.** At a minimum, all streets within the Project shall be improved to the Residential / Minor Collector standard as set forth in Heber City Code § 18.21.040.4.6. Notwithstanding this requirement, Property Owners may elect to construct a single multi-use path on one side of any street in lieu of the 5' sidewalks typically required on both sides of the street under Heber City Code § 18.21.040.4.6. Any such multi-use paths shall have a minimum of 6' of hard surface material. Additionally, Property Owners may elect to construct one or more private access drives to facilitate its residential development that do not meet public street standards. Property Owners shall be responsible to construct all streets, road accesses, and pedestrian paths within the Project. Unless accepted by the City, all streets and paths shall be private and shall be dedicated to the Master Association and shall be owned and maintained by the Master Association.

9.3 **Storm Water Improvements and Management.** The Parties acknowledge that the City has adopted a regional storm water master plan (the “**North Village Stormwater Master Plan**”). Property Owners shall be required to comply with the policies and standards of the North Village Stormwater Master Plan, as amended, and associated Stormwater Design Manual, and all standards and requirements of any and all exhibits attached and incorporated into this Agreement. Property Owners acknowledge that compliance with North Village Stormwater Master Plan may require construction of off-site improvements as outlined in the North Village Storm Water Master Plan. Developer and Property Owner shall restore or replace the historic, natural drainage channels on the Property, downstream of the existing irrigation canals, as outlined and contemplated in the above referenced Master Plan

9.4 **Storm Water Retention/Detention from Off-Site Sources.** The Parties acknowledge that Property Owners may provide On-Site Storm Water Retention/Detention on the Property for an adjacent development, which On-Site Storm Water Retention/Detention would be used to meet the adjacent development's storm water retention/detention requirements with the City. Property Owners acknowledge that the City has not evaluated the On-Site Retention/Detention; Property Owners must establish that they can meet all City requirements for the On-Site Retention/Detention, which may include groundwater modeling for the Project; and to the extent Property Owners are not able to meet the On-Site Retention/Detention based on the Site Plan, Property Owners may be required to reduce the densities or remove building shown on the Site Plan to meet the requirements.

9.5 **Utilities and On-Site Infrastructure.** Property Owners shall prepare an Infrastructure Plan (a/k/a Civil Drawings). The Parties acknowledge that there will be a Capital Facilities Plan for the Public Infrastructure approved and adopted by the City. The Property Owners shall have the responsibility and obligation, to construct and fund, or cause to be constructed and installed, in phases, the On-Site and Off-Site Infrastructure that is necessary to support the development proposed

within a specific Development Application.

**9.6 Excess Improvements/Upsizing.** The Property Owners and City do not anticipate that Property Owners will be required to install any System Improvements or upsize any infrastructure. If the City does require the Property Owners to enlarge, increase or otherwise “upsized” or upgrade (collectively, the “**Excess Improvements**”) the City agrees that it shall reimburse the applicable Property Owners from Impact Fees collected by the City for, or to the extent permissible under then-applicable law and as identified in the approved Capital Facilities Plan, costs incurred by the applicable Property Owners in the construction of Excess Improvements. Property Owners shall not be compensated for any “upsizing” of the Backbone Improvements that are not included as System Improvements in the approved Capital Facilities Plan.

**9.7 Variations between Infrastructure Plan, Capital Facilities Plan and any City’s Future Capital Facilities Plan.** The Parties acknowledge that the City may adopt a new or amended Capital Facilities Plan. Additionally, the City may adopt new or amended Impact Fee ordinances as permitted by State Law for the collection of Impact Fees to pay for the construction of parts or all of the Backbone Improvements. The new Capital Facilities Plan shall in no way change any land uses or permitted uses of the Project; limit or control the rate, timing, phasing or sequencing of the approval, development or construction of all or any part of the Project in any manner so long as all applicable requirements of this Agreement and relevant sections of the Zoning Ordinance are satisfied. The Capital Facilities Plan and any future Capital Facilities Plan may differ from the Infrastructure Plan. As a part of the approval of a Development Application, the City may require Property Owners to build portions of the Backbone Improvements as shown on the Capital Facilities Plan (after it is adopted) instead of as shown on the Infrastructure Plan. Notwithstanding the above, nothing herein obligates the City to pay for the minimum backbone infrastructure needed for the Project.

**9.8 Modifications of Infrastructure Locations and the Boundaries of the Development Areas.** The City acknowledges that the exact locations of On and Off-Site Infrastructure and the boundaries of the Parcels are conceptual in nature and that additional surveying, engineering and similar studies are needed to finalize lot locations, road and utility alignments as well as road and utility sizing. Therefore, Parcel boundaries, road and utility alignments and, subject to the requirements of this Agreement, infrastructure sizing may be further modified and revised upon the City’s approval of subsequent Development Applications in accordance with subsequent subarea infrastructure Site Plans that will be prepared by Developer for each Phase, and the City’s Vested Laws, all subject to City final approval.

**9.9 Off-Site Connectivity.** All trails, canals, ditches and roads shall connect with existing and internal trails, canals, ditches and roads located immediately

adjacent to the Project such that there is consistent, smooth linkage and connectivity with any and all municipal systems.

9.10 **Public Infrastructure District.** City understands that Property Owners may request a Public Infrastructure District (“PID”) pursuant to Utah Code § 17D-4-101 et seq. for the Property. The City shall review and reasonably consider Property Owners’ petition to create the PID as an option to implement and facilitate the financing, construction, and operation of some or all of the Public Infrastructure for the Project.

9.11 **CC&Rs.** As more fully set forth in the CC&Rs, Property Owners shall create and establish one or more Property Owners’ Associations, which shall be responsible for the implementation and enforcement of the CC&Rs and the Design Guidelines, including but not limited to architectural reviews, water efficiency, wildfire education, open space, and private street and storm water system maintenance. The CC&Rs shall contain a provision that regulates the nightly rental of any residential unit located on the Property. It is anticipated that nightly rental of residential units within the development shall be through the Property’s hotel and within the hotel’s brand standards. Recordation of the CC&Rs and creation of such Property Owners’ Associations shall be required at the time of Final Plat review and approval. The City shall not be responsible for the implementation and/or enforcement of any such CC&Rs and Design Guidelines.

9.12 **Cable/Fiber Optic Service.** Subject to all applicable federal and state laws, as well as the City’s authorization and capacity to timely install in a reasonable manner all required infrastructure and provide such service, Property Owners agree that the City shall be the sole cable/fiber optic network provider for the Development. The City shall install or cause to be installed all underground conduits necessary to make available a minimum of one cable service/fiber optic communication provider, or other comparable information and communication service provider, within the Project. Property Owners shall cooperate and reasonably accommodate the City’s installation and development of said cable service/fiber optic network, (CFON). Notwithstanding the foregoing, Property Owners may contract with any cable TV/fiber optic and other communication provider of their own choice and grant an exclusive right of access and/or easement to such provider to furnish cable TV/fiber optic and other communication services for those dwelling units or other uses on such Property Owner’s real property so long as the property is private and not dedicated to the public. The City may charge and collect all taxes and fees with respect to cable, fiber optic and other communication lines as allowed under an applicable City ordinance or state law.

## 10. **Fees & Bonding**

10.1 **General Requirement of Payment of Fees.** The City acknowledges its

fees are subject to applicable State law. The City's impact fee requirements will be set forth in the City's approved Capital Facilities Plan for the Project area to be developed subsequent to this Agreement and incorporated herein.

10.2 **Bonding.** Property Owners, Developers or Sub-developers, as applicable, shall provide performance or warranty bonds, per the Heber City Code, for any on-site or off-site, publicly dedicated infrastructure or similar improvements for the Project (the "Security"), including, without limitation, roads, curb and gutter, storm drains, sewer, water, street lighting, signs, sidewalks, landscaping within public rights of way, public open space, public parks and trails.

11. **Construction Standards and Requirements.**

11.1 **Building Permits.** No buildings or other structures that require permits, shall be constructed within the Project without the Developer or Sub-developer first obtaining building permits in accordance with the City's Vested Laws. Developers and Sub-developers may apply for and obtain a grading permit following Preliminary Site Plan approval if the Developers or Sub-developers, as applicable, have submitted and received approval of a site-grading plan and SWPPP and subject to a Land Disturbance Permit issued pursuant to Section 12 below.

11.2 **City and Other Governmental Agency Permits.** Before commencement of construction or development of any buildings, structures or other work or improvements upon any portion of the Project, a Developer or Sub-developer shall, at their expense, secure, or cause to be secured, any and all permits which may be required by the City under the City's Vested Laws or any other governmental entity having jurisdiction over the work. The City shall reasonably cooperate with Developers Sub-developers in seeking to secure such permits from other governmental entities.

12. **Grading and On-Site Processing of Natural Materials.**

12.1 **On-Site Processing of Natural Materials.** Property Owners may use the natural materials located on the Project, including, without limitation, sand, gravel and rock, and subject to City's Vested Laws, may process such natural materials into construction materials, including, without limitation, aggregate or topsoil, for use in the construction of On and Off-Site Infrastructure, commercial buildings, residential structures, or other buildings or improvements located in the Project and other locations outside the Project. Property Owner shall remediate any damage to trails, infrastructure, drainage or natural water features caused by such use. Notwithstanding this provision, this does not permit the construction of any subdivision or site-specific improvements prior to the requisite Final Plat review and approval for such improvements. Any such uses shall not be considered gravel pits.

12.2 **Mass Transit.** City may include the Project in any future plans for public

transit connections associated with the North Village development area. This Project is a priority for public mass transit optionality, and Property Owners shall cooperate with City to install bus stops or other mass transit options within the Project.

13. **Provision of Municipal Services.** Except for services provided by Districts, the City shall provide all City services to the Project that it provides from time to time to other residents and properties within the City including, but not limited to, development services and inspections, road and streetlight maintenance on public streets, police, and other emergency services. Such services shall be provided to the Project at the same levels of service, and on the same terms and rates as provided to other residents and properties in the City, unless such services are provided by other entities, or, because of the unique topography, location or other special or unique circumstances in the area covered by this Agreement, the cost to provide such services is higher than the like property rate throughout the City, and the City is able to demonstrate by empirical evidence, that such costs are a result of substantive additional or increased costs of municipal services, or financial burden to the City, then such additional costs, including but not limited to those required for additional special fire or police services, may be passed on to the Property Owners by way of special municipal service zonal fees, or some other equivalent of such fees. The City may charge such increased rate fees to Property Owners with respect to the Project, Phase, or sections of a Phase proportionate to their share of the increased cost.

14. **Default.** Any failure by any party to perform any term or provision of this Agreement, which failure continues uncured for a period of ten (10) calendar days following the receipt of written notice of such failure from the other party shall constitute a “**Default**” under this Agreement.

14.1 **Notice.** Any notice of default (“Default Notice”) shall: (1) specify the claimed event of Default; (2) identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default; (3) identify why the claimed Default is claimed to be material; and (4) specify the manner in which said failure may be satisfactorily cured.

14.2 **Cure.** Following receipt of a Default Notice, the defaulting Party shall have thirty (30) days in which to cure such claimed Default (the “Cure Period”). If more than 30 days is required for such cure, the defaulting Party shall have such additional time as is reasonably necessary under the circumstances in which to cure such Default so long as the defaulting Party commences such cure within the Cure Period and pursues such cure with reasonable diligence. City may, as reasonably necessary, withhold permits or approvals during any Cure Period.

14.3 **Developer’s Remedies Upon Default.** Developer’s sole and exclusive remedy under this Agreement shall be specific performance of the rights granted in this Agreement and City’s obligations under this Agreement. IN NO EVENT SHALL HEBER CITY BE LIABLE TO DEVELOPER, ITS SUCCESSORS OR ASSIGNS, FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR

CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COSTS OF DELAY, OR LIABILITIES TO THIRD PARTIES.

14.4 **City's Remedies Upon Default.** In addition to all other remedies available at law or in equity, City shall have the right to withhold all further reviews, approvals, licenses, building permits and other permits for development of the Property in the case of a Default by Developer, until the Default has been cured. City shall further have the right to draw on any security posted or provided in connection with the Property and relating to remedying of the particular Default.

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

**To the Property Owners:**

Angstrom Development Group  
Attn: Neil Goldman  
1225 Deer Valley Drive Suite 201  
Park City, UT 84060

**To the City:**

City of Heber  
Attn: City Recorder  
25 North Main Street  
Heber, Utah 84032

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

15.1.1 **Physical Delivery.** Its actual receipt, if delivered personally, by courier service, or by facsimile, provided that a copy of the facsimile Notice is mailed or personally delivered as set forth herein on the same day and the sending Party has confirmation of transmission receipt of the Notice.

15.1.2 **Electronic Delivery.** Its actual receipt if delivered electronically by email, provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending Party has an electronic receipt of the delivery of the Notice.

15.1.3 **Mail Delivery.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail.

15.1.4 **Change of Notice Address.** Any Party may change its address for Notice under this Agreement by giving written Notice to the other Party in accordance with the provisions of this Section.

16. **Administrative Amendments.**

16.1 **Allowable Administrative Applications:** If allowed by Utah state law, the following modifications to this Agreement may be considered and approved by the Administrator.

16.1.1 **Infrastructure.** Modification of the location and/or sizing of the infrastructure for the Project that does not materially change the functionality of the infrastructure.

16.1.2 **Design Guidelines.** Modifications of the Design Guidelines.

16.1.3 **Development Unit Allocations.** Any allocation of Development Unit densities to be made by Property Owners or their successors and assigns.

16.1.4 **Minor Amendment.** Any other modifications deemed to be minor modifications by the Administrator.

16.2 **Application to Administrator.** Applications for Administrative Amendments shall be filed with the Administrator.

16.2.1 **Referral by Administrator.** If the Administrator determines for any reason that it would be inappropriate for the Administrator to determine any Administrative Amendment, the Administrator may require the Administrative Amendment to be processed as a Modification Application.

16.2.2 **Administrator's Review of Administrative Amendment.** The Administrator shall consider and decide upon the Administrative Amendment within a reasonable time not to exceed twenty-one (21) days from the date of submission of a complete application for an Administrative Amendment. Applicant must provide all documents in their completed form and pay any required fee in accordance with State law.

16.2.3 **Notification Regarding Application and Administrator's Approval.** Within ten (10) days of receiving a complete application for an Administrative Amendment, the Administrator shall notify the Council in writing. Unless the Administrator receives a notice pursuant to these Sections, requiring that the proposed Administrative Amendment be considered by the Council as a Modification Application, the Administrator shall review the application for an Administrative Amendment and approve

or deny the same within the 45-day period set forth in Section 16.2.2. If the Administrator approves the Administrative Amendment, the Administrator shall notify the Council in writing of the proposed approval and such approval of the Administrative Amendment by the Administrator shall be conclusively deemed binding on the City. A notice of such approval shall be recorded against the applicable portion of the Property in the official City records.

**16.2.4 City Council Requirement of Modification Application Processing.** If the Council requires the proposed Administrative Amendment to be considered by the Council as a Modification Application, it shall, within two (2) business days after the first Council meeting following notification by the Administrator pursuant to Section 16.2.3 above, notify the Administrator that the Administrative Amendment must be processed as a Modification Application, and that the Council shall be the final determining body for any and all Modification Applications.

**16.2.5 Appeal of Administrator's Denial of Administrative Amendment.** If the Administrator denies any proposed Administrative Amendment, the Applicant may process the proposed Administrative Amendment to the Council for final adjudication. The Council shall be the final determining body for any and all Modification Applications.

17. **Amendment.** Except for Administrative Amendments, any future amendments to this Agreement shall be considered as Modification Applications subject to the following processes:

**17.1 Submissions of Modification Applications.** Only the City or Property Owners or an assignee of Property Owners, approved in writing by the City, and one that succeeds to all of the rights and obligations of Property Owners under this Agreement may submit a Modification Application.

**17.2 Modification Application Contents.** Modification Applications shall include:

**17.2.1 Identification of Property.** Identify the property or properties affected by the Modification Application.

**17.2.2 Description of Effect.** Describe the effect of the Modification Application on the affected portions of the Project.

**17.2.3 Identification of Non-City Agencies.** Identify any Non-City agencies potentially having jurisdiction over the Modification Application.

**17.2.4 Map.** Provide a map of any affected property and all property

within three hundred feet (300') showing the present or Intended Use and density of all such properties.

17.2.5 **Fee.** Modification Applications shall be accompanied by a fee in an amount reasonably estimated by the City to cover the costs of processing the Modification Application.

17.3 **Mutual Cooperation in Processing Modification Applications.** Both the City and Applicants shall cooperate reasonably in promptly and fairly processing Modification Applications.

17.4 **Planning Commission Review of Modification Applications**

17.4.1 **Review.** All aspects of a Modification Application required by law to be reviewed by the Planning Commission shall be considered by the Planning Commission as soon as reasonably possible in accordance with the City's Vested Laws in light of the nature and complexity of the Modification Application. The City shall not be required to begin its review of any application unless and until the Applicant has submitted a complete application.

17.4.2 **Recommendation.** The Planning Commission's vote on the Modification Application, if required by law, shall be only a recommendation.

17.5 **Council Review of Modification Application.** After the Planning Commission, if required by law, has made or been deemed to have made its recommendation of the Modification Application, the Council shall consider the Modification Application.

17.6 **Council's Objections to Modification Applications.** If the Council objects to the Modification Application, the Council shall provide a written determination advising the Applicant of the reasons for denial, including specifying the reasons the City believes that the Modification Application is not consistent with the intent of this Agreement and/or the City's Vested Laws (or, only to the extent permissible under this Agreement, the City's Future Laws).

17.7 **Mediation of Council's Objections to Modification Applications.** If the Council and Property Owners are unable to resolve a dispute regarding a Modification Application, the Parties shall attempt within seven (7) days to appoint a mutually acceptable expert in land planning or such other discipline as may be appropriate. If the Parties are unable to agree on a single acceptable mediator, each shall, within seven (7) days, appoint its own individual appropriate expert. These two experts shall, between them, choose the single mediator. Property Owners shall pay the fees of the chosen mediator. The chosen mediator shall within fourteen (14)

days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties.

17.8 **Amendments by Property Owners.** Notwithstanding any other provision in this Agreement to the contrary, Property Owners may propose and if approved by the City, execute any amendment or other modification of this Agreement or the Site Plan, without the consent of any Property Owner provided that such amendments, modifications, land uses and density allocations: (a) are consistent with the requirements of the City's Vested Laws; and (b) shall not alter the ERU density allocated to such Property Owner identified in a duly executed Development Report or assignment from Property Owners or otherwise affect any development rights associated with such Property Owner's Development Property set forth in a property specific development agreement with the City pertaining to such Development Property or a recorded Subdivision Plat specific to such Development Property and no other portion of the Project. For avoidance of doubt, neither the City nor Property Owners shall be required to obtain the consent of any Property Owner or any subsequent owner of a portion of the Project in order to amend this Agreement pursuant to this Section 17.

18. **Estoppel Certificate.** Upon twenty (20) days prior written request by a Property Owner, the City will execute an estoppel certificate to any third party certifying that this Agreement has not been amended or altered (except as described in the certificate) and remains in full force and effect, and that such Property Owner is not in default of the terms of this Agreement (except as described in the certificate), and such other matters as may be reasonably requested by the Property Owner. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

19. **Entire Agreement** Unless expressly provided herein, nothing in this Agreement shall be interpreted to conflict with, replace or waive any requirements, obligations, standards, duties, rights and enforcements afforded to the Parties, provided by and through the NVOZ Zone and Ordinance, and shall be interpreted and presumed by the Parties to be consistent, in harmony with, and incorporated herein with this Agreement. This Agreement and all Exhibits hereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

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

21. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Property Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights. The Parties acknowledge that this Agreement refers to a private development and that the City has no interest in, responsibility for or duty to any third parties, including but not limited to JSSD or NVSSD, concerning any improvements to the Property unless the City has accepted the dedication

of such improvements at which time all rights and responsibilities for the dedicated public improvement shall be the City's.

22. **Assignability**

22.1 **Transfer to Developers and Sub-developers.** Notwithstanding anything to the contrary in this Agreement, Property Owners or their successors may sell any portion of the Property to one or more parties (each a “**Developer**” or “**Sub-developer**”) at any time from and after the Effective Date. Each such transferred portion of the Property (each, a “**Development Property**”) shall be developed by the Developer and/or Sub-developer in accordance with and subject to the terms hereof, including, without limitation, the following:

22.1.1 Developer or Sub-developer shall assume in writing for the benefit of the City and Property Owners all of the obligations and liabilities of Property Owners hereunder with respect to the Development Property.

22.1.2 Developer and Sub-developer shall be afforded the rights of Property Owners granted hereunder in respect of the applicable Development Property only, including, without limitation, any rights of Property Owners in and the impact fee credits and/or reimbursements pertaining to such Development Property; provided, however, that unless Property Owners otherwise agrees in writing, Developer and/or Sub-developer shall not, in each case without the prior written consent of Property Owners, which may be granted or withheld in their sole discretion:

(i) submit any design guidelines to the City in respect to the Development Property and/or propose any amendments, modifications or other alterations to the Design Guidelines or any other design guidelines previously submitted by Property Owners to the City in respect of the Development Property;

(ii) process any Final Plats, site plans or Development Applications for the Development Property and/or propose any amendments, modifications or other alterations of any approved Final Plats, site plans, and/or Development Applications procured by Property Owners for the Development Property; or

(iii) propose or oppose any amendments, modifications or other alterations to this Agreement.

22.1.3 The City agrees not to accept or process any of the foregoing matters from a Developer and/or Sub-developer unless the matter has been approved by the owner of the Development Property.

22.1.4 Property Owners shall not amend, modify or alter this Agreement or the Design Guidelines, or any Final Plats, Development Agreements and/or site plans approved for the Development Property in a manner that would materially interfere with Developer and/or Sub-developer's rights hereunder in respect of such Development Property, in each case without Developer and/or Sub-developer's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

23. **Effect of Breach.** Notwithstanding any other provision of this Agreement, no breach or default hereunder, by any Person succeeding to any portion of a Property Owner's obligations under this Agreement shall be attributed to Property Owner. Nor may a Property Owner's rights hereunder be canceled or diminished in any way by any breach or default by any such Person. No breach or default hereunder by a Property Owner shall be attributed to any Person succeeding to any portion of such Property Owner's rights or obligations under this Agreement, nor shall such transferee's rights be canceled or diminished in any way by any breach or default by such Property Owner. During the development of the Project, until final approval of and dedication to the City, Developer, Owners or Owners, and their assigns, transferees, and sub-developers shall maintain the City as an additional named insured where reasonably possible, and without adding unreasonable cost, on any relevant or applicable liability insurance associated with the Project.

24. **Mortgage Protection.** This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any such Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any Person that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise. Notwithstanding the provisions of this Section, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to guarantee such construction or completion. If the City receives a written notice from a Mortgagee requesting a copy of any notice of default given to a Property Owner or a Sub-developer and specifying the address for service thereof, then the City shall deliver to such Mortgagee, concurrently with service thereon to the Property Owner or a Sub-developer, as applicable, any notice of default or determination of noncompliance given to the Property Owner or such Sub-developer. Each Mortgagee shall have the right (but not the obligation) for a period of 90 days after the receipt of such notice from the City to cure or remedy the default claimed or the areas of noncompliance set forth in the City's notice. If such default or noncompliance is of a nature that it can only be cured or remedied by such a Mortgagee upon obtaining possession of the Property, then such Mortgagee may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall within 90 days after obtaining possession cure or remedy such default or noncompliance. If such default or noncompliance cannot with diligence be cured or remedied within either such 90 -day period, then such Mortgagee shall have such additional time as may be reasonably necessary to cure or remedy such default or noncompliance if such Mortgagee commences such cure or remedy during such 90 -day period and thereafter diligently

pursues completion of such cure or remedy to the extent possible.

25. **Termination**

25.1 This Agreement shall be terminated and of no further effect upon the occurrence of any of the following events:

- (i) Expiration of the Term of this Agreement, unless extended as provided in Section 6;
- (ii) Completion of the Project in accordance with the Development Entitlements and the City's issuance of all required occupancy permits and acceptance of all dedications and improvements required under the Development Entitlements and this Agreement;
- (iii) Except for the payment of applicable fees and assessments, as for any specific residential dwelling or other structure within the Project, this Agreement shall be terminated for such dwelling or other structure upon the issuance by City of a certificate of occupancy therefore;
- (iv) Entry of final judgment (with no further right of appeal) or issuance of a final order (with no further right of appeal) directing City to set aside, withdraw, or abrogate City's approval of this Agreement,
- (v) The effective date of a party's election to terminate the Agreement as specifically provided in this Agreement, or
- (vi) in the event that Developer or the project are in default, or where material, contractual and developmental obligations are not met, or any deadlines and conditions of this Agreement, and relevant State and Federal Laws not fulfilled or are violated, after appropriate default notices and cure provisions of this Agreement.

25.2 **Notice of Termination.** City shall, upon written request made by Developer or Developer's successor(s) or assign(s) or any Owner to City's Planning Director, determine if the Agreement has terminated with respect to any parcel or lot at the Property, and shall not unreasonably withhold, condition, or delay termination as to that lot or parcel. Upon termination of this Agreement as to any lot or parcel, City shall upon Developer or Developer's successor(s) or assign(s) or any Owner's request record a notice of termination that the Agreement has been terminated. The aforesaid notice may specify, and Developer or Developer's successor(s) or assign(s) and Owners agree, that termination shall not affect in any manner any continuing obligation to pay any item specified by this Agreement. Termination of the Agreement as to any parcel or lot at the Property shall not affect Developer or

Developer's successor(s) or assign(s) or any Owner's rights or obligations under any of the Development Entitlements and Subsequent Entitlements, including but not limited to, the General Plan, Specific Plan, Zoning Ordinance and all other City policies, regulations, and ordinances applicable to the Project at the Property. City may charge a reasonable fee for the preparation and recordation of any notice(s) of termination requested by Developer or Developer's successor(s) or assign(s) or any Owner.

25.3 **Partial Termination.** In the event of a termination of this Agreement with respect of any portion of the Property, any then-existing rights and obligations of the parties with respect to such portion of the Property shall automatically terminate and be of no further force, effect or operation. However, no termination of this Agreement with respect to any portion of the Property or the Project shall affect in any way the parties' rights and obligations hereunder with respect to any other portion of the Property or Project not subject to the termination. Subject to the provisions of the Default Paragraph 14, the expiration or termination of this Agreement shall not result in any expiration or termination of any Entitlement then in existence, without further action of City.

26. **Insurance and Indemnification.** Each Property Owner shall defend and hold the City and its officers, employees and consultants harmless for any and all claims, liability and damages arising out of the negligent actions or inactions of such Property Owner, its agents or employees pursuant to this Agreement, unless caused by the City's negligence or willful misconduct.

27. **Hazardous, Toxic, and/or Contaminating Materials.** Each Owner shall defend and hold the City and its elected and/or appointed boards, officers, agents, employees and consultants harmless from any and all claims, liabilities, costs, fines, penalties and/or charges of any kind whatsoever relating to the existence and removal, or caused by the introduction of hazardous, toxic and/or contaminating materials by such Property Owner on the Project or arising out of action or inactions of Developer, except where such claims, liability costs, fines, penalties and charges are due to the actions of the City or its elected or appointed boards, officers, agents, employees or consultants.

28. **Binding Effect.** If Property Owners or another Property Owner conveys any portion of the Property to one or more Sub-developers, the property so conveyed shall have the same rights, privileges, Intended Uses and configurations, and shall be subject to the same limitations and rights of the City, applicable to such property under this Agreement prior to such conveyance, without any required approval, review, or consent by the City, except as otherwise provided herein.

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

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

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

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

33. **Appointment of Representatives.** To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and Property Owners each shall designate and appoint a representative to act as a liaison between the City and its various departments and Property Owners. The initial representative for the City shall be City Manager, or his designee and the initial representatives for Property Owners shall be Neil Goldman. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project

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

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

36. **Recordation and Running with the Land.** This Agreement shall be recorded in the office of the Wasatch County Recorder. Copies of the City's Vested Laws, Exhibit D, shall not be recorded. A secure copy of Exhibit D shall be filed with the City Recorder and each Party shall also have an identical copy. The provisions of this Agreement shall constitute real covenants, contract and property rights and equitable servitudes, which shall run with all of the land subject to this Agreement. The burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto. All successors in interest shall succeed only to those benefits and burdens of this Agreement which pertain to the portion of the Project Area to which the successor holds title. Such titleholder is not a third party beneficiary of the remainder of this Agreement or to zoning classifications and benefits relating to other portions of the Project Area. The obligations of Property Owners hereunder are enforceable by the City, and no other Person shall or may be a third party beneficiary of such obligations unless specifically

provided herein.

37. **Authority.** The parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to City Policy. This Agreement is approved as to form and is further certified as having been lawfully adopted by the City by the signature of the City Attorney.

38. **Covenant of Good Faith and Fair Dealing.** No party shall do anything which shall have the effect of injuring the right of another party to receive the benefits of this Agreement or do anything which would render its performance under his agreement impossible. Each party shall perform all acts contemplated by this Agreement to accomplish the objectives and purposes of this Agreement.

39. **Further Actions and Instruments.** The Parties agree to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of the Agreement. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Agreement.

40. **Partial Invalidity Due to Governmental Action.** In the event state or federal laws or regulations enacted after the Execution Date of this Agreement, or formal action of any governmental jurisdiction other than City, prevent compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified extended or suspended only to the minimum extent necessary to comply with such laws or regulations.

41. **Waiver of Rights Under Utah Code Section 10-9a-532.** The Parties have been represented by an attorney throughout this process. Developer acknowledges that this Agreement does not restrict any of Developer's rights under clearly established state law or that Developer has been advised in writing of any such rights being restricted. As an essential term of this Agreement, Developer hereby waives any claim that any term of this Agreement is void, illegal, invalid, or unenforceable as the result of any failure on the City's part to disclose in writing any rights being restricted by this Agreement.

[Signatures appear on the following two pages.]

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

PROPERTY OWNERS:

**KLJB, LLC** Utah limited liability company

By: \_\_\_\_\_

Name:

Title: Manager

PROPERTY OWNER ACKNOWLEDGMENT

STATE OF UTAH )

:§.

CITY OF SALT LAKE )

On the \_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared before me \_\_\_\_\_, who being by me duly sworn, did say that he is the Manager of KLJB, LLC, and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

\_\_\_\_\_  
NOTARY PUBLIC





CITY

**Heber City**, a political subdivision of the State of Utah

By: \_\_\_\_\_

Name:

Its: \_\_\_\_\_

Approved as to form and legality:

Attest:

City Attorney

City Recorder

By: \_\_\_\_\_

By: \_\_\_\_\_

DRAFT

## EXHIBIT A

### TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE RESIDENTIAL DEVELOPMENT

#### Legal Description

##### **Parcel 1: 00-0020-0622**

BEGINNING AT A POINT NORTH 89°17'09" WEST 1894.08 FEET ALONG THE SOUTH SECTION LINE AND NORTH 870.95 FEET FROM THE ORIGINAL SOUTH QUARTER CORNER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; SAID POINT THE CORNER OF A FENCE; THENCE ALONG SAID FENCE THE FOLLOWING EIGHT COURSES; THENCE NORTH 01 °32'49" WEST 120.95 FEET; THENCE NORTH 25°36'52" EAST 90.88 FEET; THENCE NORTH 32°19'33" EAST 120.86 FEET; THENCE NORTH 31°02'53" EAST 135.11 FEET; THENCE NORTH 07°40'04" EAST 313.06 FEET; THENCE NORTH 07°47'31" EAST 142.80 FEET; THENCE NORTH 07°42'05" EAST 92.71 FEET; THENCE NORTH 07°57'21" EAST 88.82 FEET; THENCE ALONG A FENCE ON THE NORTH SIDE OF THE PROPERTY THE FOLLOWING NINE COURSES; THENCE NORTH 84°40'25" EAST 162.95 FEET; THENCE SOUTH 78°19'19" EAST 175.24 FEET TO AN EXISTING HIGHWAY RIGHT-OF-WAY MARKER ALONG STATE ROAD 220 (RIVER ROAD); THENCE NORTH 84°30'01" EAST 196.45 FEET; THENCE NORTH 71°11'32" EAST 46.59 FEET AN EXISTING HIGHWAY RIGHT-OF-WAY MARKER LOCATED ON THE APPARENT OLD SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 220 (RIVER ROAD); THENCE SOUTH 86°47'32" EAST 90.60 FEET; THENCE NORTH 88°41'42" EAST 190.44 FEET; THENCE SOUTH 89°17'10" EAST 180.01 FEET; THENCE NORTH 89°05'02" EAST 52.91 FEET; THENCE SOUTH 89°04'05" EAST 189.48 FEET TO A FENCE FOLLOWING THE WESTERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 40; THENCE SOUTH 24°19'21" EAST ALONG SAID FENCE AND RIGHT-OF-WAY LINE 683.46 FEET TO AN EXISTING HIGHWAY RIGHT-OF-WAY MONUMENT (175-35.42); THENCE CONTINUING ALONG SAID RIGHT-OF-WAY SOUTH 23°15'01" EAST 456.90 FEET TO A FENCE FOLLOWING THE NORTH BOUNDARY OF THE HUGH SMITH PROPERTY (SAID FENCE LINE ASSUMED TO BE THE NORTHERLY BOUNDARY LINE OF THE HUGH SMITH PROPERTY AS PER ENTRY NUMBER 135991, BOOK 174, PAGES 55-57), THENCE WESTERLY ALONG SAID FENCE THE FOLLOWING SIX COURSES; THENCE SOUTH 89°25'58" WEST 187.50 FEET; THENCE SOUTH 88°57'55" WEST 197.93 FEET; THENCE NORTH 88°10'07" WEST 92.66 FEET; THENCE SOUTH 88°55'51" WEST 139.39 FEET; THENCE SOUTH 89°41'39" WEST 146.28 FEET; THENCE SOUTH 89°26'02" WEST 1231.19 FEET TO THE POINT OF BEGINNING.

LESS THAN AND EXCEPTING PROPOSED PARCEL B, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1246.50 FEET AND NORTH 1747.80 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3

SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 08°54'34" EAST 157.68 FEET TO A POINT ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1024.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°09'55" WEST; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 110.50 FEET THROUGH A CENTRAL ANGLE OF 06°10'37"; THENCE NORTH 71°02'57" EAST 52.43 FEET; THENCE SOUTH 89°36'04" EAST 282.28 FEET; THENCE SOUTH 00°35'16" EAST 180.00 FEET; THENCE SOUTH 89°24'44" WEST 467.71 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL C, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 718.76 FEET AND NORTH 1758.78 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 180.00 FEET; THENCE SOUTH 89°36'04" EAST 333.88 FEET; THENCE SOUTH 23°43'12" EAST 603.61 FEET; THENCE SOUTH 66°16'48" WEST 220.00 FEET; THENCE NORTH 23°43'12" WEST 508.10 FEET; THENCE SOUTH 89°24'44" WEST 169.04 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL D, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.57 FEET AND NORTH 885.67 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 270.00 FEET; THENCE NORTH 89°24'44" EAST 821.66 FEET; THENCE SOUTH 00°35'16" EAST 65.91 FEET; THENCE SOUTH 45°28'32" WEST 176.21 FEET; THENCE SOUTH 00°40'44" EAST 81.83 FEET; THENCE SOUTH 89°24'44" WEST 694.91 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL E, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 790.66 FEET AND NORTH 1174.32 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 89°24'44" EAST 430.63 FEET; THENCE NORTH 66°16'48" EAST 260.00 FEET; THENCE SOUTH 23°43'12" EAST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 163.99 FEET; THENCE SOUTH 39°20'39" WEST 76.97 FEET; THENCE SOUTH 89°24'44" WEST 478.82 FEET; THENCE NORTH 00°35'16" WEST 110.69 FEET; THENCE NORTH 46°39'03" WEST 134.61 FEET; THENCE NORTH 00°35'16" WEST 65.91 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL F, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1246.50 FEET AND NORTH 1747.80 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 89°24'44" EAST 467.71 FEET; THENCE NORTH 00°35'16" WEST 180.00 FEET; THENCE NORTH 89°36'04" WEST 282.28 FEET; THENCE SOUTH 71°02'57" WEST 52.43 FEET TO A POINT ON A NON TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1024.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 10°20'32" WEST; THENCE WESTERLY ALONG THE ARC OF SAID CURVE 110.50 FEET THROUGH A CENTRAL ANGLE OF 06°10'37"; THENCE NORTH 08°54'34" EAST 10.27 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD, SAID POINT BEING ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1014.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°17'47" WEST; THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD THE FOLLOWING THREE (3) COURSES: 1) EASTERLY ALONG THE ARC OF SAID CURVE 106.34 FEET THROUGH A CENTRAL ANGLE OF 06°00'12"; THENCE 2) NORTH 71 °02'57" EAST 53.38 FEET; THENCE 3) SOUTH 89°36'04" EAST 702.69 FEET TO THE WESTERLY RIGHT-OF-WAY OF US 40; THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF US 40 THE FOLLOWING TWO (2) COURSES: 1) SOUTH 24 °22'00" EAST 683.96 FEET; THENCE 2) SOUTH 23° 12'07" EAST 457 .13 FEET TO AN EXISTING FENCE; THENCE ALONG THE FENCE LINE THE FOLLOWING FOUR (4) COURSES: 1) SOUTH 89°18'16" WEST 300.75 FEET; THENCE 2) SOUTH 89°57'53" WEST 185.35 FEET; THENCE 3) SOUTH 89°19'16" WEST 734.23 FEET; THENCE 4) SOUTH 89°33'11" WEST 489.59 FEET; THENCE NORTH 00°35'16" WEST 10.01 FEET; THENCE NORTH 89°24'44" EAST 694.91 FEET; THENCE NORTH 00°40'44" WEST 81.83 FEET; THENCE NORTH 45°28'32" EAST 176.21 FEET; THENCE SOUTH 46°39'03" EAST 134.61 FEET; THENCE SOUTH 00°35'16" EAST 110.69 FEET; THENCE NORTH 89°24'44" EAST 478.82 FEET; THENCE NORTH 39°20'39" EAST 76.97 FEET; THENCE NORTH 66°16'48" EAST 163.99 FEET; THENCE NORTH 23°43'12" WEST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 260.00 FEET; THENCE NORTH 23°43'12" WEST 569.61 FEET; THENCE SOUTH 89°24'44" WEST 666.74 FEET; THENCE NORTH 08°54'34" EAST 60.83 FEET TO THE POINT OF BEGINNING.

**Parcel 2: 00-0021-1558**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.57 FEET AND NORTH 885.67 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 270.00 FEET; THENCE NORTH 89°24'44" EAST 821.66 FEET; THENCE SOUTH 00°35'16" EAST 65.91 FEET; THENCE SOUTH 45°28'32" WEST 176.21 FEET;

THENCE SOUTH 00°40'44" EAST 81.83 FEET; THENCE SOUTH 89°24'44" WEST 694.91 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH AN UNLIMITED RIGHT OF WAY AND UTILITY EASEMENT FOR THE BENEFIT OF THE GRANTEE PARCELS, OVERALL INGRESS AND EGRESS DRIVEWAYS, ROADS AND/OR PATHS THAT ORIGINATE FROM RIVER ROAD OR HIGHWAY, AND CONTINUING THROUGH AND OVERALL DRIVEWAYS, VEHICLE PATHS AND/OR PEDESTRIAN PATHS THAT ARE INSTALLED ON GRANTOR'S REMAINING PROPERTY AND/OR THE PROPERTY DESCRIBED AS PARCEL E ON THE WARRANTY DEED IN FAVOR OF K&H DEVELOPMENT-HEBER, LLC RECORDED ON JULY 22, 2015, IN THE OFFICE OF THE WASATCH COUNTY RECORDER AS ENTRY NO. 414240 IN BOOK 1135 AT PAGE 193.

**PARCELS 3-15: 00-0021-1556, 00-0021-2614, 00-0021-2616, 00-0021-2615, 00-0021-2611, 00-0021-2613, 00-0021-2612, 00-0021-2617, 00-0021-2618, 00-0021-1557, 00-0021-2619, 00-0021-2620, 00-0021-1559**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.47 FEET AND NORTH 875.66 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 10.01 FEET; THENCE NORTH 89°24'44" EAST 694.91 FEET; THENCE NORTH 00°40'44" WEST 81.83 FEET; THENCE NORTH 45°28'32" EAST 176.21 FEET; THENCE SOUTH 46°39'03" EAST 134.61 FEET; THENCE SOUTH 00°35'16" EAST 110.69 FEET; THENCE NORTH 89°24'44" EAST 478.82 FEET; THENCE NORTH 39°20'39" EAST 76.97 FEET; THENCE NORTH 66°16'48" EAST 163.99 FEET; THENCE NORTH 23°43'12" WEST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 260.00 FEET; THENCE NORTH 23°43'12" WEST 569.61 FEET; THENCE SOUTH 89°24'44" WEST 666.74 FEET; THENCE NORTH 08°54'34" EAST 228.79 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD, SAID POINT BEING ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1014.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°17'47" WEST; THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD THE FOLLOWING THREE (3) COURSES: 1) EASTERLY ALONG THE ARC OF SAID CURVE 106.34 FEET THROUGH A CENTRAL ANGLE OF 06°00'12"; THENCE 2) NORTH 71°02'57" EAST 53.38 FEET; THENCE 3) SOUTH 89°36'04" EAST 702.69 FEET TO THE WESTERLY RIGHT-OF-WAY OF US 40; THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF US 40 THE FOLLOWING TWO (2) COURSES: 1) SOUTH 24°22'00" EAST 683.96 FEET; THENCE 2) SOUTH 23°12'07" EAST 457.13 FEET TO AN EXISTING FENCE; THENCE ALONG THE FENCE LINE THE FOLLOWING FOUR (4) COURSES: 1) SOUTH 89°18'16" WEST 300.75 FEET; THENCE 2) SOUTH 89°57'53" WEST 185.35 FEET; THENCE 3) SOUTH 89°19'16" WEST 734.23 FEET; THENCE 4) SOUTH 89°33'11" WEST 489.59 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING THEREFROM THAT PORTION OF THE LAND DISCLOSED BY THAT CERTAIN WARRANTY DEED RECORDED JULY 13, 2017 AS ENTRY NO. 440372

IN BOOK 1195 AT PAGE 1907 OF OFFICIAL RECORDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**NORTH VILLAGE RESORT RETAIL 2**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 879.14 FEET AND NORTH 1733.16 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, A 3" ALUMINUM CAP 2005; AND RUNNING THENCE NORTH 00°35'16" WEST 105.66 FEET; THENCE EAST 315.08 FEET; THENCE SOUTH 102.44 FEET; THENCE SOUTH 89°24'44" WEST 314.01 FEET TO THE POINT OF BEGINNING.

**Parcel Nos: 00-0021-2479, 00-0021-2480, 00-0021-2481**

**RETAIL 2:**

A parcel of land located in the South half of Section 18, Township 3 South, Range 4 East, Salt Lake Base and Meridian, said parcel being more particularly described as follows:

Beginning at a point that is North 89°17'02" West 879.14 feet and North 1733.16 feet from the South Quarter Corner of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian, a 3" aluminum cap 2005; and running thence North 00°35'16" West 105.66 feet; thence East 315.08 feet; thence South 102.44 feet; thence South 89°24'44" West 314.01 feet to the point of beginning.

Together with and subject to an unlimited right of way and utility easement for the benefit of the Grantee parcels, over all ingress and egress driveways, roads and/or paths that originate from River Road or Highway, and continuing through and over all driveways, vehicle paths and/or pedestrian paths that are installed on Grantor's remaining property and/or the property described as Parcel E on the Warranty Deed in favor of K&H Development-Heber, LLC recorded concurrently herein.

**Parcel No.: 00-0021-1555**

A parcel of land located in the south half of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian, said parcel being more particularly described as follows:

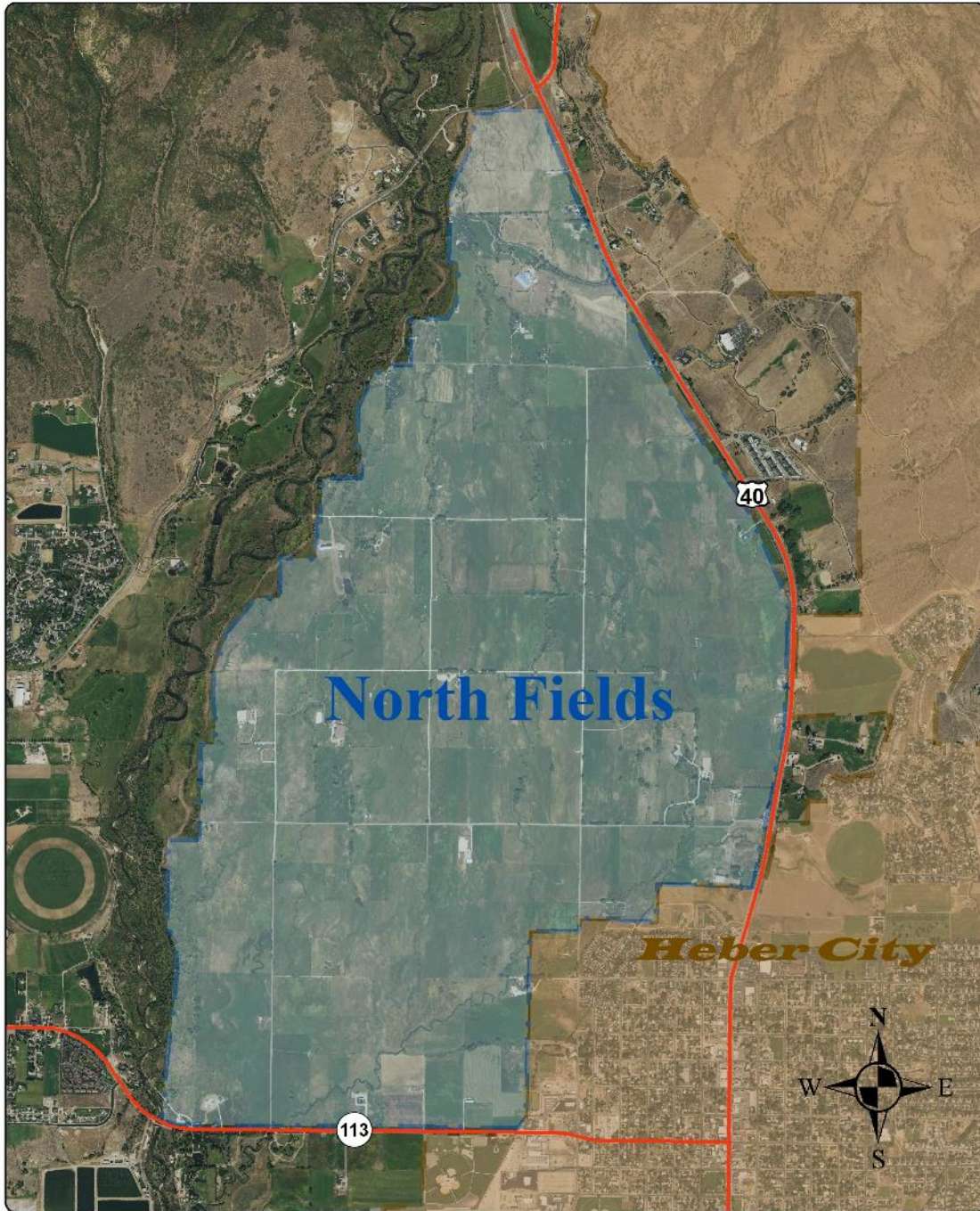
Beginning at a point that is North 89°17'02" West 790.66 feet and North 1174.32 feet from the south quarter corner Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian; and running thence North 89°24'44." East 430.63 feet; thence North 66°16'48" East 260.00 feet; thence South 23°43'12" East 270.43 feet; thence South 66°16'48" West 163.99 feet; thence South 39°20'39" West 76.97 feet; thence South 89°24'44" West 478.82 feet; thence North 00°35'16" West 110.69 feet; thence North 46°39'03" West 134.16 feet; thence North 00°35'16" West 65.91 feet to the point of beginning.

**EXHIBIT B**  
**TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE**  
**RESIDENTIAL DEVELOPMENT**  
**Site Plan**



The Site Plan is provided for conceptual purposes only and does not constitute a final or binding representation of the proposed development or its components. Notwithstanding the above, Property Owners agree to follow general principles that include having no more than 140 townhome units, a condo and hotel, and a minimum of 100k square feet of commercial in a centralized plaza and affordable housing in the Southeastern section of the parcel.

**EXHIBIT C**  
**TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE**  
**RESIDENTIAL DEVELOPMENT**  
**North Fields**



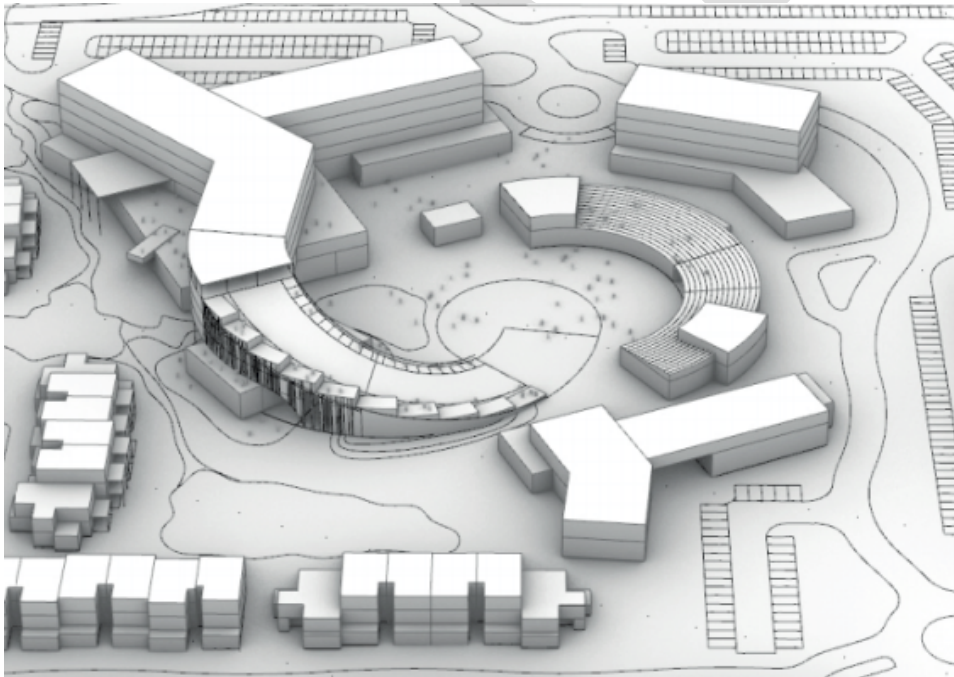
**EXHIBIT D**  
TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE  
RESIDENTIAL DEVELOPMENT

**City's Vested Laws**

For the City's Vested Laws, reference the North Village Overlay Zone (NVOZ), adopted by the City Council of Heber City, Utah, in Chapter 18.81 of Heber Municipal Code on March 16, 2021.

DRAFT

**EXHIBIT E**  
TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE  
RESIDENTIAL DEVELOPMENT





PUBLIC WORKS

## Mayor's Award Nominee

Dear Mayor Franco,

I am writing to formally nominate Kyle Mair for the Mayor's Award in recognition of his outstanding contributions and exceptional performance as the sole Mechanic in Heber City Public Works' Fleet Department during an unprecedented period of transition. Kyle's dedication and professionalism exemplify the qualities that this award seeks to honor.

Approximately four months after joining Public Works, Kyle faced the unexpected departure of both the Fleet Manager and the department's other Mechanic. Despite being new to his role, Kyle rose to the occasion, seamlessly assuming the responsibilities of three individuals. His ability to adapt under pressure and maintain the department's operations without disruption was nothing short of extraordinary.

During this time, Kyle received numerous compliments from department heads across the city. His exceptional communication skills were evident as he kept departments informed, coordinated with outside consultants, and ensured that critical repairs were completed efficiently and to the highest standards. Notably, his work ethic and commitment to excellence never wavered, even as he took on an overwhelming workload.

Kyle's contributions during this challenging period set a remarkable example of dedication, resilience, and professionalism. His efforts ensured that the Fleet Department continued to meet the needs of the city's operations seamlessly, reflecting the core values and mission of Heber City Public Works.

It is rare to encounter an employee who demonstrates such remarkable initiative and ability under extraordinary circumstances. Kyle's performance has made a lasting impact on Public Works and the broader Heber City community, making him an exceptional candidate for the Mayor's Award.

Thank you for considering Kyle Mair for this well-deserved recognition. Should you require any additional information or details, please do not hesitate to contact me.

Sincerely,

**MATTHEW M. KENNARD**

Heber City Corporation  
Public Works Director



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025  
**SUBJECT:** Resolution 2024-20 to Update the Parks Policy  
**RESPONSIBLE:** J. Mark Smedley  
**DEPARTMENT:** Administrative  
**STRATEGIC RELEVANCE:**

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## SUMMARY

A proposal for a revision to the Heber City Public Park Use Policy was brought to the City Council on December 3<sup>rd</sup>, 2024.

Following the discussion, the Council requested some revisions.

As before, the purpose of this Report and accompanying materials is to provide an overall summary of said Council changes and overall revisions to the Policy, which includes additional clarifications of use, and a new paragraph of general prohibitions to acts against persons and property.

On November 19th, 2024, the Parks Reservations Sections, 2 and 15 of the Park Use Application, were adopted and amended in the City's *Consolidated Fee Schedule* to reflect the revised fees.

## RECOMMENDATION

The Council review and approve the proposed revisions.

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## BACKGROUND

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The Park Use Policy and Application for Park Use has not been reviewed in the last few years, and given the increase in our City's population, and seasonal visitors, City Administration directed a review of the same. Said revisions and cleaned up file form, creating two operative documents in one collective digital source, and hard copy format that will give easier reference and access to City Staff, City Officials, Law Enforcement, and Park Visitors and Users.

Although implied, the previous Policy did not contain the newly added Provision 9, under Prohibited Activities, which provides specific prohibited acts against persons, public, and potentially public and private property defined in the Utah State Code. This new provision acts as an overarching protective umbrella against acts, rather than restricting people or groups.

In addition to the original revisions, here are the City Council changes:

**- Pre-requisite conditions for application to reserve Heber City public property for either an event, or informal general use. Reservation duration for an event shall not exceed one week; and for an informal general use, shall not exceed one day (24 hours). Multiple combined, adjacent in dates, or continuous ongoing reservations are not allowed.**

**Notwithstanding the above, or any provision herein, at its sole discretion, Heber City reserves the right to decline any reservation if such conflicts with any City event, schedule or emergency situation.**

- The Application differentiates between, and defines specifically, ***Park Events*** and ***Informal Reserveable General Use***.

**1. Park Event: To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:**

**a. Events sponsored by Heber City Corporation;**

**b. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);**

**c. Education (i.e. cultural events and emergency preparedness fairs); and/or**

**Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).**

**2. Informal Reserveable General Uses: Non-event, informal general uses for which Heber City public property may be reserved are any uses which include but are not limited to activities such as informal family, friends, church, club, association, assemblage gatherings.**

- The Item "Political Activities", was removed from the restrictions provisions and defined and limited as follows:

**5. Political activities, events, gatherings or assemblies shall be limited as follows:**

- a. **Permits.** Any types of protests require a permit, such as large rallies, (more than 50 persons), rallies with sound amplification, or rallies that block traffic.
- b. **Time, space, and manner.** There are restrictions on the time, space, and manner of protest, consistent with State Law and Heber City Police policy, and shall require a permit.
- c. **Speech.** Fighting words and obscenities are not permitted.

Additionally, Staff added specific subsection section language addressing, **Mass Gatherings**, under Provision 2 a, *Event Permit. Application:*

**Mass Gatherings.** Here is a general breakdown of the process and what to expect when submitting your application for mass gatherings:

**i. Event Application Submission:**

1. Submit your application through the **Heber City Event Application portal** (online submission form).
2. Provide detailed information about the event including the event type, location, and date(s).

**ii. Compliance with Wasatch County Health Department:**

1. For mass gatherings of **500 or more people**, the event must comply with the **Wasatch County Health Department** guidelines, including health, safety, and sanitation protocols. Ensure to provide any requested documentation (such as health and safety plans, sanitation measures, emergency plans, etc.).

**iii. Mass Gathering Definition:**

1. A mass gathering refers to an event where **500 or more people** are expected to be present for at least **two hours per day**.
2. If your event meets this threshold, you must comply with the associated requirements.

**iv. Temporary Mass Gathering Limit:**

1. The maximum duration for a mass gathering is **three (3) days**, whether those days are consecutive or not.
2. Ensure that your event is planned to fall within this limit if it qualifies as a mass gathering.

**v. Event Approval:**

1. After submission, your application will be reviewed by the appropriate authorities, including the health department, local authorities, and any other relevant departments.
2. You may need to provide additional information or make adjustments to meet any regulatory or safety requirements. Once your application is approved, you will receive confirmation and guidelines for your event. Be sure to follow up if you don't receive approval or have any additional questions.

## DISCUSSION

See above.

## FISCAL IMPACT

No direct negative impact, liability or risk to Heber City.

## CONCLUSION

This revision is intended as a Policy that provides all people using our city parks, with directives to govern themselves accordingly.

## 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 , 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.

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## ACCOUNTABILITY

**Department:** Administrative  
**Staff member:** J. Mark Smedley, Asst. City Manager

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## EXHIBITS

1. Resolution adopting the Revised Park Use Policy 2024
2. Heber Park Use Application and Waiver for use of City Property 12.3.24. Organized 1.13.2025
3. Heber Park Use Application and Waiver for use of City Property 12.3.24. Organized 1.13.2025  
Clean
4. Updated - clean - Heber Park Use Application and Waiver for use of City Property
5. Updated - redlined - Heber Park Use Application and Waiver for use of City Property

**HEBER CITY, UTAH  
RESOLUTION NO. 2025-01**

**A RESOLUTION ADOPTING THE REVISED HEBER CITY PARK USE POLICY and  
APPLICATION**

**WHEREAS**, It is proposed to revise the Heber City Public Park Use Policy; and

**WHEREAS**, The Park Use Policy and Application for Park Use has not been reviewed in the last few years, and given the increase in our City’s population, and seasonal visitors, City Administration directed a review of the same. Previously, the Park Policy was adopted in 2012 by Resolution 2012 06. These said revisions and cleaned up file form, creating two operative documents in one collective digital source, and hard copy format that will give easier reference and access to City Staff, City Officials, Law Enforcement, and Park Visitors and Users; and

**WHEREAS**, although implied, the previous Policy did not contain the newly proposed Provision 9, under Prohibited Activities, which provides specific prohibited acts against persons, public, and potentially public and private property defined in the Utah State Code, nor specified language regarding Mass Gatherings; and

**WHEREAS**, this new provision would act as an overarching protective umbrella against acts, rather than restricting people or groups.

**NOW, THEREFORE, BE IT RESOLVED** by the Heber City Council, of Heber City, Utah, that the Heber City Park Use Policy and Application be revised and adopted as proposed in the Exhibit “A” of the Staff Report for the January 21<sup>st</sup>, 2025 City Council Meeting, hereby incorporated into and made a part of this Resolution by reference.

