

Santaquin City Resolution 09-06-2023

A RESOLUTION OF SANTAQUIN CITY APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND HALES LAND, LLC FOR THE 648 NORTH STATE ROAD 198 DEVELOPMENT

WHEREAS, Santaquin City (“City”) is a political subdivision of the State of Utah and has responsibility to provide for the health, safety, and welfare of the City and its residents; and

WHEREAS, the Utah State Code authorizes the City to establish appropriate land use ordinances and regulations, including development agreements, pertaining to the use of property within the City boundaries, consistent with the best interests of the City and its residents; and

WHEREAS, Hales Land, LLC (“Developer”) is a Utah Limited Liability Company and is in the process of purchasing certain real property within the City boundaries for the development of a storage unit project referred to as 648 North State Road 198 (the “Property”); and

WHEREAS, City and Developer have cooperated to establish appropriate terms and conditions for the development of the Property and have prepared a development agreement to memorialize those terms and conditions; and

WHEREAS, the Santaquin City Council finds that the terms and conditions of the Development Agreement for 648 North State Road 198, a copy of which is attached hereto, are in the best interests of the City and desires to adopt said agreement.

NOW THEREFORE, BE IT RESOLVED, by the City Council of Santaquin City, Utah as follows:

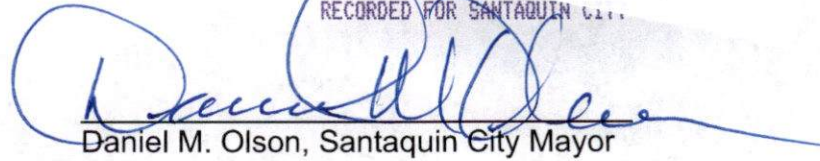
Section 1. The Development Agreement For 648 North State Road 198, between Santaquin City and Hales Land, LLC, sets forth terms and conditions consistent with the interests of Santaquin City, Utah, and is hereby adopted and approved.

Section 2. The Mayor is hereby authorized to execute said Development Agreement for 648 North State Road 198 and to take actions necessary to implement the terms and conditions thereof.

Section 3. This Resolution shall take effect on the date it is adopted by the Santaquin City Council.

Approved and adopted this 19th day of September, 2023.

UTAH COUNTY RECORDER
2023 Sep 26 01:22
RECORDED FOR SANTAQUIN CITY

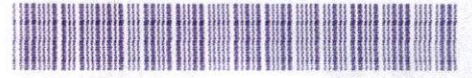

Daniel M. Olson, Santaquin City Mayor

Attest:


Amalie R. Ottley, Santaquin City Recorder



Councilmember Art Adcock	Voted	<u>YES</u>
Councilmember Elizabeth Montoya	Voted	<u>YES</u>
Councilmember Lynn Mecham	Voted	<u>YES</u>
Councilmember Jeff Siddoway	Voted	<u>YES</u>
Councilmember David Hathaway	Voted	<u>YES</u>



ENT 63463=2023 PG 1 of 30
ANDREA ALLEN
UTAH COUNTY RECORDER
2023 Sep 26 01:28 PM FEE 40.00 BY AR
RECORDED FOR SANTAQUIN CITY

**DEVELOPMENT AGREEMENT
FOR
648 NORTH STATE ROAD 198**

September 19, 2023

WHEN RECORDED, RETURN TO:

**SANTAQUIN CITY
275 WEST MAIN STREET
SANTAQUIN, UTAH 84655**

**DEVELOPMENT AGREEMENT
FOR
648 NORTH STATE ROAD 198**

THIS DEVELOPMENT AGREEMENT is made and entered into as of the 19th day of September, 2023, by and between Santaquin City, a Utah municipality and Hales Land, LLC, a Utah limited liability company.

RECITALS

A. The capitalized terms used in this Agreement and in these Recitals are defined in Section 1.2, below.

B. Developer has entered into a contract for the purchase of Property located in Santaquin, Utah, and identified by Serial No. 30:091:0045. Developer desires to purchase the Property for the purpose of owning it and developing storage unit facilities.

C. Developer and the City desire that the Property be developed in a unified and consistent fashion pursuant to the Master Plan.

D. The Parties acknowledge that development of the Property pursuant to this Agreement may result in significant planning benefits to the City and its residents by, among other things requiring orderly development of the Property and increasing property tax and other revenues to the City based on improvements to be constructed on the Property.

E. The Parties desire to enter into this Agreement to specify the rights and responsibilities of the Developer to develop the Property as expressed in this Agreement and the rights and responsibilities of the City to allow and regulate such development pursuant to the requirements

of this Agreement.

F. The City desires to rezone the Property “R-Agricultural,” upon which this Agreement is contingent.

G. This Agreement conforms with the intent of the City’s General Plan and the Zoning.

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 Developer hereby agree to the following:

TERMS

1. Incorporation of Recitals and Exhibits/ Definitions.

1.1. **Incorporation.** The foregoing Recitals and Exhibits “A” - “D” are hereby incorporated into this Agreement.

