

**CITY OF SOUTH JORDAN
COMBINED CITY COUNCIL &
REDEVELOPMENT AGENCY MEETING AGENDA
CITY COUNCIL CHAMBERS
TUESDAY, AUGUST 01, 2023 at 6:30 PM**



Notice is hereby given that the South Jordan City Council will hold a Combined City Council and Redevelopment Agency Meeting at 6:30 p.m. on Tuesday, August 1, 2023, in person in the City Council Chambers, located at 1600 W. Towne Center Drive, South Jordan, Utah, and virtually via Zoom phone and video conferencing. Persons with disabilities requesting assistance should contact the City Recorder at least 24 hours prior to the Meeting. The Agenda may be amended and an Executive Session may be held at the end of the Meeting. Times listed are approximate and may be accelerated or delayed.

In addition to in-person attendance, individuals may join via phone or video, using Zoom. Note, attendees joining virtually may comment during public comment, or a public hearing virtually. To comment during public comment, or public hearing virtually, the individual must have their video on and working during their comments. Attendees who wish to present photos or documents to the City Council must attend in person. Those who join via phone may listen, but not participate in public comment or public hearings.

In the event the Meeting is disrupted in any way that the City in its sole discretion deems inappropriate, the City reserves the right to immediately remove the individual(s) from the Meeting and, if needed, end virtual access to the Meeting. Reasons for removing an individual or ending virtual access to the Meeting include but are not limited to the posting of offensive pictures, remarks, or making offensive statements, disrespectful statements or actions, and other any action deemed inappropriate.

Ability to participate virtually is dependent on an individual's internet connection. To ensure comments are received regardless of technical issues, please have them submitted in writing to the City Recorder, Anna Crookston, at acrookston@sjc.utah.gov by 3:00 p.m. on the day of the meeting. Instructions on how to join virtually are below.

Join South Jordan City Council Meeting Virtually:

- Join on any device that has internet capability.
- Zoom link, Meeting ID and Password will be provided 24 hours prior to meeting start time.
- Zoom instructions are posted <https://ut-southjordan.civicplus.com/241/City-Council>.

Regular Meeting Agenda: 6:30 p.m.

- A. Welcome, Roll Call, and Introduction:** By Mayor, Dawn R. Ramsey
- B. Invocation:** By Director of Strategy & Budget, Don Tingey
- C. Pledge of Allegiance:** By Fire Chief, Chris Dawson
- D. Minute Approval:**

[D.1.](#) July 18, 2023 City Council Study Meeting

[D.2.](#) July 18, 2023 Combined City Council & Redevelopment Agency Meeting

- E. Mayor and Council Reports: 6:35 p.m.**

F. Public Comment: 6:50 p.m.

This is the time and place for any person who wishes to comment on the agenda for public hearing. Any person or group wishing to comment on any item not otherwise scheduled for public hearing on the agenda may address the City Council at this point by stepping to the microphone, or if joining electronically, by raising their hand and giving his or her name for the record. Note, if joining electronically, photos or documents will not be accepted through Zoom and you must attend City Council Meeting in-person. Comments should be limited to not more than three (3) minutes, unless additional time is authorized by the Chair. Groups wishing to comment will be asked to appoint a spokesperson. Items brought forward to the attention of the City Council will be turned over to staff to provide a response outside of the City Council Meeting. Time taken on non-agenda items, interrupts the process of the noticed agenda. In rare cases where it is determined appropriate to address items raised from public comments, these items will be noted and may be brought back at the conclusion of the printed agenda.

G. Presentation Item: 7:00 p.m.

G.1. Presentation by Ryan Leavitt.

H. Action Item: 7:10 p.m.

H.1. **Resolution R2023-38**, Providing Notice of a Pending Land Use Ordinance to amend the Planned Development Floating Zone in Section 17.130.050. *(By Director of Planning, Steven Schaefermeyer)*

RECESS CITY COUNCIL MEETING AND MOVE TO REDEVELOPMENT AGENCY MEETING

I. Public Hearing Item: 7:20 p.m.

I.1. **Resolution RDA 2023-05**, Authorizing the Chair of the Board to sign the South Station HTRZ Participation Agreement. *(By Director of City Commerce, Brian Preece) RCV*

ADJOURN REDEVELOPMENT AGENCY MEETING AND RETURN TO CITY COUNCIL MEETING

J. Staff Reports and Calendaring Items: 7:30 p.m.

ADJOURNMENT

CERTIFICATE OF POSTING

STATE OF UTAH)

COUNTY OF SALT LAKE)

I, Anna Crookston, the duly appointed City Recorder of South Jordan City, Utah, certify that the foregoing City Council Agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body. The agenda was also posted at the principal office of the public body and also posted on the Utah State Public Notice Website <http://www.utah.gov/pmn/index.html> and on South Jordan City's website at www.sjc.utah.gov. Published and posted July 28, 2023.