**ADOPTED AND PASSED** by the City Council of Heber City, Utah this \_\_\_\_ day of January, 2025, by the following vote:

	AYE	NAY
Council Member Aaron Cheatwood	_____	_____
Council Member Sid Ostergaard	_____	_____
Council Member Mike Johnston	_____	_____
Council Member Scott Phillips	_____	_____
Council Member Yvonne Barney	_____	_____

APPROVED:

\_\_\_\_\_  
Mayor Heidi Franco

ATTEST:

\_\_\_\_\_ Date: \_\_\_\_\_

RECORDER

# Municipal Public Park and Public Property Use Policy, and Event/Reservation Application

Heber City, Utah

Application and Guidelines for general use and events in Heber City Parks

Effective Date: 1 / /2025

**Pre-requisite conditions for application to reserve use Heber City public property for either an event, or informal general use. Reservation duration for an event shall not exceed one week; and for an informal general use, shall not exceed one day (24 hours). Multiple combined, adjacent in dates, or continuous ongoing reservations are not allowed.**

**Notwithstanding the above, or any provision herein, at its sole discretion, Heber City reserves the right to decline any reservation if such conflicts with any City event, schedule or emergency situation.**

~~To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:~~

- ~~1. Events sponsored by Heber City Corporation;~~
- ~~2. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);~~
- ~~3. Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).~~

~~4. \_\_\_\_\_~~

## **Park and Public Property Event or Informal General Use Application, Process, Fees and Required and Supporting Items:**

The following must be submitted at least 42 weeks prior to the event:

### **1. Park Use Application.**

~~1. \_\_\_\_\_~~

~~2. \_\_\_\_\_ a. Fees.~~

~~\_\_\_\_\_ - A non-refundable *Application Fee* commensurate with the City's Consolidated Fee Schedule.~~

~~a)~~

~~b) \_\_\_\_\_ - *Park Use Fees:*~~

~~• \_\_\_\_\_ - 0-50 anticipated participants - \$25~~

~~\_\_\_\_\_ - 51-100 anticipated participants - \$50~~

~~• \_\_\_\_\_~~

~~• \_\_\_\_\_ - 101-250 anticipated participants - \$200~~

~~\_\_\_\_\_ - 251 or more anticipated participants - \$500~~

~~•~~

- b. \_\_\_\_\_ Cleanup Cash Bond in an amount consistent with the City’s Consolidated Fee
- e) \_\_\_\_\_ Schedule.  
 (This amount may be adjusted as determined by the City based on the size \_\_\_\_\_ and type of event), which is refundable if the Park is left in a clean and undamaged \_\_\_\_\_ condition. The bond shall not be returned until the Park has been inspected by the \_\_\_\_\_ Park Superintendent, and may be withheld in whole or in part to cover damages \_\_\_\_\_ and/or costs for Park cleanup.
- c. \_\_\_\_\_ Site plan showing event location, concessions and vendors, and other activities in relation to Park features.
- d) — d. \_\_\_\_\_  
 A schedule for the event.
- e) — \_\_\_\_\_
- e. \_\_\_\_\_ Any event requiring police or emergency services must separately contract for \_\_\_\_\_ such services.
- \_\_\_\_\_
- f) — f. \_\_\_\_\_  
Insurance and waiver. Submit completed waiver and release, and evidence of \_\_\_\_\_ required insurance.

3.

**2. Other Permits ~~and~~ Applications.**

4. a.

~~Event Permit Application.~~ **Event Permit Application.** *An Event Permit Application for Heber City should be submitted electronically through its designated system or portal.*

**Mass Gatherings.** Here is a general breakdown of the process and what to expect when submitting your application for mass gatherings:

**i. Event Application Submission:**

- 1. Submit your application through the **Heber City Event Application portal** (online submission form).
- 2. Provide detailed information about the event including the event type, location, and date(s).

**ii. Compliance with Wasatch County Health Department:**

- 1. For mass gatherings of **500 or more people**, the event must comply with the **Wasatch County Health Department** guidelines, including health, safety, and sanitation protocols. Ensure to provide any requested documentation (such as health and safety plans, sanitation measures, emergency plans, etc.).

**iii. Mass Gathering Definition:**

- 1. A mass gathering refers to an event where **500 or more people** are expected to be present for at least **two hours per day**.

2. If your event meets this threshold, you must comply with the associated requirements.

iv. **Temporary Mass Gathering Limit:**

1. The maximum duration for a mass gathering is **three (3) days**, whether those days are consecutive or not.

2. Ensure that your event is planned to fall within this limit if it qualifies as a mass gathering.

v. **Event Approval:**

1. After submission, your application will be reviewed by the appropriate authorities, including the health department, local authorities, and any other relevant departments.

2. You may need to provide additional information or make adjustments to meet any regulatory or safety requirements. Once your application is approved, you will receive confirmation and guidelines for your event. Be sure to follow up if you don't receive approval or have any additional questions.

~~Submit an electronic Heber City Event Application:~~

a) \_\_\_\_\_ b. \_\_\_\_\_

Health Permit. Submit copy of Wasatch County Health Department Permit for each \_\_\_\_\_ vendor serving food.

b) \_\_\_\_\_ c. \_\_\_\_\_

Temporary Sales Tax Numbers. Submit evidence of Temporary Sales Tax Numbers \_\_\_\_\_ issued by the Special Events Sales Tax Unit of the Utah State Tax Commission, if \_\_\_\_\_ applicable.

e) \_\_\_\_\_ d. \_\_\_\_\_

Liquor License. Submit copy of liquor license, if applicable. Any event that sells, \_\_\_\_\_ serves, gives away, or provides any alcoholic beverage for consumption must \_\_\_\_\_ acquire a Single Event License or Temporary Special Event Beer License through \_\_\_\_\_ the City and Utah State DABC process. Obtaining these licenses for alcohol will \_\_\_\_\_ require approximately 45 days.

d) \_\_\_\_\_ 3. \_\_\_\_\_

Other Permit Types. Submit copy of any other permits required from state, local, or \_\_\_\_\_ county agencies.

e) \_\_\_\_\_

**4. Pre-Processed Procedures for Approval.**

5. \_\_\_\_\_ a. \_\_\_\_\_

The Business Licensing Administrator or his/her designee shall be responsible for \_\_\_\_\_ reviewing applications and issuing a Park Use Permit.

a) \_\_\_\_\_

b. \_\_\_\_\_ In determining whether to approve the application, the Business Licensing

\_\_\_\_\_ Administrator or his/her designee may take into consideration factors including the  
b) \_\_\_\_\_ following:

- The number of applications and/or permits for other events during the same time period;
- The probable positive or negative effect on other park users;
- The number of applications for the same or similar events;
- Other events in the City at the same time that may conflict with the requested event or cause traffic or public safety issues.

• c. \_\_\_\_\_ ;

Improper use or behavior in violation of this Policy or State or local laws and \_\_\_\_\_ ordinances shall be grounds for the termination of an existing application for a \_\_\_\_\_ permitted use, or, the denial of any future application from that applicant.

e) \_\_\_\_\_ d. \_\_\_\_\_

The permit shall be immediately revocable by the Business Licensing \_\_\_\_\_ Administrator or designated representative if any portion of this Policy or other \_\_\_\_\_ applicable state or local law or application provision is breached.

d)

e. Open Fires. Please contact Wasatch County Fire at (435) 940- 9636 for further  
6. \_\_\_\_\_ information on fire  
restrictions and the type of wood permitted to be burned.  
\_\_\_\_\_ *Refunds will not be given because of fire restrictions.*

5. **Park Event:** To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:

- a. Events sponsored by Heber City Corporation;
- b. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);
- c. **Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).**

6. **Informal Reserveable General Uses:** Non-event, informal general uses for which Heber City public property may be reserved are any uses which include but are not limited to activities such as informal family, friends, church, club, association, assemblage gatherings.

## **PARK RULES AND PERMIT RESTRICTIONS**

1.

No approved Park Use Permit may be sold, assigned, or transferred. Nothing herein is intended nor shall be construed to create an employer-employee or joint-venture relationship with the City. The conditions herein shall be binding upon the applicant and applicant's successors and assigns.

1. — 2.

The City retains priority use of its facilities and reserves the right to reject all applications for event activities. The City further reserves the right to conduct concessions using its own staff or contractors.

2. — 3.

Any activity or event associated with commercial vending must not endanger persons or property or detract from the public's recreational use, the public's aesthetic enjoyment of the park, or the overall function and spirit of the event itself.

3. — 4.

The concession must only occur in locations as shown on the approved site plan as approved by the Business Licensing Administrator.

5. Political activities, events, gatherings or assemblies shall be limited as follows:

• a. **Permits.** Any types of protests require a permit, such as large rallies, (more than 50 persons), rallies with sound amplification, or rallies that block traffic.

b. **Time, space, and manner.** There are restrictions on the time, space, and manner of protest, consistent with State Law and Heber City Police policy, and shall require a permit.

c. **Speech.** Fighting words and obscenities are not permitted.

4. — 6. **Political**

**The Cleanup cash bond may also be withheld to cover those additional costs. The Business Licensing Administrator shall make any initial determinations of this sort. Any appeal of such decisions shall be heard by the City Council.**

5. — 7.

**The exclusive use of all or any portion of a City park shall not commence before 7:00 a.m., and shall terminate no later than 10:00 p.m.**

6. — 8.

Beverages must not be dispensed in glass containers, but in cans or paper or plastic cups. See also Sections 8 and 9 under *Prohibited Activities* below.

7. — 9.

Each vendor must display all applicable permits in a conspicuous location.

8. — 10.

9. — Each vendor displaying or retailing any goods or services shall locate all merchandise within a covered structure and/or upon a table.

11.

**10.** — **Please notify the Police Department if you witness damage, vandalism or illegal activity in the park. Children**

— are required to be supervised at playgrounds, parking lots, restrooms and near open water areas.

12.

**11.** — **Trash.** To help keep parks clean for all patrons and maintenance costs down, those who rent park pavilions or

— **other park areas are asked to remove all trash generated from their event. The standard set by state and national parks to “Pack it in, Pack it out” will help us continue provide these facilities at a low cost. Please carry out all**

— **trash from your visit.**

13.

**12.** Open Fires. See Paragraph 4 e above, to which this Paragraph is subject. Open fires are only allowed in designated fire pits installed by Parks and Recreation and only when \_\_\_\_\_ not prohibited. Extinguish all hot coals and briquettes, never place hot coals in the garbage receptacles.

**1314.** \_\_\_\_\_ -Staking Items into the Ground. The use of stakes, or the staking of tents are not allowed in any public property or -parks.

**1415.** \_\_\_\_\_ -Noise Ordinance. If the event involves music or other amplification, it must conform to the Heber City Noise-  
\_\_\_\_\_ Ordinance. Reservations may be canceled on-site due to excessive noise by the Heber City Police Department.

**1516.** \_\_\_\_\_ -Pavilion Reservations. **A seven day notice is required for all pavilion reservations, cancellations and modifications with no exceptions.** A \$30.00. Non-refundable fee, and a \$50.00 refundable deposit are required to reserve ~~Pavillions~~Pavilions. The \$50.00 deposit is refundable upon condition that the Pavilion is cleaned and free of damage after the event. A processing fee commensurate with the City's Consolidated Fee Schedule is applied to all cancellations and modifications. Weather related cancellations will be given 50% refund depending on severity of weather (i.e. snow, heavy rain, hurricane force winds, etc.) and only after the date has taken place.

Park pavilions are used heavily each day during the summer months. Please leave the pavilion in as good, if not better condition than when you arrived. Remove table covers, tape and any cooking oil or grease from tables, grills and floors. Pick up all litter and take trash with you upon completion of your event. Heber City Parks and Recreation does not provide water taps, opening of gates or additional power. Electricity is for limited use only. Capacity is 15 amps total, which can power a radio or a slow cooker. If a circuit overloads, reduce the load and push the GFI reset. Repeated tripping of the circuit-  
\_\_\_\_\_ breaker will cause the power to go out permanently. Power will not be reset until the next day. It's recommended to bring in your own source of power. City parks have a variety of amenities, including playgrounds, play courts, trails and open spaces. These amenities may not be reserved and are available on a first come first serve basis to the public.

## PROHIBITED ACTIVITES

**1.** \_\_\_\_\_ The following activities are prohibited.

**1.** \_\_\_\_\_ Vehicles on park grounds, unless placement of vehicles is approved and supervised by the Parks & Cemetery Director.

**2.** \_\_\_\_\_ **2.** \_\_\_\_\_  
~~PP~~ets and animals, with the exception of verified guide dogs for the visually impaired.

**3.** \_\_\_\_\_ **3.** \_\_\_\_\_  
Smoking, fighting, excessive noise, vulgar language or gestures, drugs, the consumption of alcohol unless specifically approved by the city, the display of any feature, graphic or behavior that is generally deemed offensive to the public, or any other activity that is prohibited by state or local law.

**4.** \_\_\_\_\_ **4.** \_\_\_\_\_  
Activities such as the selling of used cars or other large equipment, garage or rummage sales, or other activity deemed by the city to be contrary to the purposes of this policy.

**5.** \_\_\_\_\_ **5.** \_\_\_\_\_  
Events which charge admission.  
4891-9023-9913, v. 1

6. \_\_\_\_\_ 6. \_\_\_\_\_  
Political activities.

7. \_\_\_\_\_ 7. \_\_\_\_\_  
\_\_\_\_\_ Tampering with the sprinkler systems, fountains, water taps, circuit breakers, light plus or restroom fixtures is considered vandalism. Tables may not be moved around the park. Tables that are anchored must remain fastened to the floor. Insulate tables from heat or freeze damage. Do not freeze ice cream on the grass or dump anything on the grass except water.

8. \_\_\_\_\_ 8. \_\_\_\_\_  
Alcoholic beverages are only allowed in the Main Street Park, subject to proper licensing of scheduled and approved events. All such scheduled and approved events involving alcohol shall require security of two security or police officer for the first 100 individuals in attendance, and an additional security or police officer for each additional 100 individuals in attendance beyond the initial 100. Any use of security officers other than state or local law enforcement shall be by and through a licensed security firm. Except for the Main Street Park subject to the conditions above, **all alcohol beverages are prohibited in all Heber City Parks.**

9. \_\_\_\_\_ 9. \_\_\_\_\_  
Any act which violate the elements of Utah State Code provisions 76-9-101, 76-9-102, 76-9-103, 76-9-104 and 76-9-105, Annotated; Riot, Disorderly Conduct, Breaches of the Peace and Related Offenses, Offenses Against Public Order and Decency, Disrupting a Meeting or Procession, Failure to Disperse, and Making a False Alarm.

~~10.~~

**Waiver and Release:** I, as the applicant, hereby release and discharge Heber City Corporation, its officers, employees, directors and employees from and against any and all claims, actions and demands arising out of or in connection with participation in or use of City facilities, including, without limitation, any and all claims, cost liabilities, expenses, or judgments, including legal fees, penalties, interest and court costs incurred by Heber City Corporation in defense of same, arising in favor of any party on account of claims, personal injuries, death, or damages to property and all other claims or demands, occurring or in any way incident to, in connection with, or arising directly or indirectly from user's participation in or use of any City facilities.

I hereby release Heber City Corporation, its officers, employees, and agents from any liability, and clearly and unequivocally agree to defend, indemnify and hold harmless Heber City Corporation, its officers, employees, agents and servants from any liability arising from activities associated with participation in or use of the Heber City facilities whether caused by negligence or otherwise. I understand and agree that by signing this waiver I am freeing Heber City Corporation, its employees, officers or agents from any liability resulting from participation in or use of City facilities. I also understand that no employee or agent is authorized to modify this waiver.

I certify that I have read the above authorization and release and I hereby state that I understand the contents, and that I know that in signing it I am signing away any right of claim for damages sustained to any user while participating in or using any City facilities.

I covenant and agree to indemnify, hold harmless and defend City, its agents and employees from all fines, suits, claims, demands, and actions of any kind, including attorney's fees, by reason of any and all of its operations hereunder and agrees to assume all the risk in the operation of the event and is solely responsible and answerable in damages for any and all accidents or injuries to persons or property associated with the event. I, as the Applicant agree to maintain a comprehensive general liability insurance policy, naming City as an additional insured, satisfactory to City, protecting both Applicant and City against public liability, products liability and property damage. Thirty days prior to the event, Applicant is required to furnish a Certificate of Insurance certifying coverage for public liability and

property damage in the minimum amount of \$1,000,000 (One Million Dollars) combined single limit per occurrence, \$2,000,000 (Two Million Dollars) in the aggregate and which states the coverage as primary insurance with the City insurance policy being secondary.

My signature acknowledges that I understand and agree to the above conditions, and that I sign this release of my own free will, and I represent and acknowledge that I do so with full authority or right as the Applicant or as a duly empowered agent or representative of said Applicant.

ORGANIZATION NAME: \_\_\_\_\_  
\_\_\_\_\_

PRINT NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

# Municipal Public Park and Public Property Use Policy, and Event/Reservation Application

Heber City, Utah

Application and Guidelines for general use and events in Heber City Parks

Effective Date: 1 / /2025

**Pre-requisite conditions for application to reserve Heber City public property for either an event, or informal general use. Reservation duration for an event shall not exceed one week; and for an informal general use, shall not exceed one day (24 hours). Multiple combined, adjacent in dates, or continuous ongoing reservations are not allowed.**

**Notwithstanding the above, or any provision herein, at its sole discretion, Heber City reserves the right to decline any reservation if such conflicts with any City event, schedule or emergency situation.**

## **Park and Public Property Event or Informal General Use Application, Process, Fees and Required and Supporting Items:**

The following must be submitted at least 2 weeks prior to the event:

### **1. Park Use Application.**

- a. Fees.
  - A non-refundable *Application Fee* commensurate with the City's Consolidated Fee Schedule.
  - *Park Use Fees:*
    - 0-50 anticipated participants - \$25
    - 51-100 anticipated participants - \$50
    - 101-250 anticipated participants - \$200
    - 251 or more anticipated participants - \$500
- b. Cleanup Cash Bond in an amount consistent with the City's Consolidated Fee Schedule. (This amount may be adjusted as determined by the City based on the size and type of event), which is refundable if the Park is left in a clean and undamaged condition. The bond shall not be returned until the Park has been inspected by the Park Superintendent, and may be withheld in whole or in part to cover damages and/or costs for Park cleanup.
- c. Site plan showing event location, concessions and vendors, and other activities in relation to Park features.
- d. A schedule for the event.
- e. Any event requiring police or emergency services must separately contract for such services.

- f. Insurance and waiver. Submit completed waiver and release, and evidence of required insurance.

## 2. Other Permits Applications.

- a. **Event Permit Application.** *An Event Permit Application* for Heber City should be submitted electronically through its designated system or portal.

**Mass Gatherings.** Here is a general breakdown of the process and what to expect when submitting your application for mass gatherings:

- i. **Event Application Submission:**

- 1. Submit your application through the **Heber City Event Application portal** (online submission form).
- 2. Provide detailed information about the event including the event type, location, and date(s).

- ii. **Compliance with Wasatch County Health Department:**

- 1. For mass gatherings of **500 or more people**, the event must comply with the **Wasatch County Health Department** guidelines, including health, safety, and sanitation protocols. Ensure to provide any requested documentation (such as health and safety plans, sanitation measures, emergency plans, etc.).

- iii. **Mass Gathering Definition:**

- 1. A mass gathering refers to an event where **500 or more people** are expected to be present for at least **two hours per day**.
- 2. If your event meets this threshold, you must comply with the associated requirements.

- iv. **Temporary Mass Gathering Limit:**

- 1. The maximum duration for a mass gathering is **three (3) days**, whether those days are consecutive or not.
- 2. Ensure that your event is planned to fall within this limit if it qualifies as a mass gathering.

- v. **Event Approval:**

- 1. After submission, your application will be reviewed by the appropriate authorities, including the health department, local authorities, and any other relevant departments.
- 2. You may need to provide additional information or make adjustments to meet any regulatory or safety requirements. Once your application is approved, you will receive confirmation and guidelines for your event. Be

sure to follow up if you don't receive approval or have any additional questions.

- b. Health Permit. Submit copy of Wasatch County Health Department Permit for each vendor serving food.
  - c. Temporary Sales Tax Numbers. Submit evidence of Temporary Sales Tax Numbers issued by the Special Events Sales Tax Unit of the Utah State Tax Commission, if applicable.
  - d. Liquor License. Submit copy of liquor license, if applicable. Any event that sells, serves, gives away, or provides any alcoholic beverage for consumption must acquire a Single Event License or Temporary Special Event Beer License through the City and Utah State DABC process. Obtaining these licenses for alcohol will require approximately 45 days.
3. Other Permit Types. Submit copy of any other permits required from state, local, or county agencies.
4. Process for Approval.
- a. The Business Licensing Administrator or his/her designee shall be responsible for reviewing applications and issuing a Park Use Permit.
  - b. In determining whether to approve the application, the Business Licensing Administrator or his/her designee may take into consideration factors including the following:
    - The number of applications and/or permits for other events during the same time period;
    - The probable positive or negative effect on other park users;
    - The number of applications for the same or similar events;
    - Other events in the City at the same time that may conflict with the requested event or cause traffic or public safety issues.
  - c. Improper use or behavior in violation of this Policy or State or local laws and ordinances shall be grounds for the termination of an existing application for a permitted use, or, the denial of any future application from that applicant.
  - d. The permit shall be immediately revocable by the Business Licensing Administrator or designated representative if any portion of this Policy or other applicable state or local law or application provision is breached.
  - e. **Open Fires.** Please contact Wasatch County Fire at (435) 940- 9636 for further information on fire restrictions and the type of wood permitted to be burned. *Refunds will not be given because of fire restrictions.*

5. Park Event. To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:

- a. Events sponsored by Heber City Corporation;
- b. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);
- c. **Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).**

**6. Informal Reserveable General Uses.** Non-event, informal general uses for which Heber City public property may be reserved are any uses which include but are not limited to activities such as informal family, friends, church, club, association, assemblage gatherings.

#### **PARK RULES AND PERMIT RESTRICTIONS**

**1.** No approved Park Use Permit may be sold, assigned, or transferred. Nothing herein is intended nor shall be construed to create an employer-employee or joint-venture relationship with the City. The conditions herein shall be binding upon the applicant and applicant's successors and assigns.

**2.** The City retains priority use of its facilities and reserves the right to reject all applications for event activities. The City further reserves the right to conduct concessions using its own staff or contractors.

**3.** Any activity or event associated with commercial vending must not endanger persons or property or detract from the public's recreational use, the public's aesthetic enjoyment of the park, or the overall function and spirit of the event itself.

**4.** The concession must only occur in locations as shown on the approved site plan as approved by the Business Licensing Administrator.

**5.** Political activities, events, gatherings or assemblies shall be limited as follows:

- **a. Permits.** Any types of protests require a permit, such as large rallies, (more than 50 persons), rallies with sound amplification, or rallies that block traffic.
- b. Time, space, and manner.** There are restrictions on the time, space, and manner of protest, consistent with State Law and Heber City Police policy, and shall require a permit.
- c. Speech.** Fighting words and obscenities are not permitted.

**6. The Clean up cash bond may also be withheld to cover those additional costs. The Business Licensing Administrator shall make any initial determinations of this sort. Any appeal of such decisions shall be heard by the City Council.**

**7. The exclusive use of all or any portion of a City park shall not commence before 7:00 a.m., and shall terminate no later than 10:00 p.m.**

**8.** Beverages must not be dispensed in glass containers, but in cans or paper or plastic cups. See also Sections 8 and 9 under *Prohibited Activities* below.

**9.** Each vendor must display all applicable permits in a conspicuous location.

**10.** Each vendor displaying or retailing any goods or services shall locate all merchandise within a covered structure and/or upon a table.

**11. Please notify the Police Department if you witness damage, vandalism or illegal activity in the**

**park. Children** are required to be supervised at playgrounds, parking lots, restrooms and near open water areas.

**12. Trash.** To help keep parks clean for all patrons and maintenance costs down, those who rent park pavilions or **other park areas are asked to remove all trash generated from their event. The standard set by state and national parks to “Pack it in, Pack it out” will help us continue provide these facilities at a low cost. Please carry out all** trash from your visit.

**13. Open Fires. See Paragraph 4 e above, to which this Paragraph is subject. Open fires are only allowed in designated fire pits installed by Parks and Recreation and only when not prohibited.** Extinguish all hot coals and briquettes, never place hot coals in the garbage receptacles.

**14. Staking Items into the Ground.** The use of stakes, or the staking of tents are not allowed in any public property or parks.

**15. Noise Ordinance.** If the event involves music or other amplification, it must conform to the Heber City Noise Ordinance. Reservations may be canceled on-site due to excessive noise by the Heber City Police Department.

**16. Pavilion Reservations.** **A seven day notice is required for all pavilion reservations, cancellations and modifications with no exceptions.** A \$30.00. Non-refundable fee, and a \$50.00 refundable deposit are required to reserve Pavilions. The \$50.00 deposit is refundable upon condition that the Pavilion is cleaned and free of damage after the event. A processing fee commensurate with the City’s Consolidated Fee Schedule is applied to all cancellations and modifications. Weather related cancellations will be given 50% refund depending on severity of weather (i.e. snow, heavy rain, hurricane force winds, etc.) and only after the date has taken place.

Park pavilions are used heavily each day during the summer months. Please leave the pavilion in as good, if not better condition than when you arrived. Remove table covers, tape and any cooking oil or grease from tables, grills and floors. Pick up all litter and take trash with you upon completion of your event. Heber City Parks and Recreation does not provide water taps, opening of gates or additional power. Electricity is for limited use only. Capacity is 15 amps total, which can power a radio or a slow cooker. If a circuit overloads, reduce the load and push the GFI reset. Repeated tripping of the circuit breaker will cause the power to go out permanently. Power will not be reset until the next day. It's recommended to bring in your own source of power. City parks have a variety of amenities, including playgrounds, play courts, trails and open spaces. These amenities may not be reserved and are available on a first come first serve basis to the public.

## **PROHIBITED ACTIVITES**

The following activities are prohibited.

1. Vehicles on park grounds, unless placement of vehicles is approved and supervised by the Parks & Cemetery Director.
2. Pets and animals, with the exception of verified guide dogs for the visually impaired.
3. Smoking, fighting, excessive noise, vulgar language or gestures, drugs, the consumption of alcohol unless specifically approved by the city, the display of any feature, graphic or behavior that is generally deemed offensive to the public, or any other activity that is prohibited by state or local law.
4. Activities such as the selling of used cars or other large equipment, garage or rummage sales, or other activity deemed by the city to be contrary to the purposes of this policy.
5. Events which charge admission.
6. **Political activities.**
7. Tampering with the sprinkler systems, fountains, water taps, circuit breakers, light plus or restroom fixtures is considered vandalism. Tables may not be moved around the park. Tables that are anchored must remain fastened to the floor.

Insulate tables from heat or freeze damage. Do not freeze ice cream on the grass or dump anything on the grass except water.

8. Alcoholic beverages are only allowed in the Main Street Park, subject to proper licensing of scheduled and approved events. All such scheduled and approved events involving alcohol shall require security of two security or police officer for the first 100 individuals in attendance, and an additional security or police officer for each additional 100 individuals in attendance beyond the initial 100. Any use of security officers other than state or local law enforcement shall be by and through a licensed security firm. Except for the Main Street Park subject to the conditions above, **all alcohol beverages are prohibited in all Heber City Parks.**

9. Any act which violate the elements of Utah State Code provisions 76-9-101, 76-9-102, 76-9-103, 76-9-104 and 76-9-105, Annotated; Riot, Disorderly Conduct, Breaches of the Peace and Related Offenses, Offenses Against Public Order and Decency, Disrupting a Meeting or Procession, Failure to Disperse, and Making a False Alarm.

**Waiver and Release:** I, as the applicant, hereby release and discharge Heber City Corporation, its officers, employees, directors and employees from and against any and all claims, actions and demands arising out of or in connection with participation in or use of City facilities, including, without limitation, any and all claims, cost liabilities, expenses, or judgments, including legal fees, penalties, interest and court costs incurred by Heber City Corporation in defense of same, arising in favor of any party on account of claims, personal injuries, death, or damages to property and all other claims or demands, occurring or in any way incident to, in connection with, or arising directly or indirectly from user's participation in or use of any City facilities.

I hereby release Heber City Corporation, its officers, employees, and agents from any liability, and clearly and unequivocally agree to defend, indemnify and hold harmless Heber City Corporation, its officers, employees, agents and servants from any liability arising from activities associated with participation in or use of the Heber City facilities whether caused by negligence or otherwise. I understand and agree that by signing this waiver I am freeing Heber City Corporation, its employees, officers or agents from any liability resulting from participation in or use of City facilities. I also understand that no employee or agent is authorized to modify this waiver.

I certify that I have read the above authorization and release and I hereby state that I understand the contents, and that I know that in signing it I am signing away any right of claim for damages sustained to any user while participating in or using any City facilities.

I covenant and agree to indemnify, hold harmless and defend City, its agents and employees from all fines, suits, claims, demands, and actions of any kind, including attorney's fees, by reason of any and all of its operations hereunder and agrees to assume all the risk in the operation of the event and is solely responsible and answerable in damages for any and all accidents or injuries to persons or property associated with the event. I, as the Applicant agree to maintain a comprehensive general liability insurance policy, naming City as an additional insured, satisfactory to City, protecting both Applicant and City against public liability, products liability and property damage. Thirty days prior to the event, Applicant is required to furnish a Certificate of Insurance certifying coverage for public liability and property damage in the minimum amount of \$1,000,000 (One Million Dollars) combined single limit per occurrence, \$2,000,000 (Two Million Dollars) in the aggregate and which states the coverage as primary insurance with the City insurance policy being secondary.

My signature acknowledges that I understand and agree to the above conditions, and that I sign this release of my own free will, and I represent and acknowledge that I do so with full authority or right as the Applicant or as a duly empowered agent or representative of said Applicant.

ORGANIZATION NAME:

PRINT NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

# Municipal Public Park and Public Property Use Policy, and Event/Reservation Application

Heber City, Utah

Application and Guidelines for general use and events in Heber City Parks

Effective Date: 1 / /2025

**Pre-requisite conditions for application to reserve Heber City public property for either an event, or informal general use. Reservation duration for an event shall not exceed one week; and for an informal general use, shall not exceed one day (24 hours). Multiple combined, adjacent in dates, or continuous ongoing reservations are not allowed.**

**Notwithstanding the above, or any provision herein, at its sole discretion, Heber City reserves the right to decline any reservation if such conflicts with any City event, schedule or emergency situation.**

## **Park and Public Property Event or Informal General Use Application, Process, Fees and Required and Supporting Items:**

The following must be submitted at least 2 weeks prior to the event:

### **1. Park Use Application.**

- a. Fees.
  - A non-refundable *Application Fee* commensurate with the City's Consolidated Fee Schedule.
  - *Park Use Fees:*
    - 0-50 anticipated participants - \$25
    - 51-100 anticipated participants - \$50
    - 101-250 anticipated participants - \$200
    - 251 or more anticipated participants - \$500
- b. Cleanup Cash Bond in an amount consistent with the City's Consolidated Fee Schedule. (This amount may be adjusted as determined by the City based on the size and type of event), which is refundable if the Park is left in a clean and undamaged condition. The bond shall not be returned until the Park has been inspected by the Park Superintendent, and may be withheld in whole or in part to cover damages and/or costs for Park cleanup.
- c. Site plan showing event location, concessions and vendors, and other activities in relation to Park features.
- d. A schedule for the event.
- e. Any event requiring police or emergency services must separately contract for such services.

- f. Insurance and waiver. Submit completed waiver and release, and evidence of required insurance.

## 2. Other Permits Applications.

- a. **Event Permit Application.** *An Event Permit Application* for Heber City should be submitted electronically through its designated system or portal.

**Mass Gatherings.** Here is a general breakdown of the process and what to expect when submitting your application for mass gatherings:

- i. **Event Application Submission:**

- 1. Submit your application through the **Heber City Event Application portal** (online submission form).
- 2. Provide detailed information about the event including the event type, location, and date(s).

- ii. **Compliance with Wasatch County Health Department:**

- 1. For mass gatherings of **500 or more people**, the event must comply with the **Wasatch County Health Department** guidelines, including health, safety, and sanitation protocols. Ensure to provide any requested documentation (such as health and safety plans, sanitation measures, emergency plans, etc.).

- iii. **Mass Gathering Definition:**

- 1. A mass gathering refers to an event where **500 or more people** are expected to be present for at least **two hours per day**.
- 2. If your event meets this threshold, you must comply with the associated requirements.

- iv. **Temporary Mass Gathering Limit:**

- 1. The maximum duration for a mass gathering is **three (3) days**, whether those days are consecutive or not.
- 2. Ensure that your event is planned to fall within this limit if it qualifies as a mass gathering.

- v. **Event Approval:**

- 1. After submission, your application will be reviewed by the appropriate authorities, including the health department, local authorities, and any other relevant departments.
- 2. You may need to provide additional information or make adjustments to meet any regulatory or safety requirements. Once your application is approved, you will receive confirmation and guidelines for your event. Be

sure to follow up if you don't receive approval or have any additional questions.

- b. Health Permit. Submit copy of Wasatch County Health Department Permit for each vendor serving food.
  - c. Temporary Sales Tax Numbers. Submit evidence of Temporary Sales Tax Numbers issued by the Special Events Sales Tax Unit of the Utah State Tax Commission, if applicable.
  - d. Liquor License. Submit copy of liquor license, if applicable. Any event that sells, serves, gives away, or provides any alcoholic beverage for consumption must acquire a Single Event License or Temporary Special Event Beer License through the City and Utah State DABC process. Obtaining these licenses for alcohol will require approximately 45 days.
3. Other Permit Types. Submit copy of any other permits required from state, local, or county agencies.
4. Process for Approval.
- a. The Business Licensing Administrator or his/her designee shall be responsible for reviewing applications and issuing a Park Use Permit.
  - b. In determining whether to approve the application, the Business Licensing Administrator or his/her designee may take into consideration factors including the following:
    - The number of applications and/or permits for other events during the same time period;
    - The probable positive or negative effect on other park users;
    - The number of applications for the same or similar events;
    - Other events in the City at the same time that may conflict with the requested event or cause traffic or public safety issues.
  - c. Improper use or behavior in violation of this Policy or State or local laws and ordinances shall be grounds for the termination of an existing application for a permitted use, or, the denial of any future application from that applicant.
  - d. The permit shall be immediately revocable by the Business Licensing Administrator or designated representative if any portion of this Policy or other applicable state or local law or application provision is breached.
  - e. **Open Fires.** Please contact Wasatch County Fire at (435) 940- 9636 for further information on fire restrictions and the type of wood permitted to be burned. *Refunds will not be given because of fire restrictions.*

5. Park Event. To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:

- a. Events sponsored by Heber City Corporation;
- b. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);
- c. **Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).**

**6. Informal Reserveable General Uses.** Non-event, informal general uses for which Heber City public property may be reserved are any uses which include but are not limited to activities such as informal family, friends, church, club, association, assemblage gatherings.

#### **PARK RULES AND PERMIT RESTRICTIONS**

1. No approved Park Use Permit may be sold, assigned, or transferred. Nothing herein is intended nor shall be construed to create an employer-employee or joint-venture relationship with the City. The conditions herein shall be binding upon the applicant and applicant's successors and assigns.

2. The City retains priority use of its facilities and reserves the right to reject all applications for event activities. The City further reserves the right to conduct concessions using its own staff or contractors.

3. Any activity or event associated with commercial vending must not endanger persons or property or detract from the public's recreational use, the public's aesthetic enjoyment of the park, or the overall function and spirit of the event itself.

4. The concession must only occur in locations as shown on the approved site plan as approved by the Business Licensing Administrator.

5. Political activities, events, gatherings or assemblies shall be limited as follows:

a. **Permits.** Any types of protests require a permit, such as large rallies, (more than 50 persons), rallies with sound amplification, or rallies that block traffic.

b. **Time, space, and manner.** There are restrictions on the time, space, and manner of protest, consistent with State Law and Heber City Police policy, and shall require a permit.

c. **Speech.** Fighting words and obscenities are not permitted.

6. The Cleanup cash bond may also be withheld to cover those additional costs. The Business Licensing Administrator shall make any initial determinations of this sort. Any appeal of such decisions shall be heard by the City Council.

7. The exclusive use of all or any portion of a City park shall not commence before 7:00 a.m., and shall terminate no later than 10:00 p.m.

8. Beverages must not be dispensed in glass containers, but in cans or paper or plastic cups. See also Sections 8 and 9 under *Prohibited Activities* below.

9. Each vendor must display all applicable permits in a conspicuous location.

10. Each vendor displaying or retailing any goods or services shall locate all merchandise within a covered structure and/or upon a table.

11. Please notify the Police Department if you witness damage, vandalism or illegal activity in the park.

Children are required to be supervised at playgrounds, parking lots, restrooms and near open water areas.

12. Trash. To help keep parks clean for all patrons and maintenance costs down, those who rent park pavilions or other park areas are asked to remove all trash generated from their event. The standard set by state and national parks to "Pack it in, Pack it out" will help us continue provide these facilities at a low cost. Please carry out all trash from your visit.

13. Open Fires. See Paragraph 4 e above, to which this Paragraph is subject. Open fires are only allowed in designated fire pits installed by Parks and Recreation and only when not prohibited. Extinguish all hot coals and briquettes, never place hot coals in the garbage receptacles.

14. Staking Items into the Ground. The use of stakes, or the staking of tents are not allowed in any public property or parks.

15. Noise Ordinance. If the event involves music or other amplification, it must conform to the Heber City Noise Ordinance. Reservations may be canceled on-site due to excessive noise by the Heber City Police Department.

16. Pavilion Reservations. A seven day notice is required for all pavilion reservations, cancellations and modifications with no exceptions. A \$30.00. Non-refundable fee, and a \$50.00 refundable deposit are required to reserve Pavilions. The \$50.00 deposit is refundable upon condition that the Pavilion is cleaned and free of damage after the event. A processing fee commensurate with the City's Consolidated Fee Schedule is applied to all cancellations and modifications. Weather related cancellations will be given 50% refund depending on severity of weather (i.e. snow, heavy rain, hurricane force winds, etc.) and only after the date has taken place.

Park pavilions are used heavily each day during the summer months. Please leave the pavilion in as good, if not better condition than when you arrived. Remove table covers, tape and any cooking oil or grease from tables, grills and floors. Pick up all litter and take trash with you upon completion of your event. Heber City Parks and Recreation does not provide water taps, opening of gates or additional power. Electricity is for limited use only. Capacity is 15 amps total, which can power a radio or a slow cooker. If a circuit overloads, reduce the load and push the GFI reset. Repeated tripping of the circuit breaker will cause the power to go out permanently. Power will not be reset until the next day. It's recommended to bring in your own source of power. City parks have a variety of amenities, including playgrounds, play courts, trails and open spaces. These amenities may not be reserved and are available on a first come first serve basis to the public.

## **PROHIBITED ACTIVITES**

The following activities are prohibited.

1. Vehicles on park grounds, unless placement of vehicles is approved and supervised by the Parks & Cemetery Director.
2. Pets and animals, with the exception of verified guide dogs for the visually impaired.
3. Smoking, fighting, excessive noise, vulgar language or gestures, drugs, the consumption of alcohol unless specifically approved by the city, the display of any feature, graphic or behavior that is generally deemed offensive to the public, or any other activity that is prohibited by state or local law.
4. Activities such as the selling of used cars or other large equipment, garage or rummage sales, or other activity deemed by the city to be contrary to the purposes of this policy.
5. Events which charge admission.
6. Tampering with the sprinkler systems, fountains, water taps, circuit breakers, light plus or restroom fixtures is considered vandalism. Tables may not be moved around the park. Tables that are anchored must remain fastened to the floor. Insulate tables from heat or freeze damage. Do not freeze ice cream on the grass or dump anything on the grass except water.

7. Alcoholic beverages are only allowed in the Main Street Park, subject to proper licensing of scheduled and approved events. All such scheduled and approved events involving alcohol shall require security of two security or police officer for the first 100 individuals in attendance, and an additional security or police officer for each additional 100 individuals in attendance beyond the initial 100. Any use of security officers other than state or local law enforcement shall be by and through a licensed security firm. Except for the Main Street Park subject to the conditions above, **all alcohol beverages are prohibited in all Heber City Parks.**

8. Any act which violate the elements of Utah State Code provisions 76-9-101, 76-9-102, 76-9-103, 76-9-104 and 76-9-105, Annotated; Riot, Disorderly Conduct, Breaches of the Peace and Related Offenses, Offenses Against Public Order and Decency, Disrupting a Meeting or Procession, Failure to Disperse, and Making a False Alarm.

**Waiver and Release:** I, as the applicant, hereby release and discharge Heber City Corporation, its officers, employees, directors and employees from and against any and all claims, actions and demands arising out of or in connection with participation in or use of City facilities, including, without limitation, any and all claims, cost liabilities, expenses, or judgments, including legal fees, penalties, interest and court costs incurred by Heber City Corporation in defense of same, arising in favor of any party on account of claims, personal injuries, death, or damages to property and all other claims or demands, occurring or in any way incident to, in connection with, or arising directly or indirectly from user's participation in or use of any City facilities.

I hereby release Heber City Corporation, its officers, employees, and agents from any liability, and clearly and unequivocally agree to defend, indemnify and hold harmless Heber City Corporation, its officers, employees, agents and servants from any liability arising from activities associated with participation in or use of the Heber City facilities whether caused by negligence or otherwise. I understand and agree that by signing this waiver I am freeing Heber City Corporation, its employees, officers or agents from any liability resulting from participation in or use of City facilities. I also understand that no employee or agent is authorized to modify this waiver.

I certify that I have read the above authorization and release and I hereby state that I understand the contents, and that I know that in signing it I am signing away any right of claim for damages sustained to any user while participating in or using any City facilities.

I covenant and agree to indemnify, hold harmless and defend City, its agents and employees from all fines, suits, claims, demands, and actions of any kind, including attorney's fees, by reason of any and all of its operations hereunder and agrees to assume all the risk in the operation of the event and is solely responsible and answerable in damages for any and all accidents or injuries to persons or property associated with the event. I, as the Applicant agree to maintain a comprehensive general liability insurance policy, naming City as an additional insured, satisfactory to City, protecting both Applicant and City against public liability, products liability and property damage. Thirty days prior to the event, Applicant is required to furnish a Certificate of Insurance certifying coverage for public liability and property damage in the minimum amount of \$1,000,000 (One Million Dollars) combined single limit per occurrence, \$2,000,000 (Two Million Dollars) in the aggregate and which states the coverage as primary insurance with the City insurance policy being secondary.

My signature acknowledges that I understand and agree to the above conditions, and that I sign this release of my own free will, and I represent and acknowledge that I do so with full authority or right as the Applicant or as a duly empowered agent or representative of said Applicant.

ORGANIZATION NAME: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

# Municipal Public Park and Public Property Use Policy, and Event/Reservation Application

Heber City, Utah

Application and Guidelines for general use and events in Heber City Parks

Effective Date: 1 / /2025

Pre-requisite conditions for application to reserve use Heber City public property for either an event, or informal general use. Reservation duration for an event shall not exceed one week; and for an informal general use, shall not exceed one day (24 hours). Multiple combined, adjacent in dates, or continuous ongoing reservations are not allowed.

Notwithstanding the above, or any provision herein, at its sole discretion, Heber City reserves the right to decline any reservation if such conflicts with any City event, schedule or emergency situation.

~~To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:~~

- ~~1. Events sponsored by Heber City Corporation;~~
- ~~2. Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);~~
- ~~3. Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).~~

~~4. \_\_\_\_\_~~

## Park and Public Property Event or Informal General Use Application, Process, Fees and Required and Supporting Items:

The following must be submitted at least 42 weeks prior to the event:

### 1. Park Use Application.

~~1. \_\_\_\_\_~~

~~2. \_\_\_\_\_ a. Fees.~~

~~\_\_\_\_\_ - A non-refundable *Application Fee* commensurate with the City's Consolidated Fee Schedule.~~

~~a)~~

~~b) \_\_\_\_\_ - *Park Use Fees:*~~

~~• \_\_\_\_\_ - 0-50 anticipated participants - \$25~~

~~\_\_\_\_\_ - 51-100 anticipated participants - \$50~~

~~\_\_\_\_\_~~

~~• \_\_\_\_\_ - 101-250 anticipated participants - \$200~~

~~\_\_\_\_\_ - 251 or more anticipated participants - \$500~~

~~•~~

- b. Cleanup Cash Bond in an amount consistent with the City’s Consolidated Fee
- e) Schedule.

(This amount may be adjusted as determined by the City based on the size and type of event), which is refundable if the Park is left in a clean and undamaged condition. The bond shall not be returned until the Park has been inspected by the Park Superintendent, and may be withheld in whole or in part to cover damages and/or costs for Park cleanup.

- c. Site plan showing event location, concessions and vendors, and other activities in relation to Park features.

- d) d. A schedule for the event.

- e) e. Any event requiring police or emergency services must separately contract for such services.

- f) f. Insurance and waiver. Submit completed waiver and release, and evidence of required insurance.

3.

## **2. Other Permits and Applications.**

4. a.

~~Event Permit Application.~~ **Event Permit Application.** *An Event Permit Application for Heber City should be submitted electronically through its designated system or portal.*

**Mass Gatherings.** Here is a general breakdown of the process and what to expect when submitting your application for mass gatherings:

### **i. Event Application Submission:**

1. Submit your application through the Heber City Event Application portal (online submission form).
2. Provide detailed information about the event including the event type, location, and date(s).

### **ii. Compliance with Wasatch County Health Department:**

1. For mass gatherings of 500 or more people, the event must comply with the Wasatch County Health Department guidelines, including health, safety, and sanitation protocols. Ensure to provide any requested documentation (such as health and safety plans, sanitation measures, emergency plans, etc.).

### **iii. Mass Gathering Definition:**

1. A mass gathering refers to an event where 500 or more people are expected to be present for at least two hours per day.

2. If your event meets this threshold, you must comply with the associated requirements.

**iv. Temporary Mass Gathering Limit:**

1. The maximum duration for a mass gathering is **three (3) days**, whether those days are consecutive or not.

2. Ensure that your event is planned to fall within this limit if it qualifies as a mass gathering.

**v. Event Approval:**

1. After submission, your application will be reviewed by the appropriate authorities, including the health department, local authorities, and any other relevant departments.

2. You may need to provide additional information or make adjustments to meet any regulatory or safety requirements. Once your application is approved, you will receive confirmation and guidelines for your event. Be sure to follow up if you don't receive approval or have any additional questions.

**Submit an electronic Heber City Event Application:**

a) \_\_\_\_\_ b) \_\_\_\_\_

**Health Permit.** Submit copy of Wasatch County Health Department Permit for each \_\_\_\_\_ vendor serving food.

b) \_\_\_\_\_ c) \_\_\_\_\_

**Temporary Sales Tax Numbers.** Submit evidence of Temporary Sales Tax Numbers \_\_\_\_\_ issued by the Special Events Sales Tax Unit of the Utah State Tax Commission, if \_\_\_\_\_ applicable.

c) \_\_\_\_\_ d) \_\_\_\_\_

**Liquor License.** Submit copy of liquor license, if applicable. Any event that sells, \_\_\_\_\_ serves, gives away, or provides any alcoholic beverage for consumption must \_\_\_\_\_ acquire a Single Event License or Temporary Special Event Beer License through \_\_\_\_\_ the City and Utah State DABC process. Obtaining these licenses for alcohol will \_\_\_\_\_ require approximately 45 days.

d) \_\_\_\_\_ 3. \_\_\_\_\_

**Other Permit Types.** Submit copy of any other permits required from state, local, or \_\_\_\_\_ county agencies.

e) \_\_\_\_\_

**4. Pre-Processed Procedures for Approval.**

5. \_\_\_\_\_ a) \_\_\_\_\_

The Business Licensing Administrator or his/her designee shall be responsible for \_\_\_\_\_ reviewing applications and issuing a Park Use Permit.

a) \_\_\_\_\_

b. In determining whether to approve the application, the Business Licensing

\_\_\_\_ Administrator or his/her designee may take into consideration factors including the

b) \_\_\_\_\_ following:

- The number of applications and/or permits for other events during the same time period;
- The probable positive or negative effect on other park users;
- The number of applications for the same or similar events;
- Other events in the City at the same time that may conflict with the requested event or cause traffic or public safety issues.

• \_\_\_\_\_ c. \_\_\_\_\_;

Improper use or behavior in violation of this Policy or State or local laws and \_\_\_\_\_ ordinances shall be grounds for the termination of an existing application for a \_\_\_\_\_ permitted use, or, the denial of any future application from that applicant.

e) \_\_\_\_\_ d. \_\_\_\_\_

The permit shall be immediately revocable by the Business Licensing \_\_\_\_\_ Administrator or designated representative if any portion of this Policy or other \_\_\_\_\_ applicable state or local law or application provision is breached.

d)

e. Open Fires. Please contact Wasatch County Fire at (435) 940- 9636 for further  
6. \_\_\_\_\_ information on fire  
restrictions and the type of wood permitted to be burned.  
\_\_\_\_\_ *Refunds will not be given because of fire restrictions.*

5. **Park Event:** To qualify for a Park Event Permit, the primary purpose of the event must be oriented to include the public within the management criteria of the City. Vendor retail, concessions, and fund raising may be a part of event, but shall not be the primary or only reason for the event. The type of events that may be permitted include the following activities:

a. \_\_\_\_\_ Events sponsored by Heber City Corporation;

b. \_\_\_\_\_ Entertainment (i.e. car shows, concerts, plays or dances, dance recitals, holiday celebrations, and festivals);

c. **Education (i.e. cultural events and emergency preparedness fairs); and/or Health and wellness (i.e. farmers market, physical fitness programs, and running and bicycle races).**

6. **Informal Reserveable General Uses:** Non-event, informal general uses for which Heber City public property may be reserved are any uses which include but are not limited to activities such as informal family, friends, church, club, association, assemblage gatherings.

## **PARK RULES AND PERMIT RESTRICTIONS**

### 1.

No approved Park Use Permit may be sold, assigned, or transferred. Nothing herein is intended nor shall be construed to create an employer-employee or joint-venture relationship with the City. The conditions herein shall be binding upon the applicant and applicant's successors and assigns.

1. — 2.

The City retains priority use of its facilities and reserves the right to reject all applications for event activities. The City further reserves the right to conduct concessions using its own staff or contractors.

2. — 3.

Any activity or event associated with commercial vending must not endanger persons or property or detract from the public's recreational use, the public's aesthetic enjoyment of the park, or the overall function and spirit of the event itself.

3. — 4.

The concession must only occur in locations as shown on the approved site plan as approved by the Business Licensing Administrator.

5. Political activities, events, gatherings or assemblies shall be limited as follows:

- a. **Permits.** Any types of protests require a permit, such as large rallies, (more than 50 persons), rallies with sound amplification, or rallies that block traffic.
- b. **Time, space, and manner.** There are restrictions on the time, space, and manner of protest, consistent with State Law and Heber City Police policy, and shall require a permit.
- c. **Speech.** Fighting words and obscenities are not permitted.

4. — 6. Political

The Cleanup cash bond may also be withheld to cover those additional costs. The Business Licensing Administrator shall make any initial determinations of this sort. Any appeal of such decisions shall be heard by the City Council.

5. — 7.

The exclusive use of all or any portion of a City park shall not commence before 7:00 a.m., and shall terminate no later than 10:00 p.m.

6. — 8.

Beverages must not be dispensed in glass containers, but in cans or paper or plastic cups. See also Sections 8 and 9 under *Prohibited Activities* below.

7. — 9.

Each vendor must display all applicable permits in a conspicuous location.

8. — 10.

9. — Each vendor displaying or retailing any goods or services shall locate all merchandise within a covered structure and/or upon a table.

11.

**10.** — **Please notify the Police Department if you witness damage, vandalism or illegal activity in the park.**

**Children**

— are required to be supervised at playgrounds, parking lots, restrooms and near open water areas.

12.

**11.** — **Trash.** To help keep parks clean for all patrons and maintenance costs down, those who rent park pavilions or

— **other park areas are asked to remove all trash generated from their event. The standard set by state and national parks to “Pack it in, Pack it out” will help us continue provide these facilities at a low cost. Please carry out all**

— **trash from your visit.**

13.

**12.** Open Fires. See Paragraph 4 e above, to which this Paragraph is subject. **Open fires are only allowed in**

**designated fire pits installed by Parks and Recreation and only when**

\_\_\_\_\_not prohibited. Extinguish all hot coals and briquettes, never place hot coals in the garbage receptacles.

**1314.** \_\_\_\_\_-Staking Items into the Ground. The use of stakes, or the staking of tents are not allowed in any public property or -parks.

**1415.** \_\_\_\_\_-Noise Ordinance. If the event involves music or other amplification, it must conform to the Heber City Noise-

\_\_\_\_\_Ordinance. Reservations may be canceled on-site due to excessive noise by the Heber City Police Department.

**1516.** \_\_\_\_\_-Pavilion Reservations. **A seven day notice is required for all pavilion reservations, cancellations and modifications**

**with no exceptions.** A \$30.00. Non-refundable fee, and a \$50.00 refundable deposit are required to reserve ~~Pavillions~~Pavilions. The \$50.00 deposit is refundable upon condition that the Pavilion is cleaned and free of damage after the event. A processing fee commensurate with the City’s Consolidated Fee Schedule is applied to all cancellations and modifications. Weather related cancellations will be given 50% refund depending on severity of weather (i.e. snow, heavy rain, hurricane force winds, etc.) and only after the date has taken place.

Park pavilions are used heavily each day during the summer months. Please leave the pavilion in as good, if not better condition than when you arrived. Remove table covers, tape and any cooking oil or grease from tables, grills and floors. Pick up all litter and take trash with you upon completion of your event. Heber City Parks and Recreation does not provide water taps, opening of gates or additional power. Electricity is for limited use only. Capacity is 15 amps total, which can power a radio or a slow cooker. If a circuit overloads, reduce the load and push the GFI reset. Repeated tripping of the circuit-breaker will cause the power to go out permanently. Power will not be reset until the next day. It's recommended to bring in your own source of power. City parks have a variety of amenities, including playgrounds, play courts, trails and open spaces. These amenities may not be reserved and are available on a first come first serve basis to the public.

**PROHIBITED ACTIVITES**

~~1.~~\_\_\_\_\_The following activities are prohibited.

1.\_\_\_\_\_ Vehicles on park grounds, unless placement of vehicles is approved and supervised by the Parks & Cemetery Director.

2.\_\_\_\_\_ 2.\_\_\_\_\_ PPets and animals, with the exception of verified guide dogs for the visually impaired.

3.\_\_\_\_\_ 3.\_\_\_\_\_ Smoking, fighting, excessive noise, vulgar language or gestures, drugs, the consumption of alcohol unless specifically approved by the city, the display of any feature, graphic or behavior that is generally deemed offensive to the public, or any other activity that is prohibited by state or local law.

4.\_\_\_\_\_ 4.\_\_\_\_\_ Activities such as the selling of used cars or other large equipment, garage or rummage sales, or other activity deemed by the city to be contrary to the purposes of this policy.

5.\_\_\_\_\_ 5.\_\_\_\_\_ Events which charge admission.

~~6.~~ \_\_\_\_\_

~~7. Political activities~~ ~~6.~~ \_\_\_\_\_

\_\_\_\_\_ Tampering with the sprinkler systems, fountains, water taps, circuit breakers, light plus or restroom fixtures is considered vandalism. Tables may not be moved around the park. Tables that are anchored must remain fastened to the floor. Insulate tables from heat or freeze damage. Do not freeze ice cream on the grass or dump anything on the grass except water.

~~8.~~ \_\_\_\_\_ ~~7.~~ \_\_\_\_\_ -

Alcoholic beverages are only allowed in the Main Street Park, subject to proper licensing of scheduled and approved events. All such scheduled and approved events involving alcohol shall require security of two security or police officer for the first 100 individuals in attendance, and an additional security or police officer for each additional 100 individuals in attendance beyond the initial 100. Any use of security officers other than state or local law enforcement shall be by and through a licensed security firm. Except for the Main Street Park subject to the conditions above, **all alcohol beverages are prohibited in all Heber City Parks.**

~~9.~~ \_\_\_\_\_ ~~8.~~ \_\_\_\_\_ -

Any act which violate the elements of Utah State Code provisions 76-9-101, 76-9-102, 76-9-103, 76-9-104 and 76-9-105, Annotated; Riot, Disorderly Conduct, Breaches of the Peace and Related Offenses, Offenses Against Public Order and Decency, Disrupting a Meeting or Procession, Failure to Disperse, and Making a False Alarm.

~~10.~~

**Waiver and Release:** I, as the applicant, hereby release and discharge Heber City Corporation, its officers, employees, directors and employees from and against any and all claims, actions and demands arising out of or in connection with participation in or use of City facilities, including, without limitation, any and all claims, cost liabilities, expenses, or judgments, including legal fees, penalties, interest and court costs incurred by Heber City Corporation in defense of same, arising in favor of any party on account of claims, personal injuries, death, or damages to property and all other claims or demands, occurring or in any way incident to, in connection with, or arising directly or indirectly from user's participation in or use of any City facilities.

I hereby release Heber City Corporation, its officers, employees, and agents from any liability, and clearly and unequivocally agree to defend, indemnify and hold harmless Heber City Corporation, its officers, employees, agents and servants from any liability arising from activities associated with participation in or use of the Heber City facilities whether caused by negligence or otherwise. I understand and agree that by signing this waiver I am freeing Heber City Corporation, its employees, officers or agents from any liability resulting from participation in or use of City facilities. I also understand that no employee or agent is authorized to modify this waiver.

I certify that I have read the above authorization and release and I hereby state that I understand the contents, and that I know that in signing it I am signing away any right of claim for damages sustained to any user while participating in or using any City facilities.

I covenant and agree to indemnify, hold harmless and defend City, its agents and employees from all fines, suits, claims, demands, and actions of any kind, including attorney's fees, by reason of any and all of its operations hereunder and agrees to assume all the risk in the operation of the event and is solely responsible and answerable in damages for any and all accidents or injuries to persons or property associated with the event. I, as the Applicant agree to maintain a comprehensive general liability insurance policy, naming City as an additional insured, satisfactory to City, protecting both Applicant and City against public liability, products liability and property damage. Thirty days prior to the event, Applicant is required to furnish a Certificate of Insurance certifying coverage for public liability and property damage in the minimum amount of \$1,000,000 (One Million Dollars) combined single limit per occurrence, \$2,000,000 (Two Million Dollars) in the aggregate and which states the coverage as primary

insurance with the City insurance policy being secondary.

My signature acknowledges that I understand and agree to the above conditions, and that I sign this release of my own free will, and I represent and acknowledge that I do so with full authority or right as the Applicant or as a duly empowered agent or representative of said Applicant.

ORGANIZATION NAME: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025

**SUBJECT:** Contract Award to Garrett Parks and Play for Provision of Park Equipment for the Coyote Springs Park in Heber City

**RESPONSIBLE:** Russ Funk

**DEPARTMENT:** Engineering

**STRATEGIC RELEVANCE:** Necessary Administrative Action

## SUMMARY

The purpose of this item is to seek Council approval to award a contract for provision of the Park Equipment and other Amenities to Garrett Parks and Play for the Coyote Springs Park in Heber City.

## RECOMMENDATION

That the City Council authorize staff to execute a contract with Garrett Parks and Play for an amount of \$462,080.24.

## BACKGROUND

The City Council identified completing the final design and beginning construction of Coyote Springs Park as one of the Budget/Policy priorities for FY25. Staff has been working with our consultants on the final design of the park, as well as on selection of park equipment and amenities for several months.

The procurement process for park equipment and amenities included an RFP outlining what the City was looking for including guidance on budget, quality, and styling/theme preferences. Three initial proposals were received from suppliers including Big T Recreation, Garrett Parks & Play, and Sonntag Recreation.

Staff provided feedback to all 3 suppliers to help them further refine their proposals and updated proposals were provided by each supplier to the City. Based on the updated proposals, the selection team including Matt Brower, Russ Funk, Mark Rounds, Heidi Franco, and Sunrise Engineering selected Garrett Parks and Play as the successful bidder.

Staff worked with Garrett Parks and Play to further refine their proposal to include the elements and

equipment desired by Heber City and to eliminate some elements that were not wanted. The final proposal, including a layout, costs, and renderings are attached to this staff report.

## DISCUSSION

The Garrett proposal is for supply of the equipment only. It is planned to be installed by the Contractor who is awarded the remainder of the Coyote Springs Park contract. The remainder of the project will be bid in the coming weeks, with an anticipated bid date of February 24th.

It is our hope to have the project completed for a grand opening on Memorial Day weekend in 2025, but this schedule will be dependent upon weather in the coming months.

## FISCAL IMPACT

Total Engineering design and inspection services for the project are estimated to be \$103,800. The equipment cost if awarded to Garrett Parks and Play is \$462,080.24.

The FY24/25 Budget includes \$2,521,000 of impact fee money (Fund 47 - Parks Impact Fee) for this project.

## CONCLUSION

Based on Council Priorities, and available impact fee funds to complete the project, Staff recommends that the Council approve the recommendation to award the contract Garrett Parks and Play.

## 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 , 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.

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**ACCOUNTABILITY**

**Department:** Engineering  
**Staff member:** Russ Funk, City Engineer

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**EXHIBITS**

1. Notice of Award
2. Final Cost Proposal
3. Playground Equipment Layout
4. Park Rendering 1
5. Park Rendering 2
6. Overall Park Concept - Draft

NOTICE OF AWARD

Date of Issuance:

Owner: Heber City

Owner's Project No.:

Engineer: Sunrise Engineering, LLC

Engineer's Project No.: S10313

Project: Coyote Springs Park

Contract Name: Heber City – Coyote Springs Park

Bidder:

Bidder's Address:

You are notified that Owner has accepted your Bid dated 01/03/2025 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

The Contract Price of the awarded Contract is \$462,080.24. Contract Price is subject to adjustment based on the provisions of the Contract, including but not limited to those governing changes, Unit Price Work, and Work performed on a cost-plus-fee basis, as applicable.