1.2. **Definitions.** As used in this Agreement, the words and phrases specified below shall have the following meanings:

1.2.1. **Act** means the Land Use, Development, and Management Act, Utah Code Ann. § 10-9a-101 (2023), *et seq.*

1.2.2. **Agreement** means this Development Agreement.

1.2.3. **Applicant** means a person or entity submitting a Development Application.

1.2.4. **Buildout** means the completion of all of the development on the entire Project in accordance with the approved plans.

1.2.5. **City** means Santaquin City, a Utah municipality.

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

1.2.7. **City's Future Laws** means the ordinances, policies, standards, and procedures which may be in effect as of a particular time in the future when a Development Application is submitted for all or part of the Project and which may or may not be applicable to the Development Application depending upon the provisions of this Agreement.

1.2.8. **City's Vested Laws** means Sections 10 and 11 of the Santaquin City Code in effect as of the date of this Agreement.

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

1.2.10. **Default** means a material breach of this Agreement as specified herein.

1.2.11. **Denied** means a formal denial issued by the final decision-making body of the City for a particular type of Development Application but does not include review comments or "redlines" by City staff.

1.2.12. **Development** means the development of all or part of the Project pursuant to an approved Development Application.

1.2.13. **Development Application** means an application to the City for development of all or part of the Project including a Subdivision or any other permit, certificate or other authorization from the City required for development of the Project.

1.2.14. **Developer** means Hales Land, LLC, and its assignees or transferees as permitted by this Agreement.

1.2.15. **Master Plan** means the conceptual layout for Development, approved commercial uses as set forth in Exhibit "B," and Public Infrastructure for the Project.

1.2.16. **Agreement** means this Development Agreement and any amendments thereto, including all of its Exhibits.

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

1.2.18. **Open Space** shall have the meaning specified in Section 10.08.020 of the Santaquin City Code.

1.2.19. **Outsource or 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.

1.2.20. **Party/Parties** means, in the singular, Developer or the City; in the plural Developer and the City.

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

1.2.22. **Project** means the total development to be constructed on the Property pursuant to this Agreement with the associated public and private facilities.

1.2.23. **Property** means the real property proposed for development by Developer more fully described in Exhibit "A".

1.2.24. **Public Infrastructure** means those elements of infrastructure that are planned to be dedicated to the City as a condition of the approval of a Development Application.

1.2.25. **Subdeveloper** means a person or an entity not "related" (as defined by Section 165 of the Internal Revenue Code) to Developer which purchases a portion of the Property for development.

1.2.26. **Subdivision** means the division of any portion of the Project into developable lots pursuant to State Law and/or the Zoning Ordinance.

1.2.27. **Subdivision Application** means the application to create a Subdivision.

1.2.28. **Zoning** means the zone for the Property in effect on the effective date of this Agreement.

1.2.29. **Zoning Ordinance** means the City's Land Use and Development Ordinance adopted pursuant to the Act that was in effect as of the date of this Agreement, and includes the City's Vested Laws.

2. Development of the Project.

2.1. **Compliance with the Master Plan and this Agreement.** Developer acknowledges and agrees that its preliminary proposal to develop the Property in the manner described in the Master Plan set forth herein as Exhibit "B," together with preliminary Architectural Designs and Components set forth herein as Exhibit "C," is an essential portion of the consideration for the City entering into this Agreement. Developer agrees that development of the Project will substantially conform to the content of those exhibits. City acknowledges that Developer is in its due diligence process in relation to the purchase of the Property, and that the final design set forth in the Master Plan may need adjustments to accommodate the final design and construction of project. Additionally, Developer has not yet caused a final design to be completed for the physical structures of the buildings set forth in Exhibit C. The renderings set forth in Exhibit C are provided to illustrate the baseline for application of the architectural standards set forth in this Agreement and that its project will be of a similar style and quality.

2.2. **Limitation and No Guarantee.** Developer acknowledges that the development of every aspect of the Master Plan requires that each Development Application comply with

the City's Vested Laws and the City's geologic hazards requirements. Notwithstanding any contrary provision of this Agreement, the City's entry into this Agreement does not guarantee that the Developer will be able to construct any aspect of the Project until and unless all the Development Application applicable requirements of the City's Vested Laws are complied with.

3. **Vested Rights.**

3.1. **Vested Rights Granted by Approval of this Agreement.** To the maximum extent permissible under the laws of Utah and the United States and at equity, the Parties intend that this Agreement grants Developer all rights to develop the Project in fulfillment of this Agreement, the City's Vested Laws, the Zoning and the Master Plan except as specifically provided herein. The Parties specifically intend that this Agreement grant to Developer "vested rights" as that term is construed in Utah's common law and pursuant to Utah Code Ann. § 10-9a-509 (2023).