SOUTH JORDAN CITY
CITY COUNCIL STUDY MEETING

July 18, 2023

Present: Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Tamara Zander, Council Member Don Shelton, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, City Attorney Ryan Loose, Planning Commissioner Laurel Bevans, Fire Chief Chris Dawson, Director of Administrative Services Melinda Seager, Director of Recreation Janell Payne, Associate Director of Finance Nick Geer, Director of Planning Steven Schaefermeyer, Director of Strategic Services Don Tingey, City Engineer Brad Klavano, Director of Commerce Brian Preece, Police Lieutenant Rob Hansen, Communications Manager Rachael Van Cleave, GIS Coordinator Matt Jarman, Senior Systems Administrator Phill Brown, IT Director Jon Day, City Recorder Anna Crookston, Meeting Transcriptionist Diana Baun, Graphic Design Content Coordinator Tyson Cole

Absent:

Others: Laura Lewis, Christopher Rawlins, Brian Adams, Chris Layton, Justin Jones

4:46 P.M.
STUDY MEETING

A. Welcome, Roll Call, and Introduction: *By Mayor Dawn R. Ramsey*

Mayor Ramsey welcomed everyone present and introduced the meeting.

B. Invocation: *By Council Member Tamara Zander*

Council Member Zander offered the invocation.

C. Mayor and Council Coordination

Mayor Ramsey noted things are going well with the League, looking towards policies. UEOC subcommittees and interim committees are in full swing, working in tandem.

Council Member Jason McGuire discussed tickets to the Scarlett Pimpernel and how to get those tickets reserved, if not already done.

Council Member Brad Marlor asked to discuss the starting time for future Study Meetings, which was then discussed between the council and staff.

City Manager Dustin Lewis suggested making the first item on the agenda (Item A) getting food, then the next item to welcome everyone being listed at 4:45 pm; the council agreed.

Council Member Zander asked about the employee day.

Manager Lewis responded that will be September 12 at 11:30 a.m., and has been finalized. He also discussed the calendar invite for August 12, the end of summer bash, to be held at Highland Park from 6:30 p.m. to 10:30 p.m.

D. Discussion/Review of Regular Council Meeting

Presentation Items

- Oath of Office of the City Manager, Dustin Lewis
- Scarlett Pimpernel cast performance

Action Items

- **Resolution R2023-32**, Interlocal Cooperation Agreement between the City of South Jordan and Salt Lake County for 300 West Improvements to Dry Creek Channel.
- **Resolution R2023-33**, Interlocal cooperation agreement between the City of South Jordan and Sandy City for 300 West Improvements to Dry Creek Channel.
- **Resolution R2023-36**, Interim Emergency Successors for 2023-24.

Public Hearing Items

- Presentation by Matt Olsen on behalf of JVVCD.
- Public Hearing JVVCD proposed property tax increase.
- **Ordinance 2023-06**, Vacating all of the East Town Center Roadway Dedication Plat in Lieu of Condemnation Amending Lot T3 of the Kennecott Master Subdivision #1 Amended.
- **Resolution R2023-34**, Designating the South Jordan Redevelopment Agency (Agency) as the City's Agent for the South Station Housing and Transit Reinvestment Zone (South Station HTRZ).
- **Resolution RDA 2023-04**, Accepting the City of South Jordan's Designation of Agent for the South Station Housing and Transit Reinvestment Are (South Station HTRZ).

E. Discussion Item

E.1. The Redwood Road Townhome project. *(By Brian Adams on behalf of J.L. Salt Construction, Inc. DBA Bream Home Builders)*

Director Schaefermeyer reviewed background information and Attachment A, including the changes to the project since the last meeting in June.

Council Member Zander asked if the 9.5 foot park strip shown was also going to be done in water wise landscaping.

Director Schaefermeyer noted that is on the future pages from Attachment A and continued reviewing background information along with the changes shown in Attachment A.

Brian Adams (Applicant Representative) – The two flex buildings are now 3150 square feet each, the code requires office space having one stall per 300 square feet and with warehouse it requires having one stall per 800 square feet. In a scenario of 575 square feet of office with 1000 square feet of warehouse, the total parking stalls required for all four units would be 13. They are providing 33, but as mentioned four of those are in the bays. On the residential side, surveyed property is 2.59 acres with 20 dwelling units brings the density down to 7.7 units per acre and parking requirements would be 50 parking stall; all units are now three bedrooms. Garages designed to fit two full size vehicles, as are driveways; each townhome then technically provides four stalls in total, adding up to 80 spaces. They have also designated nine additional guest parking stalls throughout the project, bring the residential total to 89 parking stalls. Even if residents only park one car in the garage, this would still result in 69 stalls which is still 19 stalls above the parking requirements. They could also add two to three parking stalls along the south side of the private road, but they don't think it's necessary. Total project parking requirements are 63 stalls, total parking provided is 122 stalls.