1 unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award, or has been transmitted or made available to Bidder electronically.

Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner 1 counterparts of the Agreement, signed by Bidder (as Contractor).
2. Deliver with the signed Agreement(s) the Contract security (such as required performance and payment bonds) and insurance documentation, as specified in the Instructions to Bidders and in the General Conditions, Articles 2 and 6.
3. Other conditions precedent (if any):

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 10 days after you comply with the above conditions, Owner will return to you one fully signed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Owner: Heber City

By (signature): \_\_\_\_\_

Name (printed): \_\_\_\_\_

Title: \_\_\_\_\_

Copy: Engineer



**Proposal for Coyote Springs Park-Heber**  
24379-1-Custom-11



# Estimate 24379-1-Custom-11

<b>Ship To</b>	<b>Date</b>	1/3/2025
City of Heber	<b>Expires</b>	2/2/2025
	<b>Salesperson</b>	Jordon LeBaron
Heber, UT 84032		

Site	Project Name
Option 1	Coyote Springs Park-Heber

PRODUCT	DESCRIPTION	QTY	RATE	AMOUNT
Play Structure	Main Kids Choice Megatower Structure, Little Kid Structure, no rocks, no custom	1.00	\$144,670.41	\$144,670.41
Freestanding Play	5" OD Arch Swing, 3-Bay, 1 Multi-User, 3 Belt, 1 Inclusive Seat	1.00	\$8,597.94	\$8,597.94
Freestanding Play	Concerto Tall Chimes	1.00	\$5,594.11	\$5,594.11
Freestanding Play	Howling Coyote	1.00	\$12,317.00	\$12,317.00
Freestanding Play	Miracle Machines Curiosity Thrilled the Cat	1.00	\$7,129.73	\$7,129.73
Freestanding Play	Inspired by Nature Ensemble, In Ground	1.00	\$11,574.87	\$11,574.87



Freestanding Play	Sequoia Log	1.00	\$39,699.88	\$39,699.88
Freestanding Play	Needle Rock	1.00	\$18,866.56	\$18,866.56
Freestanding Play	Bison Rock	1.00	\$9,899.93	\$9,899.93
Freestanding Play	Stump Stepper 29"	2.00	\$1,674.49	\$3,348.97
Freestanding Play	Stump Stepper 19"	1.00	\$1,395.74	\$1,395.74
Parts	Custom ADD (Decorative Stair Railings on Transfer Point and Typhoon Slide)	1.00	\$14,554.70	\$14,554.70
Poured-in-Place Surfacing	5,451 SF Poured in Place Rubber Surfacing, 3.5" Depth, 8' Fall Height, All Green	1.00	\$74,457.50	\$74,457.50
Shelter	GAP 2028: Gothic Arch Pavilion, 20' x 28' with 8' Eave, 29 Gauge Metal Roof, Urestone Column Wraps	1.00	\$49,853.30	\$49,853.30
Shelter	RHS1010: Rectangular Hip Shelter, 10' x 10' with 8' Eave, Steel	2.00	\$13,261.80	\$26,523.60
Engineering	Sealed Engineered Drawings	2.00	\$825.00	\$1,650.00
Benches, Tables and Receptacles	AV6-5571: Avondale Tables, IPE	6.00	\$4,186.17	\$25,117.00
Performance Bond	Performance Bond	1.00	\$6,829.00	\$6,829.00



<b>Subtotal</b>	\$462,080.24
<b>Sales Tax (0.00%)</b>	\$0.00

*Site preparation, excavation and/or removal of existing equipment is not included unless specified in the above line items and the Scope of Work below.*

NASPO Contract # PA 4281  
Sourcewell Contract # 010521-LTS-8

<b>TOTAL</b>	<b>\$462,080.24</b>
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<b>Required Deposit (applies to estimates of \$20,000 or more only)</b>	<b>\$115,520.06</b>
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## Notice to Proceed / Terms and Conditions

By signing this Estimate and paying the deposit (if required) you authorize Garrett Parks and Play to order the product(s) requested and/or begin site work on your project. **Work cannot begin and orders cannot be placed until a signed Estimate and deposit (if required) has been received.**

**Please send the signed estimate to [orders@garrettplay.com](mailto:orders@garrettplay.com).**

Payment may be made in the form of a check sent to **Garrett Parks and Play, PO Box 57426, Murray, UT 84157**, a Quickbooks ACH transfer, or via credit card (will require a 3% processing fee).

### Scope of Work

Price does not include installation.

### Products

We represent many different high-quality recreation equipment vendors and strive to offer you the best selection possible. We will do our best to accommodate any reasonable requests, but keep in mind that any changes to this Estimate after it has been approved and the product and/or services have been ordered may result in additional charges and/or Change Orders. Please send any product condition concerns or warranty claims to [support@garrettplay.com](mailto:support@garrettplay.com).

### Freight

All quotes include freight FOB Heber unless otherwise noted. After 2/2/2025 this Estimate expires and so do the associated rates. This is because freight rates provided by carriers change frequently and are only guaranteed for a limited amount of time.

### Permits

Unless otherwise stated in this Estimate, you will be responsible for obtaining and paying for all necessary permits, licenses, and any other instruments required to perform the services included in your Estimate. Garrett Parks and Play will fully cooperate with you in the obtaining of any permits and licenses, as necessary.

### Offloading

Garrett Parks and Play offers additional offloading services dependent on geographic location and project size. If you feel you will need this service, please contact us at time of order to see if it is offered in your area. Not all projects will qualify, so please make sure to have at least enough help available to get the equipment off the truck(s).

### Installation

If specified in the above Scope of Work, Garrett Parks and Play will install your products according to project specifications contained in this Estimate and all manufacturers' requirements. All materials needed to complete installation are included in this price. Any changes to your specifications after your Estimate has been signed may result in Change Order(s). Our installation price is based on typical site conditions. By signing this Estimate you agree and acknowledge that if issues arise with installation due to atypical site conditions, including but not limited to buried utility lines, caliche, high water tables, reinforced concrete, etc., the cost to perform this work will increase and will result in Change Order(s).

### Warranty Labor

Any equipment purchased as a result of a warranty claim will be installed free of charge if the age of



the original equipment is less than 1 (one) year. If it is more than 1 (one) year old, you agree and acknowledge that you are responsible for any costs associated with the replacement of the damaged equipment and that Garrett Parks and Play will not provide this service unless explicitly stated in your Estimate.

**Demolition**

If specified in your Estimate, Garrett Parks and Play will demolish your old recreational products according to project specifications contained in this Estimate. Any changes to your specifications after your Estimate has been signed may result in Change Order(s). Our demolition price is based on typical site conditions. By signing this Estimate you agree and acknowledge that if issues arise with demolition due to atypical site conditions, including but not limited to buried utility lines, caliche, high water tables, concrete, etc., the cost to perform this work will increase and may result in Change Order(s).

**Site Work**

If specified in your Estimate, Garrett Parks and Play will complete all site work in accordance with the plans, specifications and all applicable laws and regulations. Any changes to specifications required to complete the project after receipt of a signed Estimate may result in Change Order(s).

**Playground Post-installation Safety Inspection**

At your request, the equipment installed as part of this Estimate can be inspected by a third party inspector after work has been finished to ensure it has been completed according to manufacturer's recommendations and current safety standards. The cost for this service varies on the size of the project and will generate a Change Order or additional invoice if not included in this Estimate.

**Standalone Playground Safety Audit**

If specified in your Estimate, a third party Certified Playground Safety Inspector (CPSI) will perform a safety audit on playground equipment to identify compliant and non-compliant conditions using probes and gauges to rate playground conditions against current safety standards and guidelines. The audit document will contain hazard priority ratings for all compliant and non-compliant conditions based on predictable results (possibility, probability, and consequence) and provide a basis for these findings. It will also establish repair, removal, and replacement priorities based on the potential for injury to ensure non-compliant conditions are clear and can be corrected in a timely manner.

**Invoicing**

Garrett Parks and Play uses progress invoicing to ensure our vendors are paid in a timely manner. Please provide an Accounts Payable contact below to make sure these invoices are delivered to the correct person.

AP Contact \_\_\_\_\_

AP Email \_\_\_\_\_

**Late Charges**

Payments received 30 or more days after the terms of your invoice are subject to a late fee of 5% of your outstanding balance.



**Acceptance**

You acknowledge that by signing this Estimate and submitting your deposit, you are notifying Garrett Parks and Play to proceed with their project and that the Terms and Conditions of this Estimate have been read and understood.

By \_\_\_\_\_

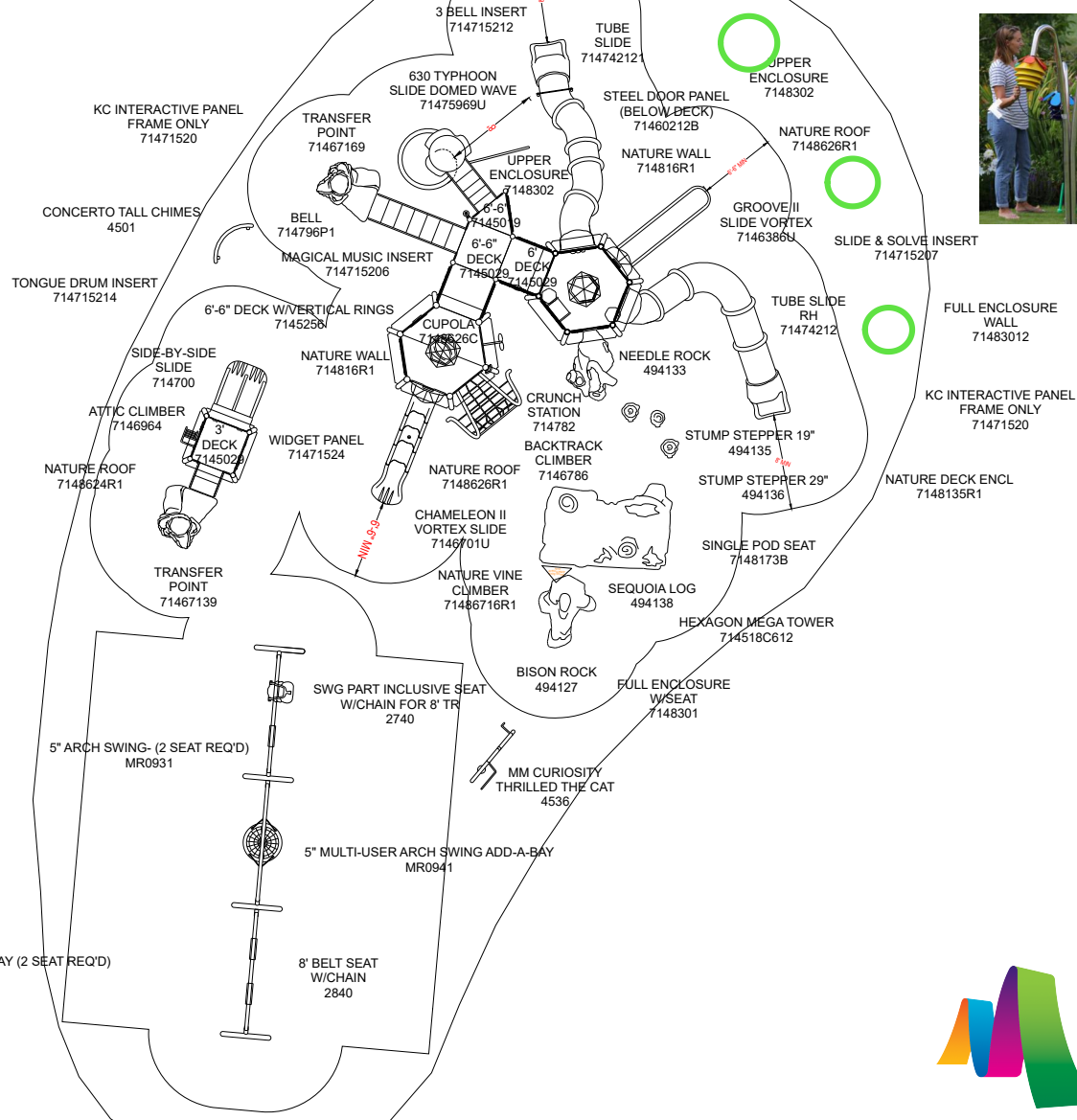
Name \_\_\_\_\_

Date \_\_\_\_\_

# Coyote Springs Option 1 Heber, UT

FOR KIDS AGES  
**5-12**  
YEARS

Inspired by Nature Ensemble



**GARRETT & COMPANY, INC.**  
850 Quaking Aspen Dr  
Murray, UT  
PHONE NO: (801) 265-8443  
FAX NO: (801) 263-1254  
GROUND SPACE: 59'-6" x 87'-6"  
PROTECTIVE AREA: 70'-6" x 102'-0"  
DRAWN BY: Angela LeBaron  
DATE: 9/20/2024

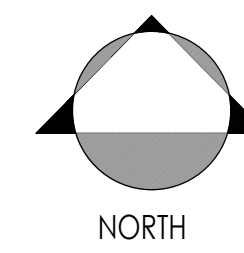
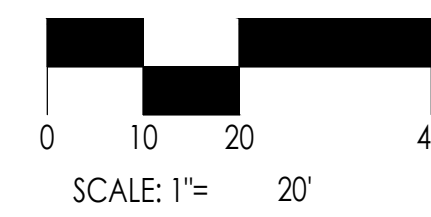
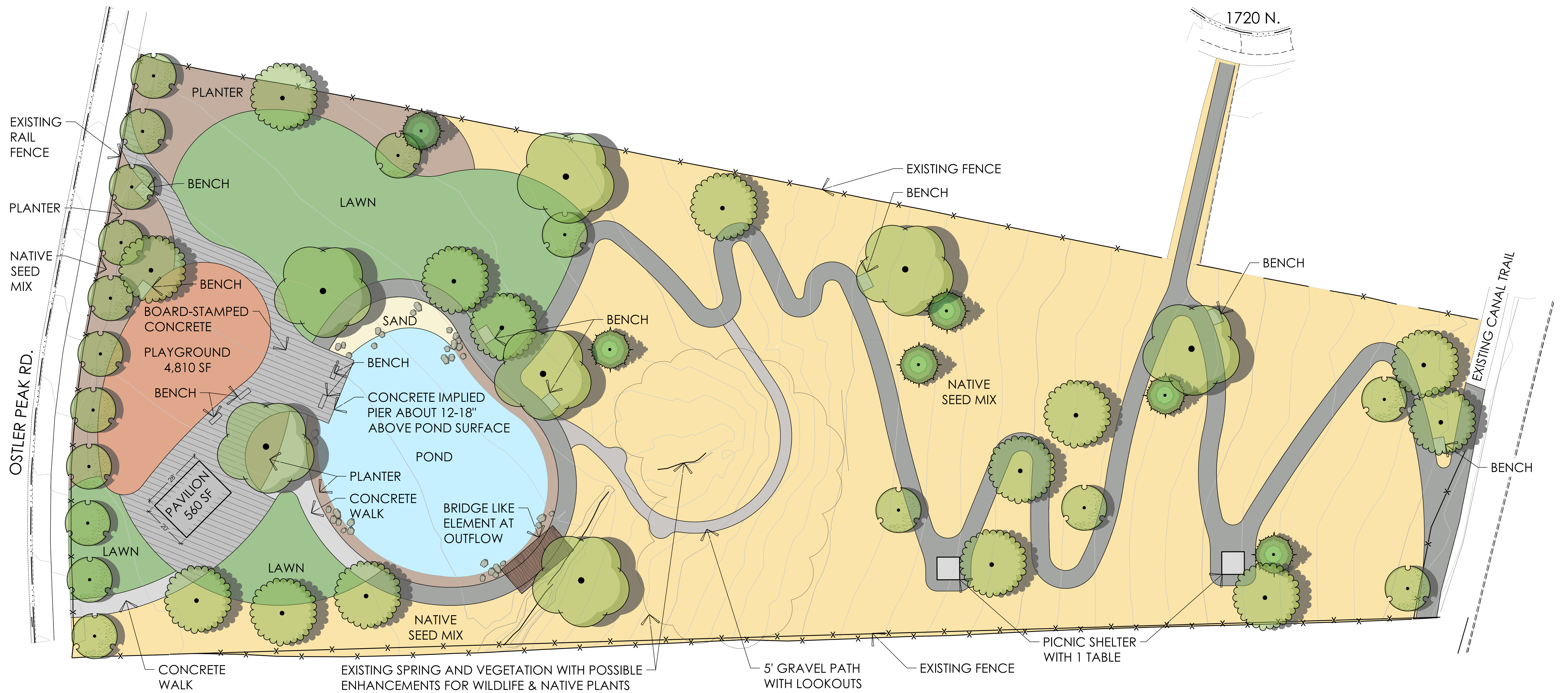
**R0032\_45643961119**  
 **COMPLIES TO ASTM/CPSC**

To promote safe and proper equipment use by children, Miracle recommends the installation of either a Miracle safety sign or other appropriate safety signage near each playsystem's main entry point(s) to inform parents and supervisors of the age appropriateness of the playsystem and general rules for safe play.

THE PLAY COMPONENTS IDENTIFIED IN THIS PLAN ARE IPEMA CERTIFIED. THE USE AND LAYOUT OF THESE COMPONENTS CONFORM TO THE REQUIREMENTS OF ASTM F1487.  
AN ENERGY ABSORBING PROTECTIVE SURFACE IS REQUIRED UNDER & AROUND ALL PLAY SYSTEMS







**REVISED CONCEPT**  
 May 15, 2024  
**Coyote Springs Park**  
 Heber City, UT



**G. BROWN: DESIGN INC**  
 SITE AND LANDSCAPE ARCHITECTS  
 678 East Vine Street, Ste 10  
 Murray, Utah 84107  
 801.575.6066  
 www.gbrowndesign.com



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025  
**SUBJECT:** Fiscal Year 2024 Financial Statement Audit Presentation  
**RESPONSIBLE:** Jon Haderlie, CPA Larson & Company, PC  
**DEPARTMENT:** Finance  
**STRATEGIC RELEVANCE:**

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## SUMMARY

This report summarizes the results of the 2024 financial statement audit conducted by Larson & Company, PC. Mr. Jon Haderlie, CPA, will present the audit findings, which include an unmodified opinion and no identified material weaknesses or significant deficiencies.

## RECOMMENDATION

Staff recommends that the City Council accept the presentation of the 2024 Financial Statement Audit as presented by Mr. Jon Haderlie, CPA, with Larson & Company, PC.

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## BACKGROUND

The City engaged Larson & Company, PC to perform the independent audit of the City's financial statements for the fiscal year ending June 30, 2024, in accordance with generally accepted auditing standards and Government Auditing Standards. The audit was successfully completed, and the results will be presented to Council.

## DISCUSSION

Mr. Jon Haderlie, CPA and partner with Larson & Company, PC, will be presenting the results of the 2024 financial statement audit. He will provide an overview of the audit process, key findings, and the City's financial position based on the audited financial statements.

The audit report includes:

- An unmodified opinion, indicating the financial statements are presented fairly in all material respects.
- A review of significant accounting policies and estimates.
- No material weaknesses or significant deficiencies identified in internal controls.

The presentation will also highlight compliance with applicable state and federal laws and regulations. Any management recommendations for process improvements will be discussed.

## FISCAL IMPACT

There is no direct fiscal impact associated with the presentation of the audit report.

## CONCLUSION

## ALTERNATIVES

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## POTENTIAL MOTIONS

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## ACCOUNTABILITY

**Department:** Finance  
**Staff member:** Sara Nagel, Finance Manager

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## EXHIBITS

1. FY2024 Issued Financial Statements - Heber City

**HEBER CITY CORPORATION  
HEBER CITY, UTAH  
BASIC FINANCIAL STATEMENTS**

**For The Year Ended June 30, 2024**

**Together with Independent Auditor's Report**

**HEBER CITY CORPORATION  
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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council Members  
Heber City

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Heber City ("the City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Heber City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Heber City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Heber City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Heber City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Heber City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about Heber City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Heber City's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison information, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the budgetary comparison information, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2025 on our consideration of Heber City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Heber City's internal control over financial reporting and compliance.



Larson & Company, PC

Spanish Fork, Utah  
January 7, 2025

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For The Year Ended June 30, 2024**

As management of the Heber City Corporation (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2024. The Management's Discussion and Analysis (MD&A) is designed to provide an overview of the City's financial activity. It is also intended to assist the reader in focusing on significant financial issues, including identifying changes in the City's financial position (its ability to address the next and subsequent years' challenges), identifying any material deviations from the approved budget identifying individual fund issues or concerns.

Heber City management encourages readers to consider the information presented herein in conjunction with the financial statements which follow this section. To help the reader with the navigation of this report, the City's activities are classified in the following manner: government activities refers to general administration, public safety, parks, streets, planning, cemetery, and airport, etc., while business-type activities refer to operations such as the water, sewer, utility, and pressurized irrigation.

**Financial Highlights**

- As of June 30, 2024, the City of Heber's total assets and deferred outflow of resources exceed liabilities and deferred inflows of resources by \$255,512,769. Of this amount, \$24,501,512 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors. The increase in unrestricted net position from the prior year was \$314,289.
- The Governmental Activities unrestricted net position decreased from \$12,693,033 to \$11,644,856, a change of \$1,048,177. The change in balance was largely due to the current year revenues, and an increase in operating expenses. The business type unrestricted net position increased from \$11,494,190 to \$12,856,656 or by \$1,362,466. The change in balance was largely due to decreases in revenues, capital contributions, and increased spending on capital projects during the year. The unrestricted funds are those that have no restrictions or commitments.
- The total assets and deferred outflows of resources of Heber City increased by \$46,002,167 totaling \$331,205,573. The total governmental activities assets and deferred outflows of resources increased by \$18,399,596 totaling \$149,151,841 and the business-type assets and deferred outflows of resources increased by \$27,602,571 totaling \$182,053,732.
- There was an increase of \$21,664,988 in governmental capital assets, net of depreciation, bringing the total to \$101,040,823. The business-type capital assets net of depreciation increased \$22,849,031, bringing the total to \$104,309,214. The City's total net capital assets increased by \$44,514,019, to a total of \$205,350,037 of total capital assets citywide.
- Total non-current liabilities of the City increased by \$8,439,276. The majority of this increase is the result of the issuance of \$7,629,000 of Sewer Revenue Bonds, \$1,875,000 Irrigation Revenue bonds, and approximately \$2,000,000 of new leases.
- As a result of changes in estimates, actual returns at Utah Retirement Systems, the City's pension-related net pension liability increased by \$596,612 to a total of \$1,927,286 between governmental activities and business-type activities of the City.

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to Heber City's basic financial statements. Heber City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

The financial statements presented herein include the activities of the City and its component unit, the Community Redevelopment Agency.

*Government-wide financial statements* are designed to provide readers with a broad overview of Heber City's finances in a manner similar to a private-sector business.

- *The Statement of Net Position* presents information on all of Heber City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Heber City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- *The Statement of Activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both government-wide financial statements distinguish the functions of Heber City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government-wide financial statements can be found on pages 15-16 of this report. The governmental activities of the City include general government, public safety, community development, streets and highways, parks, cemetery, and airport. The business-type activities of the City include culinary water, sewer utility, storm drain, pressurized irrigation, and electric fund.

**Reporting the City's Most Significant Funds**

*Fund financial statements.* A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City funds can be divided into two categories: governmental funds and proprietary funds.

- *Governmental funds* - These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund financial statements focus on how money flows into and out of these funds, and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the essential services it provides. Governmental fund information helps users determine whether more or fewer financial resources can be spent shortly to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the fund financial statements.

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

The City's major governmental funds (as determined by generally accepted accounting principles) are the General Fund, Airport Special Revenue fund, COVID-19 Special Revenue fund, and Streets Capital Projects fund. The remaining governmental funds are determined to be non-major and are included in the combining statements within this report.

- **Proprietary Funds** - Heber City maintains two types of proprietary funds, the enterprise fund, and the internal service fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Heber City uses enterprise funds to account for its Culinary Water Utility, Sewer Utility, Storm Drain Utility, Pressurized Utility, and Electric Investment funds. As determined by generally accepted accounting principles, the Culinary, Pressurized Water, Sewer, and Electric Investment\* funds meet major fund classification criteria. The Internal Service Fund accounts for vehicle replacement services provided to general government activities that meet major fund classification requirements.

\* *The Electric Utility Investment is simply the City's 75% ownership equity in Heber Light & Power.*

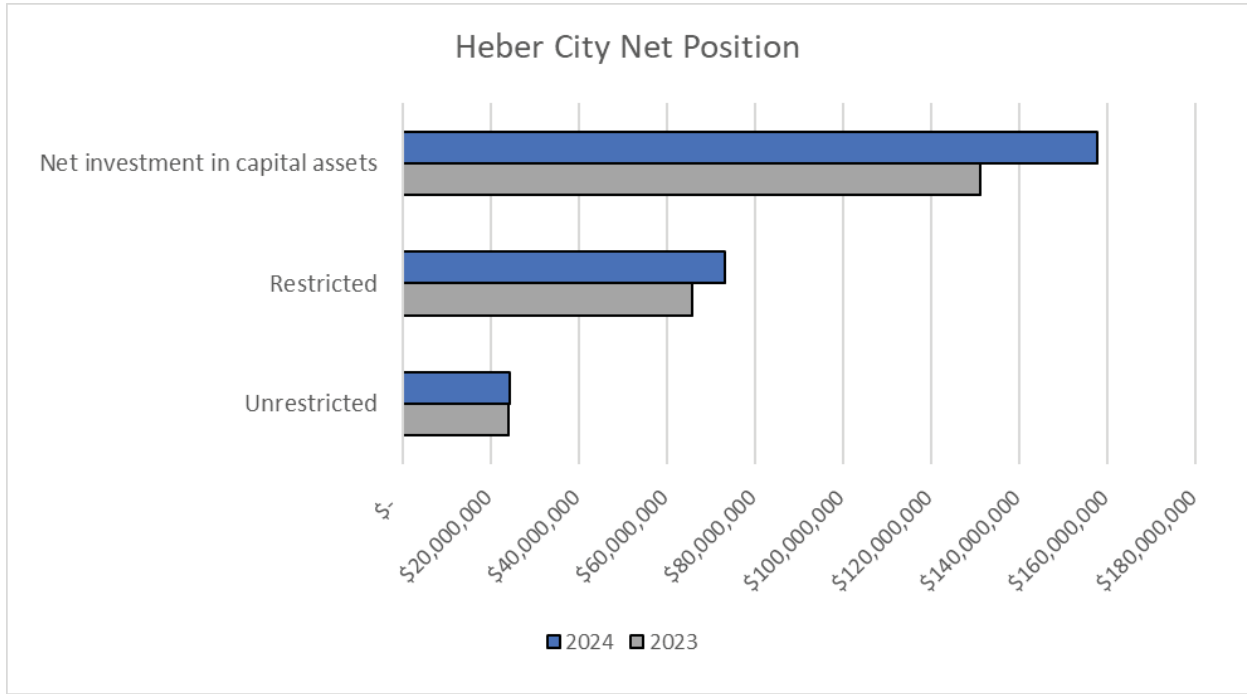
- **Notes to the Financial Statements.** The notes to the financial statements are necessary to fully understand the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-57.
- **Other Information.** In addition to the basic financial statements and accompanying notes, this report also present required supplementary information concerning Heber City's Budgetary Comparison Schedules, Budgeting and Budgetary Control, and Changes in Assumptions Related to Pensions.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Heber City, assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$255,512,769. The chart below shows a comparison of the net position, as stated in the prior year and the current year. It has a comparison of what classification within equity it would be represented as. This includes net investment in capital assets, restricted net position, and unrestricted net position.

As you can see, our net position has grown significantly over the last year. This is the result of several capital projects as well as developer contributions and the results of operations.

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**



**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

In the current fiscal year, Heber City's overall net position increased by \$34,446,653. Governmental activities net position increased by \$16,037,668. The major causes of increase in the governmental activities net position is the result of developer-contributed infrastructure, increases in fees collected for building permits, inspections, impact fees, and sales and other taxes increases over the prior year.

Continued development and building activity growth within the City continues to impact the revenues and associated expenditures within the various funds. The City has seen a 1.85% increase in sales and use tax revenues recognized over last year. Property tax revenues increased by 22.6%, and Other taxes saw an increase of 39.4%.

Governmental activities revenues in total increased 25.5% or \$7,085,001. \$8,776,602 of that increase is related to the recognition of contributions of capital grants and infrastructure. Governmental activities expenses increased by 12.7% as the City continued other infrastructure projects during the year related to parks and recreation, airport, and other areas.

Business type activities net position increased by \$18,408,985 as continued investment by the City in infrastructure and continued development and associated developer contributions impact the balance sheet. The Net Investment in Capital Assets has increased by \$9,527,225, restricted net position increased by \$7,519,294, and unrestricted net position increased by of \$1,362,466.

The current economic environment has had a significant impact on the amount of residential growth within the City. The City is also addressing the aging infrastructure and will evaluate the need to adjust rates to establish enough revenue to bond for projects.

By far, the most considerable portion of Heber City's net position (61.7%) reflects its investment in capital assets (e.g., land, buildings, infrastructure assets, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide citizens services; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other current sources.

Some of the significant capital spending for governmental activities for the fiscal year 2023-2024 included road improvements, park improvements, and other improvements.

The major business-type activities capital improvements in the fiscal year 2023-2024 included continuing work on the water, sewer, and irrigation infrastructure replacement projects, as well as various other improvements.

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

**Heber City Corporation**  
**Condensed Statement of Net Position**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 46,149,484	\$ 50,081,369	\$ 77,138,829	\$ 72,606,894	\$ 123,288,313	\$ 122,688,263
Capital assets	101,040,823	79,375,835	104,309,214	81,460,183	205,350,037	160,836,018
Total assets	\$ 147,190,307	\$ 129,457,204	\$ 181,448,043	\$ 154,067,077	\$ 328,638,350	\$ 283,524,281
Deferred outflows of resources	\$ 1,961,534	\$ 1,295,041	\$ 605,689	\$ 384,084	\$ 2,567,223	\$ 1,679,125
Long-term liabilities	\$ 12,958,863	\$ 12,363,865	\$ 37,376,045	\$ 29,531,767	\$ 50,334,908	\$ 41,895,632
Other liabilities	10,558,582	10,851,828	5,598,250	4,252,865	16,156,832	15,104,693
Total liabilities	\$ 23,517,445	\$ 23,215,693	\$ 42,974,295	\$ 33,784,632	\$ 66,491,740	\$ 57,000,325
Deferred inflows of resources	\$ 9,192,535	\$ 7,132,359	\$ 8,529	\$ 4,606	\$ 9,201,064	\$ 7,136,965
Net investment in capital assets	\$ 88,527,816	\$ 71,374,074	\$ 69,227,399	\$ 59,700,174	\$ 157,755,215	\$ 131,074,248
Restricted	16,269,189	16,337,086	56,986,853	49,467,559	73,256,042	65,804,645
Unrestricted	11,644,856	12,693,033	12,856,656	11,494,190	24,501,512	24,187,223
Total net position	\$ 116,441,861	\$ 100,404,193	\$ 139,070,908	\$ 120,661,923	\$ 255,512,769	\$ 221,066,116

The graphs on the following pages display the government-wide activities as reflected in the Statement of Activities on the next page. Program revenues included in the first graph are fees charged for specific services performed by the various governmental functions. General revenues, such as property taxes, sales and uses taxes, etc., are not included. In the second graph, we recognize the percentage of revenue for the governmental funds coming from different sources.

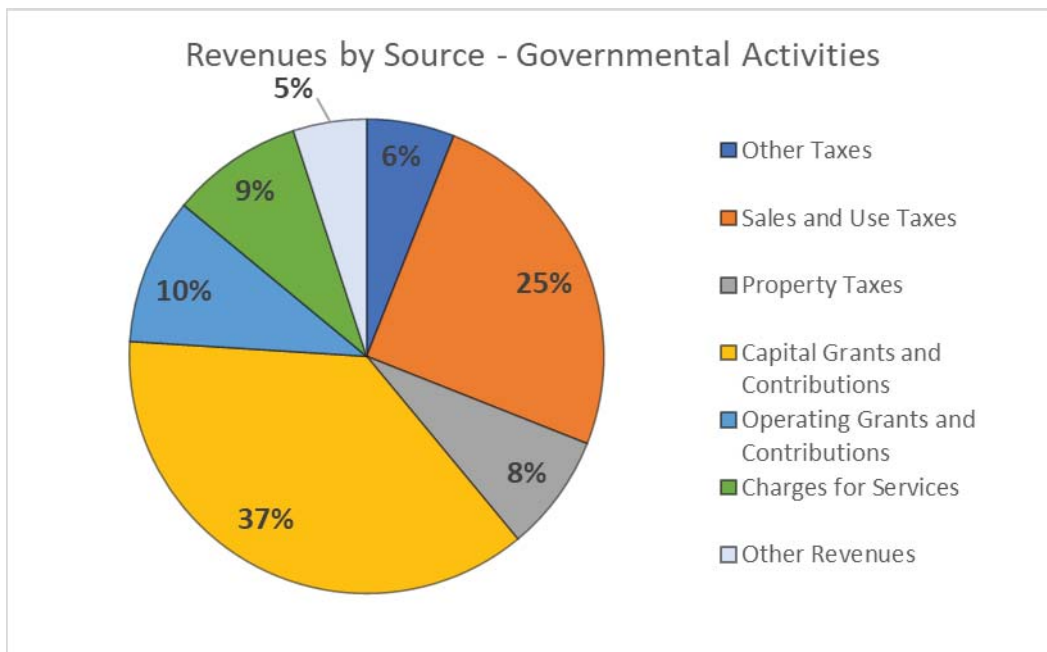
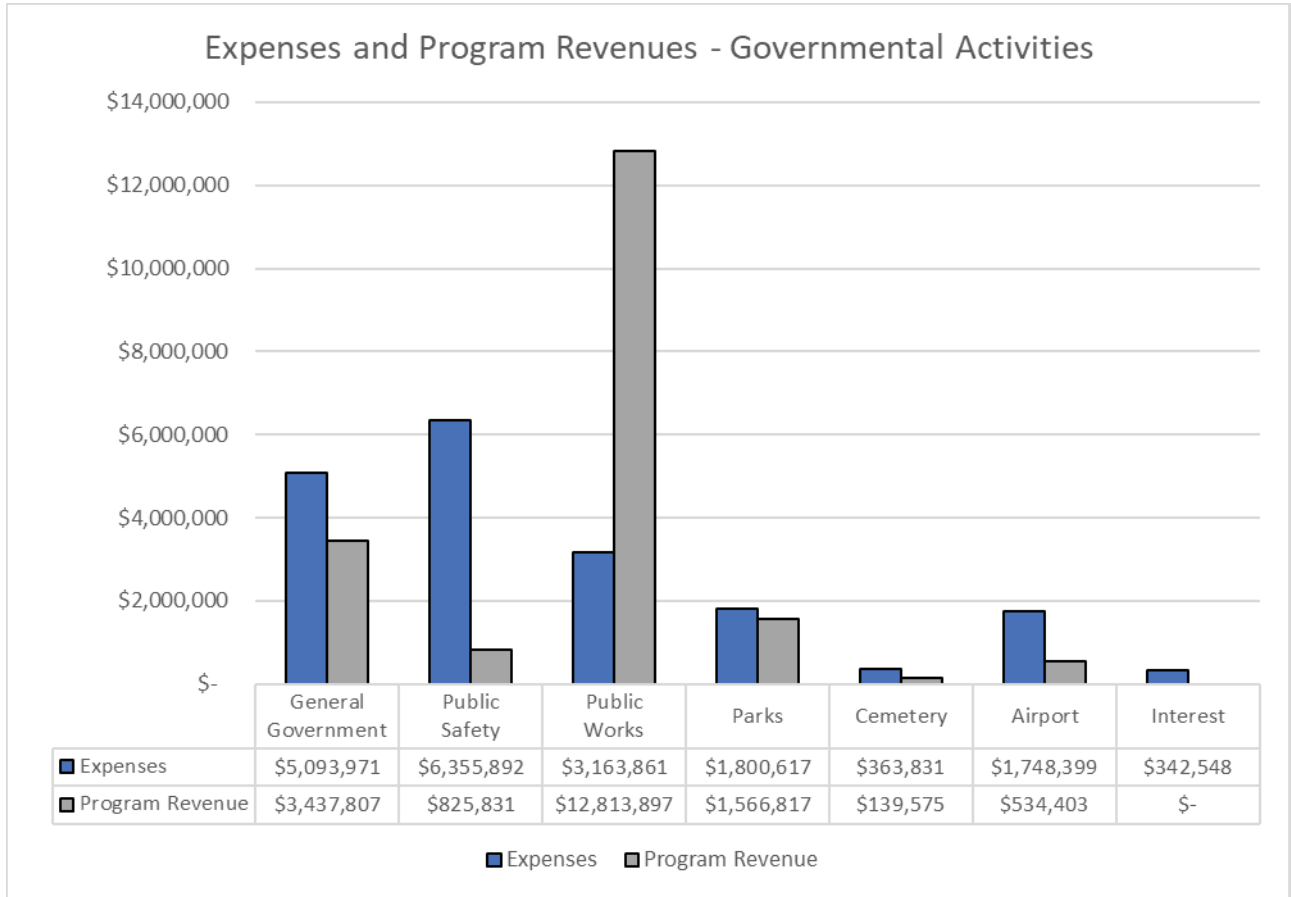
In the third and fourth graphs, we recognize similar information as in the first two graphs. However, it is reflective of the business type figures in the government-wide statement shown above.

**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

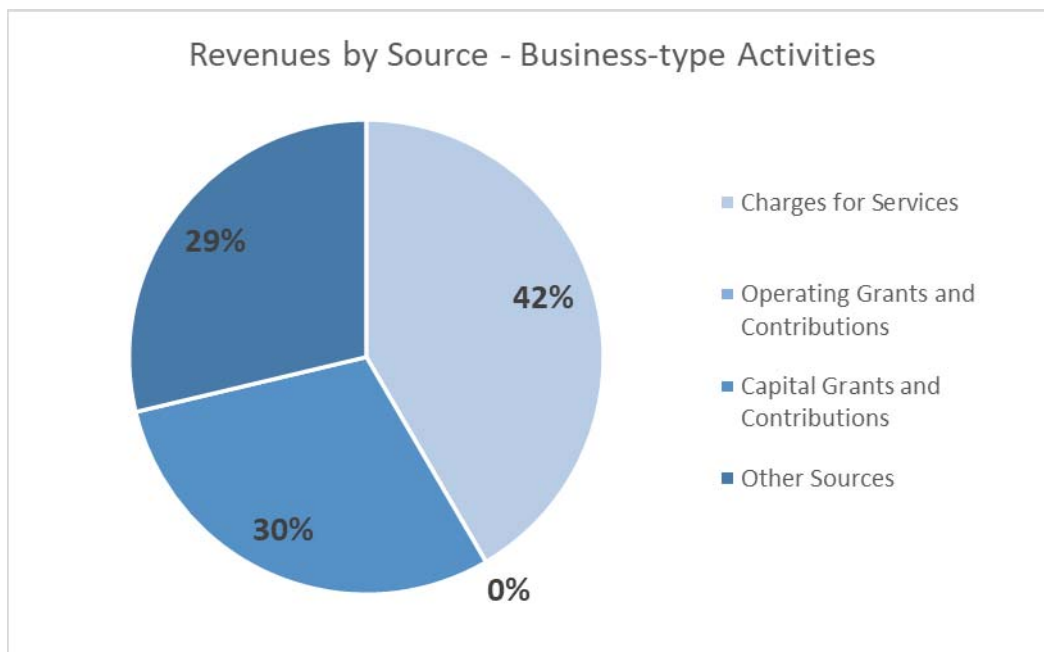
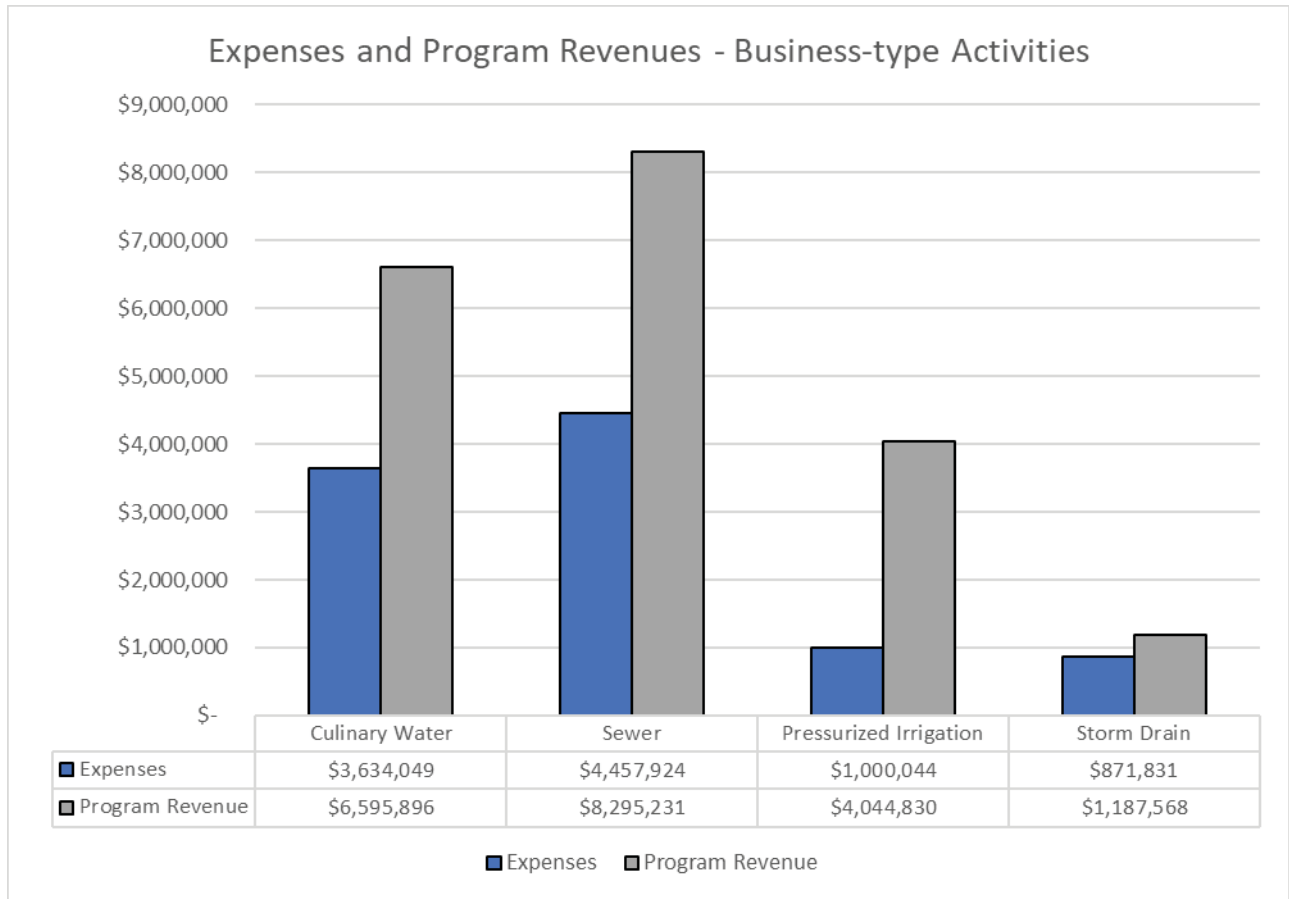
**Heber City Corporation**  
**Condensed Statement of Activities**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$ 3,184,385	\$ 3,022,213	\$ 11,600,117	\$ 8,934,394	\$ 14,784,502	\$ 11,956,607
Operating grants and contributions	3,155,283	5,881,898	-	-	3,155,283	5,881,898
Capital grants and contributions	12,978,662	4,202,060	8,523,408	2,634,530	21,502,070	6,836,590
General Revenues:						
Property taxes	2,936,195	2,395,300	-	-	2,936,195	2,395,300
Sales & use taxes	8,714,069	8,555,591	-	-	8,714,069	8,555,591
Other taxes	2,221,596	1,593,356	-	-	2,221,596	1,593,356
Other	1,716,597	2,171,368	8,249,308	4,019,862	9,965,905	6,191,230
Total revenues	34,906,787	27,821,786	28,372,833	15,588,786	63,279,620	43,410,572
Expenses:						
General government	5,093,971	4,634,554	-	-	5,093,971	4,634,554
Public safety	6,355,892	5,538,638	-	-	6,355,892	5,538,638
Public works	3,163,861	4,292,551	-	-	3,163,861	4,292,551
Parks and recreation	1,800,617	772,738	-	-	1,800,617	772,738
Cemetery	363,831	452,239	-	-	363,831	452,239
Airport	1,748,399	938,155	-	-	1,748,399	938,155
Interest on long-term debt	342,548	108,731	-	-	342,548	108,731
Water	-	-	3,634,049	3,383,009	3,634,049	3,383,009
Sewer	-	-	4,457,924	3,788,373	4,457,924	3,788,373
Pressurized irrigation	-	-	1,000,044	658,420	1,000,044	658,420
Storm drain	-	-	871,831	704,549	871,831	704,549
Total expenses	18,869,119	16,737,606	9,963,848	8,534,351	28,832,967	25,271,957
Increase (decrease) in net position before transfers	16,037,668	11,084,180	18,408,985	7,054,435	34,446,653	18,138,615
Transfers	-	(4,228,324)	-	4,228,324	-	-
Increase (decrease) in net position	16,037,668	6,855,856	18,408,985	11,282,759	34,446,653	18,138,615
Net position - beginning	100,404,193	93,548,337	120,661,923	109,379,164	221,066,116	202,927,501
Net position - ending	\$116,441,861	\$100,404,193	\$139,070,908	\$120,661,923	\$255,512,769	\$221,066,116

**HEBER CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2024**



**HEBER CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2024**



**HEBER CITY CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

**Financial Analysis of Government's Fund Financial Statements**

The focus of the City's balance sheet and statement of revenues for the separate governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements as well as short-term needs. As of June 30, 2024, the City's governmental funds reported combined fund balance of \$27,624,516. The General Fund is the chief operating fund of the City. All other activities which are not required to be accounted for in separate funds, either by State or local ordinance or by a desire to maintain a matching of revenues and expenses, are accounted for in this fund.

The City maintains five enterprise funds to account for the business-type activities of the City. The separate fund statements included in this report provide the same information for business-type activities as is provided in the government-wide financial statements. However, the difference is that the fund statements offer more detail. Having separate fund statements helps assess the short-term needs of the City and the financial stability and liquidity of the fund.

**General Fund Budgetary Highlights**

The City's general fund budgeted expenditures was increased from \$25,051,941 to \$26,28,757. This increase was primarily in the Administrative, Building, and Public Safety departments. Revenues were likewise increased, but only by \$311,553. The general fund was under budget as a result of conscientious spending, and the timing of projects moved into next fiscal year.

**Capital Asset and Debt Administration**

Capital assets - Heber City's total capital assets for its governmental and business-type activities as of June 30, 2024, amount to \$205,350,037 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, infrastructure (streets, sidewalks, curb and gutter, bridges, airport, etc.), and machinery and equipment. This is an increase of \$44,514,019.

**Heber City's Capital Assets**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Capital assets not being depreciated						
Construction in process	\$ 5,186,231	\$ 2,214,684	\$ 36,512,338	\$ 20,569,631	\$ 41,698,569	\$ 22,784,315
Land	23,380,630	23,160,662	557,761	557,761	23,938,391	23,718,423
Water shares	-	-	17,985,118	17,985,118	17,985,118	17,985,118
Capital assets being depreciated						
Buildings and structures	13,852,774	13,436,743	5,292,294	5,292,294	19,145,068	18,729,037
Improvements and infrastructure	89,073,676	83,458,676	64,249,509	57,757,413	153,323,185	141,216,089
Machinery, equipment, and vehicles	7,633,248	5,156,214	5,828,974	5,231,837	13,462,222	10,388,051
Total	139,126,559	127,426,979	130,425,994	107,394,054	269,552,553	234,821,033
Less accumulated depreciation	(38,085,736)	(48,051,144)	(26,116,780)	(25,933,871)	(64,202,516)	(73,985,015)
Total capital assets	\$101,040,823	\$ 79,375,835	\$104,309,214	\$ 81,460,183	\$205,350,037	\$160,836,018

Additional information on the City's capital assets can be found in Note 3-C in the footnotes to this financial report and the supplemental section.

Long-term debt & liabilities - On June 30, 2024, the City had total debt & compensated absences balances outstanding of \$52,066,394.

**HEBER CITY CORPORATION**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**  
**For The Year Ended June 30, 2024**

**Heber City’s Outstanding Debt**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenue bonds	\$ 10,587,845	\$ 11,609,244	\$ 37,708,152	\$ 29,319,757	\$ 48,295,997	\$ 40,929,001
Note payable	426,307	246,008	734,088	832,763	1,160,395	1,078,771
Lease payable	1,498,855	-	27,800	-	1,526,655	-
Compensated absences	799,783	696,506	283,564	274,543	1,083,347	971,049
Total	<u>\$ 13,312,790</u>	<u>\$ 12,551,758</u>	<u>\$ 38,753,604</u>	<u>\$ 30,427,063</u>	<u>\$ 52,066,394</u>	<u>\$ 42,978,821</u>

The City has no general obligation bonded indebtedness. A general obligation bond is backed by the full faith and credit of the City. State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of real estate within its boundaries total taxable value. Additional information on the outstanding debt obligations of the City can be found in Note 3-D in the footnotes to this report.

**Economic Factors and Next Year's Budget and Rates**

As of June 2024, both Wasatch County (of which Heber City is a part) and the State of Utah reported an unemployment rate of 3.0%, reflecting a strong local labor market compared to the national unemployment rate of 4.1% during the same period. This lower unemployment rate highlights the resilience and stability of Heber City's economy, supported by continuing economic growth. The data, sourced from the Utah Department of Workforce Services, indicates that the city maintains a competitive edge in job availability and workforce participation. Last year, Heber City's unemployment rate was 2.3%, further demonstrating its post-pandemic economic strength.

The low unemployment rate continues to bring challenges in employee retention, as competition for employees remains relatively high historically, although not as competitive as seen in recent years.

Over the past two years, the United States has experienced a significant decline in the rate of inflation after peaking at 9.1% in June 2022. By September 2024, the inflation rate was closer to 2.4%. In response, the Federal Reserve implemented a series of federal funds rate cuts throughout 2024, with the last cut of 0.25% in December 2024, bringing the target federal funds rate range to around 4.5%. While overall inflation significantly increased costs city-wide, we are hopeful that the costs will normalize, making budgeting for projects more feasible.

Although the fiscal year ended with a moderate 2.89% year-over-year increase in sales tax revenue, we anticipate a slightly stronger growth rate of approximately 4% in the upcoming year.

The major projects over \$500,000 budgeted for next fiscal year include:

- Heber Valley Airport Environmental Studies (800,000)
- Heber Valley Airport Pavement Preservation (\$702,640)
- Cemetery Administration Building (\$2,500,000)
- Coyote Springs Park (\$2,521,000)
- Main City Park Improvements – Phase 1 (\$3,562,000)
- Citywide PI Meter Replacements (\$5,820,355)
- Central Heber Irrigation Replacement Phase 1 (\$1,442,718)
- 600 East – 1300 S to Hidden Creek Lane (775,000)
- Eastern Bypass – Sec. B (\$1,402,000)
- Annual Road Maintenance (\$2,065,000)
- 150 East – 1000 S to 1200 S (\$650,000)
- Central Heber Sewer Replacement Phase 1 (\$10,875,698)

**HEBER CITY CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
For The Year Ended June 30, 2024**

- Central Heber Water Replacement Phase 1 (\$7,796,391)

There are several projects below this \$500,000 threshold budgeted to occur in the next year. The City has total projects budgeted for the next year at \$47,885,542. The City also has substantial additional fleet and equipment budgeted.

City Council imposed an 9.38% tax increases for the fiscal year 2025.