3.2. **Application of City's Future Laws.** The City's Future Laws in effect on the date of a completed development application apply to the development to the extent they do not contradict the City's Vested Laws. In the event of a conflict with the City's Vested Laws, the City's Future Laws shall apply in the following circumstances:

3.2.1. Developer Agreement. Those City's Future Laws that Developer has agreed in writing will apply to the Project;

3.2.2. State and Federal Compliance. Those City's Future Laws which are generally applicable to all properties in the City and which are required to comply with State and Federal laws and regulations affecting the Project;

3.2.3. Codes. Any City's Future Laws that are updates or amendments to existing

building, plumbing, mechanical, electrical, dangerous buildings, drainage, fire, 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 generated by a nationally or statewide recognized construction/safety organization, or by the State or Federal governments and are required to meet legitimate concerns related to public health, safety or welfare;

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

3.2.5. 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;

3.2.6. Impact Fees. Impact Fees or modifications thereto which are lawfully adopted, and imposed by the City and which meet all requirements of the U. S. Constitution, Utah Constitution, law and applicable statutes, including but not limited to Utah Code Ann. Section 11-36a-101 (2023) *et seq.*;

3.2.7. Planning and Zoning Modification. Changes by the 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 work to reduce the reasonable development expectations, are generally applicable across the entire City, and do not materially and unreasonably increase the costs of any Development; or

3.2.8. 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)(i) (2023).

4. **Term of Agreement.** This Agreement shall take effect on the date when Developer takes fee title to the Property and when the Property is rezoned from R-Agricultural to Industrial, pursuant to action of the Santaquin City Council and shall expire on December 31, 2033, or at Buildout, whichever is earlier.

5. **Processing of Development Applications.**

5.1. **Processing of Development Applications.** Processing of Development Applications will be governed by City Code.

5.2. **Acceptance of Certifications Required for Development Applications.** Any Development Application requiring the signature, endorsement, or certification and/or stamping by a person holding a license or professional certification required by the State of Utah in a particular discipline shall be so signed, endorsed, certified or stamped signifying that the contents of the Development Application comply with the applicable regulatory standards of the City.

5.3. **Deleted.**

5.4. **City Denial of a Development Application.** If the City denies a Development Application the City shall provide a written determination advising the Applicant of the reasons for denial including specifying the reasons the City believes that the Development Application is not consistent with this Agreement, the Zoning and/or the City's Vested Laws (or, if applicable, the City's Future Laws). The City shall work with

the Applicant in good faith to explain the reasons for the denial. The City may amend such written determination as necessary.

5.5. City Denials of Development Applications Based on Denials from Non-City Agencies. If the City's denial of a Development Application is based on the denial of the Development Application by a Non-City Agency, Applicant shall appeal any such denial through the appropriate procedures for such a decision and not through the processes specified below. Applicant's failure to successfully appeal any such denial shall preclude any action by Applicant against City for City's denial so long as the City did not otherwise cause the Non-City Agency to issue the denial.

5.6. Mediation of Development Application Denials.

5.6.1. Issues Subject to Mediation. Issues resulting from the City's Denial of a Development Application that the parties are not able to resolve shall be mediated.

5.6.2. Mediation Process. If the City and Applicant are unable to resolve a disagreement which is subject to mediation pursuant to Section 5.6.1, the parties shall attempt within thirty (30) calendar days to appoint a mutually acceptable mediator with knowledge of the legal issue in dispute. If the City and Applicant are unable to agree on a single acceptable mediator, they shall each, within fifteen (15) calendar days, appoint their own representative. These two representatives shall, between them, choose the single mediator. In the alternative, the City and the Applicant may submit the matter to the Office of the Property Rights Ombudsman for mediation at the earliest available time for the Ombudsman, the Applicant, and the City. Applicant and the City shall split the fees of the chosen mediator, each Party paying 50% of the fees. The chosen mediator shall within thirty (30) calendar days, review the positions

of the parties regarding the mediation issue and promptly attempt to mediate the issue between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate.

The mediator's opinion shall not be binding on the parties.

6. Public Infrastructure.

6.1. Construction by Developer. Developer shall have the right and the obligation to construct or cause to be constructed and installed all Public Infrastructure reasonably and lawfully required as a condition of approval of the Development Application pursuant to the City's Vested Laws.

6.2. Bonding. Unless otherwise provided by Chapter 10-9a of the Utah Code as amended, Applicant shall provide security in conjunction with its application for a building permit for any Public Infrastructure or private infrastructure required by the City, in a form acceptable to the City, as specified in the City's ordinances in effect at the time of application. Partial releases of any such required security shall be allowed as work progresses based on the City's laws then in effect.

7. Upsizing/Reimbursements to Developer.

7.1. Upsizing. All Public Infrastructure shall be of sufficient capacity to service the entire Project at Buildout. The City shall not require Developer to upsize any future Public Infrastructure (i.e., to construct the infrastructure to a size larger than required to service the Project) unless financial arrangements reasonably acceptable to Developer are made to compensate Developer for the incremental or additive costs of such upsizing. For example, if an upsizing to a water pipe size increases costs by 10% but adds 50% more capacity, the City shall only be responsible to compensate Developer for the 10%

cost increase. An acceptable financial arrangement for upsizing of improvements means reimbursement agreements, connector agreements, payback agreements, and impact fee credits and reimbursements. Providing Public Infrastructure with sufficient capacity to serve the entire Project at Buildout is not considered upsizing for purposes of this Agreement, and all associated costs thereof are the sole responsibility of the Developer, and not the responsibility of the City.