**Requests for Information**

This financial report is designed to provide our citizens, creditors, investors, and others interested in the City's finances with a general overview of the City's financial condition and to show the City's accountability for the financial resources it receives. Our goal is to be fully transparent in the information that we provide the citizens, creditors, investors, and other interested parties. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

Sara Nagel, CPA  
Heber City Corporation  
Finance Manager  
75 North Main  
Heber City, UT 84032

**BASIC FINANCIAL STATEMENTS**

**HEBER CITY CORPORATION**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>			
Current assets:			
Cash and cash equivalents	\$ 20,005,366	\$ 14,319,870	\$ 34,325,236
Accounts receivable, net	6,786,089	2,222,672	9,008,761
Lease receivable	4,320,387	-	4,320,387
Prepaid expenses	2,290	-	2,290
<b>Total current assets</b>	<b>31,114,132</b>	<b>16,542,542</b>	<b>47,656,674</b>
Non-current assets:			
Restricted cash and cash equivalents	15,035,352	12,535,656	27,571,008
Prepaid items	-	221,229	221,229
Capital assets:			
Not being depreciated	28,566,861	55,055,217	83,622,078
Net of accumulated depreciation	72,473,962	49,253,997	121,727,959
Investment in joint venture	-	47,839,402	47,839,402
<b>Total non-current assets</b>	<b>116,076,175</b>	<b>164,905,501</b>	<b>280,981,676</b>
<b>Total assets</b>	<b>147,190,307</b>	<b>181,448,043</b>	<b>328,638,350</b>
Deferred outflows of resources - pensions	1,961,534	605,689	2,567,223
<b>Total assets and deferred outflows of resources</b>	<b>\$ 149,151,841</b>	<b>\$ 182,053,732</b>	<b>\$ 331,205,573</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:</b>			
Current liabilities:			
Accounts payable	\$ 8,557,698	\$ 3,615,061	\$ 12,172,759
Customer security deposits	25,550	112,464	138,014
Accrued interest payable	49,930	127,658	177,588
Unearned revenue	-	9,699	9,699
Compensated absences, current portion	329,196	133,714	462,910
Long-term debt, current portion	1,596,208	1,599,654	3,195,862
<b>Total current liabilities</b>	<b>10,558,582</b>	<b>5,598,250</b>	<b>16,156,832</b>
Non-current liabilities:			
Compensated absences, non-current portion	470,587	149,850	620,437
Long-term debt, non-current portion	10,916,799	36,870,386	47,787,185
Net pension liability	1,571,477	355,809	1,927,286
<b>Total non-current liabilities</b>	<b>12,958,863</b>	<b>37,376,045</b>	<b>50,334,908</b>
<b>Total liabilities</b>	<b>23,517,445</b>	<b>42,974,295</b>	<b>66,491,740</b>
Deferred inflows:			
Deferred inflows of resources - lease	4,320,387	-	4,320,387
Deferred inflows of resources - property taxes	4,847,655	-	4,847,655
Deferred inflows of resources - pensions	24,493	8,529	33,022
<b>Total deferred inflows of resources</b>	<b>9,192,535</b>	<b>8,529</b>	<b>9,201,064</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>32,709,980</b>	<b>42,982,824</b>	<b>75,692,804</b>
<b>NET POSITION:</b>			
Net investment in capital assets	88,527,816	69,227,399	157,755,215
Restricted for:			
Investment in joint venture	-	47,839,402	47,839,402
Community improvements	14,805,460	8,948,513	23,753,973
Debt service	825,405	198,938	1,024,343
Perpetual care endowment	638,324	-	638,324
Unrestricted	11,644,856	12,856,656	24,501,512
<b>Total net position</b>	<b>116,441,861</b>	<b>139,070,908</b>	<b>255,512,769</b>
<b>Total Liabilities, deferred inflows of resources, and net position</b>	<b>\$ 149,151,841</b>	<b>\$ 182,053,732</b>	<b>\$ 331,205,573</b>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2024**

	Program Revenues			Net (Expense) Revenue & Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>FUNCTIONS/PROGRAMS:</b>							
Primary government:							
Governmental activities:							
General government	\$ 5,093,971	\$ 2,514,024	\$ 822,884	\$ 100,899	\$ (1,656,164)	\$ -	\$ (1,656,164)
Public safety	6,355,892	1,164	609,452	215,215	(5,530,061)	-	(5,530,061)
Public works	3,163,861	-	1,676,079	11,137,818	9,650,036	-	9,650,036
Parks and recreation	1,800,617	42,087	-	1,524,730	(233,800)	-	(233,800)
Cemetery	363,831	139,575	-	-	(224,256)	-	(224,256)
Airport	1,748,399	487,535	46,868	-	(1,213,996)	-	(1,213,996)
Interest on long-term debt	342,548	-	-	-	(342,548)	-	(342,548)
<b>Total governmental activities:</b>	<b>18,869,119</b>	<b>3,184,385</b>	<b>3,155,283</b>	<b>12,978,662</b>	<b>449,211</b>	<b>-</b>	<b>449,211</b>
Business-type activities:							
Water	3,634,049	3,138,832	-	3,457,064	-	2,961,847	2,961,847
Sewer	4,457,924	4,786,874	-	3,508,357	-	3,837,307	3,837,307
Pressurized irrigation	1,000,044	2,726,303	-	1,318,527	-	3,044,786	3,044,786
Storm drain	871,831	948,108	-	239,460	-	315,737	315,737
<b>Total business-type activities</b>	<b>9,963,848</b>	<b>11,600,117</b>	<b>-</b>	<b>8,523,408</b>	<b>-</b>	<b>10,159,677</b>	<b>10,159,677</b>
<b>Total primary government</b>	<b>\$ 28,832,967</b>	<b>\$ 14,784,502</b>	<b>\$ 3,155,283</b>	<b>\$ 21,502,070</b>	<b>449,211</b>	<b>10,159,677</b>	<b>10,608,888</b>
General Revenues:							
Property taxes					2,936,195	-	2,936,195
Sales and use tax					8,714,069	-	8,714,069
Other taxes					2,221,596	-	2,221,596
Unrestricted investment earnings					1,650,714	1,650,714	3,310,790
Gain (loss) on sales of capital assets					(12,868)	8,258	(4,610)
Change in joint venture equity					-	6,590,336	6,590,336
Miscellaneous					69,389	-	69,389
<b>Total general revenues</b>					<b>15,588,457</b>	<b>8,249,308</b>	<b>23,837,765</b>
Change in net position					16,037,668	18,408,985	34,446,653
Net position - beginning					100,404,193	120,661,923	221,066,116
Net position - ending					<b>\$ 116,441,861</b>	<b>\$ 139,070,908</b>	<b>\$ 255,512,769</b>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2024**

	General Fund	Airport - Special Revenue	COVID-19 - Special Revenue	Streets - Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 12,732,605	\$ 69,148	\$ 792,806	\$ -	\$ 5,682,052	\$ 19,276,611
Receivables:						
Property taxes	4,562,956	-	-	-	-	4,562,956
Due from other governments	1,502,359	2,721	-	-	-	1,505,080
Lease receivables	-	4,320,387	-	-	-	4,320,387
Other receivables	90,717	45,654	-	-	-	136,371
Prepaid expenses	2,290	-	-	-	-	2,290
Restricted assets:						
Cash and cash equivalents	7,544,447	-	-	3,626,811	3,864,094	15,035,352
Due from other governments	581,682	-	-	-	-	581,682
<b>TOTAL ASSETS</b>	<b>\$ 27,017,056</b>	<b>\$ 4,437,910</b>	<b>\$ 792,806</b>	<b>\$ 3,626,811</b>	<b>\$ 9,546,146</b>	<b>\$ 45,420,729</b>
<b>LIABILITIES:</b>						
Accounts payable	\$ 911,778	\$ 87,942	\$ -	\$ 706,165	557,119	\$ 2,263,004
Accrued liabilities	6,217,970	4,342	-	-	-	6,222,312
Customer deposits	25,550	-	-	-	-	25,550
Payables from restricted assets	57,304	-	-	-	-	57,304
<b>TOTAL LIABILITIES</b>	<b>7,212,602</b>	<b>92,284</b>	<b>-</b>	<b>706,165</b>	<b>557,119</b>	<b>8,568,170</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred inflows of resources - property tax	4,907,656	-	-	-	-	4,907,656
Deferred inflows of resources - leases	-	4,320,387	-	-	-	4,320,387
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>4,907,656</b>	<b>4,320,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,228,043</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>12,120,258</b>	<b>4,412,671</b>	<b>-</b>	<b>706,165</b>	<b>557,119</b>	<b>17,796,213</b>
<b>FUND BALANCES:</b>						
Nonspendable:						
Prepaid assets	2,290	-	-	-	-	2,290
Perpetual care	-	-	-	-	638,324	638,324
Restricted for:						
Class C roads	3,359,617	-	-	-	-	3,359,617
Transportation tax	3,942,242	-	-	-	-	3,942,242
Debt service	445,035	-	-	-	380,370	825,405
Impact fees	89,166	-	-	2,920,646	4,446,638	7,456,450
Capital projects	-	-	-	-	47,151	47,151
Assigned for:						
Capital projects	-	25,239	792,806	-	3,476,544	4,294,589
Unassigned	7,058,448	-	-	-	-	7,058,448
<b>TOTAL FUND BALANCES</b>	<b>14,896,798</b>	<b>25,239</b>	<b>792,806</b>	<b>2,920,646</b>	<b>8,989,027</b>	<b>27,624,516</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 27,017,056</b>	<b>\$ 4,437,910</b>	<b>\$ 792,806</b>	<b>\$ 3,626,811</b>	<b>\$ 9,546,146</b>	<b>\$ 45,420,729</b>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2024**

Total Fund Balance for Governmental Funds	<u>\$ 27,624,516</u>
Total net assets reported for governmental activities in the statement is different because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds:	
Capital assets, at cost	133,528,857
Less accumulated depreciation	<u>(35,913,638)</u>
Net capital assets	<u>97,615,219</u>
Deferred outflows of resources - pensions, a consumption of net position that applies to future periods, is not shown in the funds statements.	<u>1,961,534</u>
Property tax revenues not received within 60 days of fiscal year-end are not recognized as revenue in the governmental funds, but are recognized as revenue in the government-wide statements.	<u>60,000</u>
Deferred inflows of resources - pensions, acquisition of net position that applies to future periods, is not reported in the fund statements.	<u>(24,493)</u>
Long-term liabilities, for funds other than enterprise funds, are recorded in the government-wide statements but not in the fund statements.	
General long-term debt	<u>(10,892,875)</u>
Interest accrued but not yet paid on long-term debt	<u>(49,552)</u>
Compensated absences	<u>(799,783)</u>
Net pension liability	<u>(1,571,477)</u>
One internal service fund is used by management to charge the cost of vehicle replacement to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities of the statement of net position.	
Internal service fund	<u>2,518,772</u>
Total Net Position of Governmental Activities	<u><u>\$ 116,441,861</u></u>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2024**

	General Fund	Airport - Special Revenue	COVID-19 - Special Revenue	Streets - Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Taxes:						
Property	\$ 2,936,195	\$ -	\$ -	\$ -	\$ -	\$ 2,936,195
Sales	8,714,069	-	-	-	-	8,714,069
Other taxes	2,221,596	-	-	-	-	2,221,596
Licenses and permits	1,965,770	-	-	-	-	1,965,770
Intergovernmental revenues	2,313,044	-	792,271	-	263,117	3,368,432
Charges for services	221,169	487,535	-	-	53,717	762,421
Fines and forfeitures	454,240	-	-	-	-	454,240
Impact fees	215,215	-	-	1,108,600	1,524,730	2,848,545
Interest	1,055,527	135,692	-	203,845	265,012	1,660,076
Miscellaneous revenue	72,503	1,940	-	-	-	74,443
<b>Total revenues</b>	<b>20,169,328</b>	<b>625,167</b>	<b>792,271</b>	<b>1,312,445</b>	<b>2,106,576</b>	<b>25,005,787</b>
<b>EXPENDITURES:</b>						
Current:						
General government	4,738,113	-	-	-	5,057	4,743,170
Public safety	6,309,828	-	-	-	-	6,309,828
Public works	1,615,331	-	-	12,593	-	1,627,924
Parks and recreation	730,338	-	-	-	-	730,338
Cemetery	538,401	-	-	-	-	538,401
Airport	-	689,344	-	-	-	689,344
Capital outlay:						
General government	10,674	-	-	41,800	433,283	485,757
Public safety	268,957	-	-	-	-	268,957
Public works	7,054,349	-	-	2,798,625	417,185	10,270,159
Parks and recreation	280,203	-	-	-	2,091,085	2,371,288
Cemetery	13,252	-	-	-	172,268	185,520
Airport	-	-	-	-	46,274	46,274
Debt service:						
Principal	80,655	-	-	-	1,021,399	1,102,054
Interest	25,661	-	-	-	269,935	295,596
<b>Total expenditures</b>	<b>21,665,762</b>	<b>689,344</b>	<b>-</b>	<b>2,853,018</b>	<b>4,456,486</b>	<b>29,664,610</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,496,434)	(64,177)	792,271	(1,540,573)	(2,349,910)	(4,658,823)
Other Financing Sources and (Uses):						
Lease proceeds	281,797	-	-	-	-	281,797
Transfers in	-	-	-	196,862	1,672,334	1,869,196
Transfers (out)	(1,754,472)	(97,000)	-	(17,724)	-	(1,869,196)
<b>Total other financing sources and (uses)</b>	<b>(1,472,675)</b>	<b>(97,000)</b>	<b>-</b>	<b>179,138</b>	<b>1,672,334</b>	<b>281,797</b>
<b>Net Change in Fund Balances</b>	<b>(2,969,109)</b>	<b>(161,177)</b>	<b>792,271</b>	<b>(1,361,435)</b>	<b>(677,576)</b>	<b>(4,377,026)</b>
Fund balance - beginning of year	17,865,907	186,416	535	4,282,081	9,666,603	32,001,542
Fund balance - end of year	\$ 14,896,798	\$ 25,239	\$ 792,806	\$ 2,920,646	\$ 8,989,027	\$ 27,624,516

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2024**

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (4,377,026)</u>
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with a material cost are capitalized and the cost is allocated over their estimated useful and reported as depreciation expense.</p>	
Capital outlays	13,627,955
Developer contributions	10,130,117
Depreciation expense	(3,238,488)
Disposal of assets	<u>(676,158)</u>
Net	<u>19,843,426</u>
<p>The Statement of Activities show pension benefits and pension expenses from the adoption of GASB 68 that are not shown in the fund statements.</p>	
	<u>280,544</u>
<p>Grant revenue not received within 60 days of fiscal year-end are not available resources for the governmental funds, but are recognized as revenue in the government-wide statements.</p>	
	<u>(216,249)</u>
<p>Long-term debt proceeds are reported as financing sources in governmental funds. In the statement of net position, however, issuing debt increases long-term liabilities and do not affect the statement of activities.</p>	
Long-term debt proceeds	<u>(281,798)</u>
<p>Repayment of debt principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position.</p>	
Long-term debt principal repayments	<u>1,102,054</u>
<p>Accrued interest for long-term debt is not reported as expenditure for the current period, while it is recorded in the statement of activities.</p>	
Change in accrued interest	<u>(1,169)</u>
<p>Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.</p>	
Change in compensated absence liability	<u>(103,277)</u>
<p>An internal service fund is used by management to charge the cost of fleet management to individual funds. The net expense of the internal services is reported within the governmental activities.</p>	
Change in internal service fund	<u>(208,837)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 16,037,668</u></u>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**June 30, 2024**

	Water Fund	Sewer Fund	Electric Fund	Pressurized Irrigation Fund	Nonmajor Storm Drain Fund	Total Proprietary Funds	Governmental Internal Service Fund
<b>ASSETS:</b>							
Current assets:							
Cash and cash equivalents	\$ 1,264,198	\$ 11,337,392	\$ -	\$ 923,951	\$ 794,329	\$ 14,319,870	\$ 728,755
Accounts receivable, net	392,644	474,469	-	1,264,114	91,445	2,222,672	-
Total current assets	<u>1,656,842</u>	<u>11,811,861</u>	<u>-</u>	<u>2,188,065</u>	<u>885,774</u>	<u>16,542,542</u>	<u>728,755</u>
Non-current assets:							
Restricted cash and cash equivalents	7,262,270	2,268,306	-	3,005,080	-	12,535,656	-
Prepaid items	-	-	-	221,229	-	221,229	-
Capital assets:							
Not being depreciated	28,839,011	14,979,798	-	11,206,858	29,550	55,055,217	80,303
Net of accumulated depreciation	22,875,697	18,530,830	-	6,685,307	1,162,163	49,253,997	3,345,302
Other non-current assets	-	-	47,839,402	-	-	47,839,402	-
Total non-current assets	<u>58,976,978</u>	<u>35,778,934</u>	<u>47,839,402</u>	<u>21,118,474</u>	<u>1,191,713</u>	<u>164,905,501</u>	<u>3,425,605</u>
Total assets	<u>60,633,820</u>	<u>47,590,795</u>	<u>47,839,402</u>	<u>23,306,539</u>	<u>2,077,487</u>	<u>181,448,043</u>	<u>4,154,360</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>							
Deferred outflows of resources - pensions	239,266	192,980	-	79,470	93,973	605,689	-
Total assets and deferred outflows of resources	<u>\$ 60,873,086</u>	<u>\$ 47,783,775</u>	<u>\$ 47,839,402</u>	<u>\$ 23,386,009</u>	<u>\$ 2,171,460</u>	<u>\$ 182,053,732</u>	<u>\$ 4,154,360</u>

(Statement of Net Position continues on next page)

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS (Continued)**  
**June 30, 2024**

	Water Fund	Sewer Fund	Electric Fund	Pressurized Irrigation Fund	Nonmajor Storm Drain Fund	Total Proprietary Funds	Governmental Internal Service Fund
<b>LIABILITIES:</b>							
Current liabilities:							
Accounts payable	\$ 1,298,969	\$ 878,001	\$ -	\$ 1,362,646	\$ 75,445	\$ 3,615,061	\$ 15,078
Customer security deposits	111,329	-	-	1,135	-	112,464	-
Accrued interest	82,875	35,392	-	7,152	2,239	127,658	378
Unearned revenue	-	-	-	9,699	-	9,699	-
Compensated absences, current portion	54,947	39,697	-	19,847	19,223	133,714	-
Lease payable, current portion	279,485	113,594	-	3,789	43,976	440,844	414,243
Note payable, current portion	-	61,914	-	-	-	61,914	-
Revenue bonds, current portion	493,848	465,568	-	120,456	17,024	1,096,896	-
<b>Total current liabilities</b>	<b>2,321,453</b>	<b>1,594,166</b>	<b>-</b>	<b>1,524,724</b>	<b>157,907</b>	<b>5,598,250</b>	<b>429,699</b>
Non-current liabilities:							
Compensated absences, long-term	58,658	46,306	-	22,003	22,883	149,850	-
Lease payable, long-term	-	-	-	-	-	-	1,205,889
Note payable, long-term	-	259,130	-	-	-	259,130	-
Revenue bonds, long-term	13,992,403	16,091,573	-	6,064,041	463,239	36,611,256	-
Net pension liability	140,555	113,366	-	46,684	55,204	355,809	-
<b>Total non-current liabilities</b>	<b>14,191,616</b>	<b>16,510,375</b>	<b>-</b>	<b>6,132,728</b>	<b>541,326</b>	<b>37,376,045</b>	<b>1,205,889</b>
<b>Total liabilities</b>	<b>16,513,069</b>	<b>18,104,541</b>	<b>-</b>	<b>7,657,452</b>	<b>699,233</b>	<b>42,974,295</b>	<b>1,635,588</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Deferred inflows of resources - pensions	3,370	2,717	-	1,119	1,323	8,529	-
<b>Total liabilities and deferred inflows of resources</b>	<b>16,516,439</b>	<b>18,107,258</b>	<b>-</b>	<b>7,658,571</b>	<b>700,556</b>	<b>42,982,824</b>	<b>1,635,588</b>
<b>NET POSITION:</b>							
Net investment in capital assets	40,337,197	16,518,849	-	11,703,879	667,474	69,227,399	1,790,395
Restricted for:							
Investment in joint venture	-	-	47,839,402	-	-	47,839,402	-
Debt service	198,938	-	-	-	-	198,938	-
Construction	3,675,127	2,268,306	-	3,005,080	-	8,948,513	-
Unrestricted	145,385	10,889,362	-	1,018,479	803,430	12,856,656	728,377
<b>Total net position</b>	<b>44,356,647</b>	<b>29,676,517</b>	<b>47,839,402</b>	<b>15,727,438</b>	<b>1,470,904</b>	<b>139,070,908</b>	<b>2,518,772</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 60,873,086</b>	<b>\$ 47,783,775</b>	<b>\$ 47,839,402</b>	<b>\$ 23,386,009</b>	<b>\$ 2,171,460</b>	<b>\$ 182,053,732</b>	<b>\$ 4,154,360</b>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN NET POSITION PROPRIETARY FUNDS**  
**For The Year Ended June 30, 2024**

	Water Fund	Sewer Fund	Electric Fund	Pressurized Irrigation Fund	Nonmajor Storm Drain Fund	Total Proprietary Funds	Governmental Internal Service Fund
Operating income:							
Charges for sales and service	\$ 3,078,520	\$ 4,679,987	\$ -	\$ 1,014,689	\$ 948,108	\$ 9,721,304	\$ -
Interfund services provided	-	-	-	1,624,502	-	1,624,502	384,685
Connection fees	60,312	93,543	-	87,112	-	240,967	-
Miscellaneous income	-	13,344	-	-	-	13,344	-
<b>Total operating income</b>	<b>3,138,832</b>	<b>4,786,874</b>	<b>-</b>	<b>2,726,303</b>	<b>948,108</b>	<b>11,600,117</b>	<b>384,685</b>
Operating expenses:							
Personnel services	1,385,176	1,074,777	-	464,327	575,088	3,499,368	-
Utilities	159,534	47,230	-	8,342	13,323	228,429	-
Repair and maintenance	291,338	2,058,951	-	132,029	46,157	2,528,475	-
Other supplies and expenses	303,422	206,412	-	70,683	106,533	687,050	45,728
Insurance expense	39,755	46,941	-	-	9,240	95,936	-
Depreciation expense	1,066,309	748,998	-	257,139	115,298	2,187,744	489,144
<b>Total operating expenses</b>	<b>3,245,534</b>	<b>4,183,309</b>	<b>-</b>	<b>932,520</b>	<b>865,639</b>	<b>9,227,002</b>	<b>534,872</b>
<b>Net operating income (loss)</b>	<b>(106,702)</b>	<b>603,565</b>	<b>-</b>	<b>1,793,783</b>	<b>82,469</b>	<b>2,373,115</b>	<b>(150,187)</b>
Non-operating income (expense):							
Impact fees	532,726	568,333	-	176,812	239,460	1,517,331	-
Sale of fixed assets	(762)	4,510	-	-	4,510	8,258	(12,868)
Interest income	632,978	812,755	-	175,318	29,663	1,650,714	-
Interest on long-term debt	(388,515)	(274,615)	-	(67,524)	(6,192)	(736,846)	(45,782)
Change in joint venture equity	-	-	6,590,336	-	-	6,590,336	-
<b>Total non-operating income (expense)</b>	<b>776,427</b>	<b>1,110,983</b>	<b>6,590,336</b>	<b>284,606</b>	<b>267,441</b>	<b>9,029,793</b>	<b>(58,650)</b>
<b>Income (loss) before contributions and transfers:</b>	<b>669,725</b>	<b>1,714,548</b>	<b>6,590,336</b>	<b>2,078,389</b>	<b>349,910</b>	<b>11,402,908</b>	<b>(208,837)</b>
Capital contributions	2,924,338	2,940,024	-	1,141,715	-	7,006,077	-
<b>Change in net position</b>	<b>3,594,063</b>	<b>4,654,572</b>	<b>6,590,336</b>	<b>3,220,104</b>	<b>349,910</b>	<b>18,408,985</b>	<b>(208,837)</b>
<b>Net position - beginning</b>	<b>40,762,584</b>	<b>25,021,945</b>	<b>41,249,066</b>	<b>12,507,334</b>	<b>1,120,994</b>	<b>120,661,923</b>	<b>2,727,609</b>
<b>Net position - ending</b>	<b>\$ 44,356,647</b>	<b>\$ 29,676,517</b>	<b>\$ 47,839,402</b>	<b>\$ 15,727,438</b>	<b>\$ 1,470,904</b>	<b>\$ 139,070,908</b>	<b>\$ 2,518,772</b>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**For The Year Ended June 30, 2024**

	Water Fund	Sewer Fund	Electric Fund	Pressurized Irrigation Fund	Nonmajor Storm Drain Fund	Total Proprietary Funds	Governmental Internal Service Fund
Cash flows from operating activities:							
Cash received from customers - service	\$ 3,120,229	\$ 4,721,632	\$ -	\$ (91,745)	\$ 927,918	\$ 8,678,034	\$ -
Cash received from interfund services provided	-	-	-	1,624,502	-	1,624,502	384,685
Cash paid to suppliers	(700,770)	(2,764,889)	-	734,662	(132,598)	(2,863,595)	(201,647)
Cash paid to employees	(1,406,923)	(1,098,302)	-	(465,881)	(577,781)	(3,548,887)	-
Net cash provided (used) in operating activities	<u>1,012,536</u>	<u>858,441</u>	<u>-</u>	<u>1,801,538</u>	<u>217,539</u>	<u>3,890,054</u>	<u>183,038</u>
Cash flows from capital and related financing activities:							
Cash from impact fees	532,726	568,333	-	176,812	239,460	1,517,331	-
Cash from sale of fixed assets	-	4,510	-	-	4,510	9,020	-
Cash payments for capital assets	(6,396,690)	(7,436,704)	-	(4,027,311)	(170,755)	(18,031,460)	(2,323,575)
Proceeds from issuance of bonds payable	-	7,629,000	-	1,875,000	-	9,504,000	-
Proceeds from issuance of lease payable	15,938	21,183	-	7,767	12,105	56,993	1,766,543
Cash payments for long-term debt principal	(520,862)	(557,995)	-	(121,498)	(43,118)	(1,243,473)	(288,531)
Cash payments for long-term debt interest	(390,191)	(257,215)	-	(66,114)	(6,367)	(719,887)	(45,782)
Cash flows provided (used) in capital and related financing activities	<u>(6,759,079)</u>	<u>(28,888)</u>	<u>-</u>	<u>(2,155,344)</u>	<u>35,835</u>	<u>(8,907,476)</u>	<u>(891,345)</u>
Cash flows from investing activities:							
Cash received from interest earned	632,978	812,755	-	175,318	29,663	1,650,714	-
Net cash provided (used) in investing activities	<u>632,978</u>	<u>812,755</u>	<u>-</u>	<u>175,318</u>	<u>29,663</u>	<u>1,650,714</u>	<u>-</u>
Net increase (decrease) in cash	(5,113,565)	1,642,308	-	(178,488)	283,037	(3,366,708)	(708,307)
Cash balance, beginning	13,640,033	11,963,390	-	4,107,519	511,292	30,222,234	1,437,062
Cash balance, ending	<u>\$ 8,526,468</u>	<u>\$ 13,605,698</u>	<u>\$ -</u>	<u>\$ 3,929,031</u>	<u>\$ 794,329</u>	<u>\$ 26,855,526</u>	<u>\$ 728,755</u>
Cash reported on the statement of net position:							
Cash and cash equivalents	\$ 1,264,198	\$ 11,337,392	\$ -	\$ 923,951	\$ 794,329	\$ 14,319,870	\$ 728,755
Non-current restricted cash	7,262,270	2,268,306	-	3,005,080	-	12,535,656	-
Total cash and cash equivalents	<u>\$ 8,526,468</u>	<u>\$ 13,605,698</u>	<u>\$ -</u>	<u>\$ 3,929,031</u>	<u>\$ 794,329</u>	<u>\$ 26,855,526</u>	<u>\$ 728,755</u>

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)**  
**For The Year Ended June 30, 2024**

	Water Fund	Sewer Fund	Electric Fund	Pressurized Irrigation Fund	Nonmajor Storm Drain Fund	Total Proprietary Funds	Governmental Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided (Used) in Operating Activities:							
Net operating income (expense)	\$ (106,702)	\$ 603,565	\$ -	\$ 1,793,783	\$ 82,469	\$ 2,373,115	\$ (150,187)
Adjustments to reconcile operating income or (loss) to net cash provided (used) in operating activities:							
Depreciation and amortization	1,066,309	748,998	-	257,139	115,298	2,187,744	489,144
Pension expense adjustment	(16,771)	(8,650)	-	(17,150)	(15,969)	(58,540)	-
Changes in assets and liabilities:							
(Increase) decrease in receivables	(42,657)	(65,242)	-	(1,187,838)	(20,190)	(1,315,927)	-
(Increase) decrease in prepaid items	-	-	-	7,620	-	7,620	-
Increase (decrease) in accounts payables	93,279	(405,355)	-	938,096	42,655	668,675	(155,919)
Increase (decrease) in unearned revenues	-	-	-	(6,843)	-	(6,843)	-
Increase (decrease) in customer deposits	24,054	-	-	1,135	-	25,189	-
Increase (decrease) in compensated absences	(4,976)	(14,875)	-	15,596	13,276	9,021	-
Net cash provided (used) in operating activities	<u>\$ 1,012,536</u>	<u>\$ 858,441</u>	<u>\$ -</u>	<u>\$ 1,801,538</u>	<u>\$ 217,539</u>	<u>\$ 3,890,054</u>	<u>\$ 183,038</u>
Noncash financing and investing activities:							
Contributed assets	\$ 2,924,338	\$ 2,940,024	\$ -	\$ 1,141,715	\$ -	\$ 7,006,077	\$ -
Change in equity joint venture	\$ -	\$ -	\$ 6,590,336	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1-A. Reporting entity**

Heber City Corporation (the City), a municipal corporation located in Wasatch County, Utah, operates under a Six Member-Council form of government. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable.

The City has one component unit, the Community Reinvestment Agency (CRA). The CRA's board is the same as the City Council members and is reported as a blended component unit of the City. Separate financial statements of the Community Reinvestment Agency are not prepared or available.

The City is not a component unit of another entity.

**1-B. Government-wide and fund financial statements**

*Government-wide Financial Statements*

The government-wide financial statements, consisting of the statement of net position and the statement of activities report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The *statement of net position* reports the financial position of the governmental and business-type activities of the City and its discretely presented component units (if any) at year-end.

The *statement of activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Indirect expenses are not allocated. All expenses are included in the applicable function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privilege provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

*Fund Financial Statements*

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statement.

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-C. Measurement focus, basis of accounting and financial statement presentation**

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the reclassification of internal activity (between or within funds). However, internal eliminations do not include utility services provided to City departments or payments to the general fund by other funds for providing administrative and billing services for such funds. Reimbursements are reported as reductions to expenses. Proprietary and any fiduciary fund financial statements are also reported using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when the grantor eligibility requirements are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments, if any, receivable within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating income and expense reported in proprietary fund financial statements include those revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services, including administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

*Fund balance flow assumptions*

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-D. Fund types and major funds**

*Governmental funds*

**The City reports the following major governmental funds:**

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *airport special revenue fund* accounts for financial resources used for the leasing hangars and other services provided at the municipal airport.

The *COVID-19 special revenue fund* accounts for the federal grant revenues and the use of those financial resources related to the Coronavirus Relief Funds.

The *streets – capital projects fund* accounts for the City's funds set aside for use on street and other related improvement projects.

*Proprietary funds*

**The City reports the following major proprietary funds:**

The *water fund* is used to account for the activities of the City's water production, treatment and distribution operations.

The *sewer fund* is used to account for the billing to citizens for the Heber Valley Special Service District's treatment operations and maintenance costs of the wastewater collection system.

The *electric fund* accounts for the activities of the City's joint venture with Heber Light & Power Company's electric generation and distribution operations.

The *pressurized irrigation fund* accounts for the activities of the City's irrigation production and distribution operations.

**1-E. Assets, Liabilities, and Net Position or Equity**

**1-E-1. Deposit and Investments**

All of the City's deposits are in demand deposit accounts with the Utah Public Treasurers Investments Fund or with marketable securities with maturities of three years or less managed by Zions Wealth Advisors and US Bank. Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Additional information is contained in Note 3.

**1-E-2. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considers short-term, highly liquid investments with a maturity of three months or less from the purchase date to be cash equivalents.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-E-3. *Receivables and Payables***

Accounts receivable other than property taxes and intergovernmental receivables are from customers primarily for utility services. Property tax and intergovernmental receivables are considered collectible. Customer accounts are reported net of an allowance for uncollectible accounts. The allowance amount is estimated using accounts receivable past due more than 90 days.

Property taxes are assessed and collected for the City by Wasatch County and remitted to the City shortly after collection. Taxes are due and payable on November 1, and are delinquent after November 30. Property taxes become a lien on January 1 and are levied on the first Monday in August. All dates are in the year of levy.

**1-E-4. *Restricted Assets***

In accordance with certain revenue bond covenants, resources may be required to be set aside for the repayment of such bonds, and, on occasion, for the repair and maintenance of the assets acquired with the bond proceeds. These resources are classified as restricted assets on the balance sheet because of their limited use. Most capital grant agreements mandate that grant proceeds be spent only on capital assets. Unspent resources of this nature are also classified as restricted. The limited use resources described above involve a reported restriction of both cash and net position. Unspent proceeds of bonds issued to finance capital assets are also reported as restricted cash.

**1-E-5. *Inventories and Prepaid items***

Inventories in governmental funds are not reported. These consist of immaterial amounts of expendable supplies for consumption. Such supplies are acquired as needed. Proprietary fund inventories consist of immaterial amounts of expendable supplies for consumption. As such, no inventory balance is reported.

Prepaid items record payments to vendors that benefit future reporting and are reported on the consumption basis. Both inventories and prepayments are similarly reported in government-wide and fund financial statements.

**1-E-6. *Capital Assets***

Capital assets includes property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Infrastructure is depreciated.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend the assets' life is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-E-6. Capital Assets (Continued)**

Property, plant, and equipment of the primary government, as well as the component units if any, is depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Buildings	20-50
Improvements	7-50
Infrastructure	7-50
Machinery and equipment	3-15

**1-E-7. Long-term Obligations**

In the government-wide and proprietary fund financial statements, long-term debt and obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are deferred and amortized over the terms of the respective bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as expenses.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

**1-E-8. Compensated Absences**

Accumulated unpaid vacation is accrued as incurred based on the years of service for each employee. Vacation is accumulated on a bi-weekly basis. Proprietary funds expense all accrued vacation amounts when incurred. Governmental funds report an expenditure as the vacation is paid. The accumulated sick leave is earned at a rate of one day per month. Sick pay amounts are charged to expenditures when incurred. Employees may accumulate unlimited sick leave. The City's policy is to permit employees to accumulate a limited amount of earned, but unused, vacation time which will be paid to employees upon termination. The City also allows payment for accumulated sick leave to some employees at retirement or termination. Employees who have worked for the City for at least 5 years are eligible to be paid for 25 percent and employees who have worked for the City for at least 10 years are eligible to be paid for 50 percent of their accumulated sick leave.

**1-E-9. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-E-10. Fund Equity**

*Government-wide Financial Statements*

Equity is classified in the government-wide financial statements as net position and is displayed in three components:

**Net investment in capital assets** - Restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net position** - Net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

*Fund Financial Statements*

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned:

**Nonspendable fund balance** - Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.

**Restricted fund balance** - Net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of the government or b) imposed by law through constitutional provisions or enabling legislation. The City's remaining balance of Class C roads, transportation tax, impact fees, and debt service reserves is restricted.

**Committed fund balance** - Amounts that can only be used for specific purposes established by formal action of the City Council, which is the City's highest level of decision-making authority. Fund balance commitments can only be removed or changed by the same type of action (for example resolution) of the City Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City has not committed any fund balance amounts.

**Assigned fund balance** - Amounts that the City intends to be used for a specific purpose but are neither restricted nor committed. These are established by the City Council. This category includes the remaining positive fund balances for governmental funds other than the General Fund.

**Unassigned fund balance** - This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. However, in other governmental funds that may carry a negative fund balance at year-end, it may be necessary to report this as unassigned.

Proprietary fund equity is classified the same as in the government-wide statements.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**1-E-11. *Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources related to pensions as required by GASB 68.

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. Property taxes to be collected in November were unavailable in the current fiscal year. Accordingly, these property taxes are deferred and will be recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources related to pensions as required by GASB 68, and lease receivables in accordance with GASB 87.

**1-E-12. *Lease Receivables***

The City has lease receivables for hangars at the municipal airport. Payments on leases are due to the City annually. As required by GASB Statement No. 87, *Leases*, a deferred inflow related to the lease receivables is also reported.

**1-E-13. *Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results may differ from those estimates.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**2-A. Budgetary data**

Annual budgets are prepared by the Budget Officer and adopted by ordinance by total for each department, in accordance with State law, by the Mayor and City Council on or before June 22 for the following fiscal year beginning July 1. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in the General Fund. The level of the City's budgetary control (the level at which the City's expenditures cannot legally exceed appropriations) is established at the department level. Each department head is responsible for operating within the budget for their department. All annual budgets lapse at fiscal year-end.

Utah State law prohibits the appropriation of unreserved General Fund balance to an amount less than 5% of the General Fund revenues. The 5% reserve that cannot be budgeted is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Any unreserved General Fund balance greater than 35% of the current year's actual revenues must be appropriated within the following two years.

Once adopted, budget amendments which increase total expenditures must be approved by the City Council following a public hearing. With the consent of the City Manager, department heads may reallocate unexpended appropriated balances from one expenditure account to another within that department during the budget year. Budgets for the General Fund are prepared on the modified accrual basis of accounting. Encumbrances are not used.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**NOTE 3 - DETAILED NOTES**

**3-A. Deposits and investments**

Cash and investments as of June 30, 2024 consist of the following:

	Fair Value
Cash on hand	\$ 200
Demand deposits - checking	4,183,652
Investment in marketable securities	29,623,447
Deposits - PTIF	28,088,945
Total cash	\$ 61,896,244

Cash and investments listed above are classified in the accompanying government-wide statement of net assets as follows:

Cash and cash equivalents (current)	\$ 34,325,236
Restricted cash and cash equivalents (noncurrent)	27,571,008
Total cash and cash equivalents	\$ 61,896,244

The Utah Money Management Act (UMMA) establishes specific requirements regarding deposits of public funds by public treasurers. UMMA requires that city funds be deposited with a qualified depository which includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements specified in UMMA Section 51, Chapter 7. UMMA provides the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and also defines capital requirements which an Institution must maintain to be eligible to accept public funds. UMMA lists the criteria for investments and specifies the assets which are eligible to be invested in, and for some investments, the amount of time to maturity.

UMMA enables the State Treasurer to operate the Public Treasurer's Investment Pool (PTIF). PTIF is managed by the Utah State Treasurer's investment staff and comes under the regulatory authority of the Utah Money Management Council. This council is comprised of a select group of financial professionals from units of local and state government and financial institutions doing business in the state. PTIF operations and portfolio composition is monitored at least semi-annually by the Utah Money Management Council. PTIF is unrated by any nationally recognized statistical rating organizations. Deposits in PTIF are not insured or otherwise guaranteed by the State of Utah. Participants share proportionally in any realized gains or losses on investments which are recorded on an amortized cost basis. The balance available for withdrawal is based on the accounting records maintained by PTIF. The fair value of the investment pool is approximately equal to the value of the pool shares. The City maintains monies not immediately needed for expenditure in PTIF accounts.

The City also invests with Zions Wealth Advisors who invests in money market funds and short and intermediate-term fixed income securities (including taxable, tax-exempt or tax advantaged). Zions Wealth Advisors meets the requirements of the Utah Money Management Act. The City's investment policy allows for the purchase of investments that have a maturity date of less than three years.

The City also holds unspent bond proceeds in US Bank. These amounts held at US Bank are invested in the Utah State PTIF.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-A. Deposits and investments (Continued)**

**Deposit and Investment Risk**

The City maintains no investment policy containing any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk other than that imposed by UMMA. The City's compliance with the provisions of UMMA addresses each of these risks.

**Fair Value of Investments**

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 – Quoted prices for identical investments in active markets
- Level 2 – Observable inputs other than quoted market prices
- Level 3 – Unobservable inputs

At June 30, 2024, the City had the following recurring fair value measurements:

Investments by fair value level	Fair Value	Level 1	Level 2	Level 3
Utah Public Treasurer's Investment Fund	\$ 28,086,438	\$ -	\$ 28,086,438	\$ -
US Bank - Investments				
Invested in PTIF	3,587,143	-	3,587,143	-
Cash/Money Market	1,865,981	1,865,981		
Corporate Issues	1,513,544	1,513,544	-	-
Foreign Issues	1,002,331	1,002,331		
U.S. Obligations	21,656,955	21,656,955	-	-
Total US Bank - Investments	29,625,954	26,038,811	3,587,143	-
Total investments	<u>\$ 57,712,392</u>	<u>\$ 26,038,811</u>	<u>\$ 31,673,581</u>	<u>\$ -</u>

**Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. As of June 30, 2024, the City held the following investments by maturity:

Investment Type	Fair Value	Investment Maturities (in Years)		Weighted Avg. Maturity (days)
		Leass Than 1	1-5	
Utah Public Treasurer's Investment Fund	\$ 28,086,438	\$ 28,086,438	\$ -	83
US Bank - Investments				
Invested in PTIF	3,587,143	3,587,143	-	83
Cash/Money Market	1,865,981	1,865,981	-	116
Corporate Issues	1,513,544	752,396	761,148	469
Foreign Issues	1,002,331	1,002,331	-	186
U.S. Obligations	21,656,955	1,238,167	20,418,788	1073
Total US Bank - Investments	29,625,954	8,446,018	21,179,936	
Total investments	<u>\$ 57,712,392</u>	<u>\$ 36,532,456</u>	<u>\$ 21,179,936</u>	

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-A. Deposits and investments (Continued)**

**Credit risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. At June 30, 2024, the City had the following summary investments by rating:

Investment type	Rating (Moody's)	Fair Value	Percent of Total
Utah Public Treasurer's Investment Fund	Unrated	\$ 28,086,438	48.7%
US Bank - Investments			
Invested in PTIF	Unrated	3,587,143	6.2%
Cash/Money Market	Unrated	1,865,981	3.2%
Corporate Issues	A1	752,221	1.3%
Corporate Issues	A2	510,423	0.9%
Corporate Issues	Aa3	250,900	0.4%
Foreign Issues	Aa2	500,826	0.9%
Foreign Issues	Unrated	501,505	0.9%
U.S. Obligations	A1	496,585	0.9%
U.S. Obligations	Aaa	20,094,548	34.8%
U.S. Obligations	Unrated	1,065,822	1.8%
Total US Bank - Investments		29,625,954	
Total investments		\$ 57,712,392	

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits. At June 30, 2024, of the City's total demand deposits of \$4,654,211, the amount uninsured and uncollateralized was \$4,404,211.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City manages this risk by investing in only short to medium-length investments that are highly rated.

**Concentration of credit risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. At June 30, 2024, all of the City's investments were invested in the PTIF, and US Bank accounts.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-B. Receivables**

The allowance policy is described in Note 1-E-3. Receivables at year end for the City's funds are shown below.

	Special Rev.		Water Fund	Sewer Fund	Pressurized	Storm Drain	Total
	General Fund	Airport Fund			Irrigation Fund	Fund	
Customers	\$ -	\$ -	\$ 397,444	\$ 477,469	\$ 1,265,314	\$ 92,445	\$ 2,232,672
Property taxes	4,562,956	-	-	-	-	-	4,562,956
Due from other governments	2,084,041	2,721	-	-	-	-	2,086,762
Other receivables	90,717	45,654	-	-	-	-	136,371
<b>Total receivables, gross</b>	<b>6,737,714</b>	<b>48,375</b>	<b>397,444</b>	<b>477,469</b>	<b>1,265,314</b>	<b>92,445</b>	<b>9,018,761</b>
Allowance for uncollectibles	-	-	(4,800)	(3,000)	(1,200)	(1,000)	(10,000)
<b>Total receivables, net</b>	<b>\$ 6,737,714</b>	<b>\$ 48,375</b>	<b>\$ 392,644</b>	<b>\$ 474,469</b>	<b>\$ 1,264,114</b>	<b>\$ 91,445</b>	<b>\$ 9,008,761</b>

**3-C. Capital Assets**

Capital asset activity for the governmental activities for the fiscal year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 23,160,662	\$ 219,968	\$ -	\$ 23,380,630
Construction in progress	2,214,684	5,472,944	(2,501,397)	5,186,231
Total capital assets, not being depreciated	25,375,346	5,692,912	(2,501,397)	28,566,861
Capital assets, being depreciated:				
Buildings	13,436,743	416,031	-	13,852,774
Improvements other than buildings	83,458,676	18,734,876	(13,119,876)	89,073,676
Machinery and equipment	5,156,214	3,063,067	(586,033)	7,633,248
Total capital assets, being depreciated	102,051,633	22,213,974	(13,705,909)	110,559,698
Less accumulated depreciation for:				
Buildings	3,060,175	438,281	-	3,498,456
Improvements other than buildings	41,627,321	2,667,624	(13,119,876)	31,175,069
Machinery and equipment	3,363,648	621,727	(573,164)	3,412,211
Total accumulated depreciation	48,051,144	3,727,632	(13,693,040)	38,085,736
Total capital assets being depreciated, net	54,000,489	18,486,342	(12,869)	72,473,962
Governmental activities, capital assets, net	<u>\$ 79,375,835</u>	<u>\$ 24,179,254</u>	<u>\$ (2,514,266)</u>	<u>\$ 101,040,823</u>

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-C. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the primary government governmental activities was follows:

Governmental activities:	
General government	\$ 251,221
Public safety	315,302
Public works	2,123,137
Parks and recreation	62,547
Cemetery	18,552
Airport	467,729
Internal service	<u>489,144</u>
Total	<u><u>\$ 3,727,632</u></u>

Capital asset activity for the business-type activities for the fiscal year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 557,761	\$ -	\$ -	\$ 557,761
Water share	17,985,118	-	-	17,985,118
Construction in progress	20,569,631	17,485,036	(1,542,329)	<u>36,512,338</u>
Total capital assets, not being depreciated	<u>39,112,510</u>	<u>17,485,036</u>	<u>(1,542,329)</u>	<u>55,055,217</u>
Capital assets, being depreciated:				
Buildings	5,292,294	-	-	5,292,294
Water system	29,501,961	4,000,139	(1,536,963)	31,965,137
Sewer system	20,596,278	3,180,350	(372,027)	23,404,601
Pressurized irrigation	7,624,460	1,211,002	-	8,835,462
Storm drain	34,714	9,595	-	44,309
Machinery and equipment	5,231,837	693,745	(96,608)	<u>5,828,974</u>
Total capital assets, being depreciated	<u>68,281,544</u>	<u>9,094,831</u>	<u>(2,005,598)</u>	<u>75,370,777</u>
Less accumulated depreciation for:				
Buildings	785,219	163,105	-	948,324
Water system	12,307,229	838,520	(1,536,963)	11,608,786
Sewer system	7,530,150	495,316	(372,027)	7,653,439
Pressurized irrigation	2,235,217	230,249	-	2,465,466
Storm drain	29,789	4,926	-	34,715
Machinery and equipment	3,046,267	455,628	(95,845)	<u>3,406,050</u>
Total accumulated depreciation	<u>25,933,871</u>	<u>2,187,744</u>	<u>(2,004,835)</u>	<u>26,116,780</u>
Total capital assets being depreciated, net	<u>42,347,673</u>	<u>6,907,087</u>	<u>(763)</u>	<u>49,253,997</u>
Business-type activities, capital assets, net	<u><u>\$ 81,460,183</u></u>	<u><u>\$ 24,392,123</u></u>	<u><u>\$ (1,543,092)</u></u>	<u><u>\$ 104,309,214</u></u>

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-C. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the primary government business-type activities as follows:

Business-type activities:	
Water system	\$ 1,066,309
Sewer system	748,998
Pressurized irrigation	257,139
Storm drain	115,298
Total	\$ 2,187,744

**3-D. Long-term debt**

*Governmental Activities*

The 2014 Sales Tax Revenue Bonds were issued for the construction of the new public safety building. The City pledges income derived from sales tax to repay the revenue bonds. Annual principal and interest payments are expected to require approximately 4.22% of the sales and use tax revenues. The total of sales and use tax revenues pledged on these bonds is \$5,860,395, the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2018 Sales Tax Revenue Bonds were issued for the construction of the public works expansion. The outstanding bond balance of \$3,610,997 is allocated between governmental (\$1,328,845) and business-type activities (\$2,282,152). The City pledges income derived from sales tax to repay the revenue bonds. Annual principal and interest payments are expected to require approximately 2.48% of the sales and use tax revenues. The total of sales and use tax revenues pledged on these bonds is \$4,099,193, of which \$1,508,501 is attributable to governmental activities, the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2023 Excise Tax Revenue Bonds were issued for the purpose of financing all or a portion of the costs of maintenance improvements to roads, and construction of new roads. The City pledges income derived from Class C Road Funds, and Local Option Sales and Use Taxes for Transportation (Road Funds). Annual principal and interest payments are expected to require approximately 25.86% of the Road Fund revenues. The total of Road Funds pledged on these bonds is \$4,760,138. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

Long-term debt activity for the governmental activities was as follows:

Governmental Activities	Matures	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Bonds and Notes Payable - Direct Placements:</i>								
2014 Sales Tax Revenue	3/1/2045	\$ 6,700,000	1.50	\$ 5,196,000	\$ -	\$ (201,000)	\$ 4,995,000	\$ 204,000
2018 Sales Tax Revenue	10/1/2048	1,557,529	1.00	1,372,244	-	(43,399)	1,328,845	47,104
2023 Excise Tax Revenue	10/1/2029	5,041,000	3.79	5,041,000	-	(777,000)	4,264,000	791,000
Wheel Loader	6/8/2025	169,661	2.96	142,121	-	(11,741)	130,380	130,380
Taser	10/31/2025	33,287	2.96	20,552	-	(6,652)	13,900	6,849
Backhoe	12/11/2024	100,000	2.96	83,335	-	(7,193)	76,142	76,142
Body Cameras	12/31/2027	263,136	5.00	-	263,136	(57,251)	205,885	47,767
<i>Leases - Direct Placements:</i>								
Ford F-150 Lease (5)	6/30/2025	18,662	5.00	-	18,662	(9,559)	9,103	9,103
Ford Explorer Lease	6/15/2028	75,014	5.62	-	75,014	(10,820)	64,194	9,267
Ford F-150 Lease	2/1/2028	75,088	5.32	-	75,088	(11,000)	64,088	7,591
Ford Explorers Lease (2)	5/1/2028	145,595	5.16	-	145,595	(23,588)	122,007	28,299
Ford Explorers Lease (2)	5/1/2028	141,719	5.16	-	141,719	(23,688)	118,031	24,786
Ford Explorers Lease (3)	5/1/2028	209,578	5.16	-	209,578	(21,935)	187,643	37,838
Ford Explorers Lease (2)	5/1/2028	112,122	5.16	-	112,122	(24,452)	87,670	22,761
Ford Explorer Lease	5/1/2028	79,910	5.16	-	79,910	(7,052)	72,858	10,344
Chevrolet Tahoes Lease (2)	5/1/2028	156,049	5.16	-	156,049	(24,330)	131,719	24,704
Chevrolet Tahoe Lease	5/1/2028	73,413	5.16	-	73,413	(12,284)	61,129	10,799
Chevrolet Tahoe Lease	5/1/2028	81,111	5.16	-	81,111	(12,085)	69,026	11,563
Chevrolet Tahoe Lease	5/1/2028	77,728	5.16	-	77,728	(13,377)	64,351	12,017
Chevrolet Tahoe Lease	5/1/2028	81,358	5.16	-	81,358	(13,287)	68,071	11,827
Chevrolet 3500 Lease	5/1/2028	71,546	5.16	-	71,546	(7,816)	63,730	6,329
Ford Explorer Lease	5/31/2026	45,832	5.00	-	45,832	(14,538)	31,294	15,265
Ford Explorer Lease	5/1/2028	52,710	5.16	-	52,710	(12,313)	40,397	11,560
Dodge Rams Lease (5)	5/1/2028	235,059	5.16	-	235,059	(31,912)	203,147	27,353
Ford Explorer Lease	5/1/2028	52,710	5.16	-	52,710	(12,313)	40,397	11,560
<i>Other Long-term liabilities:</i>								
Net pension liability				1,134,007	437,470	-	1,571,477	
Compensated absences				696,506	374,850	(271,573)	799,783	329,196
Total governmental activity long-term liabilities				<u>\$ 13,685,765</u>	<u>\$ 2,860,660</u>	<u>\$ (1,662,158)</u>	<u>\$ 14,884,267</u>	<u>\$ 1,925,404</u>

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

Below are the related finance purchase and leased right-to use intangible assets:

Description	Cost
<i>Financed Purchase Assets</i>	
Wheel Loader #1	\$ 169,661
Wheel Loader #2	169,661
Wheel Loader #3	169,661
Backhoe #1	100,000
Backhoe #2	100,000
Backhoe #3	100,000
Body Cameras	263,136
<i>Leased Right-of-Use Assets</i>	
Ford F-150	22,696
Ford F-150	15,131
Ford F-150	15,131
Ford F-150	15,131
Ford Explorer	52,710
Ford Explorer	52,710
Ford Explorer	56,061
Ford Explorer	70,859
Ford Explorer	69,859
Ford Explorer	72,797
Ford Explorer	69,859
Ford Explorer	70,859
Ford Explorer	72,797
Ford Explorer	56,061
Ford Explorer	69,859
Ford F-350	79,910
Ram 1500	47,012
Ram 1500	47,012
Ram 1500	47,012
Ram 1500	47,012
Ram 1500	47,012
Chevrolet 3500	71,546
Chevrolet Tahoe	73,413
Chevrolet Tahoe	78,025
Chevrolet Tahoe	77,728
Chevrolet Tahoe	81,358
Chevrolet Tahoe	78,025
Chevrolet Tahoe	81,111
Ford Explorer	75,014
Ford Explorer	45,832
Ford F-150	75,088
Less: Accumulated amortization	<u>(594,598)</u>
Net right-of-use and financed purchase assets	\$ 1,240,032

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

As noted in the schedules above, the City entered into several new leasing arrangements for police body cameras, and various vehicles for use throughout the City’s operations. The Wheel loader, and backhoe financed purchases are still outstanding at June 30, 2024.

The leases payables are split between the Water Fund, Sewer Fund, Internal Service Fund, and other Governmental Activities.

The right-to-use assets are reported along with the other machinery and equipment in the City’s capital asset schedules. Amortization of the right-to-use lease assets are reported with depreciation expense.

Generally, resources from the General Fund are used to liquidate compensated absences for governmental activities.

See Note 4-D for more information about the City’s net pension liability.

Bond debt service requirements to maturity for governmental activities are as follows:

Year	Principal	Interest	Total
2025	\$ 1,042,104	\$ 249,605	\$ 1,291,709
2026	1,074,472	216,136	1,290,608
2027	1,109,840	181,519	1,291,359
2028	1,145,576	145,642	1,291,218
2029	1,182,944	108,502	1,291,446
2030-2034	1,384,080	311,791	1,695,871
2035-2039	1,485,328	211,429	1,696,757
2040-2044	1,595,208	103,586	1,698,794
2045-2049	568,293	12,979	581,272
Total	<u>\$ 10,587,845</u>	<u>\$ 1,541,189</u>	<u>\$ 12,129,034</u>

Lease payable debt service requirements to maturity for governmental activities are as follows:

Year	Principal	Interest	Total
2025	\$ 554,104	\$ 94,197	\$ 648,301
2026	359,069	67,176	426,245
2027	493,089	47,588	540,677
2028	518,900	21,243	540,143
Total	<u>\$ 1,925,162</u>	<u>\$ 230,204</u>	<u>\$ 2,155,366</u>

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

Long-term debt activity for the business-type activities was as follows:

Business-type Activities	Matures	Original Principal	% Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Bonds and Notes Payable - Direct Placements:</i>								
2018 Sales Tax Revenue	10/1/2048	2,674,471	1.00	\$ 2,365,757	\$ -	\$ (83,605)	\$ 2,282,152	\$ 80,896
2022 Water Revenue	5/1/2047	14,500,000	1.00	14,074,000	-	(458,000)	13,616,000	463,000
2022 Sewer Revenue	5/1/2053	8,553,000	1.50	8,553,000	-	(228,000)	8,325,000	231,000
2023 Sewer Revenue	5/1/2053	7,629,000	1.50	-	7,629,000	(231,000)	7,398,000	205,000
2022 Irrigation Revenue	5/1/2053	4,327,000	1.50	4,327,000	-	(115,000)	4,212,000	117,000
2024 Irrigation Revenue	5/1/2040	1,875,000	1.00	-	1,875,000	-	1,875,000	-
Jet Truck	1/1/2029	500,000	1.82	381,851	-	(60,807)	321,044	61,914
Wheel Loaders (2)	6/8/2025	339,323	2.96	284,243	-	(23,483)	260,760	260,760
Backhoe	12/11/2024	200,000	2.96	166,669	-	(14,385)	152,284	152,284
<i>Leases - Direct Placements:</i>								
Ford F-150 Lease (5)	6/30/2025	56,993	5.00	-	56,993	(29,193)	27,800	27,800
<i>Other Long-term liabilities:</i>								
Net pension liability				196,667	159,142	-	355,809	-
Compensated absences				274,543	121,048	(112,027)	283,564	133,714
Total business-type activity long-term liabilities				<u>\$ 30,623,730</u>	<u>\$ 9,841,183</u>	<u>\$ (1,355,500)</u>	<u>\$ 39,109,413</u>	<u>\$ 1,733,368</u>

The 2018 Sales Tax Revenue Bonds were used to fund various improvements throughout the City. The outstanding bond balance of \$3,610,997 is allocated between governmental (\$1,328,845) and business-type activities including the Water Fund (\$870,251), the Irrigation Fund (\$97,497), the Sewer Fund (\$834,141), and Storm Drain Fund (\$480,263). The City pledges sales and use taxes to repay the revenue bonds. Annual principal and interest payments are expected to require approximately 2.48% sales and use tax revenues. The total of sales and use tax revenues pledged on these bonds is \$4,099,193, of which \$2,590,692 is attributable to business-type activities, the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2022 Water Revenue bonds were issued to fund various improvements on the City's water infrastructure. The City pledges net revenues derived from metered water sales to repay the revenue bonds. Annual principal and interest payments are expected to require approximately 27.39% of the pledged revenues to repay the revenue bonds. The total pledged water revenues on these bonds is \$19,058,067, which is the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2022 Sewer Revenue bonds were issued to fund various improvements on the City's sewer infrastructure. The City pledges net revenues derived from sewer revenues to repay the revenue bonds. Annual principal and interest payments required 12.25% of the pledged revenues. The total pledged water revenues on these bonds is \$10,328,235, which is the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

The 2022 Irrigation Revenue bonds were issued to fund various improvements on the City’s irrigation infrastructure. The City pledges net revenues derived from irrigation revenues to repay the revenue bonds. Annual principal and interest payments required 19.41% of the pledged revenues. The total pledged irrigation water revenues on these bonds is \$5,225,085, which is the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2023 Sewer Revenue bonds were issued to fund various improvements on the City’s sewer infrastructure. The City pledges net revenues derived from sewer revenues to repay the revenue bonds. Annual principal and interest payments required 10.90% of the pledged revenues. The total pledged sewer revenues on these bonds is \$9,178,005, which is the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

The 2024 Irrigation Revenue bonds were issued to fund various improvements on the City’s irrigation infrastructure. The City pledges net revenues derived from irrigation revenues to repay the revenue bonds. Annual principal and interest payments required 0.0% of the pledged revenues, as no payments are due yet. The total pledged irrigation water revenues on these bonds is \$ 2,054,290, which is the remaining principal and interest to maturity. These bonds contain a provision that, in the event of default, penalty interest charges may be incurred.

In 2022, the City entered into a financed purchase arrangement for a Jet Truck. Original principal amount of the lease was \$500,000. The lease carries interest at 1.82% and is payable in annual installments of \$67,757 due on January 1 of each year with the first payment due January 1, 2022.

The respective business-type activities generally liquidate their respective liabilities in each fund as it relates to compensated absences.

See Note 4-D for more information about the City’s net pension liability.

Bond debt service requirements to maturity for business-type activities are as follows:

Year	Principal	Interest	Total
2024	\$ 1,096,896	\$ 705,740	\$ 1,802,636
2025	1,212,528	690,153	1,902,681
2026	1,229,160	672,629	1,901,789
2027	1,247,424	654,381	1,901,805
2028	1,266,056	635,375	1,901,431
2029-2033	6,760,920	2,862,719	9,623,639
2034-2038	7,396,672	2,253,499	9,650,171
2039-2043	7,557,792	1,511,145	9,068,937
2044-2048	6,652,704	616,381	7,269,085
2049-2053	3,288,000	124,200	3,412,200
Total	<u>\$ 37,708,152</u>	<u>\$ 10,726,222</u>	<u>\$ 48,434,374</u>

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**3-D. Long-term debt (Continued)**

Note payable debt service requirements to maturity for business-type activities are as follows:

Year	Principal	Interest	Total
2025	\$ 61,914	\$ 5,843	\$ 67,757
2026	63,041	4,716	67,757
2027	64,188	3,569	67,757
2028	65,356	2,401	67,757
2029	66,545	1,211	67,756
Total	<u>\$ 321,044</u>	<u>\$ 17,740</u>	<u>\$ 338,784</u>

Lease payable debt service requirements to maturity for business-type activities are as follows:

Year	Principal	Interest	Total
2024	\$ 440,844	\$ 13,346	\$ 454,190
Total	<u>\$ 440,844</u>	<u>\$ 13,346</u>	<u>\$ 454,190</u>

**3-E. Operating transfer reconciliation**

The operating transfers among the funds were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<i>Governmental funds:</i>		
General Fund	\$ -	\$ 1,754,472
Airport Special Revenue Fund	-	97,000
Nonmajor Governmental Funds	1,869,196	17,724
	<u>\$ 1,869,196</u>	<u>\$ 1,869,196</u>

Transfers were made primarily for debt service, and future capital projects.

**NOTE 4 - OTHER INFORMATION**

**4-A. Risk management**

Heber City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is unable to obtain insurance to cover most of these risks at a cost it considers to be economically justifiable. The City joined together with other governments in the State of Utah to form the Utah Local Governments Trust (ULGT), a public entity risk pool currently operating as a common risk management and insurance program for Utah State governments. The City pays an annual premium to ULGT for its general insurance coverage. The City also carries comprehensive general liability insurance coverage through Utah Local Governments Trust. Settled claims from this risk type have not exceeded coverage in any of the past three fiscal years.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-B. Investment in Joint Venture**

**Heber Light & Power Company**

The City is party to a joint venture with Midway and Charleston, neighboring municipalities. The joint venture was created by the three municipalities to provide electric services to their communities. Additional information is as follows:

- a. Participants and their percentage shares were: Heber City, 75.0%; Charleston, 12.5%; and Midway, 12.5%.
- b. The utility is governed by the Power Board which is selected from the Mayor and City Council of the participating municipalities.
- c. The Power Board governs the operations of the utility through management employed by the Board. Since the utility is subject to the same laws as the creating entities, it must follow state law for cities in the areas of fiscal management, budgeting, and financing. As the governing board is made up of the participants' mayors and appointees from the city councils, each participant has indirect control over these matters.
- d. Summary financial information, as of the joint venture's last year end of December 31, 2023, is as follows:

	Heber Light and Power	Heber City's Share
Total assets and deferred outflows	\$ 122,965,137	\$ 92,223,853
Total liabilities and deferred inflows	59,179,268	44,384,451
Net position	\$ 63,785,869	\$ 47,839,402
Total operating revenues	\$ 25,991,779	\$ 19,493,834
Total operating expenses	26,426,443	19,819,832
Net operating income (loss)	(434,664)	(325,998)
Non-operating income	5,881,950	4,411,463
Non-operating expense	2,019,793	1,514,845
Net non-operating income (loss)	3,862,157	2,896,618
Income (loss) before contributions	3,427,493	2,570,620
Capital contributed	5,359,622	4,019,716
Less withdrawals	-	-
Change in net position	\$ 8,787,115	\$ 6,590,336

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-B. Investment in Joint Venture**

e. The joint venture has the following long-term debt:

Revenue bonds	\$ 46,485,000
Unamortized bond premiums	5,247,293
Notes payable	898,911
Compensated absences	1,286,301
Termination benefits	102,411
Contract payable	<u>1,189,196</u>
	55,209,112
Less current portion	<u>(1,989,510)</u>
Net long-term debt	<u><u>\$ 53,219,602</u></u>

f. Audited financial statements for Heber Light and Power are available at Heber Light and Power's office: 31 South 100 West, Heber City, Utah 84032.

**4-D. Pension Plans**

**General Information about the Pension Plan**

**Plan description:**

Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust funds:

**Defined Benefit Plans**

Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple-employer, cost sharing, public employee retirement system;

Public Safety Retirement System (Public Safety System) is a cost-sharing, multiple-employer public retirement system;

Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple-employer cost sharing public employee retirement system;

Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: [www.urs.org/general/publications](http://www.urs.org/general/publications).

**Benefits provided:**

URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years, age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4 % depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years, age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years, any age 20 years, age 60* 10 years age 62* 4 years age 65	1.5% per year all years 2.0% per year July 1, 2020 to present	Up to 2.5%

\* Actuarial reductions are applied.

\*\*All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

**Contribution Rate Summary:**

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2024 are as follows:

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

	Employee	Employer	Employer 401(k)
Contributory System			
111 Local Government Div - Tier 2	N/A	16.01%	0.18%
Noncontributory System			
15 Local Government Div - Tier 1	N/A	17.97%	N/A
Public Safety System Contributory			
122 Tier 2 DB Hybrid Public Safety	2.59%	25.83%	N/A
Public Safety System Noncontributory			
43 Other Div A with 2.5% COLA	N/A	34.04%	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.19%	10.00%
222 Public Safety	N/A	11.83%	14.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

**Contribution Summary**

For fiscal year ended June 30, 2024, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 425,797	\$ -
Public Safety System	256,843	-
Tier 2 Public Employees System	488,880	-
Tier 2 Public Safety and Firefighter	396,840	39,791
Tier 2 DC Only System	29,475	-
Tier 2 DC Public Safety and Firefighter	9,066	-
Total Contributions	<u>\$ 1,606,901</u>	<u>\$ 39,791</u>

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

*Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Relating to Pensions*

At June 30, 2024, we reported a net pension asset of \$0 and a net pension liability of \$1,927,285.

	<u>(Measurement Date): December 31, 2023</u>				
	<u>Net Pension</u>	<u>Net Pension</u>	<u>Proportionate</u>	<u>Proportionate Share</u>	<u>Change</u>
	<u>Asset</u>	<u>Liability</u>	<u>Share</u>	<u>December 31, 2022</u>	<u>(Decrease)</u>
Noncontributory System	\$ -	\$ 699,960	0.3017632%	0.2779631%	0.0238001%
Public Safety System	-	896,916	0.6271424%	0.5536366%	0.0735058%
Tier 2 Public Employees System	-	205,095	0.1053718%	0.1040239%	0.0013479%
Tier 2 Public Safety and Firefighter	-	125,315	0.3326733%	0.3048087%	0.0278646%
Total	<u>\$ -</u>	<u>\$ 1,927,286</u>			

The net pension asset and liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2023, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2024, we recognized pension expense of \$1,266,434.

At June 30, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows of</u>	<u>Inflows of</u>
	<u>Resources</u>	<u>Resources</u>
Difference between expected and actual experience	\$ 779,112	\$ 11,913
Changes in assumptions	497,557	2,733
Net difference between projected and actual earnings on pension plan investments	392,279	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	74,143	18,376
Contributions subsequent to the measurement date	824,132	-
	<u>\$ 2,567,223</u>	<u>\$ 33,022</u>

\$824,132 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 513,655
2025	352,121
2026	750,595
2027	(128,051)
2028	32,557
Thereafter	189,192

***Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources***

For the year ended June 30, 2024, we recognize pension expense of \$499,036.

At June 30, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 490,120	\$ -
Changes in assumptions	210,043	-
Net difference between projected and actual earnings on pension plan investments	227,620	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	1,328	5,816
Contributions subsequent to the measurement date	209,552	-
	<u>\$ 1,138,663</u>	<u>\$ 5,816</u>

\$ 209,552 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2024	\$ 304,113
2025	286,840
2026	427,942
2027	(95,600)
2028	-
Thereafter	-

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

*Public Safety System Pension Expense, and Deferred Outflows and Inflows of Resources*

For the year ended June 30, 2024, we recognize pension expense of \$339,718.

At June 30, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 156,291	\$ -
Changes in assumptions	78,813	-
Net difference between projected and actual earnings on pension plan investments	128,385	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	33,610	1,402
Contributions subsequent to the measurement date	123,590	-
	\$ 520,689	\$ 1,402

\$123,590 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 178,290
2025	22,506
2026	250,751
2027	(55,850)
2028	-
Thereafter	-

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

*Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources*

For the year ended June 30, 2024, we recognize pension expense of \$267,858.

At June 30, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 65,690	\$ 3,358
Changes in assumptions	117,395	162
Net difference between projected and actual earnings on pension plan investments	23,160	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	28,872	6,404
Contributions subsequent to the measurement date	270,766	-
	\$ 505,883	\$ 9,924

\$270,766 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 19,341
2025	27,510
2026	47,242
2027	15,418
2028	20,881
Thereafter	94,801

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

*Tier 2 Public Safety and Firefighter System Pension Expense, and Deferred Outflows and Inflows of Resources*

For the year ended June 30, 2024, we recognize pension expense of \$159,823.

At June 30, 2024, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 67,011	\$ 8,555
Changes in assumptions	91,306	2,571
Net difference between projected and actual earnings on pension plan investments	13,114	-
Changes in proportion and differences between contri- butions and proportionate share of contributions	10,333	4,754
Contributions subsequent to the measurement date	220,224	-
	<u>\$ 401,988</u>	<u>\$ 15,880</u>

\$220,224 was reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2023.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2024	\$ 11,911
2025	15,265
2026	24,660
2027	7,981
2028	11,676
Thereafter	94,391

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

**Actuarial assumptions:**

The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.5 – 9.5 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2023, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the longterm expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long Term Expected Portfolio Real Rate of Return
Equity securities	35.00%	6.87%	2.40%
Debt securities	20.00%	1.54%	0.31%
Real assets	18.00%	5.43%	0.98%
Private equity	12.00%	9.80%	1.18%
Absolute return	15.00%	3.86%	0.58%
Cash and cash equivalents	0.00%	0.24%	0.00%
<b>Totals</b>	<b>100.00%</b>		<b>5.45%</b>
<b>Inflation</b>			<b>2.50%</b>
<b>Expected arithmetic nominal return</b>			<b>7.95%</b>

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

**Discount rate:**

The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

**Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:**

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1.00 percentage point lower (5.85 percent) or 1.00 percentage point higher (7.85 percent) than the current rate:

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 3,632,751	\$ 699,960	\$ (1,756,055)
Public Safety System	2,814,278	896,916	(665,615)
Tier 2 Public Employees System	704,673	205,095	(182,330)
Tier 2 Public Safety and Firefighter	403,770	125,315	(97,453)
Total	\$ 7,555,472	\$ 1,927,286	\$ (2,701,453)

**Pension plan fiduciary net position:**

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

**Defined Contribution Savings Plan:**

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Heber City participates in the following Defined Contribution Savings Plans with the Utah Retirement Systems:

- 401(k) Plan
- 457(b) Plan
- Roth IRA Plan
- Traditional IRA Plan

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-D. Pension Plans (Continued)**

Employee and employer contributions to the Utah Retirement Contribution Savings Plans for fiscal year ended June 30, were as follows:

	2024	2023	2022
401(k) Plan			
Employer Contributions	\$ 157,359	\$ 122,333	\$ 107,375
Employee Contributions	140,651	127,761	136,625
457 Plan			
Employer Contributions	\$ 6,543	\$ -	\$ -
Employee Contributions	37,511	26,914	25,373
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 51,026	\$ 43,542	\$ 36,857
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 575	\$ -	\$ -

**4-F. Leases Receivable**

The City's leasing operations consist of the leasing of hangar space at the City's airport to tenants. The majority of the 79 leases have a consumer price index-based inflation factor, while some older leasing agreements are a flat fee for the duration of the term. Lease terms remaining on the leases range from 3 to 26 years.

Lease revenues recognized during the year totaled \$147,129.

Expected future lease payments to be received are as follows:

Year	Principal	Interest	Total
2025	\$ 137,776	\$ 129,612	\$ 267,388
2026	98,960	125,478	224,438
2027	101,400	122,510	223,910
2028	97,938	119,467	217,405
2029	104,036	116,529	220,565
2030-2034	620,110	532,040	1,152,150
2035-2039	737,924	426,572	1,164,496
2040-2044	512,199	330,808	843,007
2045-2049	406,043	257,638	663,681
2050-2054	123,692	218,996	342,688
2055-2059	201,246	196,022	397,268
2060-2064	300,369	160,174	460,543
2065-2069	425,962	107,933	533,895
2070-2073	452,732	34,989	487,721
Total	\$ 4,320,387	\$ 2,878,768	\$ 7,199,155

**HEBER CITY CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2024**

**4-G. Subsequent Events**

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through the date of the auditor's report, which is, the date the financial statements were available to be issued.

Subsequent to year-end, the City issued \$1,343,000 of Pressurized Irrigation Revenue Bonds, Series 2024B and \$3,032,000 of Water Revenue Bonds, Series 2024 to the Board of Water Resources at an interest rate of 0%, with payments beginning May 2026. Additionally, the City issued \$5,900,000 of Sewer Revenue Bonds, Series 2024 to the Permanent Community Impact Fund Board (CIB) at an interest rate of 3.5% with payments beginning November 2025. All three bonds were issued as supplemental debt to the ongoing Central Heber Replacement Project. Lastly, the City, through council approval, established an interfund loan of \$1,300,000 to the Capital Improvement Fund from the Perpetual (\$800,000) and the Transportation Tax Fund (\$500,000) at a rate of 4.55% with payments beginning July 2025. The loan will help fund the Cemetery Administration Building.

**REQUIRED SUPPLEMENTARY INFORMATION**

**HEBER CITY CORPORATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2024**

**Budgetary Comparison Schedules**

The Budgetary Comparison Schedules presented in this section of the report are:

- General Fund.
- Airport Special Revenue Fund
- COVID-19 Special Revenue Fund

The basis of budgeting for these funds is the same as GAAP as applicable to governmental entities.

**Budgeting and Budgetary Control**

Original budgets represent the revenue estimates and spending authority authorized by the City Council prior to the beginning of the year. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

**Changes in Assumptions Related to Pensions**

Changes include updates to the mortality improvement assumption, salary increase assumption, disability incidence assumption, assumed retirement rates, and assumed termination rates, as recommended with the January 1, 2023 actuarial experience study.

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 13,523,006	\$ 13,523,006	\$ 13,871,860	\$ 348,854
Licenses and permits	1,185,385	1,480,385	1,966,560	486,175
Intergovernmental revenues	1,688,200	1,691,200	2,313,044	621,844
Charges for services	267,000	267,000	221,169	(45,831)
Fines and forfeitures	257,000	257,000	454,240	197,240
Impact fees	119,238	119,238	215,215	95,977
Heber Light and Power dividend	225,000	225,000	-	(225,000)
Interest	372,000	372,000	1,055,527	683,527
Miscellaneous revenue	419,685	433,238	71,713	(361,525)
<b>Total revenues</b>	<b>18,056,514</b>	<b>18,368,067</b>	<b>20,169,328</b>	<b>1,801,261</b>
<b>EXPENDITURES:</b>				
General government:				
Legislative	300,844	356,944	354,903	2,041
Judicial	368,856	382,606	383,669	(1,063)
Administrative	66,453	1,159,099	987,498	171,601
Human resources	216,837	373,215	143,763	229,452
Information technology	213,007	371,304	168,237	203,067
General government buildings	220,328	274,648	272,273	2,375
Building department	867,528	1,188,528	1,166,576	21,952
Planning commission	-	-	323	(323)
Planning department	827,429	832,029	646,075	185,954
Attorney	379,008	379,608	233,797	145,811
Engineering	1,003,970	337,342	391,673	(54,331)
Public Safety:				
Police department	5,905,828	6,030,103	6,194,169	(164,066)
Animal control	413,886	418,686	384,616	34,070
Roads	12,229,748	12,093,448	8,669,680	3,423,768
Parks and recreation	1,339,537	1,350,113	1,010,541	339,572
Cemetery	698,683	707,859	551,653	156,206
Debt Service:				
Principal	-	29,400	80,655	(51,255)
Interest	-	3,825	25,661	(21,836)
<b>Total expenditures</b>	<b>25,051,941</b>	<b>26,288,757</b>	<b>21,665,762</b>	<b>4,622,995</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,995,427)	(7,920,690)	(1,496,434)	6,424,256
Other financing sources and (uses):				
Lease proceeds	-	-	281,797	281,797
Transfers out	(3,630,509)	(4,830,509)	(1,754,472)	3,076,037
Budgeted use of fund balance	10,690,000	3,673,199	-	(3,673,199)
<b>Total other financing sources and (uses)</b>	<b>7,059,491</b>	<b>(1,157,310)</b>	<b>(1,472,675)</b>	<b>(315,365)</b>
<b>Net change in fund balances</b>	<b>64,064</b>	<b>(9,078,000)</b>	<b>(2,969,109)</b>	<b>6,108,891</b>
Fund balances - beginning of year	17,865,907	17,865,907	17,865,907	-
<b>Fund balances - end of year</b>	<b>\$ 17,929,971</b>	<b>\$ 8,787,907</b>	<b>\$ 14,896,798</b>	<b>\$ 6,108,891</b>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
**AIRPORT SPECIAL REVENUE FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Charges for services	\$ 612,695	\$ 612,695	\$ 487,535	\$ (125,160)
Interest	4,000	4,000	135,692	131,692
Miscellaneous revenue	500	500	1,940	1,440
<b>Total revenues</b>	<b>617,195</b>	<b>617,195</b>	<b>625,167</b>	<b>7,972</b>
<b>EXPENDITURES:</b>				
Airport	612,199	612,997	689,344	(76,347)
<b>Total expenditures</b>	<b>612,199</b>	<b>612,997</b>	<b>689,344</b>	<b>(76,347)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,996	4,198	(64,177)	(68,375)
<b>Other financing sources and (uses):</b>				
Transfers out	-	(610,000)	(97,000)	513,000
Budgeted use of fund balance	-	605,802	-	(605,802)
<b>Total other financing sources and (uses)</b>	<b>-</b>	<b>(4,198)</b>	<b>(97,000)</b>	<b>(92,802)</b>
<b>Net change in fund balances</b>	<b>4,996</b>	<b>-</b>	<b>(161,177)</b>	<b>(161,177)</b>
Fund balances - beginning of year	186,416	186,416	186,416	-
<b>Fund balances - end of year</b>	<b>\$ 191,412</b>	<b>\$ 186,416</b>	<b>\$ 25,239</b>	<b>\$ (161,177)</b>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – BUDGET AND ACTUAL**  
**COVID-19 SPECIAL REVENUE FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ -	\$ -	\$ 792,271	\$ 792,271
Total revenues	-	-	792,271	792,271
EXPENDITURES:				
General government:				
Administrative	-	-	-	-
Total expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	792,271	792,271
Net change in fund balances	-	-	792,271	792,271
Fund balance - beginning of year	535	535	535	-
Fund balance - end of year	<u>\$ 535</u>	<u>\$ 535</u>	<u>\$ 792,806</u>	<u>\$ 792,271</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**Utah Retirement Systems**  
**June 30, 2024**  
**Measurement Date of December 31**  
**Last 10 Fiscal Years**

Measurement Date December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
<b>Noncontributory System</b>					
2023	0.3017632%	\$ 699,959	\$ 2,398,506	29.18%	96.9%
2022	0.2779631%	476,081	2,106,570	22.60%	97.5%
2021	0.2779569%	(1,591,890)	2,091,442	(76.11%)	108.7%
2020	0.2737815%	140,434	2,124,512	6.61%	99.2%
2019	0.2292198%	863,900	1,845,122	46.82%	93.7%
2018	0.2526255%	1,860,264	1,971,435	94.36%	87.0%
2017	0.2372588%	1,039,502	1,821,196	57.08%	91.9%
2016	0.1993893%	1,280,323	1,545,111	82.86%	87.3%
2015	0.1945194%	1,100,685	1,545,329	71.23%	87.8%
2014	0.1908641%	828,777	1,547,653	53.55%	90.2%
<b>Public Safety System</b>					
2023	0.6271424%	\$ 896,916	\$ 765,839	117.12%	93.4%
2022	0.5536366%	715,894	644,042	111.16%	93.6%
2021	0.6369301%	(517,278)	828,553	(62.43%)	104.2%
2020	0.6475021%	537,583	832,551	64.57%	95.5%
2019	0.5387236%	864,984	707,026	122.34%	90.9%
2018	0.6456268%	1,660,930	872,536	190.36%	84.7%
2017	0.6348638%	995,884	873,748	113.98%	90.2%
2016	0.5564376%	1,129,166	741,131	152.36%	86.5%
2015	0.5237153%	938,106	705,002	133.06%	87.1%
2014	0.4886821%	614,558	670,715	91.63%	90.5%
<b>Tier 2 Public Employees Retirement Systems</b>					
2023	0.1053718%	\$ 205,094	\$ 2,724,324	7.53%	89.6%
2022	0.1040239%	113,271	2,269,303	4.99%	92.3%
2021	0.1011490%	(42,810)	1,876,541	(2.28%)	103.8%
2020	0.0940144%	13,522	1,502,880	0.90%	98.3%
2019	0.0783959%	17,632	1,090,988	1.62%	96.5%
2018	0.1031187%	44,164	1,201,755	3.67%	90.8%
2017	0.1121103%	9,884	1,097,416	0.90%	97.4%
2016	0.0994969%	11,099	815,958	1.36%	95.1%
2015	0.0814209%	(178)	526,066	(0.03%)	100.2%
2014	0.0765151%	(2,319)	375,680	(0.62%)	103.5%
<b>Tier 2 Public Safety and Firefighter Retirement System</b>					
2023	0.3326733%	\$ 125,315	\$ 1,260,515	9.94%	89.1%
2022	0.3048087%	25,428	937,830	2.71%	96.4%
2021	0.2384933%	(12,054)	570,328	(2.11%)	102.8%
2020	0.2931178%	26,291	587,756	4.47%	93.1%
2019	0.2551496%	24,000	420,651	5.71%	89.6%
2018	0.2696340%	6,756	359,867	1.88%	95.6%
2017	0.2848050%	(3,295)	300,639	(1.10%)	103.0%
2016	0.3813388%	(3,310)	315,072	(1.05%)	103.6%
2015	0.4220258%	(6,166)	251,149	(2.46%)	110.7%
2014	0.4130641%	(6,111)	171,002	(3.57%)	120.5%

**HEBER CITY CORPORATION  
SCHEDULE OF CONTRIBUTIONS  
Utah Retirement Systems**

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
<b>Noncontributory System</b>					
2024	\$ 425,797	\$ 425,797	\$ -	\$ 2,375,525	17.92%
2023	417,449	417,449	-	2,330,873	17.91%
2022	366,622	366,622	-	1,994,389	18.38%
2021	387,996	387,996	-	2,110,087	18.39%
2020	404,497	404,497	-	2,217,554	18.24%
2019	392,023	392,023	-	2,171,149	18.06%
2018	339,609	339,609	-	1,879,659	18.07%
2017	290,865	290,865	-	1,585,919	18.34%
2016	286,000	286,000	-	1,533,288	18.65%
2015	281,497	281,497	-	1,533,570	18.36%
<b>Public Safety System</b>					
2024	\$ 256,843	\$ 256,843	\$ -	\$ 754,533	34.04%
2023	245,671	245,671	-	721,712	34.04%
2022	237,659	237,659	-	698,178	34.04%
2021	287,301	287,301	-	844,008	34.04%
2020	281,973	281,973	-	828,360	34.04%
2019	297,419	297,419	-	873,733	34.04%
2018	299,185	299,185	-	879,181	34.03%
2017	268,574	268,574	-	790,512	33.97%
2016	243,908	243,908	-	716,534	34.04%
2015	231,833	231,833	-	681,061	34.04%
<b>Tier 2 Public Employees System**</b>					
2024	\$ 488,880	\$ 488,880	\$ -	\$ 3,053,592	16.01%
2023	395,374	395,374	-	2,472,225	15.99%
2022	336,659	336,659	-	2,095,034	16.07%
2021	259,884	259,884	-	1,644,837	15.80%
2020	223,427	223,427	-	1,409,366	15.85%
2019	203,249	203,249	-	1,309,128	15.53%
2018	166,326	166,326	-	1,101,253	15.10%
2017	145,599	145,599	-	976,518	14.91%
2016	97,358	97,358	-	654,337	14.88%
2015	67,244	67,244	-	450,091	14.94%
<b>Tier 2 Public Safety and Firefighter System</b>					
2024	\$ 396,840	\$ 396,840	\$ -	\$ 1,536,353	25.83%
2023	285,643	285,643	-	1,105,859	25.83%
2022	173,924	173,924	-	671,504	25.90%
2021	147,972	147,972	-	572,868	25.83%
2020	139,604	139,604	-	603,562	23.13%
2019	100,922	100,922	-	437,348	23.08%
2018	69,706	69,706	-	308,879	22.57%
2017	68,246	68,246	-	303,317	22.50%
2016	66,923	66,923	-	297,438	22.50%
2015	48,840	48,840	-	214,951	22.72%

The Schedule of Contributions is continued on the next page.

**HEBER CITY CORPORATION**  
**SCHEDULE OF CONTRIBUTIONS (Continued)\*\***  
**Utah Retirement Systems**

As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
<b>Tier 2 Public Employees DC Only**</b>					
2024	\$ 29,475	\$ 29,475	\$ -	\$ 476,174	6.19%
2023	25,296	25,296	-	408,665	6.19%
2022	19,129	19,129	-	285,939	6.69%
2021	12,398	12,398	-	185,325	6.69%
2020	12,661	12,661	-	189,253	6.69%
2019	7,444	7,444	-	111,278	6.69%
2018	6,036	6,036	-	90,221	6.69%
2017	1,279	1,279	-	19,112	6.69%
2016	1,271	1,271	-	19,005	6.69%
2015	1,794	1,794	-	26,703	6.72%
<b>Tier 2 Public Safety and Firefighter DC Only System**</b>					
2024	\$ 9,066	\$ 9,066	\$ -	\$ 76,639	11.83%
2023	7,295	7,295	-	61,663	11.83%
2022	14,620	14,620	-	123,587	11.83%
2021	12,798	12,798	-	108,182	11.83%
2020	8,823	8,823	-	74,574	11.83%
2019	5,982	5,982	-	50,568	11.83%
2018	5,363	5,363	-	45,331	11.83%
2017	3,740	3,740	-	31,613	11.83%
2016	-	-	-	-	0.00%
2015	-	-	-	-	0.00%

\*\* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created July 1, 2011.

**SUPPLEMENTARY INFORMATION**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENTS**

**DEBT SERVICE FUND**

Debt service funds are used to account for the proceeds of debt issued for governmental activities and the subsequent repayment of long-term debt. The City's Debt Service Fund is used for this purpose.

**CAPITAL PROJECT FUNDS**

Capital projects funds are used to account for the acquisition and construction of major capital facilities and equipment other than those financed by proprietary funds and trust funds. The City's Airport Capital Projects Fund, Community Reinvestment Agency Capital Projects fund, General Capital Projects fund, and Parks Capital Projects Fund are used to account for capital improvements and purchases for governmental activities.

**PERMANENT FUNDS**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for the purposes that support the government's programs. The City's Cemetery Perpetual Care Permanent Fund accounts for assets held by the City to provide for the perpetual care of the cemetery. The principal portion of the fund must be maintained, whereas the interest earned in the fund is available to be used as needed to maintain and improve the community cemetery unless otherwise approved by the council to use for other cemetery related purposes.

**BUDGETARY COMPARISON SCHEDULES**

The Budgetary Comparison Schedules presented in this section of the report are:

- Streets Capital Projects Fund (Major).
- Debt Service Fund
- General Capital Projects Fund
- Airport Capital Projects Fund
- Community Reinvestment Agency Capital Projects Fund
- Parks – Capital Projects Fund
- Perpetual Care – Permanent Fund

The basis of budgeting for these funds is the same as GAAP as applicable to governmental entities.

**HEBER CITY CORPORATION**  
**COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2024**

	Debt Service	Capital Projects Funds			Permanent	Total
		General	Community			
	Debt Service Fund	Capital Projects	Airport Fund	Reinvestment Agency	Perpetual Care Fund	Nonmajor Governmental Funds
ASSETS:						
Cash and cash equivalents	\$ -	\$ 3,659,623	\$ 559	\$ -	\$ 1,881,790	\$ 5,682,052
Restricted cash and cash equivalents	380,370	-	-	47,338	2,798,062	3,864,094
<b>TOTAL ASSETS</b>	<b>\$ 380,370</b>	<b>\$ 3,659,623</b>	<b>\$ 559</b>	<b>\$ 47,338</b>	<b>\$ 4,679,852</b>	<b>\$ 9,546,146</b>
LIABILITIES:						
Accounts payable	\$ -	\$ 323,718	\$ -	\$ 187	\$ 233,214	\$ 557,119
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>323,718</b>	<b>-</b>	<b>187</b>	<b>233,214</b>	<b>557,119</b>
FUND BALANCES:						
Nonspendable:						
Perpetual care	-	-	-	-	638,324	638,324
Restricted for:						
Debt service	380,370	-	-	-	-	380,370
Impact fees	-	-	-	-	4,446,638	4,446,638
Capital projects	-	-	-	47,151	-	47,151
Assigned for:						
Capital projects	-	3,335,905	559	-	140,080	3,476,544
<b>TOTAL FUND BALANCES</b>	<b>380,370</b>	<b>3,335,905</b>	<b>559</b>	<b>47,151</b>	<b>778,404</b>	<b>8,989,027</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 380,370</b>	<b>\$ 3,659,623</b>	<b>\$ 559</b>	<b>\$ 47,338</b>	<b>\$ 4,679,852</b>	<b>\$ 9,546,146</b>

**HEBER CITY CORPORATION**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2024**

	Debt Service		Capital Projects Funds				Permanent	Total Nonmajor Governmental Funds
	Fund		General Capital Projects	Airport Fund	Community Reinvestment Agency	Parks Fund		
REVENUES:								
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ 263,117	\$ -	\$ -	\$ -	\$ 263,117
Charges for services	-	-	-	-	-	-	53,717	53,717
Impact fees	-	-	-	-	-	1,524,730	-	1,524,730
Interest	-	-	-	-	-	228,555	36,457	265,012
Total revenues	-	-	-	263,117	-	1,753,285	90,174	2,106,576
EXPENDITURES:								
Current:								
General government	-	-	-	-	5,057	-	-	5,057
Capital outlay:								
General government	-	433,283	-	-	-	-	-	433,283
Public works	-	417,185	-	-	-	-	-	417,185
Parks and recreation	-	578,177	-	-	-	1,512,908	-	2,091,085
Cemetery	-	172,268	-	-	-	-	-	172,268
Airport	-	-	-	46,274	-	-	-	46,274
Debt service:								
Principal	1,021,399	-	-	-	-	-	-	1,021,399
Interest	269,935	-	-	-	-	-	-	269,935
Total expenditures	1,291,334	1,600,913	-	46,274	5,057	1,512,908	-	4,456,486
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,291,334)	(1,600,913)	-	216,843	(5,057)	240,377	90,174	(2,349,910)
Other Financing Sources and (Uses):								
Transfers in	1,291,334	284,000	-	97,000	-	-	-	1,672,334
Total other financing sources and (uses)	1,291,334	284,000	-	97,000	-	-	-	1,672,334
Net Change in Fund Balances	-	(1,316,913)	-	313,843	(5,057)	240,377	90,174	(677,576)
Fund balances - beginning of year	380,370	4,652,818	-	(313,284)	52,208	4,206,261	688,230	9,666,603
Fund balances - end of year	\$ 380,370	\$ 3,335,905	\$ -	\$ 559	\$ 47,151	\$ 4,446,638	\$ 778,404	\$ 8,989,027

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**CAPITAL PROJECTS – STREETS FUND (Major)**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Impact fees	\$ 870,048	\$ 870,048	\$ 1,108,600	\$ 238,552
Interest	50,000	50,000	203,845	153,845
Total revenues	<u>920,048</u>	<u>920,048</u>	<u>1,312,445</u>	<u>392,397</u>
EXPENDITURES:				
Roads	4,801,000	5,473,000	2,853,018	2,619,982
Total expenditures	<u>4,801,000</u>	<u>5,473,000</u>	<u>2,853,018</u>	<u>2,619,982</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,880,952)</u>	<u>(4,552,952)</u>	<u>(1,540,573)</u>	<u>3,012,379</u>
Other financing sources and (uses):				
Transfers in	-	-	196,862	196,862
Transfers out	(17,725)	(17,725)	(17,724)	1
Budgeted use of fund balance	3,898,677	4,570,677	-	(4,570,677)
Total other financing sources and (uses)	<u>3,880,952</u>	<u>4,552,952</u>	<u>179,138</u>	<u>(4,373,814)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(1,361,435)</u>	<u>(1,361,435)</u>
Fund balances - beginning of year	<u>4,282,081</u>	<u>4,282,081</u>	<u>4,282,081</u>	<u>-</u>
Fund balances - end of year	<u>\$ 4,282,081</u>	<u>\$ 4,282,081</u>	<u>\$ 2,920,646</u>	<u>\$ (1,361,435)</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
EXPENDITURES:				
Debt service:				
Principal	1,022,736	1,022,736	1,021,399	1,337
Interest	<u>281,696</u>	<u>281,696</u>	<u>269,935</u>	<u>11,761</u>
Total expenditures	<u>1,304,432</u>	<u>1,304,432</u>	<u>1,291,334</u>	<u>13,098</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,297,432)</u>	<u>(1,297,432)</u>	<u>(1,291,334)</u>	<u>6,098</u>
Other financing sources and (uses):				
Transfers in	1,314,541	1,314,541	1,291,334	(23,207)
Budgeted contribution to fund balance	<u>(10,110)</u>	<u>(10,110)</u>	<u>-</u>	<u>10,110</u>
Total other financing sources and (uses)	<u>1,304,431</u>	<u>1,304,431</u>	<u>1,291,334</u>	<u>(13,097)</u>
Net change in fund balances	<u>6,999</u>	<u>6,999</u>	<u>-</u>	<u>(6,999)</u>
Fund balances - beginning of year	<u>380,370</u>	<u>380,370</u>	<u>380,370</u>	<u>-</u>
Fund balances - end of year	<u>\$ 387,369</u>	<u>\$ 387,369</u>	<u>\$ 380,370</u>	<u>\$ (6,999)</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**GENERAL CAPITAL PROJECTS FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 30,000	\$ 30,000	\$ -	\$ (30,000)
Total revenues	<u>1,315,000</u>	<u>1,315,000</u>	<u>-</u>	<u>(1,315,000)</u>
EXPENDITURES:				
Parks and recreation	6,016,147	6,497,647	1,600,913	4,896,734
Total expenditures	<u>6,016,147</u>	<u>6,497,647</u>	<u>1,600,913</u>	<u>4,896,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,701,147)</u>	<u>(5,182,647)</u>	<u>(1,600,913)</u>	<u>3,581,734</u>
Other financing sources and (uses):				
Transfers in	2,037,271	3,353,988	284,000	(3,069,988)
Budgeted use of fund balance	2,428,147	3,026,364	-	(3,026,364)
Total other financing sources and (uses)	<u>4,465,418</u>	<u>6,380,352</u>	<u>284,000</u>	<u>(6,096,352)</u>
Net change in fund balances	<u>(235,729)</u>	<u>1,197,705</u>	<u>(1,316,913)</u>	<u>(2,514,618)</u>
Fund balances - beginning of year	<u>4,652,818</u>	<u>4,652,818</u>	<u>4,652,818</u>	<u>-</u>
Fund balances - end of year	<u>\$ 4,417,089</u>	<u>\$ 5,850,523</u>	<u>\$ 3,335,905</u>	<u>\$ (2,514,618)</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**CAPITAL PROJECTS – AIRPORT FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 758,853	\$ 758,853	\$ 263,117	\$ (495,736)
Total revenues	<u>758,853</u>	<u>758,853</u>	<u>263,117</u>	<u>(495,736)</u>
EXPENDITURES:				
Airport	<u>709,000</u>	<u>709,000</u>	<u>46,274</u>	<u>662,726</u>
Total expenditures	<u>709,000</u>	<u>709,000</u>	<u>46,274</u>	<u>662,726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>49,853</u>	<u>49,853</u>	<u>216,843</u>	<u>(1,158,462)</u>
Other financing sources and (uses):				
Transfers in	<u>-</u>	<u>610,000</u>	<u>97,000</u>	<u>(513,000)</u>
Total other financing sources and (uses)	<u>-</u>	<u>610,000</u>	<u>97,000</u>	<u>(513,000)</u>
Net change in fund balances	<u>49,853</u>	<u>659,853</u>	<u>313,843</u>	<u>(1,671,462)</u>
Fund balances - beginning of year	<u>(313,284)</u>	<u>(313,284)</u>	<u>(313,284)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (263,431)</u>	<u>\$ 346,569</u>	<u>\$ 559</u>	<u>\$ (1,671,462)</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**CAPITAL PROJECTS – COMMUNITY REINVESTMENT AGENCY**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Interest	\$ 500	\$ 500	\$ -	\$ (500)
Total revenues	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
EXPENDITURES:				
General government:				
Administrative	\$ -	\$ -	\$ 5,057	\$ (5,057)
Total expenditures	<u>-</u>	<u>-</u>	<u>5,057</u>	<u>(5,057)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>500</u>	<u>500</u>	<u>(5,057)</u>	<u>4,557</u>
Net change in fund balances	<u>500</u>	<u>500</u>	<u>(5,057)</u>	<u>4,557</u>
Fund balances - beginning of year	<u>52,208</u>	<u>52,208</u>	<u>52,208</u>	<u>-</u>
Fund balances - end of year	<u><u>\$ 52,708</u></u>	<u><u>\$ 52,708</u></u>	<u><u>\$ 47,151</u></u>	<u><u>\$ 4,557</u></u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**CAPITAL PROJECTS – PARKS FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Impact fees	\$ 2,012,118	\$ 2,012,118	\$ 1,524,730	\$ (487,388)
Interest	50,000	50,000	228,555	178,555
Total revenues	<u>2,062,118</u>	<u>2,062,118</u>	<u>1,753,285</u>	<u>(308,833)</u>
EXPENDITURES:				
Parks and recreation	3,109,000	3,245,000	1,512,908	1,732,092
Total expenditures	<u>3,109,000</u>	<u>3,245,000</u>	<u>1,512,908</u>	<u>1,732,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,046,882)</u>	<u>(1,182,882)</u>	<u>240,377</u>	<u>1,423,259</u>
Other financing sources and (uses):				
Budgeted use of fund balance	906,882	1,042,882	-	(1,042,882)
Total other financing sources and (uses)	<u>906,882</u>	<u>1,042,882</u>	<u>-</u>	<u>(1,042,882)</u>
Net change in fund balances	<u>(140,000)</u>	<u>(140,000)</u>	<u>240,377</u>	<u>380,377</u>
Fund balances - beginning of year	<u>4,206,261</u>	<u>4,206,261</u>	<u>4,206,261</u>	<u>-</u>
Fund balances - end of year	<u>\$ 4,066,261</u>	<u>\$ 4,066,261</u>	<u>\$ 4,446,638</u>	<u>\$ 380,377</u>

**HEBER CITY CORPORATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE – BUDGET AND ACTUAL**  
**PERPETUAL CARE FUND**  
**For the Year Ended June 30, 2024**

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget
REVENUES:				
Charges for services	\$ 60,000	\$ 60,000	\$ 53,717	\$ (6,283)
Interest	12,000	12,000	36,457	24,457
Total revenues	<u>72,000</u>	<u>72,000</u>	<u>90,174</u>	<u>18,174</u>
EXPENDITURES:				
Cemetery	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>72,000</u>	<u>72,000</u>	<u>90,174</u>	<u>18,174</u>
Net change in fund balances	<u>72,000</u>	<u>72,000</u>	<u>90,174</u>	<u>18,174</u>
Fund balances - beginning of year	<u>688,230</u>	<u>688,230</u>	<u>688,230</u>	<u>-</u>
Fund balances - end of year	<u>\$ 760,230</u>	<u>\$ 760,230</u>	<u>\$ 778,404</u>	<u>\$ 18,174</u>



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING  
STANDARDS**

The Honorable Mayor, and  
Members of the City Council  
Heber City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Heber City as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Heber City's basic financial statements, and have issued our report thereon dated January 7, 2025.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Heber City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Heber City's internal control. Accordingly, we do not express an opinion on the effectiveness of Heber City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Heber City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Larson & Company, PC

Spanish Fork, Utah  
January 7, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE***

The Honorable Mayor, and  
Members of the City Council  
Heber City, Utah

**Report on Compliance for Each Major Federal Program**

***Opinion on Compliance for Each Major Federal Program***

We have audited Heber City's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Heber City's major federal programs for the year ended June 30, 2024. Heber City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Heber City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Heber City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Heber City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Heber City's federal programs.

***Auditor's Responsibilities for the Audit Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Heber City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Heber City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Heber City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Heber City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Heber City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies in material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Larson & Company, PC

Spanish Fork, Utah  
January 7, 2025

**Heber City Corporation**  
**Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2024

---

	<u>Federal CFDA Number</u>	<u>Amount of Expenditures</u>
<b>Direct Assistance</b>		
<b>U.S. Department of Treasury</b>		
<b>Passed through the State of Utah</b>		
* Coronavirus State and Local Fiscal Recovery Funds (COVID-19 Local Assistance)	21.027	<u>750,881</u>
<i>Total U.S. Department of Treasury</i>		<u><b>750,881</b></u>
<b>U.S. Division of Water Resources</b>		
* BWRre ARPA Grant	21.027	<u>756,238</u>
<i>Total U.S. Division of Water Resources</i>		<u>756,238</u>
<b>Total Direct Assistance</b>		<u><b>1,507,119</b></u>
<b>Indirect Assistance</b>		
<b>U.S. Department of Transportation</b>		
<b>Passed through the State of Utah</b>		
Airport Improvement Program / 2019	20.106	<u>46,273</u>
<i>Total U.S. Department of Transportation</i>		<u>46,273</u>
<b>U.S. Department of Justice</b>		
<b>Passed through the Office of Justice Programs</b>		
Bulletproof Vest Partnership Grant	16.607	<u>4,474</u>
<i>Total U.S. Department of Justice</i>		<u>4,474</u>
<b>U.S. Department of Interior-Bureau of Reclamation</b>		
USBR WaterSmart Grant	15.507	<u>71,479</u>
<i>Total U.S. Department of Interior-Bureau of Reclamation</i>		<u>71,479</u>
<b>Total Indirect Assistance</b>		<u><b>122,226</b></u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u><b>\$ 1,629,345</b></u>

\* Major Program

**Heber City Corporation**  
**Notes to the Schedule Expenditures of Federal Awards**  
For the Year Ended June 30, 2024

---

**NOTE 1. PURPOSE OF THE SCHEDULE**

The accompanying Schedule of Expenditures of Federal Awards is a supplementary schedule to Heber City's basic financial statements and is presented for the purpose of additional analysis. Because the schedule presents only a selected portion of the activities of Heber City, it is not intended to, and does not present the financial position, changes in net position, or cash flows of Heber City.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**General**

The accompanying schedule of expenditures of federal awards (the schedule) includes the grant activity of Heber City under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The reporting entity is defined in Note 1 to the basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule of expenditures of federal awards.

**Basis of Accounting**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting for expenditures in governmental fund types and on the accrual basis for expenses in proprietary fund types, which is described in Note 1 to the basic financial statements.

**Non-cash Assistance**

Heber City did not receive any non-cash assistance through federal awards programs for the year-ended June 30, 2024.

**10% De Minimis Indirect Cost Rate**

The entity did not choose to use the 10% minimis cost rate.

**Sub-recipients**

Heber City did not pass through federal awards to subrecipients.

**Loans Outstanding**

Heber City does not have federal loans or loan programs outstanding at year-end.

**Heber City Corporation**  
**Schedule of Federal Findings and Questioned Costs**  
 For the Year Ended June 30, 2023

---

**I. Summary of Auditor's Results**

Financial Statements

The independent auditor's report expressed an unmodified opinion on the basic financial statements of Heber City.

Internal Control over financial reporting:

- Material weaknesses identified  Yes  No
- Significant deficiencies identified  Yes  No
- Noncompliance material to the financial statements noted?  Yes  No

Federal Awards

Internal control over federal programs

- Material weaknesses identified  Yes  No
- Significant deficiencies identified  Yes  No

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes  No

Identification of Federal Major Programs and Type of Auditor's Report Issued on Compliance for Major Federal Programs

**21.027 Coronavirus State and Local Fiscal Recovery Funds/BWRe ARPA Grant      Unmodified**

Dollar threshold used to distinguish between type A and type B Programs:

\$750,000

Auditee qualified as a low-risk auditee?

Yes  No

**Heber City Corporation**  
**Schedule of Federal Findings and Questioned Costs**  
For the Year Ended June 30, 2023

---

**II. Governmental Auditing Standards Findings**

None noted

**III. Federal Award Findings**

None noted

Prior Audit Findings Related to Financial Statements

None

Prior Audit Findings Related to Federal Awards

None



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE  
STATE COMPLIANCE AUDIT GUIDE**

The Honorable Mayor, and  
Members of the City Council  
Heber City, Utah

***Report on Compliance***

We have audited Heber City’s compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2024

State compliance requirements were tested for the year ended June 30, 2024 in the following areas:

- |                       |                                       |
|-----------------------|---------------------------------------|
| Budgetary Compliance  | Fund Balance                          |
| Justice Court         | Restricted Taxes and Related Revenues |
| Fraud Risk Assessment | Government Fees                       |

***Opinion on Compliance***

In our opinion, Heber City complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2024.

***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Heber City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Heber City’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Heber City’s government programs.

Larson & Company  
765 North Main, Spanish Fork, UT 84660  
Main: (801) 798-3545 | www.larsco.com



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Heber City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Heber City's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Heber City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Heber City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Compliance Audit Guide but not for the purpose of expressing an opinion on the effectiveness of Heber City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report On Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

*Larson & Company, PC*  
Larson & Company, PC

Spanish Fork, Utah  
January 7, 2025

# Heber City

## Status of State Compliance Findings and Recommendations – prior year

For the Year Ended June 30, 2024

---

### Current year compliance findings

There were no compliance findings in the current year

### Prior year compliance findings

#### **2023-001 Deficit Fund Balance**

**Criteria:** In accordance with Utah Code 10-6-117 a governing body of any city may not make any appropriation in the final budget of any fund in excess of the estimated expendable revenue for the budget period of the fund. If there is a deficit fund balance in a fund at the close of the last completed fiscal year, the governing body of a city shall include an item of appropriation for the deficit in the current budget of the fund equal to (a) at least 5% of the total revenue of the fund in the last completed fiscal year, or (b) if the deficit is equal to less than 5% of the total revenue of the fund in the last completed fiscal year, the entire amount of the deficit.

**Condition and context:** The nonmajor Airport Capital Projects Fund was in a deficit fund balance position at year end. With the prior period adjustment, the fund would also have been in a deficit position at the end of the prior year as well. It was noted in the review of the adopted budgets for both FY2023 and FY2024, there is no allowance for deficit reduction of at least the required 5% reduction.

**Status of finding:** Finding appears to have been addressed and corrected. The nonmajor Airport Capital Projects Fund does not appear to have a deficit fund balance in the current year.

HEART OF THE WASATCH BACK



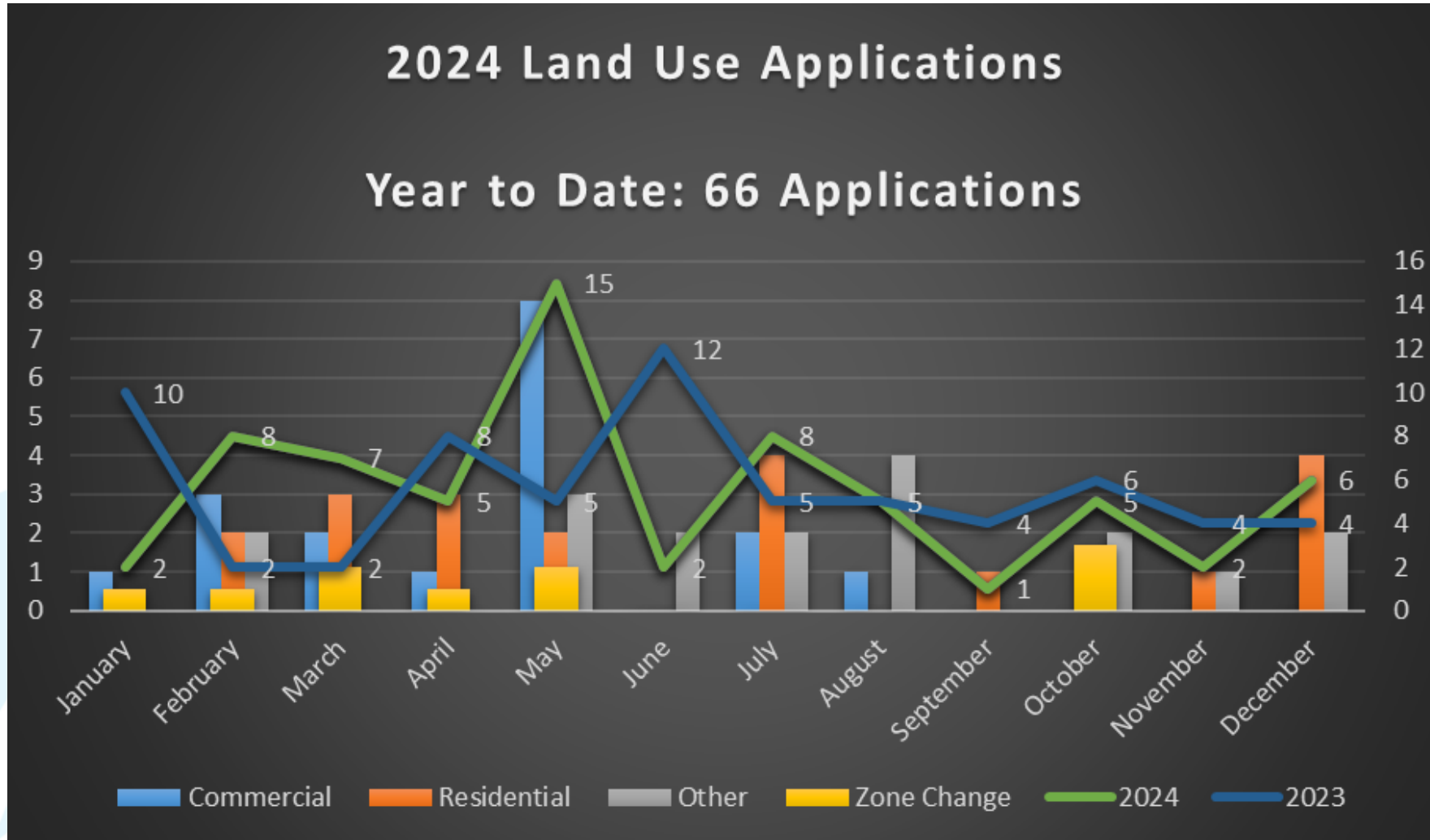
# Monthly Development Report

January 2025

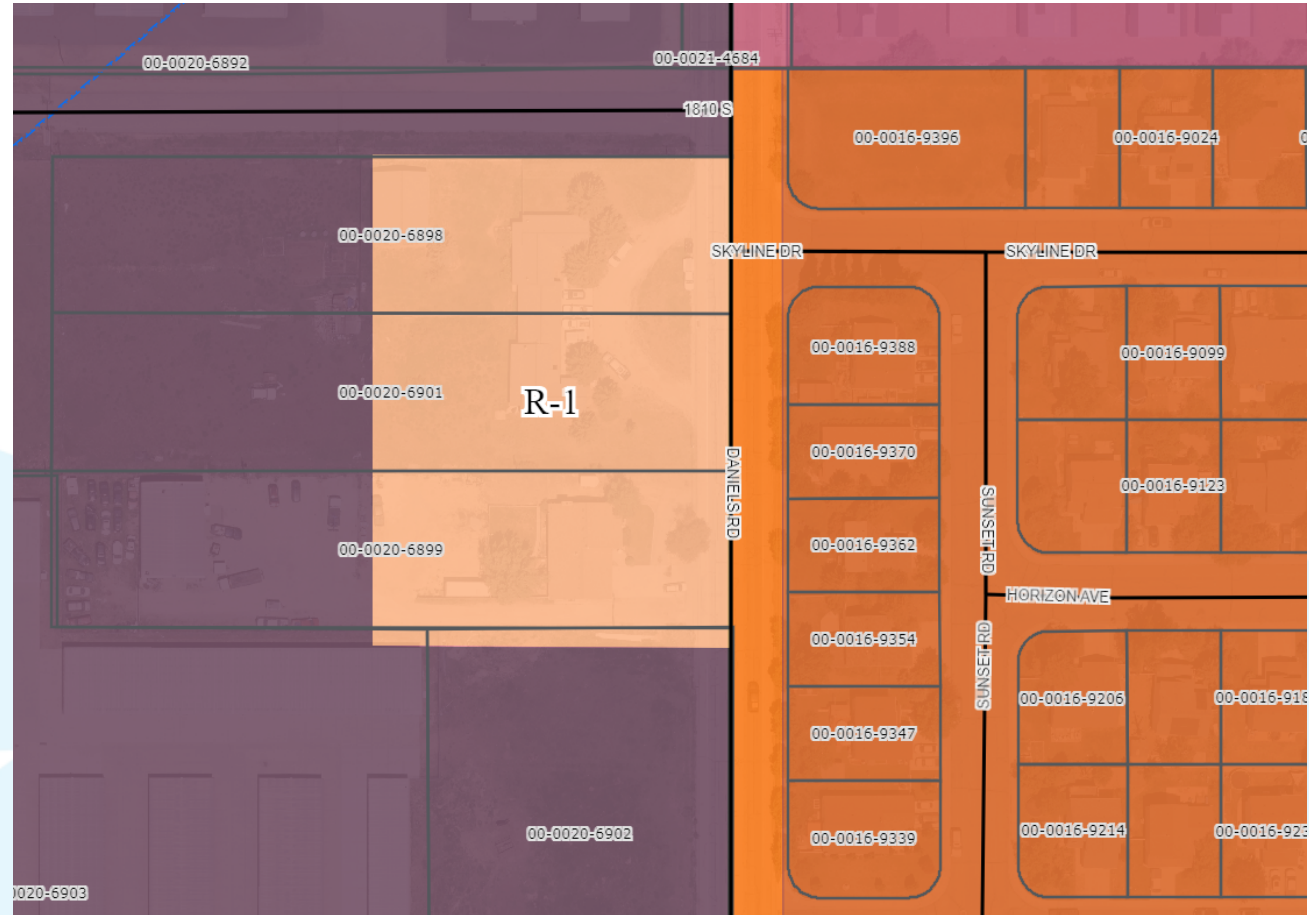
Date: 10/1/24

# 2024 In Review

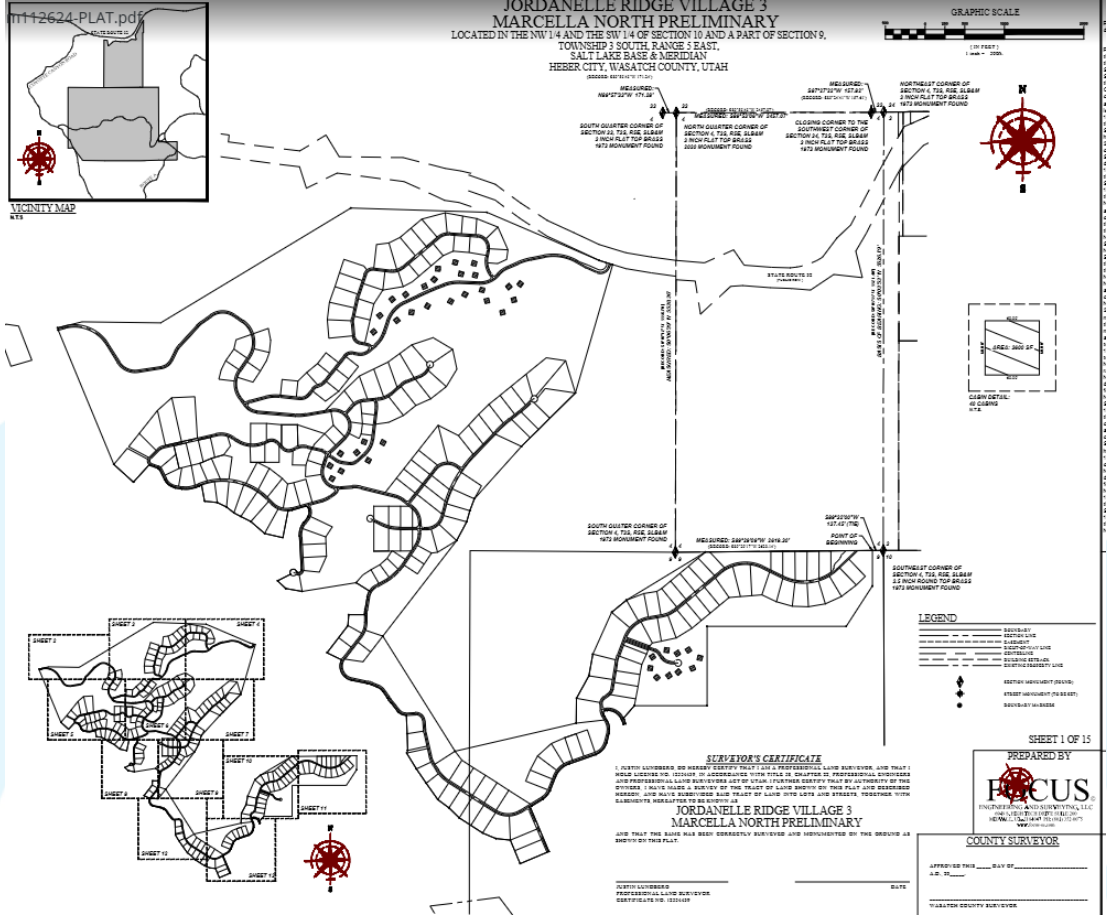
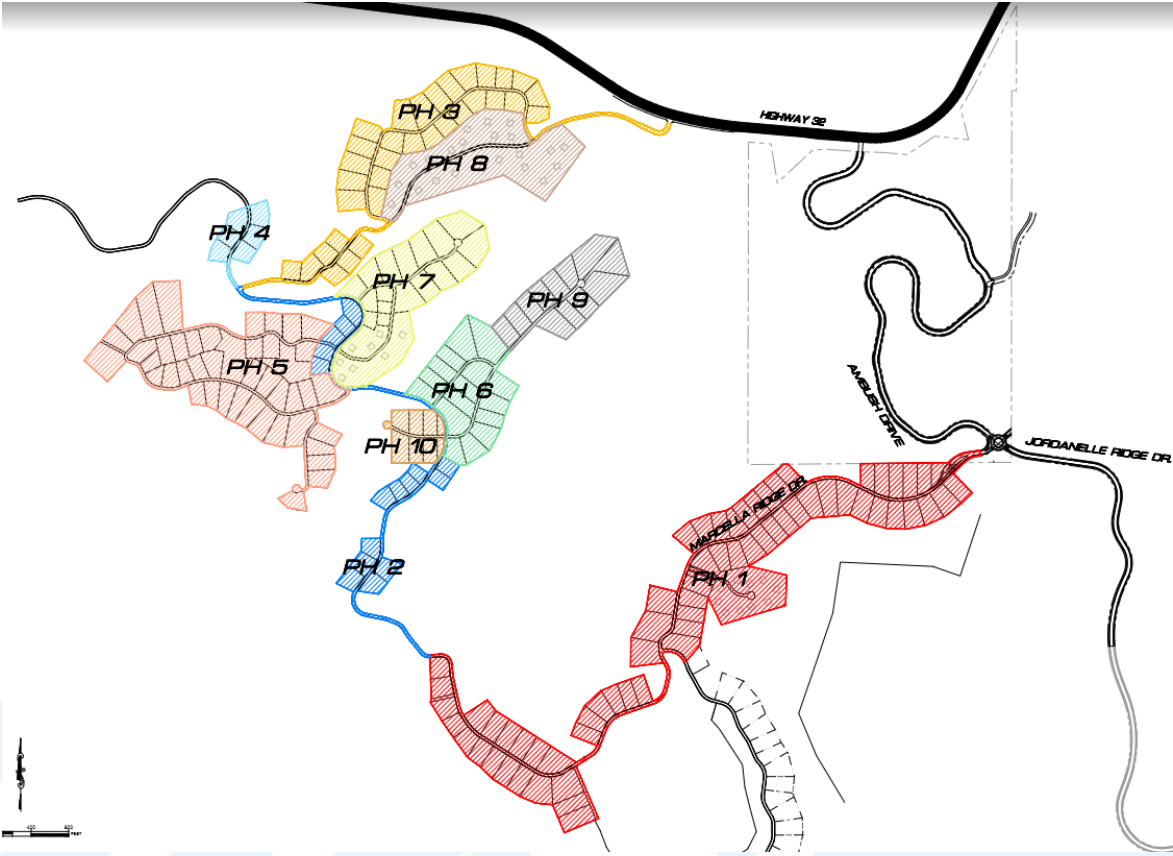
Applications by Year			
2024	2023	2022	2021
66	67	80	95



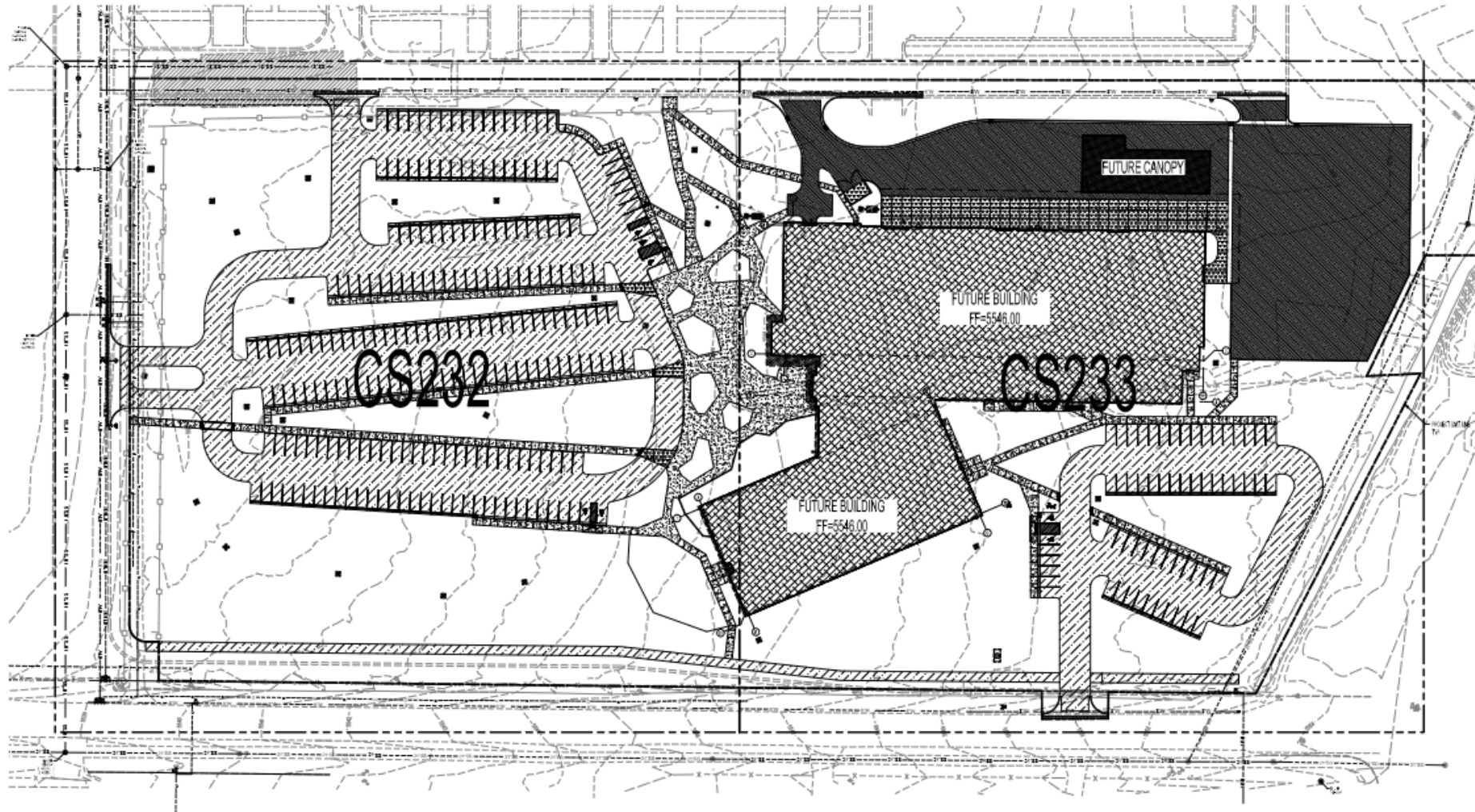
# 1874 S Daniel Road Zone Change



# Jordanelle Ridge V3 Marcella Preliminary



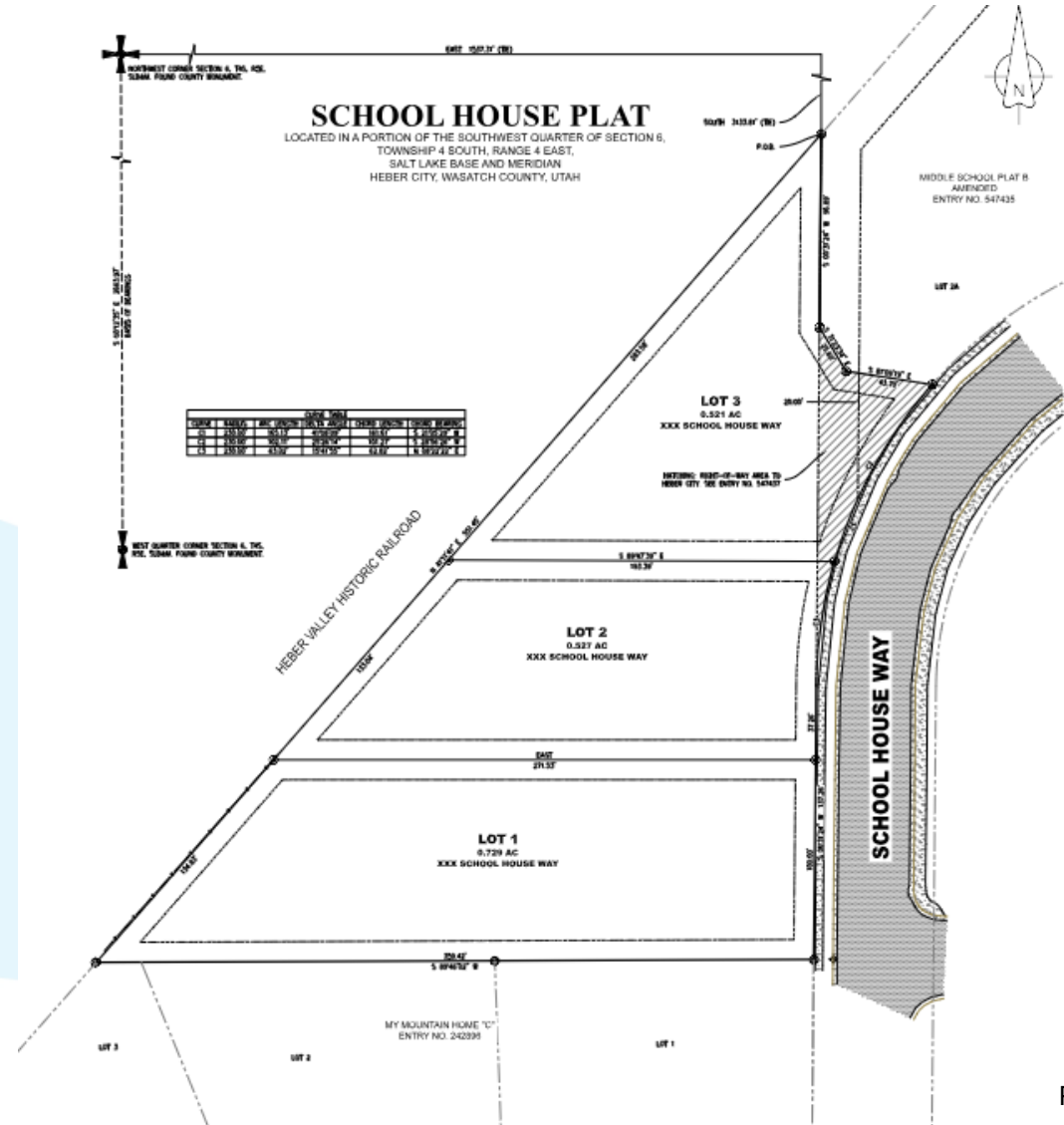
# Mtech Site Plan



# Sawmill Phase 7



# 700 School House Way



# Honorable Mentions

- Karl Malone MDA
- Hicken Lot Line adjustemtn
- Atlast Tower MDA
- APC Cell Text Amendment
- Red Ledges 3L Building G – Plat Amendment

# Council Feedback

- Are you getting the info you want?
- What could we be doing better?