8. **Default.**

8.1. **Notice.** If Developer or the City fails to perform their respective obligations hereunder or to comply with the terms hereof, the Party believing that a Default has occurred shall provide written Notice to the other Party.

8.2. **Contents of the Notice of Default.** The Notice of Default shall:

8.2.1. Specific Claim. Specify the claimed event of Default;

8.2.2. Applicable Provisions. Identify with particularity the provisions of any applicable law, rule, regulation or provision of this Agreement that is claimed to be in Default;

8.2.3. Materiality. Identify why the Default is claimed to be material; and

8.2.4. Optional Cure. If the City chooses, in its discretion, it may propose in a Notice to Developer a method and time for Developer to cure the Default which shall be of no less than thirty (30) calendar days duration.

8.3. **Remedies.** As to any uncured Default, the parties shall submit the matter to mediation consistent with the procedures set forth in Section 5.6. If the parties are not able to resolve the Default by mediation, the parties may have the following remedies, except as otherwise specifically limited in this Agreement:

8.3.1. Law and Equity. All rights and remedies available at law and in equity, including, but not limited to, administrative or legal appeals, injunctive relief, and/or specific performance.

8.3.2. Security. The right to draw on any security posted or provided in connection with the Project and relating to remedying of the particular Default.

8.3.3. Future Approvals. The right to withhold all further reviews, approvals, licenses, building permits and/or other permits for development of the Project in the case of a default by Developer, until the Default has been cured.

8.4. **Emergency Defaults.** Notwithstanding anything in this Agreement to the contrary, if the City Council finds on the record that a default materially impairs a compelling, countervailing interest of the City and that any delays in imposing such a default would also impair a compelling, countervailing interest of the City, then the City may impose the remedies of Section 8.3 without the requirements of Section 5.6. The City shall give reasonable Notice to Developer and/or any applicable Subdeveloper of any public meeting at which an emergency default is to be considered and the Developer and/or any applicable Subdeveloper shall be provided with a full and fair opportunity to respond to the Notice.

8.5. **Default of Assignee.** A default of any obligations assumed by an assignee of Developer shall not be deemed a default of Developer.

8.6. **Limitation on Recovery for Default – No Damages.** Notwithstanding anything in this Agreement to the contrary, no Party shall be entitled to any claim for any monetary damages as a result of any breach of this Agreement and each Party waives any claims thereto. The sole remedy available to Developer or any Subdeveloper shall be that of

specific performance.

8.7. **Authority of City Inspectors.** Nothing in this Section 8 shall be construed to limit the ability or authority of City's inspectors to assure compliance with construction standards and practices through the procedures applied generally to construction projects in the City.

9. **Notices.** All notices required or permitted under this 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 Developer:

Hales Land, LLC
PO Box 356
Salem, UT 84653
Email: brad@halesbuilt.com
Phone: 801-380-9326

To the Property Owner:

Hales Land, LLC
PO Box 356
Salem, UT 84653
Email: brad@halesbuilt.com
Phone: 801-380-9326

With a Copy to:

Morgan Fife
Anderson, Fife, Marshall & Johnson, LC
2500 N. University Ave.
Provo, UT 84604
Email: mfife@wasatch.law
Phone: 801-375-1920

To the City:

Santaquin City

Attn: City Manager
Norm Beagley
275 West Main Street
Santaquin, UT 84655
nbeagley@santaquin.org
(801) 754-3200

With a Copy to:

Brett B. Rich
Nielsen & Senior, P.C.
P.O. Box 970663
Orem, UT 84097
bbr@ns-law.com
(801) 701-7074

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

9.1.1. Hand 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. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.2. 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. If the copy is not sent on the same day, then notice shall be deemed effective the date that the mailing or personal delivery occurs.

9.1.3. Mailing. 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. 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.

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

11. **No Third-Party Rights/No Joint Venture.** This Agreement does not create a joint venture relationship, partnership or agency relationship between the City and Developer. 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 concerning any improvements to the Property, unless the City has accepted the dedication of such improvements, at which time all rights and responsibilities—except for warranty bond requirements for the dedicated public improvement, shall be the City's.

12. **Assignability.** The rights and responsibilities of Developer under this Agreement may be assigned in whole or in part, respectively, by Developer. with the consent of the City as provided herein.

12.1. **Notice.** Developer shall give Notice to the City of any proposed assignment within fifteen (15) calendar days after the event has occurred and provide such information regarding the proposed assignee that the City may reasonably request in making the evaluation permitted under this Section. Such Notice shall include providing the City with all necessary contact information for the proposed assignee.