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025  
**SUBJECT:** Wasatch Highlands Discussion  
**RESPONSIBLE:** Matt Brower  
**DEPARTMENT:** Administrative  
**STRATEGIC RELEVANCE:**

---

## SUMMARY

## RECOMMENDATION

---

## BACKGROUND

## DISCUSSION

## FISCAL IMPACT

## CONCLUSION

## 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 , 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:** Administrative  
**Staff member:** Matt Brower, City Manager

---

## EXHIBITS

None



# Heber City Council Staff Report

**MEETING DATE:** 1/21/2025

**SUBJECT:** Review and Approval of Development Agreements for North Village Crossing and Harvest Village

**RESPONSIBLE:** Tony Kohler, Jeremy Cook

**DEPARTMENT:** Planning

**STRATEGIC RELEVANCE:** Community Development

## SUMMARY

The North Village Crossing and Harvest Village properties are located near the intersection of Highway 40 and SR 32. On December 17, Council approved the annexation conditional upon approval of final development agreements for the petitioners in upcoming meeting(s) with Council.

## RECOMMENDATION

Staff recommends Council discuss the proposed development agreements and approve them when ready.

## BACKGROUND

Staff has been negotiating final development agreements with the petitioners based on feedback from the City Council. Legal Staff has been working with the petitioners to finalize the agreements.

## DISCUSSION

Legal Staff is planning to lead a discussion and request feedback on key provisions of the development agreements, including the following:

### Harvest Village:

- Zoning as North Village (NV) sub-district (Section 3.1)
- Project Density (Section 4.1)
- Site Plan Vesting (Section 4.2)
- Exceptions to NVOZ Zone (Section 4.2.1)
- Affordable Housing (Section 4.5)
- Term (Section 5)

UDOT Bypass Road and Delay in Approvals (Section 6.2)  
Parks and Open Space (Section 7)  
North Fields Preservation (Section 7.8)

Crossings:

Zoning as North Village (NV) sub-district (Section 3.1)  
Site Plan Vesting (Section 4.2)  
Exceptions to NVOZ Zone (Section 4.2.1)  
Affordable Housing (Section 4.5)  
Term (Section 5)  
Parks and Open Space (Section 7)  
North Fields Preservation (Section 7.8)

**Pros** to approving the proposed annexation include: 1) less density than proposed in the county; 2) assurance of implementing the City’s Transportation, Storm Water, North Village Overlay Zone and General Plan; 3) financial benefits such as property tax, sales tax and transient room tax; 4) job and housing creation for the UVU campus; 5) Heber City controlling land uses along its primary entrance; 6) creation of affordable housing; and 7) moving already planned development from the unincorporated area to within Heber City Corporate limits.

**Cons** to the proposed annexation include the potential for impacts to some of the planned bypass route alternatives.

**FISCAL IMPACT**

The planned development will have positive financial benefits such as property tax, sales tax and transient room tax.

**CONCLUSION**

The proposed development agreements further the implementation of the policies and goals of the general plan, standards of the North Village Overlay Zone (NVOZ) and ensure a balance between property rights and the public good.

**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 , 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

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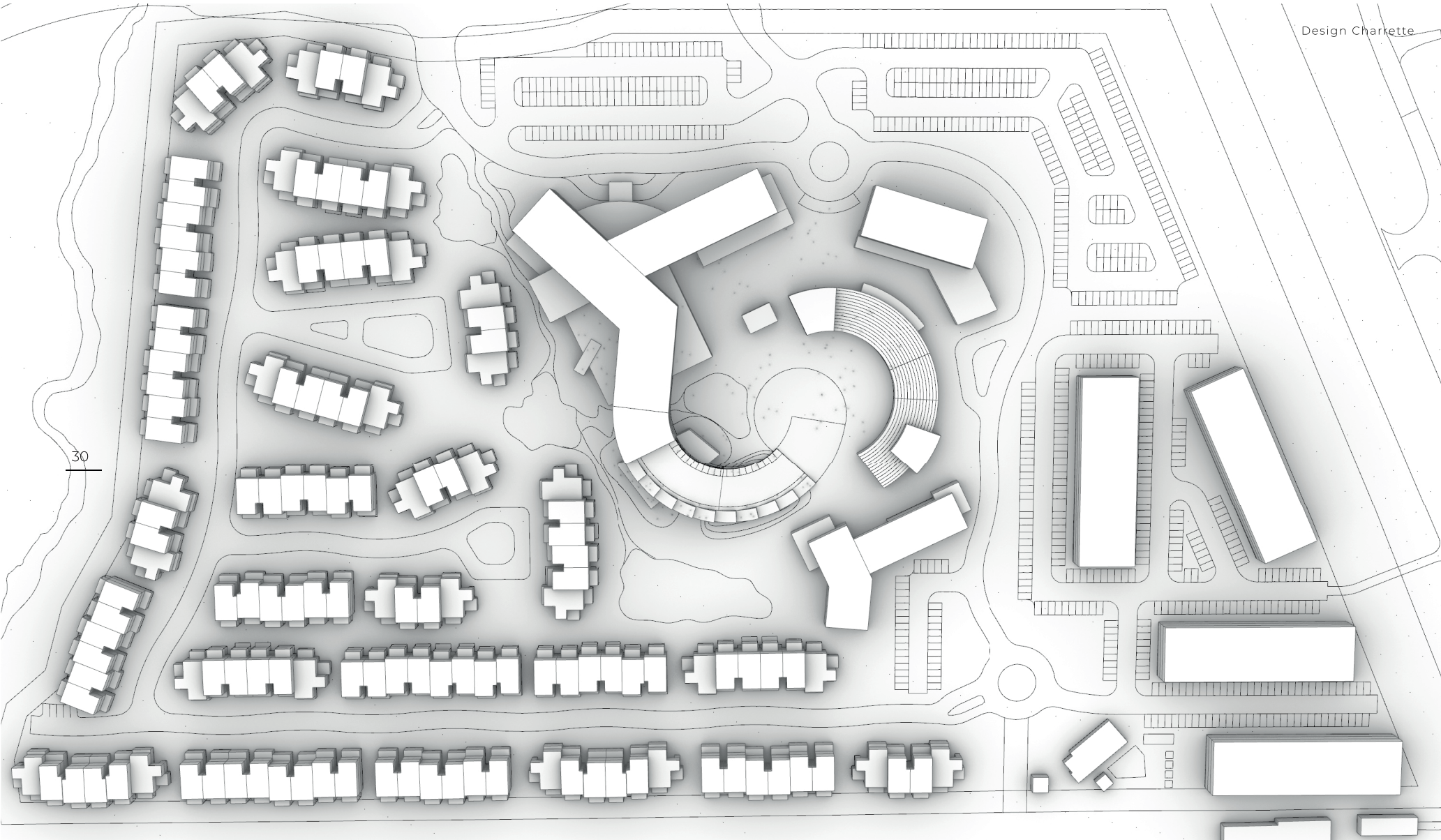
**EXHIBITS**

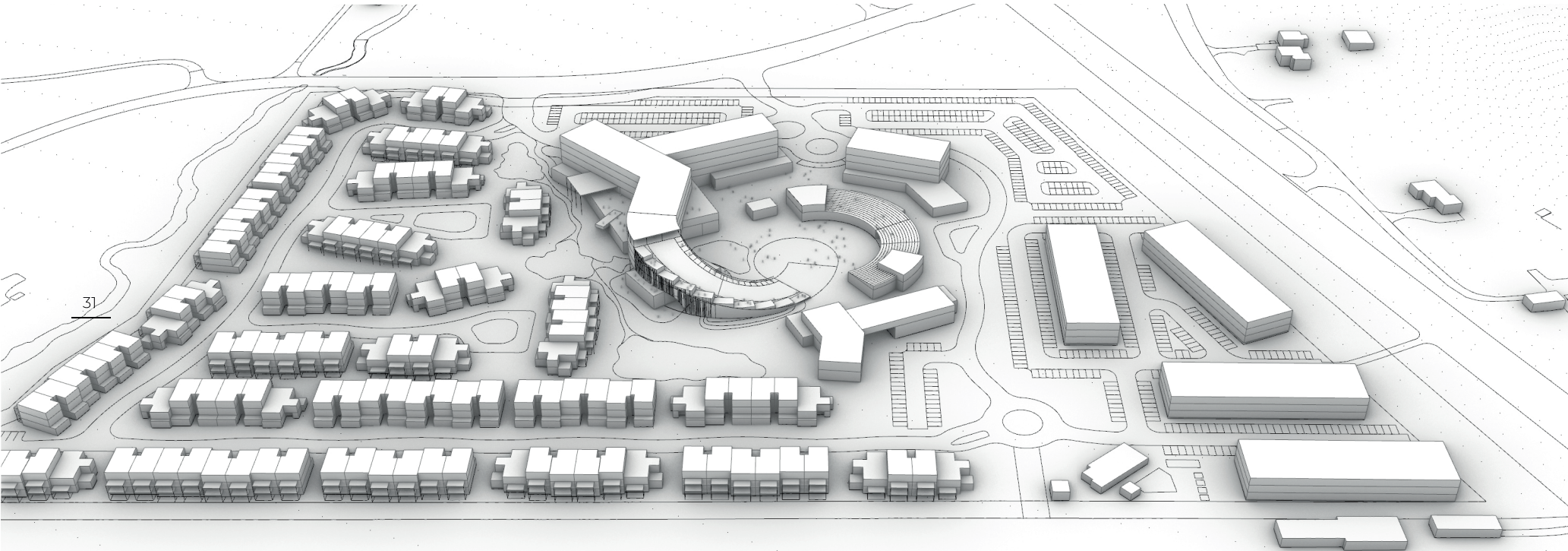
1. HV Updated Site Plan (12-30-24)
2. NVC-12-17-24 Rendering
3. NVC\_Heber Mtg\_12\_3\_2024
4. NVC concept 12-31-24 PHASING PLAN
5. NVC concept 12-31-24 OPEN SPACE PLAN
6. NVC concept 12-31-24 TRAIL PLAN
7. NVC concept 12-31-24 SITE PLAN
8. Harvest Village Final MDA 1-16-25 - 4936-9262-9520 - 1
9. Crossings Development Agreement 1.15 - 4930-2337-0512 - 1

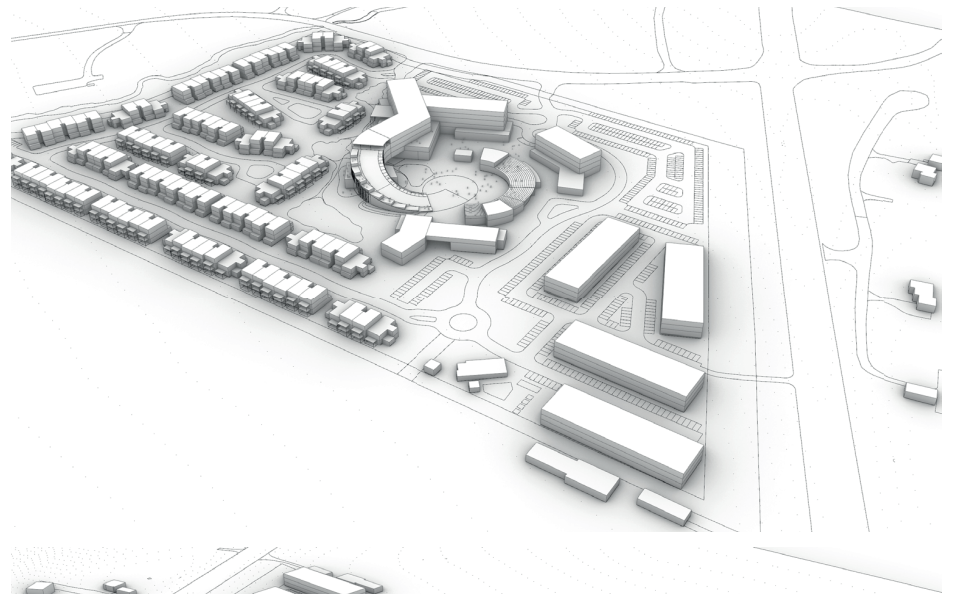
# HARVEST VILLAGE MASTER PLAN



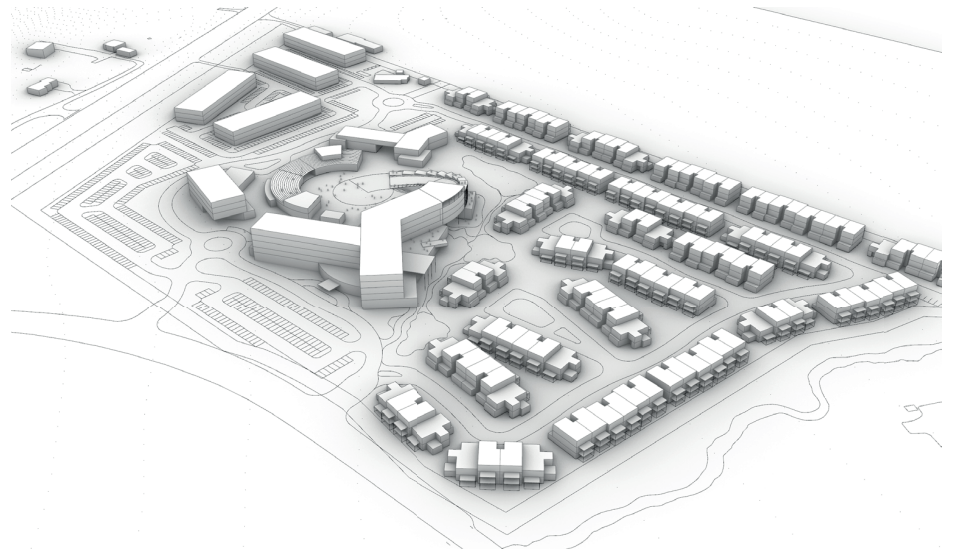
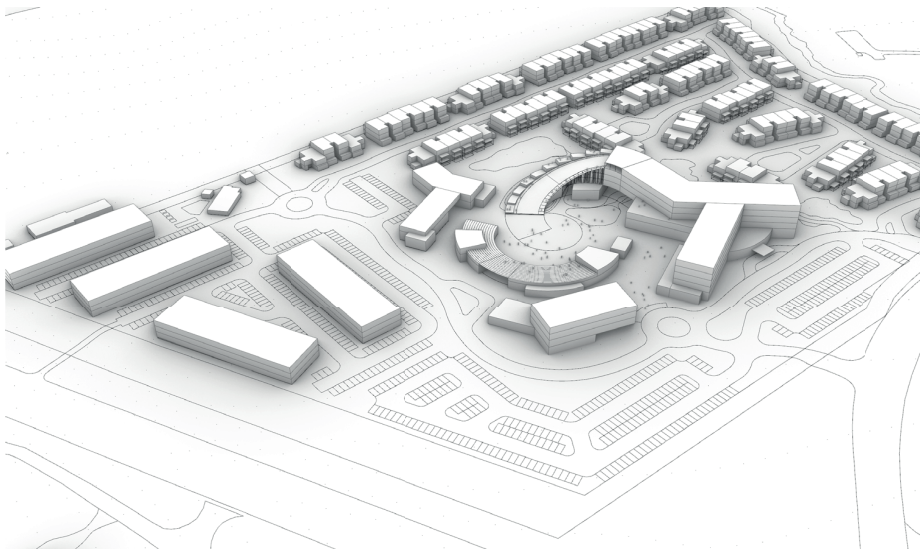


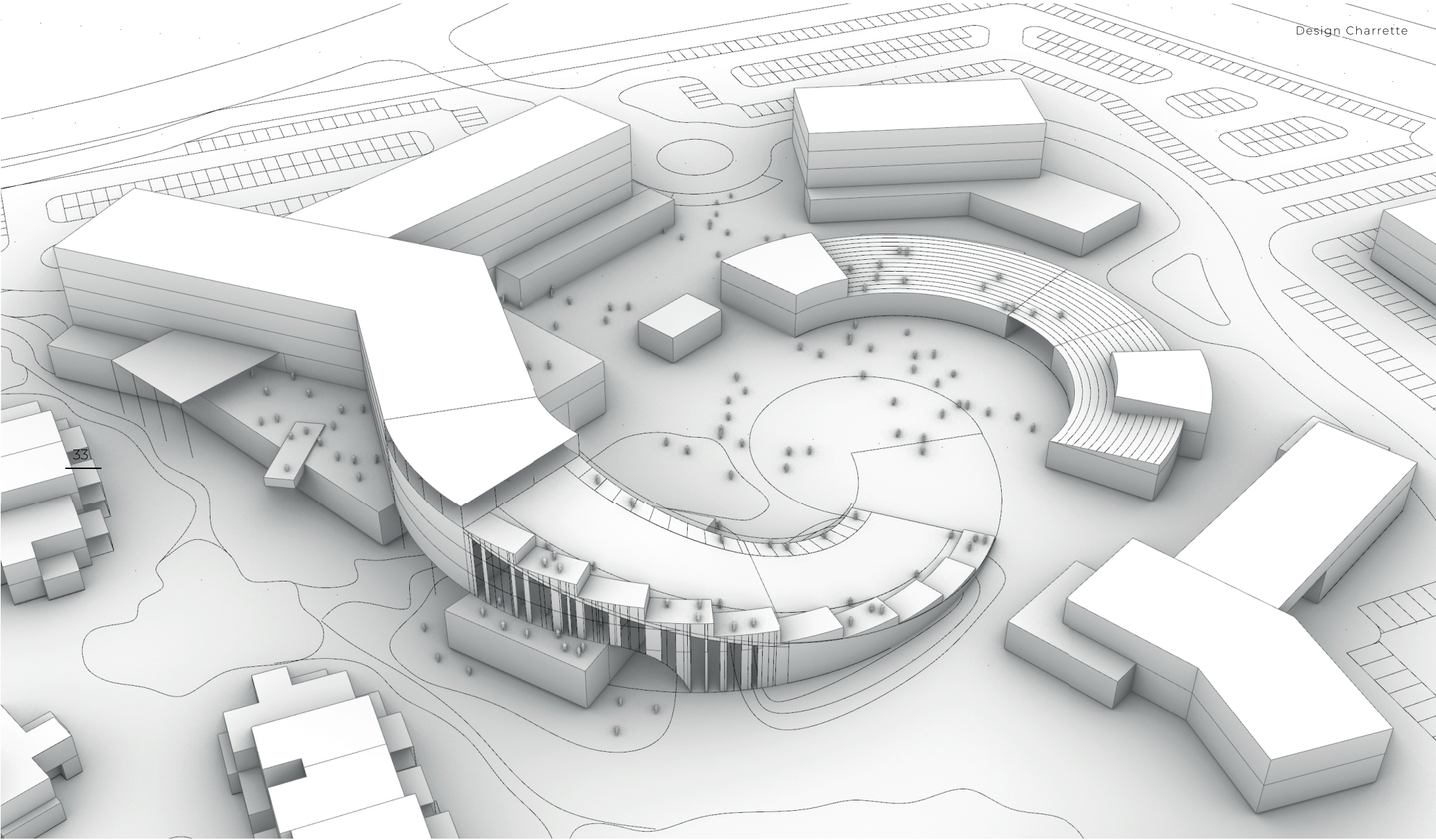






32





34

	Parking	Hotel	Condo	Amenities	Retail/Comm./Office	Townhomes
L1	45,095	23,598	-		63,454	
L2	-	11,703	6,904	29,700	36,748	
L3	-	11,703	36,496	0	5,598	
L4	-	11,703	36,496	0		
L5	-	19,466	11,037	0		
<b>Areas in project</b>	<b>45,095</b>	<b>78,173</b>	<b>90,933</b>	<b>29,700</b>	<b>105,800</b>	<b>386,130</b>
<b>Original brief (charrette)</b>	45,095	77,600	90,900	29,700	105,800	287,960
<b>Difference</b>	0	573	33	0	0	98,170

# THE RESIDENCES





L1

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



L2

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



L3

4 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 619 sf

Total: 2,772 sf



L3

3 Bed TH:

L1 - 886 sf  
L2 - 1,267 sf  
L3 - 319 sf

Total: 2,472 sf



41

L1

4 Bed TH:

L1 - 1,307 sf  
L2 - 1,400 sf

Total: 2,707 sf



L2

4 Bed TH:

L1 - 1,307 sf  
L2 - 1,400 sf

Total: 2,707 sf

**UNIT MIX**

Townhome prototype		#	%	Sq.ft.	Total area
Townhome type 1A (4 bed + loft)	3 floors	110	79%	2,772	304,920
Townhome type 2 (4 bed + loft)	2 floors	30	21%	2,707	81,210
		<b>140</b>			<b>386,130</b> sf *

**AREA SUMMARY PER BUILDING TYPE**

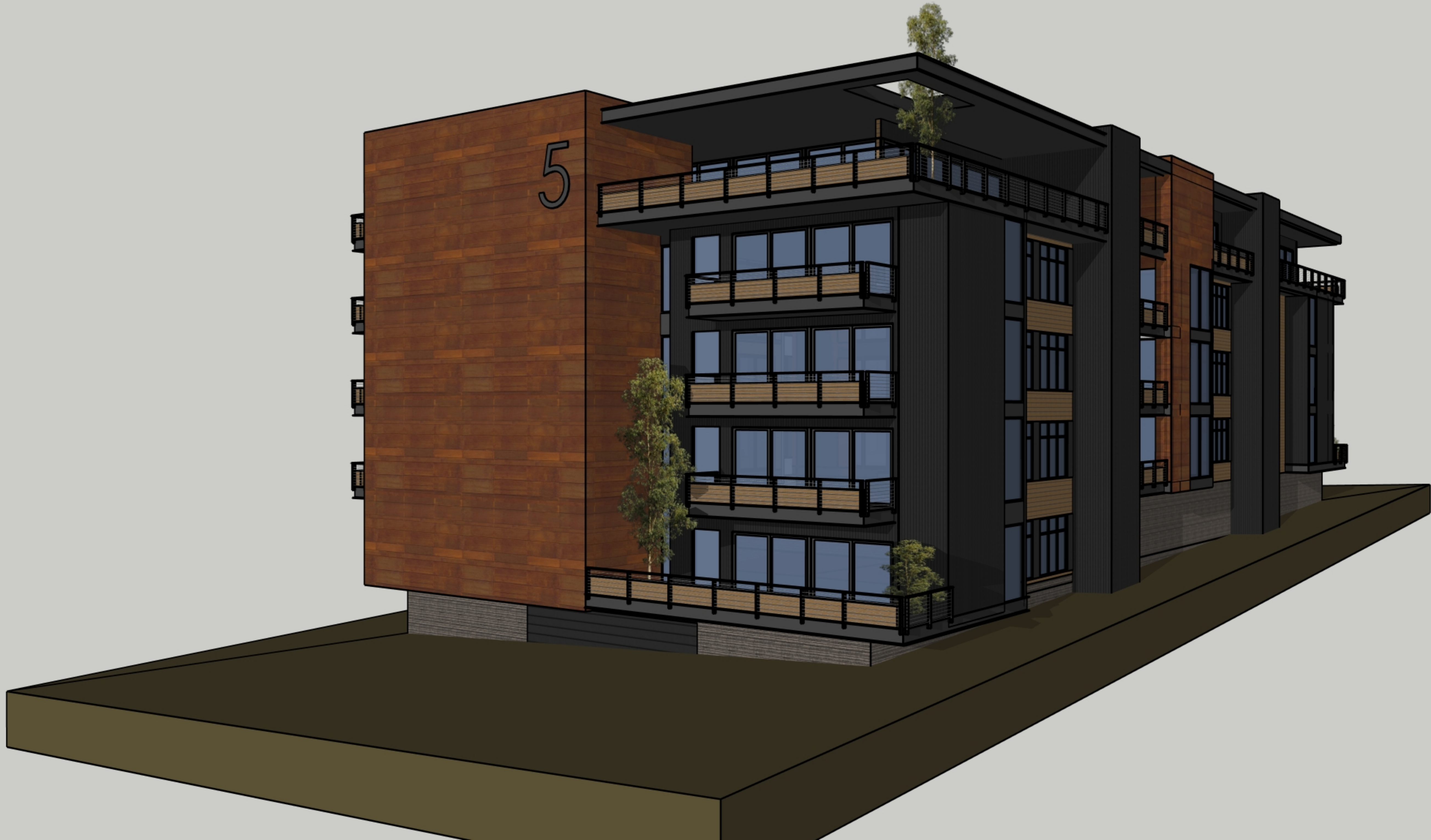
Building type	# units/bldng	# Buildings	sq.ft. /bldng	Total area
Building 1	4	7	10,958	76706
Building 2	6	8	16,632	133056
Building 3	6	8	16,502	132016
Building 4	8	2	22,176	44352
		<b>25</b>		<b>386,130</b> sf *

\* Townhome Type 1B not not included in this mix/area summary.

**GVI** GOMEZ VAZQUEZ  
INTERNATIONAL











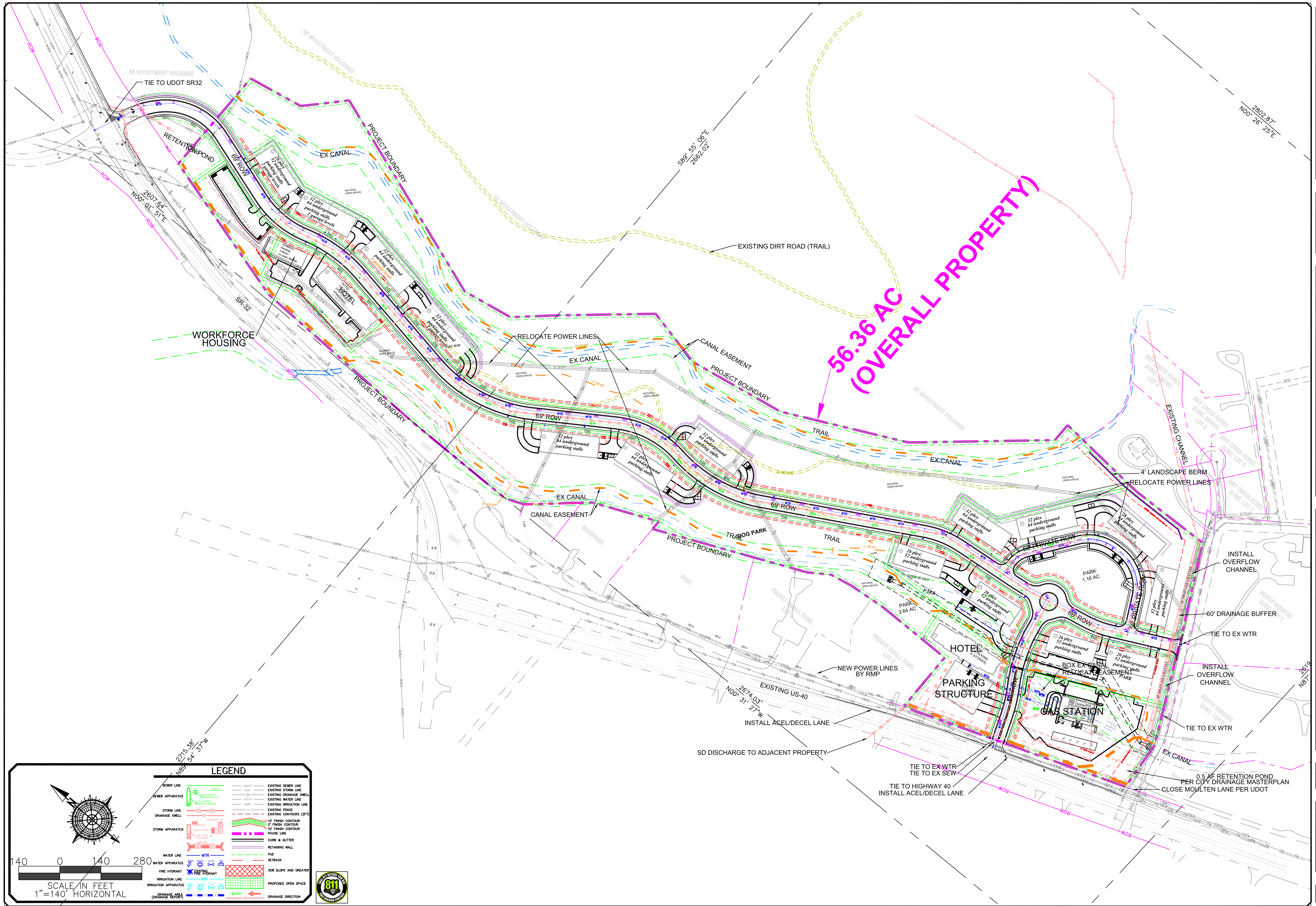












**LEGEND**

SEWER LINE	EXISTING SEWER LINE
SEWER APPARATUS	EXISTING STORM LINE
STORM LINE	EXISTING DRAINAGE SMELL
DRAINAGE SHELL	EXISTING WATER LINE
STORM APPARATUS	EXISTING IRRIGATION LINE
WATER LINE	EXISTING FENCE
WATER APPARATUS	EXISTING CONTOURS (3PT)
FIRE HYDRANT	10' FINISH CONTOUR
IRRIGATION APPARATUS	2' FINISH CONTOUR
IRRIGATION APPARATUS	10' FINISH CONTOUR
DRAINAGE SHELL	PHASE LINE
	CURE & OUTER
	RETAINING WALL
	PUE
	SETBACK
	30% SLOPE AND GREATER
	PROPOSED OPEN SPACE
	DRAINAGE DIRECTION

SCALE IN FEET  
1"=140' HORIZONTAL

NO.	DESCRIPTION	DATE	APP'D

ORIG. DATE: 8-5-14	SCALE: 1"=140'
SURVEY BY: CPW	DESIGNED BY: CPW
DRAWN BY: CPW	CHECKED BY: CPW

**GATEWAY CONSULTING, Inc**  
 P.O. BOX 951005 SOUTH JORDAN, UT 84095  
 PH: (801) 694-5848  
 paul@gatewayconsultingllc.com

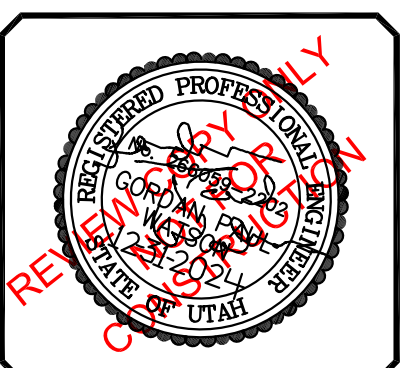
CIVIL ENGINEERING \* CONSULTING \* LAND PLANNING  
 CONSTRUCTION MANAGEMENT

**NORTH VILLAGE CROSSINGS**

SITE PLAN

12-31-2024

HEBER CITY



SHEET NO. 2

**WHEN RECORDED, RETURN TO:**

Heber City  
Attention: City Recorder  
75 North Main Street  
Heber City, Utah 84032

Tax Parcel Nos.: 20-0622, 21-2614, 21-2615, 21-2612, 21-2480, 21-2617, 21-1557, 21-1555, 21-1559, 21-1556, 21-2616, 21-2611, 21-2613, 21-2618, 21-2619, 21-2620, 21-2479, 21-2481 and 21-1558

---

(Space above for Recorder's use only.)

**DEVELOPMENT AGREEMENT  
FOR THE  
HARVEST VILLAGE MIXED USE DEVELOPMENT**

THIS DEVELOPMENT AGREEMENT FOR THE HARVEST VILLAGE MIXED USE DEVELOPMENT (this "**Agreement**") is made and entered into by and between HEBER CITY, a political subdivision of the State of Utah (the "**City**"), and KLJB, LLC and its successor and assign ANGSTROM DEVELOPMENT GROUP LLC, a Utah limited liability company ("**ADG**"), BAIBACH, LLC, and K&H DEVELOPMENT HEBER, LLC (collectively "**Property Owners**"). The Property Owners and the City are hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. Property Owners are the owners of approximately 39 acres of undeveloped real property located on the Southwest intersection of Hwy 40 and River Road (Parcel Nos. 20-0622, 21-2614, 21-2615, 21-2612, 21-2480, 21-2617, 21-1557, 21-1555, 21-1559, and 21-1558) in Wasatch County, State of Utah (the "**Property**"). A legal description of the Property is attached hereto as **Exhibit A**.

B. In conjunction with the approval of this Agreement, the City approved and adopted a Site Plan for the Project (the "**Site Plan**").

C. The Site Plan for the Property provides for a mixed-use development, including recreational and open space uses. All such uses shall be consistent with the permitted uses in the North Village Overlay Zone ("**NVOZ**") as North Village (NV) Sub-District or as outlined within this Agreement.

D. This Agreement and the Site Plan meets the intent of, complies with, and is guided by, the Envision 2050 Heber General Plan.

E. The Parties now desire to enter into this Agreement to establish and set forth the rights and responsibilities of Property Owners and their successors in interest, including but not limited to, those developers, sub-developers and builders who will develop the Property as a mixed-use project in accordance with the terms hereof, and to establish the rights and responsibilities of the City to annex the Property into the boundaries of Heber City and to authorize and regulate such development pursuant to the requirements of this Agreement.

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

## **TERMS**

### **1. Incorporation of Recitals and Exhibits/ Definitions.**

1.1 **Incorporation.** The foregoing Recitals and Exhibits A through E are hereby incorporated into this Agreement.

1.2 **Definitions.** Any capitalized term or phrase used in this Agreement has the meaning given to it below or in the section where the definition of such term is given.

1.2.1 **Act** means the Municipal Land Use, Development, and Management Act, Utah Code Ann. §§ 10-9a-101, et seq. (2024), as amended.

1.2.2 **Administrative Action** means and includes any amendment to the Exhibits to this Agreement or other action that may be approved by the Administrator as provided in Section 17.

1.2.3 **Administrator** means the Person designated by the City as the Administrator of this Agreement.

1.2.4 **Agreement** has the meaning set forth in the preamble and includes all Exhibits attached hereto.

1.2.5 **Public Gathering Areas** means any publicly owned area or public park identified on the Site Plan that is intended to provide services to the community at large.

1.2.6 **Applicant** means a Person submitting a Development Application, a Modification Application or a request for an Administrative Action.

1.2.7 **Backbone Improvements** means those improvements shown as

such in the Infrastructure Plan and which are, generally, infrastructure improvements that are intended to support the overall development of the Property and not merely a part of the development of any particular Subdivision. Backbone Improvements are generally considered to be in the nature of “System Improvements,” as defined in Utah Code Ann. § 11-36a-101, et seq. (2024).

1.2.8 **Building Permit** means a permit issued by the City to allow construction, erection or structural alteration of any building, structure, private or public infrastructure, On-Site Infrastructure on any portion of the Project, or to construct any Off-Site Infrastructure.

1.2.9 **CC&Rs** means one or more declarations of conditions, covenants and restrictions regarding certain aspects of design and construction on the Property recorded or to be recorded with regard to the Property or any part thereof, as amended from time to time.

1.2.10 **Capital Facilities Plan** means a plan adopted or to be adopted by the City in the future to substantiate the collection of Impact Fees as required by State law.

1.2.11 **City** means the City of Heber, a political subdivision of the State of Utah.

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

1.2.13 **City’s Future Laws** means the ordinances, policies, standards, and procedures of the City that will be in effect as of a particular time in the future when a Development Application is submitted for a part of the Project and that may, in accordance with the provisions of this Agreement, be applicable to the Development Application.

1.2.14 **City’s Vested Laws** means the ordinances, policies, standards, and procedures of the City related to zoning, subdivisions, development, public improvements and other similar or related matters that are in effect as of the Effective Date.

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

1.2.16 **Default** shall have the meaning provided in Section 14.

1.2.17 **Design Guidelines** means the design guidelines referenced in the North Village Overlay Zone.

1.2.18 **Developer** shall have the meaning provided in Section 22.

1.2.19 **Development Application** means an application to the City for development of a portion of the Project, a Building Permit, improvement plans or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.20 **Development Property** shall have the meaning provided in Section 22

1.2.21 **Development Report** means a report containing the information specified in Section 4.6 submitted to the City by Property Owners or any successor for the sale of any Parcel to a Developer, Sub-developer or Builder or the submittal of a Development Application by a Developer, Sub-developer or Builder pursuant to an assignment from Property Owners.

1.2.22 **Development Unit** means either a commercial or residential use of property with respect to which an ERU calculation can be applied in accordance with this Agreement.

1.2.23 **Effective Date** means the date on which both the Parties have executed this Agreement.

1.2.24 **Equivalent Residential Unit (ERU)** means the residential density allocated to: (a) any given Residential Unit when measured against a single-family dwelling unit, which measure shall be determined pursuant to Section 18.21.020.2.2(2) of the City's Vested Laws; and (b) commercial ERUs will be calculated as provided in Section 18.21.020.2.2(2) of the City's Vested Laws.

1.2.25 **Final Plat** means the recordable map or other graphical representation of land prepared in accordance with Utah Code Ann. § 10-9a-603, and approved by the City, effectuating a Subdivision of any portion of the Project.

1.2.26 **Highway 40** means a "state highway" type transportation corridor maintained by the Utah Department of Transportation and referred to as U.S. Highway 40, as that route may be changed from time-to-time.

1.2.27 **Homeowners' Association(s)** means one or more associations formed pursuant to Utah law to perform the functions of an association of property owners.

1.2.28 **Impact Fees** means those fees, assessments, exactions or payments of money imposed by the City as a condition on development activity as

specified in Utah Code Ann. §§ 11-36a-101, et seq. (2024), as amended.

1.2.29 **Infrastructure Plan** means the conceptual infrastructure plan, including culinary water, secondary water, storm water, sanitary sewer and private roads, as amended from time to time.

1.2.30 **Intended Uses** means the use of all or portions of the Project for open space, parks, trails and other uses permitted in the Zoning Ordinance, Design Guidelines and as shown on the Site Plan.

1.2.31 **Market Rate Units** means any non-Affordable Housing within the Project.

1.2.32 **Modification Application** means an application to amend this Agreement (but not including those changes which may be made by Administrative Action).

1.2.33 **Mortgage** means (1) any mortgage or deed of trust or other instrument or transaction in which the Property, or a portion thereof or a direct or indirect ownership or other interest therein, or any improvements thereon, is conveyed or pledged as security, or (2) a sale and leaseback arrangement in which the Property, or a portion thereof, or any improvements thereon, is sold and leased back concurrently therewith.

1.2.34 **Mortgagee** means any holder of a lender's beneficial or security interest (or the owner and landlord in the case of any sale and leaseback arrangement) under a Mortgage.

1.2.35 **Non-City Agency** means a governmental or quasi-governmental entity, other than those of the City, which has jurisdiction over the approval of an aspect of the Project.

1.2.36 **North Fields** means that certain real property located generally south of the Property and generally depicted on Exhibit C attached hereto.

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

1.2.38 **Off-Site Infrastructure** means the off-site public or private infrastructure, such as roads and utilities, specified in the Infrastructure Plan that is necessary for development of the Property but is not located on the portion of the Property that is subject to a Development Application.

1.2.39 **On-Site Infrastructure** means the on-site public or private infrastructure, such as roads or utilities, specified in the Infrastructure Plan

that is necessary for development of the Property and is located on that portion of the Property that is subject to a Development Application.

1.2.40 **On-Site Retention/Detention** shall mean a storm drain facility that is provided on-site upon private property within the development to handle on-site or off-site storm drain requirements.

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

1.2.42 **Parcel** means an area identified on the Site Plan with a specific land use designation that is intended to be further subdivided for future development.

1.2.43 **Person** means any natural person, corporation, Limited Liability Company, trust, joint venture, association, company, partnership, limited partnership, governmental authority or other entity.

1.2.44 **Phase** means the development of a portion of the Project.

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

1.2.46 **Project** means the mixed-used Site Plan to be developed on the Property in accordance with this Agreement, including, without limitation, all associated public and private facilities, Intended Uses, Phases and all of the other aspects approved as part of this Agreement and the Site Plan.

1.2.47 **Property Owner or Property Owners** means KLJB, LLC and its successor and assign ADG, Baibach, LLC, and K&H Development Heber, LLC and any other successor-in-interest to any of the foregoing as an owner of the Property or any portion thereof, including but not limited to, Developers, Sub-developers and builders.

1.2.48 **Site Plan** refers to the Site Plan attached as Exhibit B, which Site Plans generally depict the development plan for the Property.

1.2.49 **Sub-developer** means any Person that obtains title to a Parcel from a Developer for development.

1.2.50 **Subdivision** means the division of any portion of the Project into a subdivision pursuant to State Law and/or the Zoning Ordinance.

1.2.51 **System Improvement** means those elements of infrastructure that

fall within the definition of System Improvements pursuant to Utah Code Ann. § 11-36a-102(21). System Improvements shall be defined as set out in the North Village Capital Facilities Plans and Master Plans.

1.2.52 **Zone** means the City’s North Village Overlay District Zone – North Village (NV) Sub-District.

1.2.53 **Zoning Ordinance** means the City’s Land Use and Development Ordinance adopted pursuant to the Act that is in effect as of the Effective Date.

2. **Development of the Project.** Development of the Project shall be in accordance with this Agreement, the City’s Vested Laws and the City’s Future Laws as expressly set forth in this Agreement.

3. **Zoning and Vested Rights.**

3.1 **Zoning.** Concurrently with its execution of this Agreement, the City has annexed the Project to the City and zoned the Property under the North Village Overlay District Zone as a North Village (NV) Sub-District.

3.2 **General Vested Rights.** Subject to paragraphs 3.3 and 3.4, and except as specifically provided herein, the Parties intend that this Agreement grants to Developer all rights to develop the Project in fulfillment of this Agreement, the City’s Vested Laws, and the zoning of the Property. The Parties specifically intend that this Agreement grant to Developer the “vested rights” identified herein as that term is construed in Utah’s common law and pursuant to Utah Code Ann. § 10-9a-509 (2024).

3.3 **Compliance with City Requirements and Standards.** Developer and Property Owners expressly acknowledge that nothing in this Agreement shall be deemed to relieve Developer or any Continuing or Successor Owner from its obligations to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats for the Project, which are in place at the time of a complete and approved application, including the payment of unpaid fees, the approval of subdivision plats, the approval of building permits and construction permits, and compliance with all applicable ordinances, resolutions, policies and procedures of the City except as otherwise provided in this Agreement.

3.4 **Exceptions to Vested Rights.** The vested rights and the restrictions on the applicability of City’s Future Laws as specified in Section 3.3 are subject to the following exceptions:

3.4.1 **Agreed to Regulations.** City’s Future Laws or other regulations to which the Developer agrees in writing;

3.4.2 State and Federal Compliance. City's Future Laws or other regulations that are enacted or required to comply with State or Federal laws or regulations;

3.4.3 Development Review Processes. Amendments or changes to the City's application processes, review criteria, required application materials or submittal checklists that are generally applicable, and do not materially impact (i) the ability of Developer to develop the Project in accordance with the Site Plan or (ii) the overall cost of the Project;

3.4.4 Safety Codes. Any City's Future Laws that are updates or amendments to building, fire, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are enacted to meet legitimate concerns related to public health, safety or welfare;

3.4.5 Engineering Standards. Amendments or changes to the City's Engineering Standard Drawings and Specifications provided that the amendments or changes (i) do not materially impact the ability of Developer to develop the Project in accordance with the Site Plan, (ii) do not materially impact the overall cost of the Project, and (iii) are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities.

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

3.4.7 Fees. Changes to the amounts of fees for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law;

3.4.8 Impact Fees. Impact Fees or modifications thereto which are lawfully adopted, and imposed by the City pursuant to Utah Code Ann. Section 11-36a-101 (2024) et seq., and are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

3.4.9 Planning and Zoning Modifications. Changes by City to its planning principles and design standards such as architectural or design requirements, setbacks or similar items so long as such changes do not (i) reduce the Density Entitlements or (ii) materially impact the ability of

Developer to develop the Project in accordance with the Site Plan or (iii) increase the overall cost of the Project; or

3.4.10 Compelling, Countervailing Interest. Laws, rules or regulations that the City’s land use authority finds, on the record, are necessary to avoid jeopardizing a compelling, countervailing public interest pursuant to Utah Code Ann. § 10-9a-509(1)(a)(ii)(A) (2024).

4. **Development of the Property in Compliance with the Site Plan.**

4.1 **Project Density.** Property Owners shall be entitled to and are vested with the right to develop and construct up to 34 hotel ERUs, up to 211 Market Rate residential ERUs (divided between for sale condos/townhomes and for rent multi-family), and up to 48 commercial ERUs (totaling not less than 100,000 square feet of commercial development) on the Property consistent with the Intended Uses specified in the Zoning Ordinance and generally identified on the Site Plan (collectively, the “Density Entitlements”). Property Owners also have an obligation to provide 33 residential ERUs as Affordable Housing as detailed in Section 4.5 of this Agreement.

4.2 **Hotel Elevations.** As part of the approval process, Property Owners have provided potential building elevations for the hotel and condominium portions of the Project, which elevations are attached hereto as Exhibit E. The building elevations and design standards must be similar in materials and appearance to the proposed elevations, or Property Owners must propose and obtain approval from the City Council for elevations that are consistent with NVOZ design guidelines and are to the standard of a four-star resort hotel in Park City or Deer Valley.

4.3 **Transfer of Density for Eminent Domain.** If a portion of the Project is voluntarily or involuntarily transferred for public use, including, but not limited to, property taken by the Utah Department of Transportation as part of a road expansion project, Property Owner shall not be entitled to move density to other portions of the Project or amend the Site Plan to adjust for densities in areas acquired for public use.

4.4 **Intended Uses by Parcel and Densities.** Intended Uses and Densities for the Project are shown on the Site Plan for the Property. The general street configurations, building types and locations, and general layout for the Project shall comply with Site Plan. This includes the City’s acceptance of the following exceptions to NVOZ ordinances:

4.4.1 Building Heights. Property Owners shall be allowed to construct a hotel or condominium hotel as a principal anchor to their development that is no more than five stories with stories being measured in height consistent with the Heber City NVOZ zone “Mixed Use Building” provision of the code found at § 3.3 of Chapter 18.21 of the North Village Overlay District.

Property Owners shall also be allowed to construct townhomes, affordable housing, and commercial retail buildings at three stories consistent with the provisions of Heber City NVOZ zone code found at Chapter 18.21 of the North Village Overlay District. Property Owners shall be allowed to include rooftop decks on the proposed townhomes without violating the building height requirements of Chapter 18.21.

4.4.2 Setbacks. Property Owners shall be permitted to construct residential townhomes with minimum side yard setbacks between building at five (5) feet per building, for a combined setback of ten (10) feet. To protect the natural riparian areas the rear yard setback at Rock Creek on the West side of the Property shall be thirty feet (30) feet from the property line. To provide a natural barrier from the property South of the Property the Property Owners shall provide a thirty-foot (30) foot buffer from the property line.

4.4.3 Contiguous Units. Property Owners shall be permitted to construct residential townhomes with up to eight (8) contiguous units.

4.4.4 Front Drives. Property Owners shall be permitted to build townhomes with front driveways, not alleys, on their private road(s).

4.5 **Parcel Sales**. The City acknowledges that the precise location and details of the public improvements, lot layout and design and any other similar item regarding the development of a particular Parcel may not be known at the time of the sale of a Parcel. City further acknowledges that Developer may adjust boundaries between existing metes and bounds parcels prior to recording a subdivision plat for the Project. City further acknowledges that Developer may adjust boundaries between existing metes and bounds parcels prior to recording a subdivision plat for the Project.

4.6 **Accounting for Density for Parcels Sold to Sub-developers**. In connection with the sale of any Parcel sold by Property Owners to a Developer or Sub-developer, Property Owners shall provide the City with a written document specifying the identity of the Person to whom the Parcel is sold, the allocation, if any, of any Development ERUs associated with such Parcel, and the Open Space requirements and/or obligations associated with such Parcel. In connection with the recordation of a Final Plat or other document of conveyance for any Parcel sold to a Developer or Sub-developer, Property Owners shall provide the City Recorder with a development report (a "Development Report") identifying the Parcel(s) sold, the Residential Development ERU and/or other type of use or Development Unit allocated with the Parcel(s), the Development ERU remaining with Property Owners and any material effects of the sale on the Site Plan.

4.6.1 Return of Unused Density. If a Developer or Sub-developer cannot

or does not utilize all of the Development ERU allocated to it in connection with the transfer of one or more Parcels at the time the Developer or Sub-developer receives approval for the final Development Application for such transferred Parcel(s), the unused Development ERU shall automatically revert back to Property Owners. Such Development ERU shall be accounted for in any subsequent Development Report that Property Owners, or any of its successors in interest may be required to file with the City Recorder.

5. **Affordable Housing.**

5.1 **Affordable Housing Requirement.** Developer shall produce not less than 33 residential ERUs of Affordable Housing as a condition of the Project. Affordable Housing shall be sold or rented, as applicable, to individuals or families with an average income of Eighty percent (80%) or less of the area median income (AMI) in Wasatch County, Utah and the monthly cost shall not be more than Thirty percent (30%) of a household's income. Individual income limits for occupants of the Affordable Housing may be anywhere within the affordable housing AMI ranges, including up to 120% of AMI; however, the overall unit mix shall have an AMI averaged of no more than 80% AMI. Property Owners shall have no obligation to disperse the Affordable Housing throughout the Project but may consolidate the on-site Affordable Housing in one or more areas of the Project. Unless otherwise approved by the City Council, the Property Owner shall construct 11 residential ERUs on the Property (the "Onsite Affordable Housing Obligation"), which, for the avoidance of doubt, may be satisfied by the provision of workforce housing and Property Owners may enter into one or more master leases with local employers whereby local employers may lease a block of units to meet the housing needs of their qualifying employees. The Developer shall propose to the City one or more options to satisfy the remaining Affordable Housing unit obligation of 22 residential ERUs (the "Alternative Affordable Housing Obligation"). Property Owner's failure to comply with the Affordable Housing obligation pursuant to the terms of this Agreement shall constitute a material breach of this Agreement, and the City may pursue all available remedies to enforce compliance, including but not limited to legal and equitable relief.

5.2 **Geographic Waterfall.** Property Owners shall use a geographic waterfall approach in selecting from affordable housing applicants, in the following priority: (1) qualifying applicants employed in the immediate Harvest Village community; (2) qualifying applicants employed within Heber City limits; and (3) qualifying applicants living in Wasatch County generally. There shall be no time limit required in selecting between orders of priority. Rather, when all qualifying applicants from a category have been exhausted, applicants from the next order of priority shall immediately be given priority. If any of the geographic selection criteria are deemed to violate any federal or state rules and regulations, then the priority waterfall will be allowed to shift to become in alignment with the governing rules.

5.3 **Timing.** At least 50% of the required Affordable Housing requirement shall be completed no later than the construction of the first 50% of the Market Rate units and all of the Alternative Affordable Housing Obligation satisfied by the no later than the construction of the first 75% of the Market Rate units.

5.4 **Potential Affordable Housing Alternatives.**

5.4.1 **Off-site Affordable Housing.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by construction of Affordable Housing off site on property owned by the City or another third party. The City may, in its sole discretion, accept the proposal of Developer to comply with the Alternative Affordable Housing Obligation. Developer and the City shall still follow and comply with any deed restrictions as outlined in Chapter 18.102 of the City's Vested Laws.

5.4.2 **Land Donation.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by donating, or causing another third party to donate, one or more parcels of unimproved land to the City for the purpose of constructing Affordable Housing. The value of any donated land shall be determined by either of the following: (a) if the donated land was acquired within three (3) years of the date of such donation, the aggregate price per acre paid for such donated land, or (b) as determined by written appraisal in accordance with Heber City Code 18.102.050(J)(3) conducted within six months of the proposed donation. The full value of any donated land shall be recognized as a fee in lieu of \$60,000.00 in value required per residential ERU, consistent with the terms of Section 4.5.5. The Parties must agree in writing to the terms of any land donation, including the specific parcel(s), selection of the valuation method above, and compliance with the requirements outlined in this Section.

5.4.3 **Fee in Lieu.** The Property Owners may at any time satisfy all or part of the Alternative Affordable Housing Obligation, or City may require Property Owners to satisfy all or part of the Alternative Affordable Housing Obligation, by paying a fee in lieu in the amount of \$60,000 per residential ERU. Beginning in January 2026, and continuing annually thereafter, this fee in lieu payment amount shall increase annually by the Mountain-Plains Consumer Price Index amount, commonly known as "CPI." Payment of the fee as adjusted by CPI over time shall be deemed sufficient to fulfill the relevant Alternative Affordable Housing Obligation without prejudice to any other rights or remedies available under this Agreement. Property Owners agree that City may utilize the fee-in-lieu in any manner that the City deems appropriate, including, but not limited to, investing in properties or other resources that could be utilized or sold in the future to generate income for affordable housing.

## 5.5 Additional Requirements.

5.5.1 **Eligibility and Pricing.** For all on-site for rent affordable housing, a qualified third-party professional property management company shall manage the rental of all Affordable Housing. Eligibility for the affordable for-rent housing will be based on the AMI standards of for-rent affordable housing.

### 5.5.2 Deed Restrictions Protecting the Affordability and Sustainability of the Affordable Homes.

a. Prior to issuance of a certificate of occupancy for any of the Affordable Housing, Developer/ Owner shall negotiate and enter into with the City a Deed Restrictions Covenant (which shall be recorded with the Wasatch County Recorder) that shall serve as a Covenant Running With the Land to protect the affordability and sustainability of the Affordable Housing. Some of the terms of such a Covenant should include, but shall not be limited to the following:

1. The Covenant is to provide and articulate terms, conditions, and restrictions. The Covenant shall be enforceable by the City and, upon its execution and recording in the public records of the County Recorder of Wasatch County, Utah, shall run with the land, enforceable against the Owners; each Unit Owner, and each Unit Owner's successors interest, assignees, heirs, devisees, mortgagees, lessees, trustees, beneficiaries, executors, administrators, personal representatives; any subsequent owners; and any other parties claiming an interest in the Property. In addition to the recording of this Covenant, Developer/Owner shall cause that any deed or plat map associated with any affordable housing properties or units shall reference said Covenant.

2. The City shall have the right to enforce the terms of such a Covenant. The City may enforce this Covenant by any appropriate legal or equitable action including but not limited to specific performance, injunction, abatement, damages and such other remedies and penalties as may be specified in this Covenant. This Covenant shall inure to the benefit of the City and nothing herein shall be construed as creating a general scheme to be enforced by Unit Owners against each other.

6. **Term of Agreement.** The term of this Agreement shall commence on the Effective Date and continue either for a period of twenty years (20) years, or the day upon which the final

certificate of occupancy is approved and granted, whichever first occurs (the “Term”), unless it is terminated in accordance with Section 26. If Property Owners commence construction on the commercial phase of the proposed development within five (5) years of the effective date, they shall be entitled to an automatic extension of the term for an additional five (5) years. This additional five (5) year extension shall be added to the original Term. Unless otherwise agreed between the Parties, Property Owner’s unbuilt vested rights and interests set forth in the Agreement shall expire at the end of the Term, or as the Term may be extended by mutual agreement of the Parties. Upon termination of this Agreement for any reason, the licenses, building permits, or certificates of occupancy granted prior to the expiration of the Term shall remain vested rights in accordance with the terms and conditions of such approvals. Furthermore, any obligations of Developer related to any licenses, building permits, or certificates of occupancy shall continue in full force and effect.

7. **Approval Processes for Development Applications.**

7.1 **Phasing.** The City acknowledges that Property Owners, Developers, and Sub-developers who have purchased Parcels of the Property may submit multiple applications from time to time to develop and/or construct portions of the Project in phases.

7.2 **UDOT Bypass.** The Utah Department of Transportation (UDOT) is currently in the process of developing a Heber Valley Corridor Environmental Impact Statement (EIS). As part of the EIS, UDOT has established five potential alternatives for a future bypass road. Two of the five alternatives established by UDOT, would potentially require UDOT to acquire some amount of the Property via eminent domain. Developer acknowledges the proposed bypass routes. Accordingly, Developer agrees to delay the receipt of any permits until April 1, 2025. To avoid doubt, the Parties acknowledge:

7.2.1 The City will still accept and process permit applications submitted by Developer on, or before April 1, 2025.

7.2.2 Developer’s vested rights granted within this Agreement will not be impacted or in any way limited or impaired by any UDOT EIS report.

7.2.3 If UDOT selects a bypass route that impacts the Property the Property Owners will, in good faith, negotiate with UDOT regarding the condemnation of Property via eminent domain to facilitate the construction of the bypass road.

8. **Open Space, Improved Public Parks, and Trails Requirements.** For each Phase, neighborhood Parks and Trails shall be constructed and developed concurrently with the respective development within which said trails are located. Open space, parks and trails shall comply with the requirements of Heber City Code § 18.21.050 for the NV Sub-District, except that Property Owners shall provide not less than 20% of the total Project area within the Market

Rate residential ERU area as Open Space; Property Owners must provide at least 20% of the overall Project area as Open Space; and Property Owners must provide 10% of the overall Project area as Traditional Park Space in accordance with Heber City Code Table 5.1(1)). In accordance with Utah Code § 10-9a-604(3)(d)(iv) and (4) (2024), the City may require completion assurance for any landscaping that is necessary to meet the open space or traditional park space requirements.

8.1 **Highway 40 Landscape Buffer.** Property Owners shall provide an open space buffer on the Project property of not less than 100 feet from the existing western boundary of the Highway 40 right-of-way. Within the 40 feet of the buffer closest to Highway 40, Property Owners shall construct undulating landscape berming with a minimum height of eight feet to screen the view from Highway 40. The berming shall include trees and other foliage to provide a natural greenscape barrier. No other improvements shall be constructed within the 40 feet. Property Owners may construct portions of the Outer Loop Trail within the remaining 60 foot buffer area along with a split rail wood fence along the trail. Property Owners may also use portions of the remaining 60 feet of buffer area for stormwater retention/detention unless, prior to Heber City's approval of the retention/detention, UDOT provides written notice to Heber City that UDOT reasonably anticipates that future improvements to Highway 40 or the interchange between Highway 40 and SR 32 will be restricted or impaired by the stormwater retention/detention within the buffer area.

8.2 **Outer Loop Trail.** Property Owners shall construct a public access multi-use trail along the perimeter of the Project as generally shown on the Site Plan. The trail shall be not less than 8 feet wide and shall include not less than 6 feet of hard surface.

8.3 **Ownership and Maintenance of Open Space or Trails.** All trails and open space shall be dedicated to and maintained by the Master Association for the development. All trails within the Project shall be open to public use unless the trail is utilized specifically to access a private residence.

8.4 **Sledding Hill and Plaza.** Property Owners have proposed constructing a sledding hill and plaza area, as generally shown on the Site Plan, that would be open to use for a reasonable fee by residents within the Project and the public. The sledding area and plaza shall count towards the required Traditional Park Space portion of the Open Space requirement and Open Space requirements generally. Property Owners acknowledge that the sledding hill and plaza are important characteristics to the approval of the Project, and if they elect not to construct the sledding hill or plaza area, Property Owners shall construct other public recreational amenities and public gathering places within the Project that are similar in cost and scope to the proposed sledding hill and plaza area.

8.5 **Park Impact Fees.** Property Owners acknowledge that all required park,

trail and open space improvements within the Project are a condition of development approval and are project improvements pursuant to Utah Code § 11-36a-102(15). Property Owners may be required to pay parks, recreation, open space and trails impact fees for system improvements that benefit the Project as established in the City's impact fee analysis.

8.6 **Tax Benefits.** The City acknowledges that Property Owners may seek to qualify for certain tax benefits by reason of conveying, dedicating, gifting, granting or transferring Open Space and/or Trails to the City or to a charitable organization. Property Owners shall have the sole responsibility to claim and qualify for any tax benefits sought by Property Owners by reason of the foregoing. The City shall reasonably cooperate with Property Owners to the maximum extent allowable under law to allow Property Owners to take advantage of any such tax benefits.

8.7 **North Fields Preservation.** Property Owners, for themselves and with respect to each subsequent Owner of the Property, agree that upon issuance of any building permit for residential, commercial or hotel ERUs, the Owner shall pay to the City a one-time fee equal to \$2,500 per ERU or such prorated amount on partial ERU attributable to such unit, as applicable (the "North Fields Preservation Fee"). The City shall utilize funds collected pursuant to the North Fields Preservation Fee solely for the purpose of preserving open space in the North Fields, including the acquisition of development rights or the use of other conservation related tools for the preservation of open space. The City agrees that the North Fields Preservation Fee shall not be charged for Development Units constructed and operated as Affordable Housing.

9. **Public Improvements.**

9.1 **Utilities Provided by the North Village Special Service District (NVSSD) and the Jordanelle Special Service District (JSSD).** The Parties acknowledge that the Project is currently served by the NVSSD and the JSSD for sewer and water, including secondary water. It is the intent by both Parties that the NVSSD and the JSSD shall continue to serve the project for these utilities through such service districts as long as they have capacity and are capable of serving. The Developer shall provide Commitment Letters from JSSD and NVSSD for the plat and/or phase being served before final approval for that particular plat is granted. Water for phases and all amenities shall be dedicated up front. If at any time it is deemed unfeasible to have JSSD or NVSSD serve the Project, the Developer shall secure other service providers. The City shall not be liable or responsible to provide such services. However, if at any point City sewer and water, including secondary water is available in the area, the City agrees that Property Owner shall be able to obtain City services. Developers shall be required to comply with the JSSD and NVSSD water policies generally applicable to all NVSSD customers

9.2 **Streets.** At a minimum, all streets within the Project shall be improved to the Residential / Minor Collector standard as set forth in Heber City Code § 18.21.040.4.6. Notwithstanding this requirement, Property Owners may elect to construct a single multi-use path on one side of any street in lieu of the 5' sidewalks typically required on both sides of the street under Heber City Code § 18.21.040.4.6. Any such multi-use paths shall have a minimum of 6' of hard surface material. Additionally, Property Owners may elect to construct one or more private access drives to facilitate its residential development that do not meet public street standards. Property Owners shall be responsible to construct all streets, road accesses, and pedestrian paths within the Project. Unless accepted by the City, all streets and paths shall be private and shall be dedicated to the Master Association and shall be owned and maintained by the Master Association.

9.3 **Storm Water Improvements and Management.** The Parties acknowledge that the City has adopted a regional storm water master plan (the “**North Village Stormwater Master Plan**”). Property Owners shall be required to comply with the policies and standards of the North Village Stormwater Master Plan, as amended, and associated Stormwater Design Manual, and all standards and requirements of any and all exhibits attached and incorporated into this Agreement. Property Owners acknowledge that compliance with North Village Stormwater Master Plan may require construction of off-site improvements as outlined in the North Village Storm Water Master Plan. Developer and Property Owner shall restore or replace the historic, natural drainage channels on the Property, downstream of the existing irrigation canals, as outlined and contemplated in the above referenced Master Plan

9.4 **Storm Water Retention/Detention from Off-Site Sources.** The Parties acknowledge that Property Owners may provide On-Site Storm Water Retention/Detention on the Property for an adjacent development, which On-Site Storm Water Retention/Detention would be used to meet the adjacent development's storm water retention/detention requirements with the City. Property Owners acknowledge that the City has not evaluated the On-Site Retention/Detention; Property Owners must establish that they can meet all City requirements for the On-Site Retention/Detention, which may include groundwater modeling for the Project; and to the extent Property Owners are not able to meet the On-Site Retention/Detention based on the Site Plan, Property Owners may be required to reduce the densities or remove building shown on the Site Plan to meet the requirements.

9.5 **Utilities and On-Site Infrastructure.** Property Owners shall prepare an Infrastructure Plan (a/k/a Civil Drawings). The Parties acknowledge that there will be a Capital Facilities Plan for the Public Infrastructure approved and adopted by the City. The Property Owners shall have the responsibility and obligation, to construct and fund, or cause to be constructed and installed, in phases, the On-Site and Off-Site Infrastructure that is necessary to support the development proposed

within a specific Development Application.

**9.6 Excess Improvements/Upsizing.** The Property Owners and City do not anticipate that Property Owners will be required to install any System Improvements or upsize any infrastructure. If the City does require the Property Owners to enlarge, increase or otherwise “upsized” or upgrade (collectively, the “**Excess Improvements**”) the City agrees that it shall reimburse the applicable Property Owners from Impact Fees collected by the City for, or to the extent permissible under then-applicable law and as identified in the approved Capital Facilities Plan, costs incurred by the applicable Property Owners in the construction of Excess Improvements. Property Owners shall not be compensated for any “upsizing” of the Backbone Improvements that are not included as System Improvements in the approved Capital Facilities Plan.

**9.7 Variations between Infrastructure Plan, Capital Facilities Plan and any City’s Future Capital Facilities Plan.** The Parties acknowledge that the City may adopt a new or amended Capital Facilities Plan. Additionally, the City may adopt new or amended Impact Fee ordinances as permitted by State Law for the collection of Impact Fees to pay for the construction of parts or all of the Backbone Improvements. The new Capital Facilities Plan shall in no way change any land uses or permitted uses of the Project; limit or control the rate, timing, phasing or sequencing of the approval, development or construction of all or any part of the Project in any manner so long as all applicable requirements of this Agreement and relevant sections of the Zoning Ordinance are satisfied. The Capital Facilities Plan and any future Capital Facilities Plan may differ from the Infrastructure Plan. As a part of the approval of a Development Application, the City may require Property Owners to build portions of the Backbone Improvements as shown on the Capital Facilities Plan (after it is adopted) instead of as shown on the Infrastructure Plan. Notwithstanding the above, nothing herein obligates the City to pay for the minimum backbone infrastructure needed for the Project.

**9.8 Modifications of Infrastructure Locations and the Boundaries of the Development Areas.** The City acknowledges that the exact locations of On and Off-Site Infrastructure and the boundaries of the Parcels are conceptual in nature and that additional surveying, engineering and similar studies are needed to finalize lot locations, road and utility alignments as well as road and utility sizing. Therefore, Parcel boundaries, road and utility alignments and, subject to the requirements of this Agreement, infrastructure sizing may be further modified and revised upon the City’s approval of subsequent Development Applications in accordance with subsequent subarea infrastructure Site Plans that will be prepared by Developer for each Phase, and the City’s Vested Laws, all subject to City final approval.

**9.9 Off-Site Connectivity.** All trails, canals, ditches and roads shall connect with existing and internal trails, canals, ditches and roads located immediately

adjacent to the Project such that there is consistent, smooth linkage and connectivity with any and all municipal systems.

9.10 **Public Infrastructure District.** City understands that Property Owners may request a Public Infrastructure District (“PID”) pursuant to Utah Code § 17D-4-101 et seq. for the Property. The City shall review and reasonably consider Property Owners’ petition to create the PID as an option to implement and facilitate the financing, construction, and operation of some or all of the Public Infrastructure for the Project.

9.11 **CC&Rs.** As more fully set forth in the CC&Rs, Property Owners shall create and establish one or more Property Owners’ Associations, which shall be responsible for the implementation and enforcement of the CC&Rs and the Design Guidelines, including but not limited to architectural reviews, water efficiency, wildfire education, open space, and private street and storm water system maintenance. The CC&Rs shall contain a provision that regulates the nightly rental of any residential unit located on the Property. It is anticipated that nightly rental of residential units within the development shall be through the Property’s hotel and within the hotel’s brand standards. Recordation of the CC&Rs and creation of such Property Owners’ Associations shall be required at the time of Final Plat review and approval. The City shall not be responsible for the implementation and/or enforcement of any such CC&Rs and Design Guidelines.

9.12 **Cable/Fiber Optic Service.** Subject to all applicable federal and state laws, as well as the City’s authorization and capacity to timely install in a reasonable manner all required infrastructure and provide such service, Property Owners agree that the City shall be the sole cable/fiber optic network provider for the Development. The City shall install or cause to be installed all underground conduits necessary to make available a minimum of one cable service/fiber optic communication provider, or other comparable information and communication service provider, within the Project. Property Owners shall cooperate and reasonably accommodate the City’s installation and development of said cable service/fiber optic network, (CFON). Notwithstanding the foregoing, Property Owners may contract with any cable TV/fiber optic and other communication provider of their own choice and grant an exclusive right of access and/or easement to such provider to furnish cable TV/fiber optic and other communication services for those dwelling units or other uses on such Property Owner’s real property so long as the property is private and not dedicated to the public. The City may charge and collect all taxes and fees with respect to cable, fiber optic and other communication lines as allowed under an applicable City ordinance or state law.

## 10. **Fees & Bonding**

10.1 **General Requirement of Payment of Fees.** The City acknowledges its

fees are subject to applicable State law. The City's impact fee requirements will be set forth in the City's approved Capital Facilities Plan for the Project area to be developed subsequent to this Agreement and incorporated herein.

10.2 **Bonding.** Property Owners, Developers or Sub-developers, as applicable, shall provide performance or warranty bonds, per the Heber City Code, for any on-site or off-site, publicly dedicated infrastructure or similar improvements for the Project (the "Security"), including, without limitation, roads, curb and gutter, storm drains, sewer, water, street lighting, signs, sidewalks, landscaping within public rights of way, public open space, public parks and trails.

11. **Construction Standards and Requirements.**

11.1 **Building Permits.** No buildings or other structures that require permits, shall be constructed within the Project without the Developer or Sub-developer first obtaining building permits in accordance with the City's Vested Laws. Developers and Sub-developers may apply for and obtain a grading permit following Preliminary Site Plan approval if the Developers or Sub-developers, as applicable, have submitted and received approval of a site-grading plan and SWPPP and subject to a Land Disturbance Permit issued pursuant to Section 12 below.

11.2 **City and Other Governmental Agency Permits.** Before commencement of construction or development of any buildings, structures or other work or improvements upon any portion of the Project, a Developer or Sub-developer shall, at their expense, secure, or cause to be secured, any and all permits which may be required by the City under the City's Vested Laws or any other governmental entity having jurisdiction over the work. The City shall reasonably cooperate with Developers Sub-developers in seeking to secure such permits from other governmental entities.

12. **Grading and On-Site Processing of Natural Materials.**

12.1 **On-Site Processing of Natural Materials.** Property Owners may use the natural materials located on the Project, including, without limitation, sand, gravel and rock, and subject to City's Vested Laws, may process such natural materials into construction materials, including, without limitation, aggregate or topsoil, for use in the construction of On and Off-Site Infrastructure, commercial buildings, residential structures, or other buildings or improvements located in the Project and other locations outside the Project. Property Owner shall remediate any damage to trails, infrastructure, drainage or natural water features caused by such use. Notwithstanding this provision, this does not permit the construction of any subdivision or site-specific improvements prior to the requisite Final Plat review and approval for such improvements. Any such uses shall not be considered gravel pits.

12.2 **Mass Transit.** City may include the Project in any future plans for public

transit connections associated with the North Village development area. This Project is a priority for public mass transit optionality, and Property Owners shall cooperate with City to install bus stops or other mass transit options within the Project.

13. **Provision of Municipal Services.** Except for services provided by Districts, the City shall provide all City services to the Project that it provides from time to time to other residents and properties within the City including, but not limited to, development services and inspections, road and streetlight maintenance on public streets, police, and other emergency services. Such services shall be provided to the Project at the same levels of service, and on the same terms and rates as provided to other residents and properties in the City, unless such services are provided by other entities, or, because of the unique topography, location or other special or unique circumstances in the area covered by this Agreement, the cost to provide such services is higher than the like property rate throughout the City, and the City is able to demonstrate by empirical evidence, that such costs are a result of substantive additional or increased costs of municipal services, or financial burden to the City, then such additional costs, including but not limited to those required for additional special fire or police services, may be passed on to the Property Owners by way of special municipal service zonal fees, or some other equivalent of such fees. The City may charge such increased rate fees to Property Owners with respect to the Project, Phase, or sections of a Phase proportionate to their share of the increased cost.

14. **Default.** Any failure by any party to perform any term or provision of this Agreement, which failure continues uncured for a period of ten (10) calendar days following the receipt of written notice of such failure from the other party shall constitute a “**Default**” under this Agreement.

14.1 **Notice.** Any notice of default (“Default Notice”) shall: (1) specify the claimed event of Default; (2) identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default; (3) identify why the claimed Default is claimed to be material; and (4) specify the manner in which said failure may be satisfactorily cured.

14.2 **Cure.** Following receipt of a Default Notice, the defaulting Party shall have thirty (30) days in which to cure such claimed Default (the “Cure Period”). If more than 30 days is required for such cure, the defaulting Party shall have such additional time as is reasonably necessary under the circumstances in which to cure such Default so long as the defaulting Party commences such cure within the Cure Period and pursues such cure with reasonable diligence. City may, as reasonably necessary, withhold permits or approvals during any Cure Period.

14.3 **Developer’s Remedies Upon Default.** Developer’s sole and exclusive remedy under this Agreement shall be specific performance of the rights granted in this Agreement and City’s obligations under this Agreement. IN NO EVENT SHALL HEBER CITY BE LIABLE TO DEVELOPER, ITS SUCCESSORS OR ASSIGNS, FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR

CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COSTS OF DELAY, OR LIABILITIES TO THIRD PARTIES.

14.4 **City's Remedies Upon Default.** In addition to all other remedies available at law or in equity, City shall have the right to withhold all further reviews, approvals, licenses, building permits and other permits for development of the Property in the case of a Default by Developer, until the Default has been cured. City shall further have the right to draw on any security posted or provided in connection with the Property and relating to remedying of the particular Default.

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

**To the Property Owners:**

Angstrom Development Group  
Attn: Neil Goldman  
1225 Deer Valley Drive Suite 201  
Park City, UT 84060

**To the City:**

City of Heber  
Attn: City Recorder  
25 North Main Street  
Heber, Utah 84032

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

15.1.1 **Physical Delivery.** Its actual receipt, if delivered personally, by courier service, or by facsimile, provided that a copy of the facsimile Notice is mailed or personally delivered as set forth herein on the same day and the sending Party has confirmation of transmission receipt of the Notice.

15.1.2 **Electronic Delivery.** Its actual receipt if delivered electronically by email, provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending Party has an electronic receipt of the delivery of the Notice.

15.1.3 **Mail Delivery.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail.

15.1.4 **Change of Notice Address.** Any Party may change its address for Notice under this Agreement by giving written Notice to the other Party in accordance with the provisions of this Section.

16. **Administrative Amendments.**

16.1 **Allowable Administrative Applications:** If allowed by Utah state law, the following modifications to this Agreement may be considered and approved by the Administrator.

16.1.1 **Infrastructure.** Modification of the location and/or sizing of the infrastructure for the Project that does not materially change the functionality of the infrastructure.

16.1.2 **Design Guidelines.** Modifications of the Design Guidelines.

16.1.3 **Development Unit Allocations.** Any allocation of Development Unit densities to be made by Property Owners or their successors and assigns.

16.1.4 **Minor Amendment.** Any other modifications deemed to be minor modifications by the Administrator.

16.2 **Application to Administrator.** Applications for Administrative Amendments shall be filed with the Administrator.

16.2.1 **Referral by Administrator.** If the Administrator determines for any reason that it would be inappropriate for the Administrator to determine any Administrative Amendment, the Administrator may require the Administrative Amendment to be processed as a Modification Application.

16.2.2 **Administrator's Review of Administrative Amendment.** The Administrator shall consider and decide upon the Administrative Amendment within a reasonable time not to exceed twenty-one (21) days from the date of submission of a complete application for an Administrative Amendment. Applicant must provide all documents in their completed form and pay any required fee in accordance with State law.

16.2.3 **Notification Regarding Application and Administrator's Approval.** Within ten (10) days of receiving a complete application for an Administrative Amendment, the Administrator shall notify the Council in writing. Unless the Administrator receives a notice pursuant to these Sections, requiring that the proposed Administrative Amendment be considered by the Council as a Modification Application, the Administrator shall review the application for an Administrative Amendment and approve

or deny the same within the 45-day period set forth in Section 16.2.2. If the Administrator approves the Administrative Amendment, the Administrator shall notify the Council in writing of the proposed approval and such approval of the Administrative Amendment by the Administrator shall be conclusively deemed binding on the City. A notice of such approval shall be recorded against the applicable portion of the Property in the official City records.

**16.2.4 City Council Requirement of Modification Application Processing.** If the Council requires the proposed Administrative Amendment to be considered by the Council as a Modification Application, it shall, within two (2) business days after the first Council meeting following notification by the Administrator pursuant to Section 16.2.3 above, notify the Administrator that the Administrative Amendment must be processed as a Modification Application, and that the Council shall be the final determining body for any and all Modification Applications.

**16.2.5 Appeal of Administrator's Denial of Administrative Amendment.** If the Administrator denies any proposed Administrative Amendment, the Applicant may process the proposed Administrative Amendment to the Council for final adjudication. The Council shall be the final determining body for any and all Modification Applications.

17. **Amendment.** Except for Administrative Amendments, any future amendments to this Agreement shall be considered as Modification Applications subject to the following processes:

**17.1 Submissions of Modification Applications.** Only the City or Property Owners or an assignee of Property Owners, approved in writing by the City, and one that succeeds to all of the rights and obligations of Property Owners under this Agreement may submit a Modification Application.

**17.2 Modification Application Contents.** Modification Applications shall include:

**17.2.1 Identification of Property.** Identify the property or properties affected by the Modification Application.

**17.2.2 Description of Effect.** Describe the effect of the Modification Application on the affected portions of the Project.

**17.2.3 Identification of Non-City Agencies.** Identify any Non-City agencies potentially having jurisdiction over the Modification Application.

**17.2.4 Map.** Provide a map of any affected property and all property

within three hundred feet (300') showing the present or Intended Use and density of all such properties.

17.2.5 **Fee.** Modification Applications shall be accompanied by a fee in an amount reasonably estimated by the City to cover the costs of processing the Modification Application.

17.3 **Mutual Cooperation in Processing Modification Applications.** Both the City and Applicants shall cooperate reasonably in promptly and fairly processing Modification Applications.

17.4 **Planning Commission Review of Modification Applications**

17.4.1 **Review.** All aspects of a Modification Application required by law to be reviewed by the Planning Commission shall be considered by the Planning Commission as soon as reasonably possible in accordance with the City's Vested Laws in light of the nature and complexity of the Modification Application. The City shall not be required to begin its review of any application unless and until the Applicant has submitted a complete application.

17.4.2 **Recommendation.** The Planning Commission's vote on the Modification Application, if required by law, shall be only a recommendation.

17.5 **Council Review of Modification Application.** After the Planning Commission, if required by law, has made or been deemed to have made its recommendation of the Modification Application, the Council shall consider the Modification Application.

17.6 **Council's Objections to Modification Applications.** If the Council objects to the Modification Application, the Council shall provide a written determination advising the Applicant of the reasons for denial, including specifying the reasons the City believes that the Modification Application is not consistent with the intent of this Agreement and/or the City's Vested Laws (or, only to the extent permissible under this Agreement, the City's Future Laws).

17.7 **Mediation of Council's Objections to Modification Applications.** If the Council and Property Owners are unable to resolve a dispute regarding a Modification Application, the Parties shall attempt within seven (7) days to appoint a mutually acceptable expert in land planning or such other discipline as may be appropriate. If the Parties are unable to agree on a single acceptable mediator, each shall, within seven (7) days, appoint its own individual appropriate expert. These two experts shall, between them, choose the single mediator. Property Owners shall pay the fees of the chosen mediator. The chosen mediator shall within fourteen (14)

days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties.

17.8 **Amendments by Property Owners.** Notwithstanding any other provision in this Agreement to the contrary, Property Owners may propose and if approved by the City, execute any amendment or other modification of this Agreement or the Site Plan, without the consent of any Property Owner provided that such amendments, modifications, land uses and density allocations: (a) are consistent with the requirements of the City's Vested Laws; and (b) shall not alter the ERU density allocated to such Property Owner identified in a duly executed Development Report or assignment from Property Owners or otherwise affect any development rights associated with such Property Owner's Development Property set forth in a property specific development agreement with the City pertaining to such Development Property or a recorded Subdivision Plat specific to such Development Property and no other portion of the Project. For avoidance of doubt, neither the City nor Property Owners shall be required to obtain the consent of any Property Owner or any subsequent owner of a portion of the Project in order to amend this Agreement pursuant to this Section 17.

18. **Estoppel Certificate.** Upon twenty (20) days prior written request by a Property Owner, the City will execute an estoppel certificate to any third party certifying that this Agreement has not been amended or altered (except as described in the certificate) and remains in full force and effect, and that such Property Owner is not in default of the terms of this Agreement (except as described in the certificate), and such other matters as may be reasonably requested by the Property Owner. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

19. **Entire Agreement** Unless expressly provided herein, nothing in this Agreement shall be interpreted to conflict with, replace or waive any requirements, obligations, standards, duties, rights and enforcements afforded to the Parties, provided by and through the NVOZ Zone and Ordinance, and shall be interpreted and presumed by the Parties to be consistent, in harmony with, and incorporated herein with this Agreement. This Agreement and all Exhibits hereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

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

21. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Property Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights. The Parties acknowledge that this Agreement refers to a private development and that the City has no interest in, responsibility for or duty to any third parties, including but not limited to JSSD or NVSSD, concerning any improvements to the Property unless the City has accepted the dedication

of such improvements at which time all rights and responsibilities for the dedicated public improvement shall be the City's.

22. **Assignability**

22.1 **Transfer to Developers and Sub-developers.** Notwithstanding anything to the contrary in this Agreement, Property Owners or their successors may sell any portion of the Property to one or more parties (each a “**Developer**” or “**Sub-developer**”) at any time from and after the Effective Date. Each such transferred portion of the Property (each, a “**Development Property**”) shall be developed by the Developer and/or Sub-developer in accordance with and subject to the terms hereof, including, without limitation, the following:

22.1.1 Developer or Sub-developer shall assume in writing for the benefit of the City and Property Owners all of the obligations and liabilities of Property Owners hereunder with respect to the Development Property.

22.1.2 Developer and Sub-developer shall be afforded the rights of Property Owners granted hereunder in respect of the applicable Development Property only, including, without limitation, any rights of Property Owners in and the impact fee credits and/or reimbursements pertaining to such Development Property; provided, however, that unless Property Owners otherwise agrees in writing, Developer and/or Sub-developer shall not, in each case without the prior written consent of Property Owners, which may be granted or withheld in their sole discretion:

(i) submit any design guidelines to the City in respect to the Development Property and/or propose any amendments, modifications or other alterations to the Design Guidelines or any other design guidelines previously submitted by Property Owners to the City in respect of the Development Property;

(ii) process any Final Plats, site plans or Development Applications for the Development Property and/or propose any amendments, modifications or other alterations of any approved Final Plats, site plans, and/or Development Applications procured by Property Owners for the Development Property; or

(iii) propose or oppose any amendments, modifications or other alterations to this Agreement.

22.1.3 The City agrees not to accept or process any of the foregoing matters from a Developer and/or Sub-developer unless the matter has been approved by the owner of the Development Property.

22.1.4 Property Owners shall not amend, modify or alter this Agreement or the Design Guidelines, or any Final Plats, Development Agreements and/or site plans approved for the Development Property in a manner that would materially interfere with Developer and/or Sub-developer's rights hereunder in respect of such Development Property, in each case without Developer and/or Sub-developer's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

23. **Effect of Breach.** Notwithstanding any other provision of this Agreement, no breach or default hereunder, by any Person succeeding to any portion of a Property Owner's obligations under this Agreement shall be attributed to Property Owner. Nor may a Property Owner's rights hereunder be canceled or diminished in any way by any breach or default by any such Person. No breach or default hereunder by a Property Owner shall be attributed to any Person succeeding to any portion of such Property Owner's rights or obligations under this Agreement, nor shall such transferee's rights be canceled or diminished in any way by any breach or default by such Property Owner. During the development of the Project, until final approval of and dedication to the City, Developer, Owners or Owners, and their assigns, transferees, and sub-developers shall maintain the City as an additional named insured where reasonably possible, and without adding unreasonable cost, on any relevant or applicable liability insurance associated with the Project.

24. **Mortgage Protection.** This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any such Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any Person that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise. Notwithstanding the provisions of this Section, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to guarantee such construction or completion. If the City receives a written notice from a Mortgagee requesting a copy of any notice of default given to a Property Owner or a Sub-developer and specifying the address for service thereof, then the City shall deliver to such Mortgagee, concurrently with service thereon to the Property Owner or a Sub-developer, as applicable, any notice of default or determination of noncompliance given to the Property Owner or such Sub-developer. Each Mortgagee shall have the right (but not the obligation) for a period of 90 days after the receipt of such notice from the City to cure or remedy the default claimed or the areas of noncompliance set forth in the City's notice. If such default or noncompliance is of a nature that it can only be cured or remedied by such a Mortgagee upon obtaining possession of the Property, then such Mortgagee may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall within 90 days after obtaining possession cure or remedy such default or noncompliance. If such default or noncompliance cannot with diligence be cured or remedied within either such 90 -day period, then such Mortgagee shall have such additional time as may be reasonably necessary to cure or remedy such default or noncompliance if such Mortgagee commences such cure or remedy during such 90 -day period and thereafter diligently

pursues completion of such cure or remedy to the extent possible.

25. **Termination**

25.1 This Agreement shall be terminated and of no further effect upon the occurrence of any of the following events:

- (i) Expiration of the Term of this Agreement, unless extended as provided in Section 6;
- (ii) Completion of the Project in accordance with the Development Entitlements and the City's issuance of all required occupancy permits and acceptance of all dedications and improvements required under the Development Entitlements and this Agreement;
- (iii) Except for the payment of applicable fees and assessments, as for any specific residential dwelling or other structure within the Project, this Agreement shall be terminated for such dwelling or other structure upon the issuance by City of a certificate of occupancy therefore;
- (iv) Entry of final judgment (with no further right of appeal) or issuance of a final order (with no further right of appeal) directing City to set aside, withdraw, or abrogate City's approval of this Agreement,
- (v) The effective date of a party's election to terminate the Agreement as specifically provided in this Agreement, or
- (vi) in the event that Developer or the project are in default, or where material, contractual and developmental obligations are not met, or any deadlines and conditions of this Agreement, and relevant State and Federal Laws not fulfilled or are violated, after appropriate default notices and cure provisions of this Agreement.

25.2 **Notice of Termination.** City shall, upon written request made by Developer or Developer's successor(s) or assign(s) or any Owner to City's Planning Director, determine if the Agreement has terminated with respect to any parcel or lot at the Property, and shall not unreasonably withhold, condition, or delay termination as to that lot or parcel. Upon termination of this Agreement as to any lot or parcel, City shall upon Developer or Developer's successor(s) or assign(s) or any Owner's request record a notice of termination that the Agreement has been terminated. The aforesaid notice may specify, and Developer or Developer's successor(s) or assign(s) and Owners agree, that termination shall not affect in any manner any continuing obligation to pay any item specified by this Agreement. Termination of the Agreement as to any parcel or lot at the Property shall not affect Developer or

Developer's successor(s) or assign(s) or any Owner's rights or obligations under any of the Development Entitlements and Subsequent Entitlements, including but not limited to, the General Plan, Specific Plan, Zoning Ordinance and all other City policies, regulations, and ordinances applicable to the Project at the Property. City may charge a reasonable fee for the preparation and recordation of any notice(s) of termination requested by Developer or Developer's successor(s) or assign(s) or any Owner.

25.3 **Partial Termination.** In the event of a termination of this Agreement with respect of any portion of the Property, any then-existing rights and obligations of the parties with respect to such portion of the Property shall automatically terminate and be of no further force, effect or operation. However, no termination of this Agreement with respect to any portion of the Property or the Project shall affect in any way the parties' rights and obligations hereunder with respect to any other portion of the Property or Project not subject to the termination. Subject to the provisions of the Default Paragraph 14, the expiration or termination of this Agreement shall not result in any expiration or termination of any Entitlement then in existence, without further action of City.

26. **Insurance and Indemnification.** Each Property Owner shall defend and hold the City and its officers, employees and consultants harmless for any and all claims, liability and damages arising out of the negligent actions or inactions of such Property Owner, its agents or employees pursuant to this Agreement, unless caused by the City's negligence or willful misconduct.

27. **Hazardous, Toxic, and/or Contaminating Materials.** Each Owner shall defend and hold the City and its elected and/or appointed boards, officers, agents, employees and consultants harmless from any and all claims, liabilities, costs, fines, penalties and/or charges of any kind whatsoever relating to the existence and removal, or caused by the introduction of hazardous, toxic and/or contaminating materials by such Property Owner on the Project or arising out of action or inactions of Developer, except where such claims, liability costs, fines, penalties and charges are due to the actions of the City or its elected or appointed boards, officers, agents, employees or consultants.

28. **Binding Effect.** If Property Owners or another Property Owner conveys any portion of the Property to one or more Sub-developers, the property so conveyed shall have the same rights, privileges, Intended Uses and configurations, and shall be subject to the same limitations and rights of the City, applicable to such property under this Agreement prior to such conveyance, without any required approval, review, or consent by the City, except as otherwise provided herein.

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

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

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

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

33. **Appointment of Representatives.** To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and Property Owners each shall designate and appoint a representative to act as a liaison between the City and its various departments and Property Owners. The initial representative for the City shall be City Manager, or his designee and the initial representatives for Property Owners shall be Neil Goldman. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project

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

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

36. **Recordation and Running with the Land.** This Agreement shall be recorded in the office of the Wasatch County Recorder. Copies of the City's Vested Laws, Exhibit D, shall not be recorded. A secure copy of Exhibit D shall be filed with the City Recorder and each Party shall also have an identical copy. The provisions of this Agreement shall constitute real covenants, contract and property rights and equitable servitudes, which shall run with all of the land subject to this Agreement. The burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto. All successors in interest shall succeed only to those benefits and burdens of this Agreement which pertain to the portion of the Project Area to which the successor holds title. Such titleholder is not a third party beneficiary of the remainder of this Agreement or to zoning classifications and benefits relating to other portions of the Project Area. The obligations of Property Owners hereunder are enforceable by the City, and no other Person shall or may be a third party beneficiary of such obligations unless specifically

provided herein.

37. **Authority.** The parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to City Policy. This Agreement is approved as to form and is further certified as having been lawfully adopted by the City by the signature of the City Attorney.

38. **Covenant of Good Faith and Fair Dealing.** No party shall do anything which shall have the effect of injuring the right of another party to receive the benefits of this Agreement or do anything which would render its performance under his agreement impossible. Each party shall perform all acts contemplated by this Agreement to accomplish the objectives and purposes of this Agreement.

39. **Further Actions and Instruments.** The Parties agree to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of the Agreement. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Agreement.

40. **Partial Invalidity Due to Governmental Action.** In the event state or federal laws or regulations enacted after the Execution Date of this Agreement, or formal action of any governmental jurisdiction other than City, prevent compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified extended or suspended only to the minimum extent necessary to comply with such laws or regulations.

41. **Waiver of Rights Under Utah Code Section 10-9a-532.** The Parties have been represented by an attorney throughout this process. Developer acknowledges that this Agreement does not restrict any of Developer's rights under clearly established state law or that Developer has been advised in writing of any such rights being restricted. As an essential term of this Agreement, Developer hereby waives any claim that any term of this Agreement is void, illegal, invalid, or unenforceable as the result of any failure on the City's part to disclose in writing any rights being restricted by this Agreement.

[Signatures appear on the following two pages.]

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

PROPERTY OWNERS:

**KLJB, LLC** Utah limited liability company

By: \_\_\_\_\_

Name:

Title: Manager

PROPERTY OWNER ACKNOWLEDGMENT

STATE OF UTAH )

:§.

CITY OF SALT LAKE )

On the \_\_\_\_ day of \_\_\_\_\_, 2025, personally appeared before me \_\_\_\_\_, who being by me duly sworn, did say that he is the Manager of KLJB, LLC, and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

\_\_\_\_\_  
NOTARY PUBLIC





CITY

**Heber City**, a political subdivision of the State of Utah

By: \_\_\_\_\_

Name:

Its: \_\_\_\_\_

Approved as to form and legality:

Attest:

City Attorney

City Recorder

By: \_\_\_\_\_

By: \_\_\_\_\_

DRAFT

## EXHIBIT A

### TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE RESIDENTIAL DEVELOPMENT

#### Legal Description

##### **Parcel 1: 00-0020-0622**

BEGINNING AT A POINT NORTH 89°17'09" WEST 1894.08 FEET ALONG THE SOUTH SECTION LINE AND NORTH 870.95 FEET FROM THE ORIGINAL SOUTH QUARTER CORNER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; SAID POINT THE CORNER OF A FENCE; THENCE ALONG SAID FENCE THE FOLLOWING EIGHT COURSES; THENCE NORTH 01 °32'49" WEST 120.95 FEET; THENCE NORTH 25°36'52" EAST 90.88 FEET; THENCE NORTH 32°19'33" EAST 120.86 FEET; THENCE NORTH 31°02'53" EAST 135.11 FEET; THENCE NORTH 07°40'04" EAST 313.06 FEET; THENCE NORTH 07°47'31" EAST 142.80 FEET; THENCE NORTH 07°42'05" EAST 92.71 FEET; THENCE NORTH 07°57'21" EAST 88.82 FEET; THENCE ALONG A FENCE ON THE NORTH SIDE OF THE PROPERTY THE FOLLOWING NINE COURSES; THENCE NORTH 84°40'25" EAST 162.95 FEET; THENCE SOUTH 78°19'19" EAST 175.24 FEET TO AN EXISTING HIGHWAY RIGHT-OF-WAY MARKER ALONG STATE ROAD 220 (RIVER ROAD); THENCE NORTH 84°30'01" EAST 196.45 FEET; THENCE NORTH 71°11'32" EAST 46.59 FEET AN EXISTING HIGHWAY RIGHT-OF-WAY MARKER LOCATED ON THE APPARENT OLD SOUTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 220 (RIVER ROAD); THENCE SOUTH 86°47'32" EAST 90.60 FEET; THENCE NORTH 88°41'42" EAST 190.44 FEET; THENCE SOUTH 89°17'10" EAST 180.01 FEET; THENCE NORTH 89°05'02" EAST 52.91 FEET; THENCE SOUTH 89°04'05" EAST 189.48 FEET TO A FENCE FOLLOWING THE WESTERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY 40; THENCE SOUTH 24°19'21" EAST ALONG SAID FENCE AND RIGHT-OF-WAY LINE 683.46 FEET TO AN EXISTING HIGHWAY RIGHT-OF-WAY MONUMENT (175-35.42); THENCE CONTINUING ALONG SAID RIGHT-OF-WAY SOUTH 23°15'01" EAST 456.90 FEET TO A FENCE FOLLOWING THE NORTH BOUNDARY OF THE HUGH SMITH PROPERTY (SAID FENCE LINE ASSUMED TO BE THE NORTHERLY BOUNDARY LINE OF THE HUGH SMITH PROPERTY AS PER ENTRY NUMBER 135991, BOOK 174, PAGES 55-57), THENCE WESTERLY ALONG SAID FENCE THE FOLLOWING SIX COURSES; THENCE SOUTH 89°25'58" WEST 187.50 FEET; THENCE SOUTH 88°57'55" WEST 197.93 FEET; THENCE NORTH 88°10'07" WEST 92.66 FEET; THENCE SOUTH 88°55'51" WEST 139.39 FEET; THENCE SOUTH 89°41'39" WEST 146.28 FEET; THENCE SOUTH 89°26'02" WEST 1231.19 FEET TO THE POINT OF BEGINNING.

LESS THAN AND EXCEPTING PROPOSED PARCEL B, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1246.50 FEET AND NORTH 1747.80 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3

SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 08°54'34" EAST 157.68 FEET TO A POINT ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1024.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°09'55" WEST; THENCE EASTERLY ALONG THE ARC OF SAID CURVE 110.50 FEET THROUGH A CENTRAL ANGLE OF 06°10'37"; THENCE NORTH 71°02'57" EAST 52.43 FEET; THENCE SOUTH 89°36'04" EAST 282.28 FEET; THENCE SOUTH 00°35'16" EAST 180.00 FEET; THENCE SOUTH 89°24'44" WEST 467.71 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL C, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 718.76 FEET AND NORTH 1758.78 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 180.00 FEET; THENCE SOUTH 89°36'04" EAST 333.88 FEET; THENCE SOUTH 23°43'12" EAST 603.61 FEET; THENCE SOUTH 66°16'48" WEST 220.00 FEET; THENCE NORTH 23°43'12" WEST 508.10 FEET; THENCE SOUTH 89°24'44" WEST 169.04 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL D, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.57 FEET AND NORTH 885.67 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 270.00 FEET; THENCE NORTH 89°24'44" EAST 821.66 FEET; THENCE SOUTH 00°35'16" EAST 65.91 FEET; THENCE SOUTH 45°28'32" WEST 176.21 FEET; THENCE SOUTH 00°40'44" EAST 81.83 FEET; THENCE SOUTH 89°24'44" WEST 694.91 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL E, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 790.66 FEET AND NORTH 1174.32 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 89°24'44" EAST 430.63 FEET; THENCE NORTH 66°16'48" EAST 260.00 FEET; THENCE SOUTH 23°43'12" EAST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 163.99 FEET; THENCE SOUTH 39°20'39" WEST 76.97 FEET; THENCE SOUTH 89°24'44" WEST 478.82 FEET; THENCE NORTH 00°35'16" WEST 110.69 FEET; THENCE NORTH 46°39'03" WEST 134.61 FEET; THENCE NORTH 00°35'16" WEST 65.91 FEET TO THE POINT OF BEGINNING.

ALSO LESS THAN AND EXCEPTING PROPOSED PARCEL F, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1246.50 FEET AND NORTH 1747.80 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 89°24'44" EAST 467.71 FEET; THENCE NORTH 00°35'16" WEST 180.00 FEET; THENCE NORTH 89°36'04" WEST 282.28 FEET; THENCE SOUTH 71°02'57" WEST 52.43 FEET TO A POINT ON A NON TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 1024.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 10°20'32" WEST; THENCE WESTERLY ALONG THE ARC OF SAID CURVE 110.50 FEET THROUGH A CENTRAL ANGLE OF 06°10'37"; THENCE NORTH 08°54'34" EAST 10.27 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD, SAID POINT BEING ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1014.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°17'47" WEST; THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD THE FOLLOWING THREE (3) COURSES: 1) EASTERLY ALONG THE ARC OF SAID CURVE 106.34 FEET THROUGH A CENTRAL ANGLE OF 06°00'12"; THENCE 2) NORTH 71 °02'57" EAST 53.38 FEET; THENCE 3) SOUTH 89°36'04" EAST 702.69 FEET TO THE WESTERLY RIGHT-OF-WAY OF US 40; THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF US 40 THE FOLLOWING TWO (2) COURSES: 1) SOUTH 24 °22'00" EAST 683.96 FEET; THENCE 2) SOUTH 23° 12'07" EAST 457 .13 FEET TO AN EXISTING FENCE; THENCE ALONG THE FENCE LINE THE FOLLOWING FOUR (4) COURSES: 1) SOUTH 89°18'16" WEST 300.75 FEET; THENCE 2) SOUTH 89°57'53" WEST 185.35 FEET; THENCE 3) SOUTH 89°19'16" WEST 734.23 FEET; THENCE 4) SOUTH 89°33'11" WEST 489.59 FEET; THENCE NORTH 00°35'16" WEST 10.01 FEET; THENCE NORTH 89°24'44" EAST 694.91 FEET; THENCE NORTH 00°40'44" WEST 81.83 FEET; THENCE NORTH 45°28'32" EAST 176.21 FEET; THENCE SOUTH 46°39'03" EAST 134.61 FEET; THENCE SOUTH 00°35'16" EAST 110.69 FEET; THENCE NORTH 89°24'44" EAST 478.82 FEET; THENCE NORTH 39°20'39" EAST 76.97 FEET; THENCE NORTH 66°16'48" EAST 163.99 FEET; THENCE NORTH 23°43'12" WEST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 260.00 FEET; THENCE NORTH 23°43'12" WEST 569.61 FEET; THENCE SOUTH 89°24'44" WEST 666.74 FEET; THENCE NORTH 08°54'34" EAST 60.83 FEET TO THE POINT OF BEGINNING.

**Parcel 2: 00-0021-1558**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.57 FEET AND NORTH 885.67 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 270.00 FEET; THENCE NORTH 89°24'44" EAST 821.66 FEET; THENCE SOUTH 00°35'16" EAST 65.91 FEET; THENCE SOUTH 45°28'32" WEST 176.21 FEET;

THENCE SOUTH 00°40'44" EAST 81.83 FEET; THENCE SOUTH 89°24'44" WEST 694.91 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH AN UNLIMITED RIGHT OF WAY AND UTILITY EASEMENT FOR THE BENEFIT OF THE GRANTEE PARCELS, OVERALL INGRESS AND EGRESS DRIVEWAYS, ROADS AND/OR PATHS THAT ORIGINATE FROM RIVER ROAD OR HIGHWAY, AND CONTINUING THROUGH AND OVERALL DRIVEWAYS, VEHICLE PATHS AND/OR PEDESTRIAN PATHS THAT ARE INSTALLED ON GRANTOR'S REMAINING PROPERTY AND/OR THE PROPERTY DESCRIBED AS PARCEL E ON THE WARRANTY DEED IN FAVOR OF K&H DEVELOPMENT-HEBER, LLC RECORDED ON JULY 22, 2015, IN THE OFFICE OF THE WASATCH COUNTY RECORDER AS ENTRY NO. 414240 IN BOOK 1135 AT PAGE 193.

**PARCELS 3-15: 00-0021-1556, 00-0021-2614, 00-0021-2616, 00-0021-2615, 00-0021-2611, 00-0021-2613, 00-0021-2612, 00-0021-2617, 00-0021-2618, 00-0021-1557, 00-0021-2619, 00-0021-2620, 00-0021-1559**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 1609.47 FEET AND NORTH 875.66 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°35'16" WEST 10.01 FEET; THENCE NORTH 89°24'44" EAST 694.91 FEET; THENCE NORTH 00°40'44" WEST 81.83 FEET; THENCE NORTH 45°28'32" EAST 176.21 FEET; THENCE SOUTH 46°39'03" EAST 134.61 FEET; THENCE SOUTH 00°35'16" EAST 110.69 FEET; THENCE NORTH 89°24'44" EAST 478.82 FEET; THENCE NORTH 39°20'39" EAST 76.97 FEET; THENCE NORTH 66°16'48" EAST 163.99 FEET; THENCE NORTH 23°43'12" WEST 270.43 FEET; THENCE SOUTH 66°16'48" WEST 260.00 FEET; THENCE NORTH 23°43'12" WEST 569.61 FEET; THENCE SOUTH 89°24'44" WEST 666.74 FEET; THENCE NORTH 08°54'34" EAST 228.79 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD, SAID POINT BEING ON A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1014.93 FEET, OF WHICH THE RADIUS POINT BEARS NORTH 04°17'47" WEST; THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY OF RIVER ROAD THE FOLLOWING THREE (3) COURSES: 1) EASTERLY ALONG THE ARC OF SAID CURVE 106.34 FEET THROUGH A CENTRAL ANGLE OF 06°00'12"; THENCE 2) NORTH 71°02'57" EAST 53.38 FEET; THENCE 3) SOUTH 89°36'04" EAST 702.69 FEET TO THE WESTERLY RIGHT-OF-WAY OF US 40; THENCE ALONG THE WESTERLY RIGHT-OF-WAY OF US 40 THE FOLLOWING TWO (2) COURSES: 1) SOUTH 24°22'00" EAST 683.96 FEET; THENCE 2) SOUTH 23°12'07" EAST 457.13 FEET TO AN EXISTING FENCE; THENCE ALONG THE FENCE LINE THE FOLLOWING FOUR (4) COURSES: 1) SOUTH 89°18'16" WEST 300.75 FEET; THENCE 2) SOUTH 89°57'53" WEST 185.35 FEET; THENCE 3) SOUTH 89°19'16" WEST 734.23 FEET; THENCE 4) SOUTH 89°33'11" WEST 489.59 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPTING THEREFROM THAT PORTION OF THE LAND DISCLOSED BY THAT CERTAIN WARRANTY DEED RECORDED JULY 13, 2017 AS ENTRY NO. 440372

IN BOOK 1195 AT PAGE 1907 OF OFFICIAL RECORDS BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**NORTH VILLAGE RESORT RETAIL 2**

A PARCEL OF LAND LOCATED IN THE SOUTH HALF OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT THAT IS NORTH 89°17'02" WEST 879.14 FEET AND NORTH 1733.16 FEET FROM THE SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 3 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN, A 3" ALUMINUM CAP 2005; AND RUNNING THENCE NORTH 00°35'16" WEST 105.66 FEET; THENCE EAST 315.08 FEET; THENCE SOUTH 102.44 FEET; THENCE SOUTH 89°24'44" WEST 314.01 FEET TO THE POINT OF BEGINNING.

**Parcel Nos: 00-0021-2479, 00-0021-2480, 00-0021-2481**

**RETAIL 2:**

A parcel of land located in the South half of Section 18, Township 3 South, Range 4 East, Salt Lake Base and Meridian, said parcel being more particularly described as follows:

Beginning at a point that is North 89°17'02" West 879.14 feet and North 1733.16 feet from the South Quarter Corner of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian, a 3" aluminum cap 2005; and running thence North 00°35'16" West 105.66 feet; thence East 315.08 feet; thence South 102.44 feet; thence South 89°24'44" West 314.01 feet to the point of beginning.

Together with and subject to an unlimited right of way and utility easement for the benefit of the Grantee parcels, over all ingress and egress driveways, roads and/or paths that originate from River Road or Highway, and continuing through and over all driveways, vehicle paths and/or pedestrian paths that are installed on Grantor's remaining property and/or the property described as Parcel E on the Warranty Deed in favor of K&H Development-Heber, LLC recorded concurrently herein.

**Parcel No.: 00-0021-1555**

A parcel of land located in the south half of Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian, said parcel being more particularly described as follows:

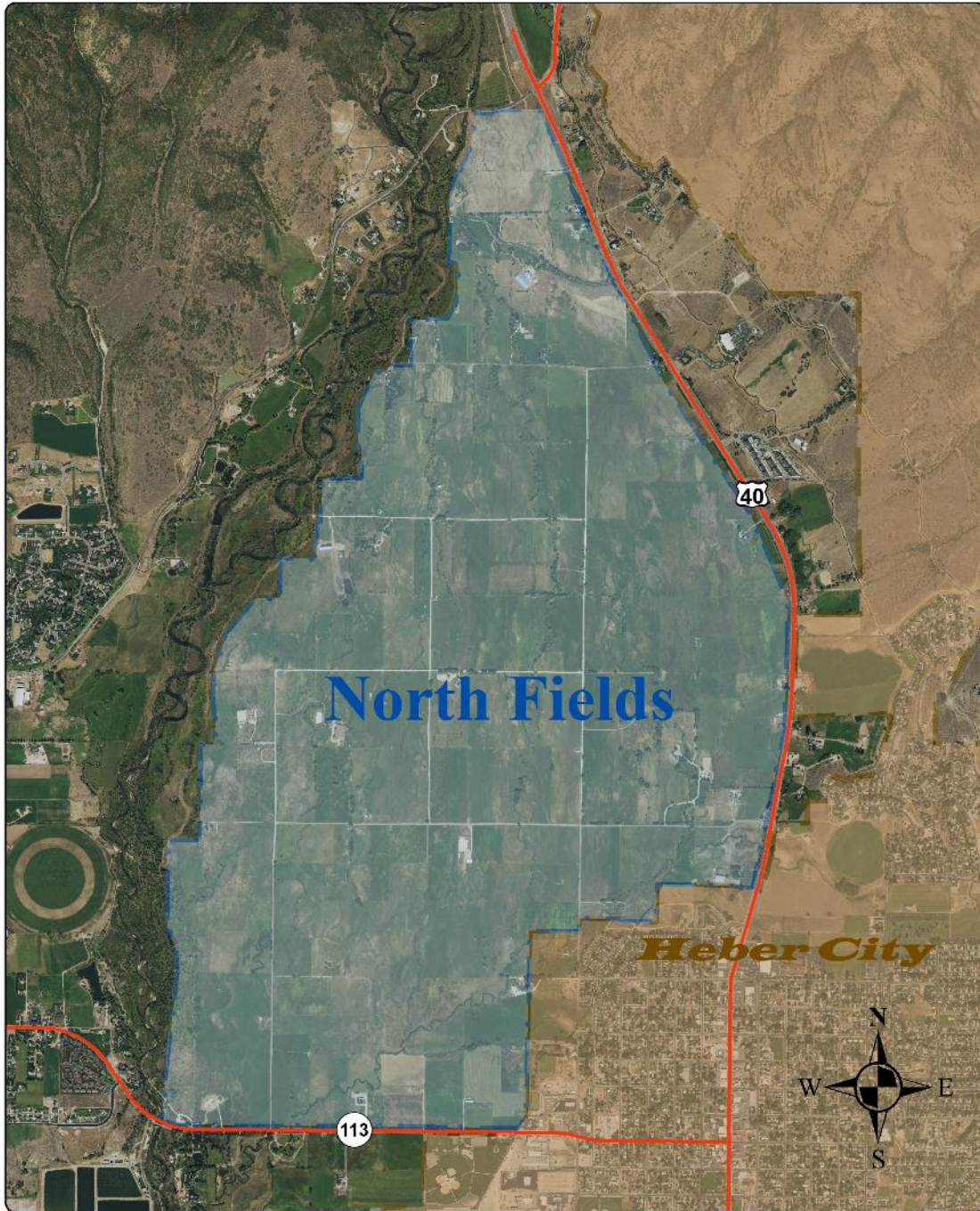
Beginning at a point that is North 89°17'02" West 790.66 feet and North 1174.32 feet from the south quarter corner Section 18, Township 3 South, Range 5 East, Salt Lake Base and Meridian; and running thence North 89°24'44." East 430.63 feet; thence North 66°16'48" East 260.00 feet; thence South 23°43'12" East 270.43 feet; thence South 66°16'48" West 163.99 feet; thence South 39°20'39" West 76.97 feet; thence South 89°24'44" West 478.82 feet; thence North 00°35'16" West 110.69 feet; thence North 46°39'03" West 134.16 feet; thence North 00°35'16" West 65.91 feet to the point of beginning.

**EXHIBIT B**  
**TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE**  
**RESIDENTIAL DEVELOPMENT**  
**Site Plan**



The Site Plan is provided for conceptual purposes only and does not constitute a final or binding representation of the proposed development or its components. Notwithstanding the above, Property Owners agree to follow general principles that include having no more than 140 townhome units, a condo and hotel, and a minimum of 100k square feet of commercial in a centralized plaza and affordable housing in the Southeastern section of the parcel.

**EXHIBIT C**  
**TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE**  
**RESIDENTIAL DEVELOPMENT**  
**North Fields**



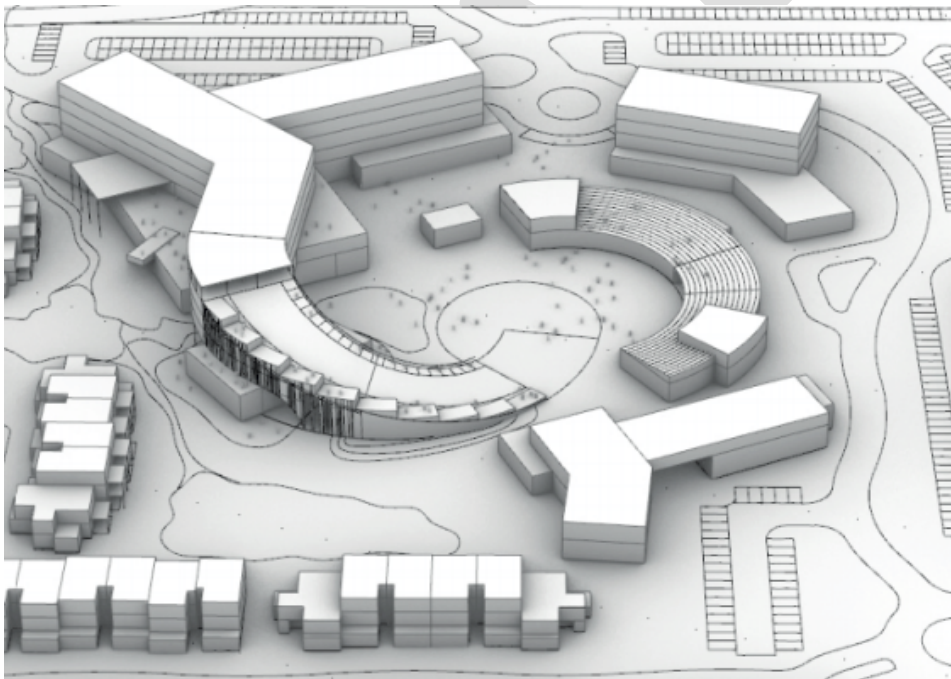
**EXHIBIT D**  
TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE  
RESIDENTIAL DEVELOPMENT

**City's Vested Laws**

For the City's Vested Laws, reference the North Village Overlay Zone (NVOZ), adopted by the City Council of Heber City, Utah, in Chapter 18.81 of Heber Municipal Code on March 16, 2021.

DRAFT

**EXHIBIT E**  
**TO DEVELOPMENT AGREEMENT FOR HARVEST VILLAGE MIXED USE**  
**RESIDENTIAL DEVELOPMENT**



**WHEN RECORDED, RETURN TO:**

Heber City  
Attention: City Recorder  
75 North Main Street  
Heber City, Utah 84032

Tax Parcel Nos.: 00-0020-4584, 00-0007-7458,  
00-0007-7664, 00-0007-7623, & 00-0007-7730

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(Space above for Recorder's use only.)

**DEVELOPMENT AGREEMENT  
FOR THE  
NORTH VILLAGE CROSSINGS**

THIS DEVELOPMENT AGREEMENT FOR THE NORTH VILLAGE CROSSINGS (this "**Agreement**") is made and entered into by and between HEBER CITY, a political subdivision of the State of Utah (the "**City**"), and NORTH VILLAGE DEVELOPMENT LLC, a Utah limited liability company ("**NVD**"). Each of NVD and the City are hereinafter referred to individually as a "**Party**" and collectively as the "**Parties**."

**RECITALS**

A. NVD is the owner of approximately 56.39 acres of undeveloped real property located on the Southeast intersection of Hwy 40 and River Road (Parcel Nos. 00-0020-4584 (12.89 acres); 00-0007-7458 (3.85 acres); 00-0007-7664 (28.73 acres); 00-0007-7623 (4.02 acres); 00-0007-7730 (6.9 acres)) in Wasatch County, State of Utah (the "**Property**"). A legal description of the Property is attached hereto as **Exhibit A**.

B. In conjunction with the approval of this Agreement, the City approved and adopted a Site Plan for the Project (excluding exact location, layout and sizes of utilities and stormwater channels) (the "**Site Plan**"), subject to the Parties entering into this Agreement.

C. The Site Plan for the Property provides for a mixed-use development, including open space uses. All such uses shall be consistent with the permitted uses in the North Village Overlay Zone ("**NVOZ**") as North Village (NV) Sub-District or as outlined within this Agreement.

D. This Agreement and the Site Plan meets the intent of, complies with, and is guided by, the Envision 2050 Heber General Plan.

E. The Parties now desire to enter into this Agreement to establish and set forth the rights and responsibilities of NVD and its successors in interest, including but not limited to, those

developers, sub-developers and builders who will develop the Property as a mixed-use project in accordance with the terms hereof, and to establish the rights and responsibilities of the City to annex the Property into the boundaries of Heber City and to authorize and regulate such development pursuant to the requirements of this Agreement.

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

## TERMS

### 1. **Incorporation of Recitals and Exhibits/ Definitions.**

1.1 **Incorporation.** The foregoing Recitals and **Exhibits A** through **G** are hereby incorporated into this Agreement. **Definitions.** Any capitalized term or phrase used in this Agreement has the meaning given to it below or in the section where the definition of such term is given.

1.2.1 **Act** means the Municipal Land Use, Development, and Management Act, Utah Code Ann. §§ 10-9a-101, *et seq.* (2024), as amended.

1.2.2 **Administrative Action** means and includes any amendment to the Exhibits to this Agreement or other action that may be approved by the Administrator as provided in Section 16.

1.2.3 **Administrator** means the Person designated by the City as the Administrator of this Agreement.

1.2.4 **Affordable Housing** means a dwelling unit that will be offered to low-income households pursuant to Section 5.

1.2.5 **Agreement** has the meaning set forth in the preamble and includes all Exhibits attached hereto.

1.2.6 **Applicant** means a Person submitting a Development Application, a Modification Application or a request for an Administrative Action.

1.2.7 **Backbone Improvements** means those improvements shown as such in the Infrastructure Plan and which are, generally, infrastructure improvements that are intended to support the overall development of the Property and not merely a part of the development of any particular Subdivision. Backbone Improvements are generally considered to be in the nature of “System Improvements,” as defined in Utah Code Ann. § 11-36a-101, *et seq.* (2024).

1.2.8 **Building Permit** means a permit issued by the City to allow construction, erection or structural alteration of any building, structure, private or public infrastructure, On-Site Infrastructure on any portion of the Project, or to construct any Off-Site Infrastructure.

1.2.9 **CC&Rs** means one or more declarations of conditions, covenants and restrictions regarding certain aspects of design and construction on the Property recorded or to be recorded with regard to the Property or any part thereof, as amended from time to time.

1.2.10 **Capital Facilities Plan** means a plan adopted or to be adopted by the City in the future to substantiate the collection of Impact Fees as required by State law.

1.2.11 **City** means the City of Heber, a political subdivision of the State of Utah.

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

1.2.13 **City North Village Street Master Plan** shall mean the City's Street Master Plan and Street Capital Facilities Plan.

1.2.14 **City's Future Laws** means the ordinances, policies, standards, procedures and processing fee schedules of the City that will be in effect as of a particular time in the future when a Development Application is submitted for a part of the Project and that may, in accordance with the provisions of this Agreement, be applicable to the Development Application.

1.2.15 **City's Vested Laws** means the ordinances, policies, standards, procedures and processing fee schedules of the City related to zoning, subdivisions, development, public improvements and other similar or related matters that are in effect as of the Effective Date, including the Envision 2050 Heber General Plan.

1.2.16 **Collector Road** means the collector road shown on the Site Plan. The width and configuration of the Collector Road shall comply with Site Plan, except that City may require the Collector Road to be modified or expanded, in accordance with the City's ordinances, at the intersections of Highway 40 and State Road 32 if the traffic study for the Project establishes that turn lanes or other modifications are required at those intersections.

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

1.2.18 **Default** shall have the meaning provided in Section 14.

1.2.19 **Design Guidelines** means the design guidelines referenced in the North Village Overlay Zone.

1.2.20 **Developer** shall have the meaning provided in Section 22.

1.2.21 **Development Application** means an application to the City for development of a portion of the Project, a Building Permit, improvement plans or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.22 **Development Property** shall have the meaning provided in Section 22.1.

1.2.23 **Development Report** means a report containing the information specified in Section 4.6 submitted to the City by NVD or any successor for the sale of any Parcel to a Developer, Sub-developer or Builder or the submittal of a Development Application by a Developer, Sub-developer or Builder pursuant to an assignment from NVD.

1.2.24 **Development Unit** means either a commercial or residential use of property with respect to which an ERU calculation can be applied in accordance with this Agreement.

1.2.25 **Effective Date** means the date on which both the Parties have executed this Agreement.

1.2.26 **Equivalent Residential Unit (ERU)** means the residential density allocated to: (a) any given Residential Unit when measured against a single-family dwelling unit, which measure shall be determined pursuant to Section 18.21.020.2.2 of the City's Vested Laws; and (b) commercial ERUs will be calculated as provided in Section 18.21.020.2.2 of the City's Vested Laws. A copy of Section 18.21.020.2.2 of the City's Vested Laws is attached hereto as **Exhibit E**.

1.2.27 **Final Plat** means the recordable map or other graphical representation of land prepared in accordance with Utah Code Ann. § 10-9a-603, and approved by the City, effectuating a Subdivision of any portion of the Project.

1.2.28 **Highway 40** means a "state highway" type transportation corridor maintained by the Utah Department of Transportation and referred to as U.S. Highway 40, as that route may be changed from time-to-time.