12.2. **Time for Objection.** Unless the City objects in writing within thirty (30) calendar

days of notice, the City shall be deemed to have approved of and consented to the assignment.

12.3. **Partial Assignment.** If any proposed assignment is for less than all of Developer's rights and responsibilities then the assignee shall be responsible for the performance of each of the obligations contained in this Agreement to which the assignee succeeds.

Upon any such approved partial assignment Developer shall not be released from any future obligations as to those obligations which are assigned but shall remain responsible for the performance of any obligations herein.

12.4. **Denial.** The City may only withhold its consent if the City is not reasonably satisfied of the assignee's financial ability to perform the obligations of Developer proposed to be assigned or there is an existing breach of a development obligation owed to the City by the assignee or related entity that has not either been cured or in the process of being cured in a manner acceptable to the City. Any refusal of the City to accept an assignment shall be subject to the "Mediation" process specified in Section 5.6.

12.5. **Assignees Bound by Agreement.** Any assignee shall consent in writing to be bound by the assigned terms and conditions of this Agreement as a condition precedent to the effectiveness of the assignment. That consent shall specifically acknowledge the provisions of Section 2.

13. **Insurance and Indemnification.** To the fullest extent permitted by law, Owner shall indemnify and hold harmless the City, which for purposes of the section includes its elected and appointed officials, representatives, officers, employees, and agents, from and against any and all claims, demands, causes of action, orders, decrees, judgements, losses, risks of loss, damages, expenses (including litigation expenses and attorneys' fees), and liabilities arising out of or

related to acts, errors or omissions of Owner or its agents, servants, employees, or contractors in performance of this Agreement. Owner shall assume sole liability for any injuries or damages caused to a third party as a result of its actions pursuant to the Agreement. City reserves the right to conduct, control, and direct its own defense for any claims, demands, causes of action, orders, decrees, judgements, losses, damages, expenses, and liability arising out of or related to the Agreement. Nothing in this section shall be construed to mean that Owner shall defend, indemnify, or hold the City or its elected and appointed officials, representatives, officers, employees, and agents, harmless from any claims of personal injury, death or property damage or other liabilities arising from (i) the willful misconduct or negligent acts or omissions of the City, or its boards, officers, agents, or employees; and/or (ii) the negligent maintenance or repair by the City of improvements that have been offered for dedication and accepted by the City for maintenance. Prior to any construction on the Property, Owner shall furnish or cause to be furnished to the City duplicate originals or appropriate certificates of insurance as might be required by the City's Vested Laws within the I-1 Industrial zone.

13.1. **Hazardous, Toxic, and/or Contaminating Materials.** Owner further agrees to defend and hold the City and its elected and/or appointed boards, officers, agents, employees, and consultants, harmless from any and all claims, liability, costs, fines, penalties, charges and/or claims of any kind whatsoever relating to the existence and removal of hazardous, toxic and/or contaminating materials on the Property, except where such claims, liability, costs, fines, penalties, charges and/or claims are due to the actions of the City.

13.2. **Bodily Injury and Property Damage Insurance.** Owner agrees to and shall indemnify and hold the City and its elected and appointed boards, officers, agents,

employees, and consultants harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person, or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person, directly or indirectly caused by any acts done thereon or any errors or omissions of Owner or its agents, servants, employees, or contractors, except for willful misconduct or negligent acts or omissions of the City or its elected and appointed officials, boards, officers, agents, employees, and consultants.

14. **Binding Effect.** If Developer sells or conveys portions of the Property to Subdevelopers or related parties, the property so sold and conveyed shall bear the same rights, privileges, configurations, and conformity to the Master Plan as applicable to such property and be subject to the same limitations and rights of the City as when owned by Developer, and as set forth in this Agreement without any required approval, review, or consent by the City except as otherwise provided herein.

15. **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.

16. **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.

17. **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, 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.

18. **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.

19. **Appointment of Representatives.** To further the commitment of the Parties to cooperate in the implementation of this Agreement, the City and Developer each shall designate and appoint a representative to act as a liaison between the City and its various departments and the Developer. The initial representative for the City shall be the City Manager or his designee. The initial representative for Developer shall be Brad Hales, a manager of Hales Land, LLC. 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.

20. **Applicable Law.** This Agreement is entered into in Utah County 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.

21. **Venue.** Any action to enforce this Agreement shall be brought only in the Fourth District Court for the State of Utah, Provo Department.

22. **Entire Agreement.** This Agreement, including all Exhibits thereto, 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.

23. **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 any Party based on which Party drafted any particular portion of this Agreement.

24. **Recordation and Running with the Land.** This Agreement shall be recorded in the chain of title for the Project. This Agreement shall be deemed to run with the land. The data disk of the City's Vested Laws, Exhibit "D," shall not be recorded in the chain of title. A secure copy of Exhibit "D" shall be filed with the City Recorder and each party shall also have an identical copy.

25. **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 Resolution No. 09-06-2023 adopted by the City on September 19, 2023.

(This portion left blank intentionally.)

**SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT**

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:

DEVELOPER:

HALES LAND, LLC

By: *Shayne Ahlin*
Name: Shayne Ahlin
Title: Owner
Date: 9/19/23

By: *Brad Hales*
Name: Brad Hales
Title: manager
Date: 9-18-23

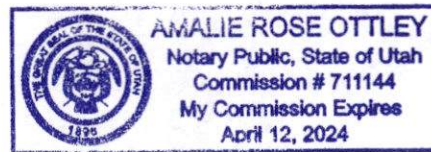
STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

On the 19th day of September, 2023, personally appeared before me Brad Hales, who being by me duly sworn, did say that he/she is the manager of Hales Land, LLC, a Utah limited liability company and that he/she signed the foregoing instrument, which was duly authorized by the company at a lawful meeting held by authority of its operating agreement.

Amalie Rose Ottley
NOTARY PUBLIC

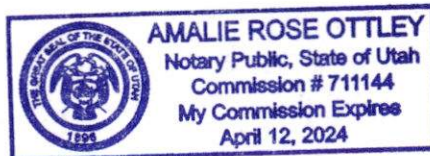
My Commission Expires: 04/12/24

Residing at: Utah county



On the 19th day of September, 2023, personally appeared before me Shayne Ahlin, who being by me duly sworn, did say that he is the property owner and that he signed the foregoing instrument, which was duly authorized by Hales Land, LLC and Santaquin city.

Amalie Rose Ottley
NOTARY PUBLIC
RESIDING AT: Utah County
COMMISSION EXPIRES: 04/12/24



**SIGNATURE PAGE FOR
DEVELOPMENT AGREEMENT (CONT.)**

**CITY:
SANTAQUIN CITY**

By: *[Signature]*
Name: DANIEL M. OLSON
Title: Mayor
Date: 9/26/2023



Attest:

[Signature]
City Recorder

CITY ACKNOWLEDGMENT

STATE OF UTAH)
) :SS.
COUNTY OF UTAH)

On the 26th day of september, 2023, personally appeared before me Daniel M. Olson being by me duly sworn, did say that he is the Mayor of Santaquin City, a political subdivision of the State of Utah, and that he signed said instrument on behalf of the City by authority of its City Council.

[Signature]
NOTARY PUBLIC

My Commission Expires: 04/12/2024
Residing at: santaquin, utah

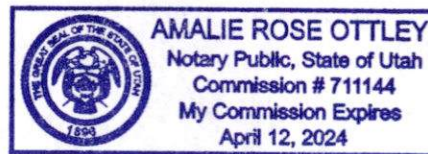


TABLE OF EXHIBITS

Exhibit "A"	Legal Description of Property
Exhibit "B"	Master Plan
Exhibit "C"	Architectural and Design Components
Exhibit "D"	City's Vested Laws

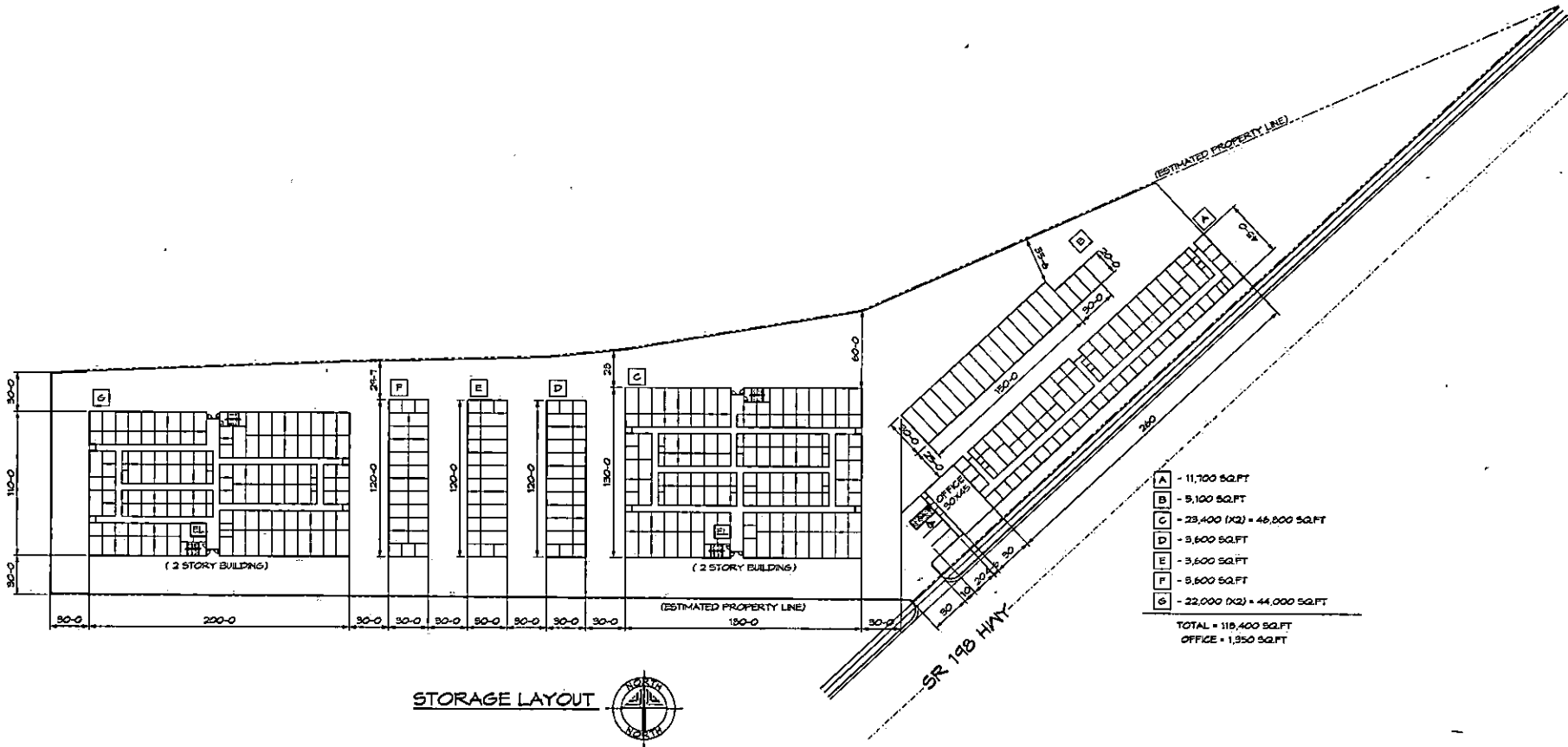
EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

COM S 89 DEG 19' 58" W 11.75 FT ALONG 1/16 SEC. LINE FR NW COR. OF THE SE 1/4 OF THE SW 1/4, SEC. 31, T9S, R2E, SLB&M.; N 89 DEG 19' 58" E 616.1 FT ALONG 1/16 SEC. LINE; N 59 DEG 34' 53" E 67.48 FT; N 47 DEG 5' 29" E 304 FT; N 42 DEG 36' 8" E 201.98 FT; N 36 DEG 40' 55" E 484.24 FT; N 1 DEG 54' 47" W 10 FT; S 42 DEG 29' 10" W 396.18 FT; ALONG A CURVE TO R (CHORD BEARS: S 65 DEG 31' 10" W 754.66 FT, RADIUS = 1008.18 FT); S 86 DEG 51' 32" W 371.48 FT; S 0 DEG 37' 16" E 170.11 FT; N 89 DEG 19' 58" E .91 FT TO BEG. AREA 4.376 AC.

**EXHIBIT B
PRELIMINARY MASTER PLAN**

THIS DRAWING, DESIGNS, AND DETAILS ARE THE PROPERTY OF BARNETT STRUCTURES, L.C. AND SHALL NOT BE COPIED IN WHOLE OR PART WITHOUT WRITTEN CONSENT OF BARNETT STRUCTURES, L.C. ALL RIGHTS OF DESIGN AND INVENTION ARE RESERVED. COPYRIGHT © BARNETT STRUCTURES 2020


REVISION				
SYN.	DESCRIPTION	DATE	APPROVAL	CAD



- A - 11,700 SQ.FT
 - B - 5,100 SQ.FT
 - C - 23,400 (X2) = 46,800 SQ.FT
 - D - 3,600 SQ.FT
 - E - 3,600 SQ.FT
 - F - 3,600 SQ.FT
 - G - 22,000 (X2) = 44,000 SQ.FT
- TOTAL = 118,400 SQ.FT
OFFICE = 1,350 SQ.FT

STORAGE LAYOUT 

COPYRIGHT © BARNETT STRUCTURES 2020

	DRAWN BY: TROY H. NELSON CHECKED: KAD NELSON DESIGNED: LYNN BARNETT	BARNETT STRUCTURES 648 N SR 198 SANTAQUIN, UT		BARNETT STRUCTURES COPYRIGHT ©		
	ADDRESS: P.O. BOX 1248 1700 S MAIN CENTERVILLE, UT 84014	STORAGE LAYOUT				
	PHONE: (801) 244-2800 FAX: (801) 244-2804 DO NOT SCALE DRAWING	SCALE: 1-40	SIZE: D	SHEET: 1 OF 1	PROJECT #: 2312	DRAWING: SL
	REV:					

ENT 63463-2023 Pg 28 of 30

EXHIBIT C
ARCHITECTURAL AND DESIGN COMPONENTS

The final layout and design of the proposed Project is not complete as of the date of this Development Agreement and is subject to further revision. Notwithstanding the foregoing, the Developer agrees that the Project shall be governed by the following Architectural and Design Components.

The proposed storage-unit facility shall include the following:

1. Fully secured perimeter surrounding the facility;
2. Masonry block exteriors;
3. Metal roof;
4. Metal doors;
5. Portions of the project which shall include climate-controlled storage units;
6. One- and two-storied buildings;
7. Security camera and other industry standard security measures; and
8. On-site management and related offices and facilities, which may include living quarters for on-site managers.