1.2.29 **Impact Fees** means those fees, assessments, exactions or payments of money imposed by the City as a condition on development activity as specified in Utah Code Ann. §§ 11-36a-101, *et seq.* (2023), as amended.

1.2.30 **Infrastructure Plan** means the conceptual infrastructure plan, including culinary water, secondary water, storm water, sanitary sewer and private roads, as amended from time to time.

1.2.31 **Intended Uses** means the use of all or portions of the Project for open space, parks, trails and other uses permitted in the Zoning Ordinance, Design Guidelines and as shown on the Site Plan.

1.2.32 **Market Rate Units** means any non-Affordable Housing within the Project.

1.2.33 **Modification Application** means an application to amend this Agreement (but not including those changes which may be made by Administrative Action).

1.2.34 **Mortgage** means (1) any mortgage or deed of trust or other instrument or transaction in which the Property, or a portion thereof or a direct or indirect ownership or other interest therein, or any improvements thereon, is conveyed or pledged as security, or (2) a sale and leaseback arrangement in which the Property, or a portion thereof, or any improvements thereon, is sold and leased back concurrently therewith.

1.2.35 **Mortgagee** means any holder of a lender's beneficial or security interest (or the owner and landlord in the case of any sale and leaseback arrangement) under a Mortgage.

1.2.36 **Non-City Agency** means a governmental or quasi-governmental entity, other than those of the City, which has jurisdiction over the approval of an aspect of the Project.

1.2.37 **North Fields** means that certain real property generally depicted on **Exhibit C** attached hereto.

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

1.2.39 **Off-Site Infrastructure** means the off-site public or private infrastructure, such as roads and utilities, specified in the Infrastructure Plan that is necessary for development of the Property but is not located on the portion of the Property that is subject to a Development Application.

1.2.40 **On-Site Infrastructure** means the on-site public or private infrastructure, such as roads or utilities, specified in the Infrastructure Plan that is necessary for development of the Property and is located on that portion of the Property that is subject to a Development Application.

1.2.41 **On-Site Retention/Detention** shall mean a storm drain facility that is provided on the Property or neighboring property to handle on-site or off-site storm drain requirements.

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

1.2.43 **Parcel** means an area identified on the Site Plan with a specific land use designation that is intended to be further subdivided for future development.

1.2.44 **Person** means any natural person, corporation, Limited Liability Company, trust, joint venture, association, company, partnership, limited partnership, governmental authority or other entity.

1.2.45 **Phase** means the development of a portion of the Project.

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

1.2.47 **Project** means the mixed-used Site Plan to be developed on the Property in accordance with this Agreement, including, without limitation, all associated public and private facilities, Intended Uses, Phases and all of the other aspects approved as part of this Agreement and the Site Plan.

1.2.48 **Property Owner or Property Owners** means NVD and any other successor-in-interest to NVD as an owner of the Property or any portion thereof, including but not limited to, Developers, Sub-developers and builders.

1.2.49 **Property Owners' Association(s)** means one or more associations or other entities (including a public infrastructure district or other financing district) formed pursuant to Utah law to perform the functions of an association of property owners.

1.2.50 **Site Plan** means the Site Plan attached as **Exhibit B**.

1.2.51 **Sub-developer** means any Person that obtains title to a Parcel from a Developer for development.

1.2.52 **Subdivision** means the division of any portion of the Project into a subdivision pursuant to State Law and/or the Zoning Ordinance.

1.2.53 **System Improvement** means those elements of infrastructure that fall within the definition of System Improvements pursuant to Utah Code

Ann. § 11-36a-102(21). System Improvements shall be defined as set out in the North Village Capital Facilities Plans and Master Plans.

1.2.54 **Zone** means the City’s North Village Overlay District Zone - – North Village (NV) Sub-District.

1.2.55 **Zoning Ordinance** means the City’s Land Use and Development Ordinance adopted pursuant to the Act that is in effect as of the Effective Date.

2. **Development of the Project.** Development of the Project shall be in accordance with this Agreement, the City’s Vested Laws and the City’s Future Laws as expressly set forth in this Agreement.

3. **Zoning and Vested Rights.**

3.1 **Zoning.** Concurrently with its execution of this Agreement, the City has annexed the Project to the City and zoned the Property under the North Village Overlay District Zone as a North Village (NV) Sub-District.

3.2 **Vesting of Site Plan.** It is the intent of the Parties that NVD shall be both entitled to and required to develop the Project in accordance with the following elements shown on the Site Plan: (1) general street configurations and sizes, (2) building locations, uses and parking, (3) maximum building heights, (4) park and open space locations, and (5) maximum retaining wall heights and locations. Except as specifically set forth herein, if there is a conflict between the five elements of the Site Plan set forth above and this Agreement, the City’s Vested Laws or the City’s Future Laws, the Site Plan shall supersede and take precedence.

3.3 **General Vested Rights.** Subject to paragraphs 3.3 and 3.4, and except as specifically provided herein, the Parties intend that this Agreement grants to Developer all rights to develop the Project in fulfillment of this Agreement, the City’s Vested Laws, and the zoning of the Property. The Parties specifically intend that this Agreement grant to Developer the “vested rights” identified herein as that term is construed in Utah’s common law and pursuant to Utah Code Ann. § 10-9a-509 (2024).

3.4 **Compliance with City Requirements and Standards.** Developer and Owners expressly acknowledge that nothing in this Agreement shall be deemed to relieve Developer or any Continuing or Successor Owner from its obligations to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats for the Project, which are in place at the time of a complete and approved application, including the payment of unpaid fees, the approval of subdivision plats, the approval of building permits and construction

permits, and compliance with all applicable ordinances, resolutions, policies and procedures of the City except as otherwise provided in this Agreement.

**3.5 Exceptions to Vested Rights.** The vested rights and the restrictions on the applicability of City's Future Laws as specified in Section 3.3 are subject to the following exceptions:

3.5.1 Agreed to Regulations. City's Future Laws or other regulations to which the Developer agrees in writing;

3.5.2 State and Federal Compliance. City's Future Laws or other regulations that are enacted or required to comply with State or Federal laws or regulations;

3.5.3 Development Review Processes. Amendments or changes to the City's application processes, review criteria, required application materials or submittal checklists that are generally applicable, and do not materially impact (i) the ability of Developer to develop the Project in accordance with the Site Plan or (ii) the overall cost of the Project;

3.5.4 Safety Codes. Any City's Future Laws that are updates or amendments to building, fire, plumbing, mechanical, electrical, dangerous buildings, drainage, or similar construction or safety related codes, such as the International Building Code, the APWA Specifications, AAHSTO Standards, the Manual of Uniform Traffic Control Devices or similar standards that are enacted to meet legitimate concerns related to public health, safety or welfare;

3.5.5 Engineering Standards. Amendments or changes to the City's Engineering Standard Drawings and Specifications provided that the amendments or changes (i) do not materially impact the ability of Developer to develop the Project in accordance with the Site Plan, (ii) do not materially impact the overall cost of the Project, and (iii) are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

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

3.5.7 Fees. Changes to the amounts of fees for the processing of Development Applications that are generally applicable to all development within the City (or a portion of the City as specified in the lawfully adopted fee schedule) and which are adopted pursuant to State law;

3.5.8 Impact Fees. Impact Fees or modifications thereto which are

lawfully adopted, and imposed by the City pursuant to Utah Code Ann. Section 11-36a-101 (2024) et seq., and are not enacted as a means to reduce or limit the ability of Developer to develop the Project in accordance with the Site Plan and vested densities;

3.5.9 Planning and Zoning Modifications. Changes by City to its planning principles and design standards such as architectural or design requirements, setbacks or similar items so long as such changes do not (i) reduce the Density Entitlements or (ii) materially impact the ability of Developer to develop the Project in accordance with the Site Plan or increase the overall cost of the Project; or

3.5.10 Compelling, Countervailing Interest. Laws, rules or regulations that the City's land use authority finds, on the record, are necessary to avoid jeopardizing a compelling, countervailing public interest pursuant to Utah Code Ann. § 10-9a-509(1)(a)(ii)(A) (2024).

#### **4. Development of the Property in Compliance with the Site Plan.**

4.1 **Project Density.** Property Owners shall be entitled to and are vested with the right to develop and construct up to 60 hotel ERUs, up to 311 residential ERUs (for Market Rate Units), and up to 5 commercial ERUs on the Property consistent with the Intended Uses specified in the Zoning Ordinance and generally identified on the Site Plan (collectively, the “**Density Entitlements**”). Property Owners shall also provide a minimum of 37.6 residential ERUs of Affordable Housing in accordance with Section 5 of this Agreement.

4.2 **Building Elevations and Design.** As part of the approval process, Property Owner has provided potential building elevations for the hotel and condominium portions of the Project, which elevations are attached hereto as **Exhibit F**. The building elevations and design standards must be similar in materials and appearance to the proposed elevations, or Property Owner must propose and obtain approval from the City Council for building elevations that are consistent with the NVOZ design guidelines.

4.3 **Gas Station Design.** It is the intent of the Parties that the building and canopy design and lighting for the gas station shall be designed to reduce the visual impact of the gas station by creating a gas station that matches the mountain modern design of the Project. Accordingly, the gas station building must be similar in architectural design and building materials as the neighboring hotel or condominiums. In addition to other limitations or requirements in the City's Vested Laws, no illuminated signage, light or back lighting is allowed on the canopy except downlighting that complies with the City's lighting and dark sky ordinance. A rendering of a canopy that meets the requirements is attached hereto as **Exhibit H**. The building must be constructed with a mix of wood, hardie

plank, metal, and stone, natural rock or brick. Property Owners shall install a minimum 10 foot wide park strip between the gas station and Highway 40 that is fully landscaped with a mix of trees, and wood chips, shrubs or grass. All signage must comply with the City's sign code.

**4.4 Intended Uses by Parcel and Densities.** Intended Uses and Densities for the Project are shown on the Site Plan for the Property. This includes the City's acceptance of the following exceptions to NVOZ ordinances, which exceptions shall be considered Vested Rights:

**4.4.1 Building Heights.** The Property Owners shall be permitted to construct buildings within the Project to the maximum height of (i) five (5) stories from final grade (not natural grade), excluding any underground parking, or (ii) seventy (70) feet from final grade (not natural grade); provided that Building 15 shown on the Site Plan shall not exceed (y) four (4) stories from final grade (not natural grade), excluding any underground parking, or (z) sixty (60) feet from final grade (not natural grade), each as more particularly set forth on the Site Plan.

**4.4.2 Setbacks.** The Property Owners shall be permitted to construct buildings in the Project with a minimum fifteen-foot (15') front setback.

**4.4.3 Scenic Buffer.** As result of the significant percentage of Open Space within the Project, the Property Owners shall be permitted to develop up to thirty-five feet (35') into the seventy-five foot (75') scenic buffer being provided along the east side of Highway 40 and on the south side of Highway SR 32 east of Highway 40 as shown in the Site Plan.

**4.4.4 Slopes.** The Property Owners shall be permitted to construct residential and commercial structures in areas with natural slopes greater than thirty percent (30%) so long as the Property Owners reasonably demonstrates to City staff, through soil testing or other means, that the stability of such slopes is reasonably sufficient in its natural or proposed condition or would be reasonably sufficient following the implementation of any needed reinforcement measures for support.

**4.4.5 Retaining Walls.** The Property Owners shall not be required to erect retaining walls or similar structures in areas in which such walls and/or structures would be required under City's Vested Laws or City's Future Laws if the Property Owners reasonably demonstrates to City staff, through soil testing or other means, that the applicable soil is sufficiently stable; provided that, and except as set forth on the Site Plan, if any retaining walls or similar structures are required as a result of insufficient stability of the soil, then the Property Owners shall be permitted to erect vertical retaining walls and similar structures up to a total maximum height of forty-five feet

(45') so long as such vertical retaining walls are no more than ten feet (10') tall with a minimum step back to the next wall of four feet (4'), as more particularly set forth on the Site Plan; provided that, the Property Owner may erect up to a thirty foot (30') vertical retaining wall without any step back on the rear of Building 6 if soil testing reveals that step backs are not feasible. Any retaining walls for the Project may be constructed using stamped concrete or other materials that blend into the surrounding environment.

4.4.6 **Height Variations.** The Property Owner shall not be required to construct the buildings in the Project to vary in height.

4.5 **Accounting for Density for Parcels Sold to Sub-developers.** In connection with the sale of any Parcel sold by NVD to a Developer or Sub-developer, NVD shall provide the City with a written document specifying the identity of the Person to whom the Parcel is sold, the allocation, if any, of any Development ERUs associated with such Parcel, and the open space requirements and/or obligations associated with such Parcel. In connection with the recordation of a Final Plat or other document of conveyance for any Parcel sold to a Developer or Sub-developer, NVD shall provide the City Recorder with a development report (a "**Development Report**") identifying the Parcel(s) sold, the Residential Development ERU and/or other type of use or Development Unit allocated with the Parcel(s), the Development ERU remaining with NVD and any material effects of the sale on the Site Plan.

4.5.1 **Return of Unused Density.** If a Developer or Sub-developer cannot or does not utilize all of the Development ERU allocated to it in connection with the transfer of one or more Parcels at the time the Developer or Sub-developer receives approval for the final Development Application for such transferred Parcel(s), the unused Development ERU shall automatically revert back to NVD. Such Development ERU shall be accounted for in any subsequent Development Report that NVD, or any of its successors in interest may be required to file with the City Recorder.

5. **Affordable Housing.**

5.1 **Affordable Housing Requirement.** Developer shall provide not less than 37.6 residential ERUs of Affordable Housing as a condition of the Project, as set forth in this Section 5. Affordable Housing shall be sold or rented, as applicable, to individuals or families with an average income of Eighty percent (80%) or less of the area median income (AMI) in Wasatch County, Utah and the monthly cost shall not be more than Thirty percent (30%) of a household's income. Individual income limits for occupants of the Affordable Housing may be anywhere within the affordable housing AMI ranges, including up to 120% of AMI; however, the overall unit mix shall have an AMI averaged of no more than 80% AMI. Property Owners shall have no obligation to disperse the Affordable Housing throughout

the Project but may consolidate the on-site Affordable Housing in one or more areas of the Project. Unless otherwise approved by the City Council, the Property Owner shall construct at least 12.5 residential ERUs of Affordable Housing on the Property (the “**Onsite Affordable Housing Obligation**”), which, for the avoidance of doubt, may be satisfied by the provision of workforce housing and Property Owners may enter into one or more master leases with local employers whereby local employers may lease a block of units to meet the housing needs of their qualifying employees. The Developer shall propose to the City one or more options to satisfy the remaining Affordable Housing unit obligation of 25.1 residential ERUs (the “**Alternative Affordable Housing Obligation**”), which may include additional onsite affordable housing or any of the alternatives in Section 5.4. The City may, in its sole discretion, accept the proposal of Developer to comply with the Alternative Affordable Housing Obligation or require Developer to pay a fee-in-lieu in accordance with Section 5.4.3. Developer and the City shall follow and comply with any deed restrictions as outlined in Chapter 18.102 of the City's Vested Laws. Property Owner's failure to comply with the Affordable Housing obligation pursuant to the terms of this Agreement shall constitute a material breach of this Agreement, and the City may pursue all available remedies to enforce compliance, including but not limited to legal and equitable relief.

**5.2 Geographic Waterfall.** Property Owners shall use a geographic waterfall approach in selecting from affordable housing applicants, in the following priority: (1) qualifying applicants employed in the immediate Harvest Village community; (2) qualifying applicants employed within Heber City limits; and (3) qualifying applicants living in Wasatch County generally. There shall be no time limit required in selecting between orders of priority. Rather, when all qualifying applicants from a category have been exhausted, applicants from the next order of priority shall immediately be given priority. If any of the geographic selection criteria are deemed to violate any federal or state rules and regulations, then the priority waterfall will be allowed to shift to become in alignment with the governing rules.

**5.3 Timing.** At least 50% of the required Affordable Housing requirement shall be completed no later than the construction of the first 50% of the Market Rate Units and all of the Alternative Affordable Housing Obligation satisfied by the no later than the construction of the first 75% of the Market Rate Units.

#### **5.4 Potential Affordable Housing Alternatives.**

**5.4.1 Off-site Affordable Housing.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by construction of Affordable Housing off site on property owned by the City or another third party.

**5.4.2 Land Donation.** The Property Owners may propose to satisfy all or part of the Alternative Affordable Housing Obligation by donating, or causing another third party to donate, one or more parcels of unimproved land to the City for the purpose of constructing Affordable Housing. The value of any donated land shall be determined by either of the following: (a) if the donated land was acquired within three (3) years of the date of such donation, the aggregate price per acre paid for such donated land, or (b) as determined by written appraisal in accordance with Heber City Code 18.102.050(J)(3) conducted within six months of the proposed donation. The full value of any donated land shall be recognized as a fee in lieu of \$35,000.00 in value required per residential ERU, consistent with the terms of Section 5.3.3. The Parties must agree in writing to the terms of any land donation, including the specific parcel(s), selection of the valuation method above, and compliance with the requirements outlined in this Section.

**5.4.3 Fee in Lieu.** The Property Owners may at any time satisfy all or part of the Alternative Affordable Housing Obligation by paying a fee in lieu in the amount of \$35,000 per residential ERU. Beginning in January 2026, and continuing annually thereafter, this fee in lieu payment amount shall increase annually by the consumer price index amount published by the U.S. Bureau of Labor Statistics, Mountain-Plains Information Office, Mountain division, commonly known as “CPI.” Payment of the fee, as adjusted by CPI over time, shall be deemed sufficient to fulfill the relevant Alternative Affordable Housing Obligation without prejudice to any other rights or remedies available under this Agreement. Property Owners agree that City may utilize the fee-in-lieu in any manner that the City deems appropriate, including, but not limited to, investing in properties or other resources that could be utilized or sold in the future to generate income for affordable housing.

## **5.5 Additional Requirement.**

**5.5.1 Eligibility and Pricing.** For all on-site for rent affordable housing, a qualified third-party professional property management company shall manage the rental of all Affordable Housing. Eligibility for the affordable for-rent housing will be based on the AMI standards of for-rent affordable housing.

**5.5.2 Deed Restrictions Protecting the Affordability and Sustainability of the Affordable Homes.** Prior to issuance of a certificate of occupancy for any Affordable Housing, Developer/ Owner shall negotiate and enter into with the City a Deed Restrictions Covenant (which shall be recorded with the Wasatch County Recorder) that shall serve as a Covenant Running With the Land to protect the affordability and sustainability of the

Affordable Housing. Some of the terms of such a Covenant should include, but shall not be limited to the following:

5.5.2.1. The Covenant is to provide and articulate terms, conditions, and restrictions. The Covenant shall be enforceable by the City and, upon its execution and recording in the public records of the County Recorder of Wasatch County, Utah, shall run with the land, enforceable against the Owners; each Unit Owner, and each Unit Owner's successors interest, assignees, heirs, devisees, mortgagees, lessees, trustees, beneficiaries, executors, administrators, personal representatives; any subsequent owners; and any other parties claiming an interest in the Property. In addition to the recording of this Covenant, Developer/Owner shall cause that any deed or plat map associated with any affordable housing properties or units shall reference said Covenant.

5.5.2.2. The City shall have the right to enforce the terms of such a Covenant. The City may enforce this Covenant by any appropriate legal or equitable action including but not limited to specific performance, injunction, abatement, damages and such other remedies and penalties as may be specified in this Covenant. This Covenant shall inure to the benefit of the City and nothing herein shall be construed as creating a general scheme to be enforced by Unit Owners against each other.

5.5.3. **Building Permit Fee Waiver.** Property Owners shall receive a waiver of building permit fees (but not the state surcharge and third-party building plan check fees) for the construction of Affordable Housing in accordance with the City's Vested Laws.

## 6. Term.

6.1 **Term of Agreement.** The term of this Agreement shall commence on the Effective Date and continue either for a period of twenty-five (25) years, or the day upon which the final certificate of occupancy is approved and granted, whichever first occurs (the "**Term**"), unless it is terminated in accordance with Section 26. Unless otherwise agreed between the Parties, NVD's vested rights and interests set forth in the Agreement shall expire at the end of the Term, or as the Term may be extended by mutual agreement of the Parties. Upon termination of this Agreement for any reason, the licenses, building permits, or certificates of occupancy granted prior to the expiration of the Term shall remain vested rights in accordance with the terms and conditions of such approvals. Furthermore, any obligations of Developer related to any licenses, building permits, or certificates of occupancy shall continue in full force and effect.

7. **Approval Processes for Development Applications.**

7.1 **Phasing.** The City acknowledges that NVD, Developers, and Sub-developers who have purchased Parcels of the Property will submit multiple applications from time to time to develop and/or construct portions of the Project in phases, as generally described in the Site Plan.

7.2 **Timing of Collector Road Construction.** Prior to issuance of any building permits for each phase of the Project, as shown on the Phasing Plan attached hereto as **Exhibit D**, NVD shall complete or post completion assurance in accordance with Utah Code § 10-9a-604 (2024) for the construction of the portion of the Collector Road within that phase.

8. **Open Space, Improved Public Parks, and Trails Requirements.**

8.1 **Development Timing: Open Space, Neighborhood Parks, and Trails.** For each Phase, neighborhood Parks and Trails shall be constructed and developed concurrently with the respective development within which said trails are located. Open space, parks and trails shall comply with the requirements of Heber City Code § 18.21.050 for the NV Sub-District, except that NVD shall provide not less than 10% of the total Project area as Open Space and NVD must provide 10% of the overall Project area as Traditional Park Space in accordance with Heber City Code Table 5.1(1)). In accordance with Utah Code § 10-9a-604(3)(d)(iv) and (4) (2024), the City may require completion assurance for any landscaping that is necessary to meet the open space or traditional park space requirements.

8.2 **Dedication of Open Space or Trails.** All trails, open space and park space within the Project shall be dedicated to and maintained by the Homeowner's Association.

8.3 **Park Improvements and Design.** The Site Plan includes one neighborhood park (the "**Neighborhood Park**"), which is located in Phase 2 of the Project. The Neighborhood Park shall be fully landscaped with a mix of commercial playground equipment and recreational amenities. Prior to issuance of any building permits for the residential ERU's, NVD shall submit a park plan to the City for approval.

8.4 **Park Impact Fees.** Property Owners acknowledge that all required park, trail and open space improvements within the Project are a condition of development approval and are project improvements pursuant to Utah Code § 11-36a-102(15). Property Owners may be required to pay parks, recreation, open space and trails impact fees for system improvements that benefit the Project as established in the City's impact fee analysis.

**8.5 Tax Benefits.** The City acknowledges that Property Owners may seek to qualify for certain tax benefits by reason of conveying, dedicating, gifting, granting or transferring open space and/or trails to the City or to a charitable organization. Property Owners shall have the sole responsibility to claim and qualify for any tax benefits sought by Property Owners by reason of the foregoing. The City shall reasonably cooperate with Property Owners to the maximum extent allowable under law to allow Property Owners to take advantage of any such tax benefits.

**8.6 North Fields Preservation.** Property Owners, for themselves and with respect to each subsequent Owner of the Property, agree that upon issuance of any building permit for residential, hotel or commercial ERUs, the Property Owner shall pay to the City a one-time fee equal to \$2,500 per ERU or such prorated amount on partial ERU attributable to such unit, as applicable (the “**North Fields Preservation Fee**”). The City shall utilize funds collected pursuant to the North Fields Preservation Fee solely for the purpose of preserving open space in the North Fields, including the acquisition of development rights or the use of other conservation related tools for the preservation of open space. The City agrees that the North Fields Preservation Fee shall not be charged for Development Units constructed and operated as Affordable Housing.

## **9. Public Improvements.**

**9.1 Utilities Provided by the North Village Special Service District (NVSSD) and the Jordanelle Special Service District (JSSD).** The Parties acknowledge that the Project is currently served by the NVSSD and the JSSD for sewer and water, including secondary water. It is the intent by both Parties that the NVSSD and the JSSD shall continue to serve the project for these utilities through such service districts as long as they have capacity and are capable of serving. The Developer shall provide Commitment Letters from JSSD and NVSSD for the plat and/or phase being served before final approval for that particular plat is granted. Water for phases and all amenities shall be dedicated up front. If at any time it is deemed unfeasible to have JSSD or NVSSD serve the Project, the Developer shall secure other service providers. The City shall not be liable or responsible to provide such services. However, if at any point City sewer and water, including secondary water is available in the area, the City agrees that Property Owner shall be able to obtain City services. Developers shall be required to comply with the JSSD and NVSSD water policies generally applicable to all NVSSD customers.

**9.2 Streets.** Unless otherwise designated on the Site Plan, all streets within the Project shall be improved to the Residential / Minor Collector standard as set forth in Heber City Code § 18.21.040.4.6. Property Owners shall be responsible to construct all streets and road accesses to the Project as shown on the Site Plan. Unless accepted by the City, all streets shall be dedicated to the Homeowners Association and shall be owned and maintained by the Homeowner’s Association.

9.3. **Storm Water Improvements and Management.** The Parties acknowledge that the City has adopted a regional storm water master plan (the “**North Village Stormwater Master Plan**”). Property Owners shall be required to comply with the policies and standards of the North Village Stormwater Master Plan and associated Stormwater Design Manual, and all standards and requirements of any and all exhibits attached and incorporated into this Agreement. Property Owners acknowledges that compliance with North Village Stormwater Master Plan may require construction of off-site improvements as outlined in the North Village Storm water Master Plan, Developer and Property Owner shall restore or replace the historic, natural drainage channels on the Property downstream of the existing irrigation canals, as outlined and contemplated in the above referenced Master Plan.

9.4 **Storm Water Retention/Detention from Off-Site Sources.** The Parties acknowledge that all or a portion of the On-Site Storm Water Retention/Detention for the Project will be on the property of a neighboring development. Prior to issuance of any building permits for the Project, NVD shall be responsible to obtain all easements or other property rights necessary to construct the stormwater retention / detention for that portion of the Project in accordance with City standards and shall meet all other requirements to establish that stormwater can be adequately retained and detained on in accordance with all City standards and specifications. Property Owners must establish that they can meet all City requirements for the On-Site Retention/Detention, which may include groundwater modeling for the Project; and to the extent Property Owners are not able to meet the On-Site Retention/Detention based on the Site Plan, Property Owners may be required to reduce the densities or remove building shown on the Site Plan to meet the requirements.

9.5. **Infrastructure Plan.** NVD shall prepare an Infrastructure Plan (a/k/a Civil Drawings). The Parties acknowledge that there will be a Capital Facilities Plan for the Public Infrastructure approved and adopted by the City. The Property Owners shall have the responsibility and obligation, to construct and fund, or cause to be constructed and installed, in phases, the On-Site and Off-Site Infrastructure that is necessary to support the development proposed within a specific Development Application.

9.6 **General Excess Improvements/Upsizing.** If the City requires NVD to enlarge, increase or otherwise “upsized” or upgrade (collectively, the “**Excess Improvements**”) the City agrees that it shall reimburse NVD from Impact Fees collected by the City for, or to the extent permissible under then-applicable law and as identified in the approved Capital Facilities Plan, costs incurred by NVD in the construction of Excess Improvements. NVD shall not be compensated for any “upsizing” of the Backbone Improvements that are not included as System Improvements in the approved Capital Facilities Plan.

9.7. **Reimbursement for Collector Road.** NVD is required to construct the Collector Road, which is indicated on the Site Plan as being a 69 foot right of way with a minimum of 38 feet of asphalt. City acknowledges and agrees that a standard residential road would only require 32 feet of asphalt. Accordingly, prior to completion of the road, City shall enter into an impact fee reimbursement agreement with NVD, in substantially the form utilized by the City for other similar impact fee reimbursements, to reimburse NVD for the pro-rata costs of the additional required road width. The reimbursable costs shall include only the costs of the materials (asphalt, road base, etc.) to construct the additional road width, and shall not include engineering, retaining walls, geotechnical or other costs that would have otherwise been required to build the Collector Road to a residential road standard.

9.8. **Variations between Infrastructure Plan, Capital Facilities Plan and any City's Future Capital Facilities Plan.** The Parties acknowledge that the City may adopt a new or amended Capital Facilities Plan. Additionally, the City may adopt new or amended Impact Fee ordinances as permitted by State Law for the collection of Impact Fees to pay for the construction of parts or all of the Backbone Improvements. The new Capital Facilities Plan shall in no way change any land uses or permitted uses of the Project; limit or control the rate, timing, phasing or sequencing of the approval, development or construction of all or any part of the Project in any manner so long as all applicable requirements of this Agreement and relevant sections of the Zoning Ordinance are satisfied. The Capital Facilities Plan and any future Capital Facilities Plan may differ from the Infrastructure Plan. As a part of the approval of a Development Application, the City may require Property Owners to build portions of the Backbone Improvements as shown on the Capital Facilities Plan (after it is adopted) instead of as shown on the Infrastructure Plan. Notwithstanding the above, nothing herein obligates the City to pay for the minimum backbone infrastructure needed for the Project.

9.9. **Modifications of Infrastructure Locations.** The Parties acknowledges that additional surveying, engineering and similar studies are needed to finalize the exact location of road, stormwater, canal and utility alignments. Therefore, except as specifically set forth in this Agreement, the exact location of road, stormwater, canal and utility alignments and sizes may be modified and revised upon the City's approval of subsequent Development Applications.

9.10 **Off-Site Connectivity.** All trails, canals, ditches and roads shall connect with existing and internal trails, canals, ditches and roads located immediately adjacent to the Project such that there is consistent, smooth linkage and connectivity with any and all municipal systems.

9.11 **Public Infrastructure District.** City understands that NVD may request a Public Infrastructure District ("PID") pursuant to Utah Code § 17D-4-101 et seq. for the Property. The City shall review and reasonably consider NVD's petition to

create the PID as an option to implement and facilitate the financing, construction, and operation of some or all of the Public Infrastructure for the Project.

9.12 **Cable/Fiber Optic Service.** Subject to all applicable federal and state laws, as well as the City's authorization and capacity to timely install in a reasonable manner all required infrastructure and provide such service, Property Owners agree that the City shall be the sole cable/fiber optic network provider for the Development. The City shall install or cause to be installed all underground conduits necessary to make available a minimum of one cable service/fiber optic communication provider, or other comparable information and communication service provider, within the Project. Property Owners shall cooperate and reasonably accommodate the City's installation and development of said cable service/fiber optic network, (CFON). Notwithstanding the foregoing, Property Owners may contract with any cable TV/fiber optic and other communication provider of their own choice and grant an exclusive right of access and/or easement to such provider to furnish cable TV/fiber optic and other communication services for those dwelling units or other uses on such Property Owner's real property so long as the property is private and not dedicated to the public. The City may charge and collect all taxes and fees with respect to cable, fiber optic and other communication lines as allowed under an applicable City ordinance or state law.

10. **CC&Rs.** As more fully set forth in the CC&Rs, Property Owners shall create and establish one or more Property Owners' Associations, which shall be responsible for the implementation and enforcement of the CC&Rs, including but not limited to architectural reviews, water efficiency, open space, and private street and storm water system maintenance. Subject to business licensing requirements and other regulations on short-term rental that are applicable City wide and are not enacted as a means to prohibit short-term rentals, short-term rentals shall be permitted in the Project and the CC&R's shall contain a provision that regulates the nightly rental of any residential unit located on the Property. Property Owners shall record a notice against all property in the development informing buyers that short-term rentals are allowed with the Project, subject to the terms and conditions of the CC&Rs and City requirements. It is anticipated that nightly rental of residential units within the development shall be through the Property's hotel and within the hotel's brand standards. Recordation of the CC&Rs and creation of such Property Owners' Associations shall be required at the time of Final Plat review and approval. The City shall not be responsible for the implementation and/or enforcement of any such CC&Rs.

11. **Fees & Bonding.**

11.1 **General Requirement of Payment of Fees.** The City acknowledges its fees are subject to applicable State law. The City's impact fee requirements will be set forth in the City's approved Capital Facilities Plan for the Project area to be developed subsequent to this Agreement and incorporated herein.

11.2 **Bonding.** Property Owners, Developers or Sub-developers, as applicable, shall provide performance or warranty bonds, per the Heber City Code, for any on-

site or off-site, publicly dedicated infrastructure or similar improvements for the Project (the “**Security**”), including, without limitation, roads, curb and gutter, storm drains, sewer, water, street lighting, signs, sidewalks, landscaping within public rights of way, public open space, public parks and trails.

12. **Construction Standards and Requirements.**

12.1 **Building Permits.** No buildings or other structures that require permits, shall be constructed within the Project without the Developer or Sub-developer first obtaining building permits in accordance with the City’s Vested Laws. Developers and Sub-developers may apply for and obtain a grading permit following Preliminary Site Plan approval if the Developers or Sub-developers, as applicable, have submitted and received approval of a site-grading plan and SWPPP and subject to a Land Disturbance Permit issued pursuant to Section 13 below.

12.2 **City and Other Governmental Agency Permits.** Before commencement of construction or development of any buildings, structures or other work or improvements upon any portion of the Project, a Developer or Sub-developer shall, at their expense, secure, or cause to be secured, any and all permits which may be required by the City under the City’s Vested Laws or any other governmental entity having jurisdiction over the work. The City shall reasonably cooperate with Developers Sub-developers in seeking to secure such permits from other governmental entities.

13. **Grading, On-Site Processing of Natural Materials and Blasting.** Property Owners may use the natural materials located on the Project, including, without limitation, sand, gravel and rock, and subject to City’s Vested Laws, may process such natural materials into construction materials, including, without limitation, aggregate or topsoil, for use in the construction of On and Off-Site Infrastructure, commercial buildings, residential structures, or other buildings or improvements located in the Project and other locations outside the Project. Property Owner shall remediate any damage to trails, infrastructure, drainage or natural water features caused by such use. Notwithstanding this provision, this does not permit the construction of any subdivision or site-specific improvements prior to the requisite Final Plat review and approval for such improvements. Any such uses shall not be considered gravel pits. Property Owners shall comply with all federal and state requirements related to blasting. In addition, City may impose upon Property Owners reasonable requirements related to the following: (1) hours of blasting, (2) blast blankets or other methods to reduce possible damage to neighboring properties, and (3) notice to neighboring properties or other entities, including at least 48 hours notice prior to blasting, and two hour per day blasting windows.

14. **Provision of Municipal Services.** The City shall provide all City services to the Project that it provides from time to time to other residents and properties within the City including, but not limited to, development services and inspections, road and streetlight maintenance on public streets, police, and other emergency services. Such services shall be provided to the Project at the same levels of service, and on the same terms and rates as provided to other residents and

properties in the City, unless such services are provided by other entities, or, because of the unique topography, location or other special or unique circumstances in the area covered by this Agreement, the cost to provide such services is higher than the like property rate throughout the City, and the City is able to demonstrate by empirical evidence, that such costs are a result of substantive additional or increased costs of municipal services, or financial burden to the City, then such additional costs, including but not limited to those required for additional special fire or police services, may be passed on to the Property Owners by way of special municipal service zonal fees, or some other equivalent of such fees. The City may charge such increased rate fees to Property Owners with respect to the Project, Phase, or sections of a Phase proportionate to their share of the increased cost.

15. **Default.** Any failure by any party to perform any term or provision of this Agreement, which failure continues uncured for a period of ten (10) calendar days following the receipt of written notice of such failure from the other party shall constitute a “**Default**” under this Agreement.

15.1 **Notice.** Any notice of default (“**Default Notice**”) shall: (1) specify the claimed event of Default; (2) identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default; (3) identify why the claimed Default is claimed to be material; and (4) specify the manner in which said failure may be satisfactorily cured.

15.2. **Cure.** Following receipt of a Default Notice, the defaulting Party shall have thirty (30) days in which to cure such claimed Default (the “**Cure Period**”). If more than 30 days is required for such cure, the defaulting Party shall have such additional time as is reasonably necessary under the circumstances in which to cure such Default so long as the defaulting Party commences such cure within the Cure Period and pursues such cure with reasonable diligence. City may, in City’s sole discretion, withhold permits or approvals during any Cure Period.

15.3. **Developer’s Remedies Upon Default.** Developer’s sole and exclusive remedy under this Agreement shall be specific performance of the rights granted in this Agreement and City’s obligations under this Agreement. IN NO EVENT SHALL HEBER CITY BE LIABLE TO DEVELOPER, ITS SUCCESSORS OR ASSIGNS, FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, COSTS OF DELAY, OR LIABILITIES TO THIRD PARTIES.

15.4 **City’s Remedies Upon Default.** In addition to all other remedies available at law or in equity, City shall have the right to withhold all further reviews, approvals, licenses, building permits and other permits for development of the Property in the case of a Default by Developer, until the Default has been cured. City shall further have the right to draw on any security posted or provided in connection with the Property and relating to remedying of the particular Default.

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

**To the Property Owners:**

North Village Development, LLC  
Attn: Richard T. Wolper  
7026 S 900 East  
Midvale, UT 84047

**To the City:**

City of Heber  
Attn: City Recorder  
25 North Main Street  
Heber, Utah 84032

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

16.1.1 **Physical Delivery.** Its actual receipt, if delivered personally, by courier service, or by facsimile, provided that a copy of the facsimile Notice is mailed or personally delivered as set forth herein on the same day and the sending Party has confirmation of transmission receipt of the Notice.

16.1.2 **Electronic Delivery.** Its actual receipt if delivered electronically by email, provided that a copy of the email is printed out in physical form and mailed or personally delivered as set forth herein on the same day and the sending Party has an electronic receipt of the delivery of the Notice.

16.1.3 **Mail Delivery.** On the day the Notice is postmarked for mailing, postage prepaid, by First Class or Certified United States Mail and actually deposited in or delivered to the United States Mail.

16.1.4 **Change of Notice Address.** Any Party may change its address for Notice under this Agreement by giving written Notice to the other Party in accordance with the provisions of this Section.

17. **Administrative Amendments.**

17.1 **Allowable Administrative Applications:** The following modifications to this Agreement may be considered and approved by the Administrator.

17.1.1 **Infrastructure.** Modification of the location and/or sizing of the infrastructure for the Project that does not materially change the functionality of the infrastructure.

17.1.2 **Design Guidelines.** Modifications of the Design Guidelines.

17.1.3 **Development Unit Allocations.** Any allocation of Development Unit densities to be made by NVD or its successors and assigns.

17.1.4 **Minor Amendment.** Any other modifications deemed to be minor modifications by the Administrator.

17.2 **Application to Administrator.** Applications for Administrative Amendments shall be filed with the Administrator.

17.2.1 **Referral by Administrator.** If the Administrator determines for any reason that it would be inappropriate for the Administrator to determine any Administrative Amendment, the Administrator may require the Administrative Amendment to be processed as a Modification Application.

17.2.2 **Administrator's Review of Administrative Amendment.** The Administrator shall consider and decide upon the Administrative Amendment within a reasonable time not to exceed twenty-one (21) days from the date of submission of a complete application for an Administrative Amendment. Applicant must provide all documents in their completed form and pay any required fee in accordance with State law.

17.2.3 **Notification Regarding Application and Administrator's Approval.** Within ten (10) days of receiving a complete application for an Administrative Amendment, the Administrator shall notify the Council in writing. Unless the Administrator receives a notice pursuant to these Sections, requiring that the proposed Administrative Amendment be considered by the Council as a Modification Application, the Administrator shall review the application for an Administrative Amendment and approve or deny the same within the 21-day period set forth in Section 16.2.2. If the Administrator approves the Administrative Amendment, the Administrator shall notify the Council in writing of the proposed approval and such approval of the Administrative Amendment by the Administrator shall be conclusively deemed binding on the City. A notice of such approval shall be recorded against the applicable portion of the Property in the official City records.

17.2.4 **City Council Requirement of Modification Application Processing.** If the Council requires the proposed Administrative Amendment to be considered by the Council as a Modification Application,

it shall, within two (2) business days after the first Council meeting following notification by the Administrator pursuant to Section 16.2.3 above, notify the Administrator that the Administrative Amendment must be processed as a Modification Application, and that the Council shall be the final determining body for any and all Modification Applications.

**17.2.5 Appeal of Administrator's Denial of Administrative Amendment.** If the Administrator denies any proposed Administrative Amendment, the Applicant may process the proposed Administrative Amendment to the Council for final adjudication. The Council shall be the final determining body for any and all Modification Applications.

18. **Amendment.** Except for Administrative Amendments, any future amendments to this Agreement shall be considered as Modification Applications subject to the following processes:

18.1 **Submissions of Modification Applications.** Only the City or NVD or an assignee of NVD, approved in writing by the City, and one that succeeds to all of the rights and obligations of NVD under this Agreement may submit a Modification Application.

18.2 **Modification Application Contents.** Modification Applications shall:

18.2.1 **Identification of Property.** Identify the property or properties affected by the Modification Application.

18.2.2 **Description of Effect.** Describe the effect of the Modification Application on the affected portions of the Project.

18.2.3 **Identification of Non-City Agencies.** Identify any Non-City agencies potentially having jurisdiction over the Modification Application.

18.2.4 **Map.** Provide a map of any affected property and all property within three hundred feet (300') showing the present or Intended Use and density of all such properties.

18.2.5 **Fee.** Modification Applications shall be accompanied by a fee in an amount reasonably estimated by the City to cover the costs of processing the Modification Application.

18.3. **Mutual Cooperation in Processing Modification Applications.** Both the City and Applicants shall cooperate reasonably in promptly and fairly processing Modification Applications.

18.4 **Planning Commission Review of Modification Applications.**

18.4.1 **Review.** All aspects of a Modification Application required by law to be reviewed by the Planning Commission shall be considered by the Planning Commission as soon as reasonably possible in accordance with the City's Vested Laws in light of the nature and complexity of the Modification Application. The City shall not be required to begin its review of any application unless and until the Applicant has submitted a complete application.

18.4.2 **Recommendation.** The Planning Commission's vote on the Modification Application, if required by law, shall be only a recommendation.

18.5 **Council Review of Modification Application.** After the Planning Commission, if required by law, has made or been deemed to have made its recommendation of the Modification Application, the Council shall consider the Modification Application.

18.6 **Council's Objections to Modification Applications.** If the Council objects to the Modification Application, the Council shall provide a written determination advising the Applicant of the reasons for denial, including specifying the reasons the City believes that the Modification Application is not consistent with the intent of this Agreement and/or the City's Vested Laws (or, only to the extent permissible under this Agreement, the City's Future Laws).

18.7 **Mediation of Council's Objections to Modification Applications.** If the Council and Property Owners are unable to resolve a dispute regarding a Modification Application, the Parties shall attempt within seven (7) days to appoint a mutually acceptable expert in land planning or such other discipline as may be appropriate. If the Parties are unable to agree on a single acceptable mediator, each shall, within seven (7) days, appoint its own individual appropriate expert. These two experts shall, between them, choose the single mediator. Property Owners shall pay the fees of the chosen mediator. The chosen mediator shall within fourteen (14) days, review the positions of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties.

18.8 **Amendments by NVD.** Notwithstanding any other provision in this Agreement to the contrary, NVD may propose and if approved by the City, execute any amendment or other modification of this Agreement or the Site Plan, without the consent of any Property Owner provided that such amendments, modifications, land uses and density allocations: (a) are consistent with the requirements of the City's Vested Laws; and (b) shall not alter the ERU density allocated to such Property Owner identified in a duly executed Development Report or assignment from NVD or otherwise affect any development rights associated with such Property Owner's Development Property set forth in a property specific development agreement with the City pertaining to such Development Property or

a recorded Subdivision Plat specific to such Development Property and no other portion of the Project. For avoidance of doubt, neither the City nor NVD shall be required to obtain the consent of any Property Owner or any subsequent owner of a portion of the Project to amend this Agreement pursuant to this Section 18.

19. **Estoppel Certificate.** Upon twenty (20) days prior written request by a Property Owner, the City will execute an estoppel certificate to any third party certifying that this Agreement has not been amended or altered (except as described in the certificate) and remains in full force and effect, and that such Property Owner is not in default of the terms of this Agreement (except as described in the certificate), and such other matters as may be reasonably requested by the Property Owner. The City acknowledges that a certificate hereunder may be relied upon by transferees and mortgagees.

20. **Entire Agreement.** Unless expressly provided herein, nothing in this Agreement shall be interpreted to conflict with, replace or waive any requirements, obligations, standards, duties, rights and enforcements afforded to the Parties, provided by and through the NVOZ Zone and Ordinance, and shall be interpreted and presumed by the Parties to be consistent, in harmony with, and incorporated herein with this Agreement. This Agreement and all Exhibits hereto, is the entire agreement between the Parties and may not be amended or modified except either as provided herein or by a subsequent written amendment signed by all Parties.

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

22. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Property Owner. Further, the Parties do not intend this Agreement to create any third-party beneficiary rights. The Parties acknowledge that this Agreement refers to a private development and that the City has no interest in, responsibility for or duty to any third parties, including but not limited to JSSD or NVSSD, concerning any improvements to the Property unless the City has accepted the dedication of such improvements at which time all rights and responsibilities for the dedicated public improvement shall be the City's.

23. **Assignability.**

23.1 **Transfer to Developers and Sub-developers.** Notwithstanding anything to the contrary in this Agreement, NVD or its successor may sell any portion of the Property to one or more parties (each a “**Developer**” or “**Sub-developer**”) at any time from and after the Effective Date. Each such transferred portion of the Property (each, a “**Development Property**”) shall be developed by the Developer and/or Sub-developer in accordance with and subject to the terms hereof, including, without limitation, the following:

23.1.1 Developer or Sub-developer shall assume in writing for the benefit of the City and Property Owners all of the obligations and liabilities of Property Owners hereunder with respect to the Development Property.

23.1.2 Developer and Sub-developer shall be afforded the rights of Property Owners granted hereunder in respect of the applicable Development Property only, including, without limitation, any rights of Property Owners in and the impact fee credits and/or reimbursements pertaining to such Development Property; provided, however, that unless NVD otherwise agrees in writing, Developer and/or Sub-developer shall not, in each case without the prior written consent of NVD, which may be granted or withheld in NVD's sole discretion:

(i) submit any design guidelines to the City in respect to the Development Property and/or propose any amendments, modifications or other alterations to the Design Guidelines or any other design guidelines previously submitted by NVD Owners to the City in respect of the Development Property;

(ii) process any Final Plats, site plans or Development Applications for the Development Property and/or propose any amendments, modifications or other alterations of any approved Final Plats, site plans, and/or Development Applications procured by NVD for the Development Property; or

(iii) propose or oppose any amendments, modifications or other alterations to this Agreement.

23.1.3 The City agrees not to accept or process any of the foregoing matters from a Developer and/or Sub-developer unless the matter has been approved by the owner of the Development Property.

23.1.4 NVD shall not amend, modify or alter this Agreement or the Design Guidelines, or any Final Plats, Development Agreements and/or site plans approved for the Development Property in a manner that would materially interfere with Developer and/or Sub-developer's rights hereunder in respect of such Development Property, in each case without Developer and/or Sub-developer's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

24. **Effect of Breach.** Notwithstanding any other provision of this Agreement, no breach or default hereunder, by any Person succeeding to any portion of a Property Owner's obligations under this Agreement shall be attributed to Property Owner. Nor may a Property Owner's rights hereunder be canceled or diminished in any way by any breach or default by any such Person. No breach or default hereunder by a Property Owner shall be attributed to any Person

succeeding to any portion of such Property Owner's rights or obligations under this Agreement, nor shall such transferee's rights be canceled or diminished in any way by any breach or default by such Property Owner. During the development of the Project, until final approval of and dedication to the City, Developer, Owners or Owners, and their assigns, transferees, and sub-developers shall maintain the City as an additional named insured where reasonably possible, and without adding unreasonable cost, on any relevant or applicable liability insurance associated with the Project.

25. **Mortgage Protection.** This Agreement shall be superior and senior to any lien placed upon the Property, or any portion thereof, including the lien of any Mortgage. Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any such Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement shall be binding upon and effective against any Person that acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure or otherwise. Notwithstanding the provisions of this Section, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements, or to guarantee such construction or completion. If the City receives a written notice from a Mortgagee requesting a copy of any notice of default given to a Property Owner or a Sub-developer and specifying the address for service thereof, then the City shall deliver to such Mortgagee, concurrently with service thereon to the Property Owner or a Sub-developer, as applicable, any notice of default or determination of noncompliance given to the Property Owner or such Sub-developer. Each Mortgagee shall have the right (but not the obligation) for a period of 90 days after the receipt of such notice from the City to cure or remedy the default claimed or the areas of noncompliance set forth in the City's notice. If such default or noncompliance is of a nature that it can only be cured or remedied by such a Mortgagee upon obtaining possession of the Property, then such Mortgagee may seek to obtain possession with diligence and continuity through a receiver or otherwise, and shall within 90 days after obtaining possession cure or remedy such default or noncompliance. If such default or noncompliance cannot with diligence be cured or remedied within either such 90 -day period, then such Mortgagee shall have such additional time as may be reasonably necessary to cure or remedy such default or noncompliance if such Mortgagee commences such cure or remedy during such 90 -day period and thereafter diligently pursues completion of such cure or remedy to the extent possible.

26. **Termination.**

26.1 This Agreement shall be terminated and of no further effect upon the occurrence of any of the following events:

- (i) Expiration of the Term of this Agreement, unless extended as provided in Section 4.3;
- (ii) Completion of the Project in accordance with the development entitlements and the City's issuance of all required occupancy permits and acceptance of all dedications and improvements required under the development entitlements and this Agreement;

- (iii) Except for the payment of applicable fees and assessments, as for any specific residential dwelling or other structure within the Project, this Agreement shall be terminated for such dwelling or other structure upon the issuance by City of a certificate of occupancy therefore;
- (iv) Entry of final judgment (with no further right of appeal) or issuance of a final order (with no further right of appeal) directing City to set aside, withdraw, or abrogate City's approval of this Agreement,
- (v) The effective date of a party's election to terminate the Agreement as specifically provided in this Agreement, or
- (vi) in the event that Developer or the project are in Default beyond any applicable notice, grace or cure period, or where material, contractual and developmental obligations are not met, or any deadlines and conditions of this Agreement, and relevant State and Federal Laws not fulfilled or are violated, after appropriate default notices and cure provisions of this Agreement.

**26.2 Notice of Termination.** City shall, upon written request made by Developer or Developer's successor(s) or assign(s) or any Owner to City's Planning Director, determine if the Agreement has terminated with respect to any parcel or lot at the Property, and shall not unreasonably withhold, condition, or delay termination as to that lot or parcel. Upon termination of this Agreement as to any lot or parcel, City shall upon Developer or Developer's successor(s) or assign(s) or any Owner's request record a notice of termination that the Agreement has been terminated. The aforesaid notice may specify, and Developer or Developer's successor(s) or assign(s) and Owners agree, that termination shall not affect in any manner any continuing obligation to pay any item specified by this Agreement. Termination of the Agreement as to any parcel or lot at the Property shall not affect Developer or Developer's successor(s) or assign(s) or any Owner's rights or obligations under any of the development entitlements, including but not limited to, the General Plan, Specific Plan, Zoning Ordinance and all other City policies, regulations, and ordinances applicable to the Project at the Property. City may charge a reasonable fee for the preparation and recordation of any notice(s) of termination requested by Developer or Developer's successor(s) or assign(s) or any Owner.

**26.3 Partial Termination.** In the event of a termination of this Agreement with respect of any portion of the Property, any then-existing rights and obligations of the parties with respect to such portion of the Property shall automatically terminate and be of no further force, effect or operation. However, no termination of this Agreement with respect to any portion of the Property or the Project shall affect in any way the parties' rights and obligations hereunder with respect to any other portion of the Property or Project not subject to the termination. Subject to the

provisions of the Default Paragraph 14, the expiration or termination of this Agreement shall not result in any expiration or termination of any Entitlement then in existence, without further action of City.

27. **Insurance and Indemnification.** Each Property Owner shall defend and hold the City and its officers, employees and consultants harmless for any and all claims, liability and damages arising out of the negligent actions or inactions of such Property Owner, its agents or employees pursuant to this Agreement, unless caused by the City's negligence or willful misconduct.

28. **Hazardous, Toxic, and/or Contaminating Materials.** Each Owner shall defend and hold the City and its elected and/or appointed boards, officers, agents, employees and consultants harmless from any and all claims, liabilities, costs, fines, penalties and/or charges of any kind whatsoever relating to the existence and removal, or caused by the introduction of hazardous, toxic and/or contaminating materials by such Property Owner on the Project or arising out of action or inactions of Developer, except where such claims, liability costs, fines, penalties and charges are due to the actions of the City or its elected or appointed boards, officers, agents, employees or consultants.

29. **Binding Effect.** If NVD or another Property Owner conveys any portion of the Property to one or more Sub-developers, the property so conveyed shall have the same rights, privileges, Intended Uses and configurations, and shall be subject to the same limitations and rights of the City, applicable to such property under this Agreement prior to such conveyance, without any required approval, review, or consent by the City, except as otherwise provided herein.

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

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

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

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

34. **Appointment of Representatives.** To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and NVD each shall designate and appoint a representative to act as a liaison between the City and its various departments and NVD. The initial representative for the City shall be City Manager, or his designee and the initial representatives for NVD shall be Richard T. Wolper. The Parties may change their designated representatives by Notice. The representatives shall be available at all reasonable times to discuss and review the performance of the Parties to this Agreement and the development of the Project.

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

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

37. **Recordation and Running with the Land.** This Agreement shall be recorded in the office of the Wasatch County Recorder. Copies of the City's Vested Laws, **Exhibit D**, shall not be recorded. A secure copy of **Exhibit D** shall be filed with the City Recorder and each Party shall also have an identical copy. The provisions of this Agreement shall constitute real covenants, contract and property rights and equitable servitudes, which shall run with all of the land subject to this Agreement. The burdens and benefits hereof shall bind and inure to the benefit of each of the Parties hereto and all successors in interest to the Parties hereto. All successors in interest shall succeed only to those benefits and burdens of this Agreement which pertain to the portion of the Project Area to which the successor holds title. Such titleholder is not a third party beneficiary of the remainder of this Agreement or to zoning classifications and benefits relating to other portions of the Project Area. The obligations of Property Owners hereunder are enforceable by the City, and no other Person shall or may be a third party beneficiary of such obligations unless specifically provided herein.

38. **Authority.** The parties to this Agreement each warrant that they have all of the necessary authority to execute this Agreement. Specifically, on behalf of the City, the signature of the Mayor of the City is affixed to this Agreement lawfully binding the City pursuant to City Policy. This Agreement is approved as to form and is further certified as having been lawfully adopted by the City by the signature of the City Attorney.

39. **Covenant of Good Faith and Fair Dealing.** No party shall do anything which shall have the effect of injuring the right of another party to receive the benefits of this Agreement or do anything which would render its performance under his agreement impossible. Each party shall perform all acts contemplated by this Agreement to accomplish the objectives and purposes of this Agreement.

40. **Further Actions and Instruments.** The Parties agree to provide reasonable assistance to the other and cooperate to carry out the intent and fulfill the provisions of the Agreement. Each of the parties shall promptly execute and deliver all documents and perform all acts as necessary to carry out the matters contemplated by this Agreement.

41. **Partial Invalidity Due to Governmental Action.** In the event state or federal laws or regulations enacted after the Execution Date of this Agreement, or formal action of any governmental jurisdiction other than City, prevent compliance with one or more provisions of this Agreement, or require changes in plans, maps or permits approved by City, the parties agree that the provisions of this Agreement shall be modified extended or suspended only to the minimum extent necessary to comply with such laws or regulations.

42. **Waiver of Rights Under Utah Code Section 10-9a-532.** The Parties have been represented by an attorney throughout this process. Developer acknowledges that this Agreement does not restrict any of Developer's rights under clearly established state law or that Developer has been advised in writing of any such rights being restricted. As an essential term of this Agreement, Developer hereby waives any claim that any term of this Agreement is void, illegal, invalid, or unenforceable as the result of any failure on the City's part to disclose in writing any rights being restricted by this Agreement.

[Signatures appear on the following two pages.]



CITY

**Heber City**

\_\_\_\_\_  
Heidi Franco, Mayor

Approved as to form and legality:

Attest:

City Attorney

City Recorder

By:\_\_\_\_\_

By:\_\_\_\_\_

**EXHIBIT A**

TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Legal Description**

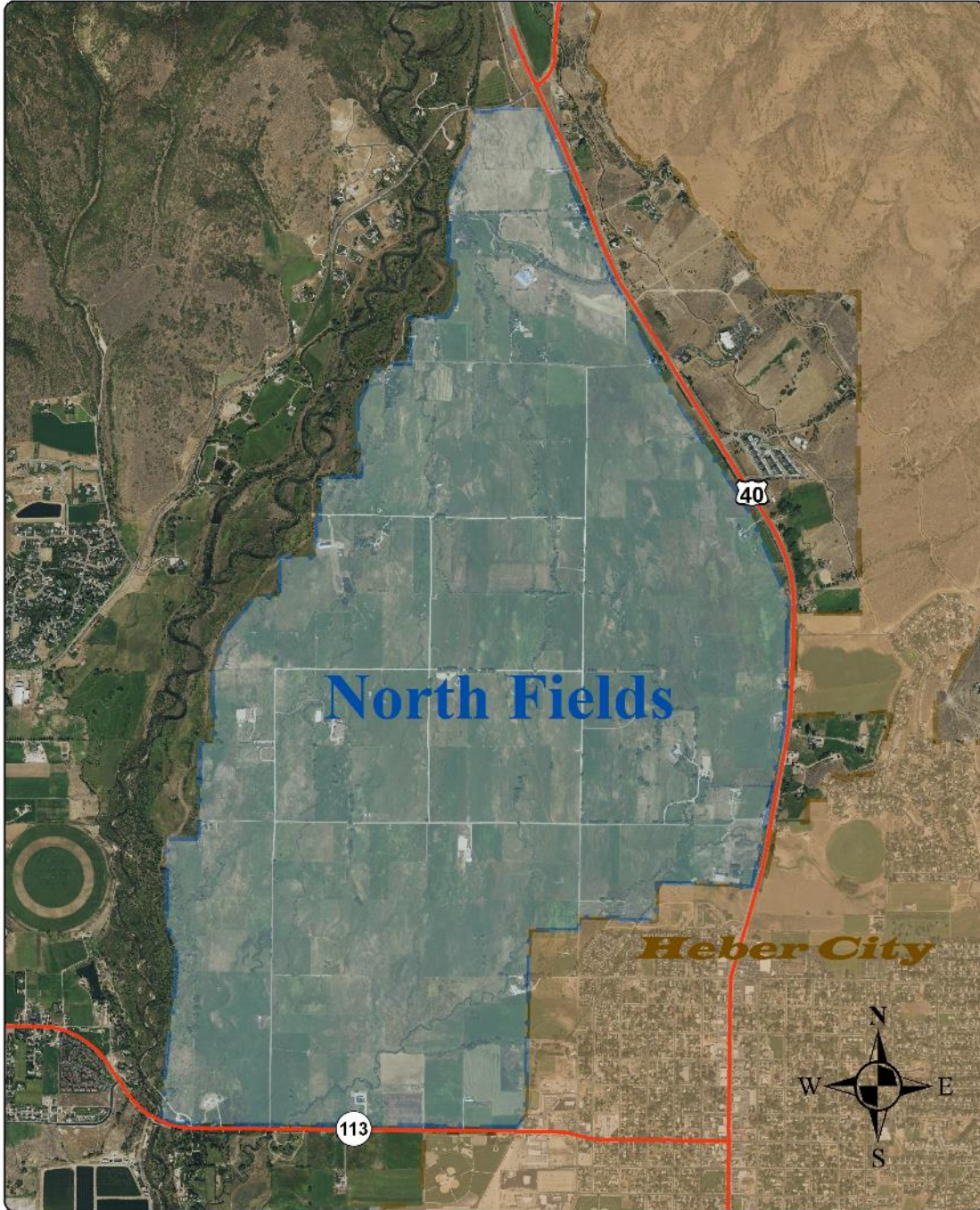
[REDACTED]

**EXHIBIT B**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Site Plan**

**EXHIBIT C**  
**TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS**

**North Fields**



**EXHIBIT D**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Phasing Plan**

**EXHIBIT E**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**ERU Calculation**

**EXHIBIT F**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**Building Elevations**

**EXHIBIT G**  
TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS

**City's Vested Laws**

For the City's Vested Laws, reference the North Village Overlay Zone (NVOZ), adopted by the City Council of Heber City, Utah, in Chapter 18.81 of Heber Municipal Code on March 16, 2021.

**EXHIBIT H**  
**TO DEVELOPMENT AGREEMENT FOR NORTH VILLAGE CROSSINGS**

**Gas Station Canopy Example**