Renderings are attached as on the following pages and are provided to illustrate the baseline for the quality and style associated with the standards set forth above. The renderings are preliminary and subject to revision consistent with these standards and the examples illustrated as follows.

- CLASH LISTING:
1. 1" CHAMFERED BRICK CORNER FINISH
 2. 1" CHAMFERED BRICK CORNER FINISH
 3. 1" CHAMFERED BRICK CORNER FINISH
 4. 1" CHAMFERED BRICK CORNER FINISH
 5. 1" CHAMFERED BRICK CORNER FINISH
 6. 1" CHAMFERED BRICK CORNER FINISH
 7. 1" CHAMFERED BRICK CORNER FINISH
 8. 1" CHAMFERED BRICK CORNER FINISH
 9. 1" CHAMFERED BRICK CORNER FINISH
 10. 1" CHAMFERED BRICK CORNER FINISH



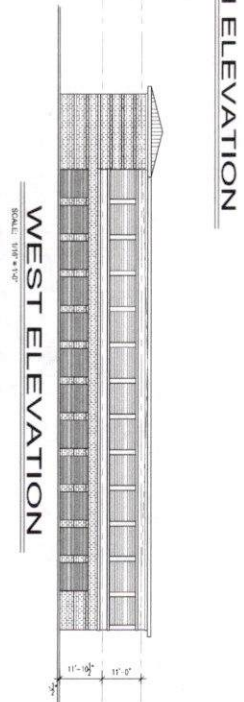
PARTIAL ENLARGED SOUTH ELEVATION
SCALE: 3/8" = 1'-0"

NOTES:

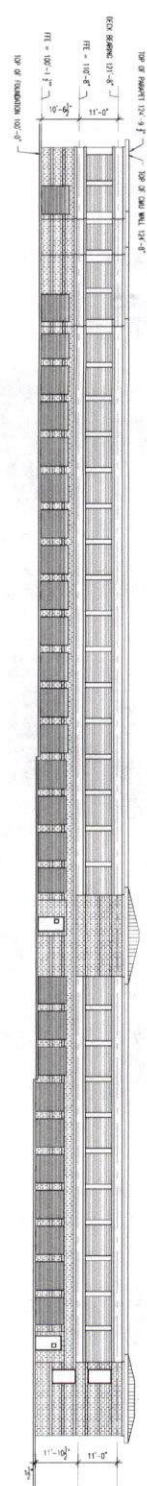
- ALL FINISHES ARE TO MATCH EXISTING OR INDICATED.
- FINISHES TO BE MATCHED TO EXISTING OR INDICATED.
- FINISHES TO BE MATCHED TO EXISTING OR INDICATED.
- FINISHES TO BE MATCHED TO EXISTING OR INDICATED.
- FINISHES TO BE MATCHED TO EXISTING OR INDICATED.



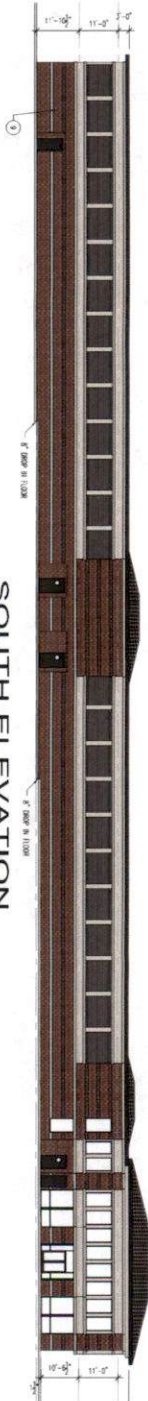
NORTH ELEVATION
SCALE: 1/8" = 1'-0"



WEST ELEVATION
SCALE: 1/8" = 1'-0"



EAST ELEVATION
SCALE: 1/8" = 1'-0"



SOUTH ELEVATION
SCALE: 1/8" = 1'-0"

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PROJECT NUMBER: 21-11-02	DATE: 9/25/21
DRAWN BY: BENNY	CHECKED BY: BENNY
DESIGNED BY: BENNY	DATE: 9/25/21
SCALE: 3/8" = 1'-0"	DATE: 9/25/21
PROJECT: NEW SELF STORAGE BUILDING FOR: TOWNE STORAGE CLINTON BRANCH	CLINTON, UTAH
DATE: 9/25/21	SCALE: 3/8" = 1'-0"
DRAWN BY: BENNY	CHECKED BY: BENNY
DESIGNED BY: BENNY	DATE: 9/25/21
PROJECT: NEW SELF STORAGE BUILDING FOR: TOWNE STORAGE CLINTON BRANCH	CLINTON, UTAH
DATE: 9/25/21	SCALE: 3/8" = 1'-0"

VINCENT DESIGN GROUP, INC. ARCHITECTS AND PLANNERS

401 EAST 1700 SOUTH, SALT LAKE CITY, UTAH (801) 484-2046