Director Schaefermeyer noted they are proposing a masonry wall between the commercial and residential area.

Mr. Adams added they have increased the width of the proposed sidewalk from 4.5 to 5 feet, added an additional one on the north side of the road up to the single family residential development. In that 9.5 foot park strip there will be a retaining wall block section next to the property line as needed for grading. There are boulders proposed at each of these drive aisle extensions, as well as at the main entrance coming in, to provide more protection to the single family residents there.

Council Member Shelton asked for more details on the boulders.

Mr. Adams continued reviewing their changes, including reducing density, increasing parking and open space, adding an amenity, lowering building heights, increasing sidewalk widths and adding some throughout the project. They addressed concerns regarding the safety and location of the road. Picnic tables will be secured on a concrete slab and made of zero maintenance materials.

Chris Layton said it's rare to need their design this far this early in a project, as this point is usually reached during preliminary site plan approval process. They understood early this is a very sensitive project and type, zone change, and neighborhood. For them, it was hearing the concerns and things they might not have considered as design professionals that neighbors could vet out pretty quickly. He feels their response has been to listen and change, and to try to get things to where it's a healthy, viable part of this area, adding value to the South Jordan Community.

Council Member Zander asked about the reduced commercial, as the owner here previously was planning on using one of the buildings.

Mr. Adams responded that the owner was the one to request the reduction. His intent was to occupy both of the buildings, but that is no longer an option due to timing; he will no longer be occupying either building.

Council Member Zander asked for the forecasted occupants.

Mr. Adams said it will be the same kinds of uses as planned for previously, office and warehouse.

Director Schaefermeyer discussed options for the commercial area, which could include some retail but based on the parking ratios the most likely user would be office and warehouse; any future user would have to meet the parking requirements. He discussed the zoning allowances and restrictions from the development agreement. He discussed potential concerns for the future regarding flex space and parking.

Mr. Adams discussed the purpose of flex space buildings and their popularity.

Council Member McGuire asked if they had looked at options regarding rotation of the buildings for a more commercial face on Redwood Road.

Mr. Layton responded that one of the reasons for current placement and design was so the front on Redwood looks more like an office building. They felt that fit into the area better than having an overhead door right around the corner.

Director Schaefermeyer discussed previous iterations of the industrial buildings and how this has evolved.

Council Member McGuire asked for details about the tot lot.

Justin Jones discussed the tot lot, with the current sketches being conceptual. It will be roughly 35 feet by 20 feet, and that may also be a good space for some usable adjacent turf.

Council Member McGuire discussed concerns regarding no sidewalks connecting the actual townhomes together.

Mr. Layton noted that if the landscaping is done with drought tolerant planting, there may be pathways that join the units. Each of the units have front and back doors, opening to the green space as well as their driveway.

Council Member McGuire discussed the double entrances and the fact that the units have no yard, with the back door goes directly into common space.

Mr. Adams responded the rear entry is the driveway/garage side, making these more rear entry units. The front door has a small portico, which is why a softscape connecting the porches makes more sense. He believes all the front porches face green spaces and things are decorated to that effect, including the decks looking out over that area.

Council Member Marlbor noted there were concerns about maximizing green space, and the front area exiting to green space is the logical solution for him.

Council Member McGuire added that having those soft pathways will be essential to future design, something showing connectivity to the neighbors.

Council Member Zander would love to see the area around the tot lot with grass. She discussed the natural grass/dirt in Daybreak that nobody can sit on or even walk through, and would like to see this area actually usable for families.

Council Member Harris asked about the density with the commercial area removed.

Mr. Jones didn't have the exact dimensions, but he estimated it would be about 10.9 units per acre.

Council Member Shelton asked for an estimate on the interior size of garages.

Mr. Layton responded they are 21 feet by 22 feet clear inside. There is a hallway that allows residents to come in off the sidewalk and around, reconnecting to the living area of the home.

Council Member McGuire asked for the source of lighting on the roads.

Mr. Layton responded the lighting hasn't been designed yet.

Mr. Jones added they will be conscious of adjacent neighbors, with most of those plans being derived from what they can do within regulations.

City Engineer Brad Klavano added that private roads still require the city's standard spacing for lighting, but they have historically been allowed different types of lighting.

Council Member Harris shared his appreciation for all the changes made. However, the green space was not addressed to his satisfaction near the townhomes. He used the maps in Attachment A to show where he would make some changes to open up more green space.

Council Member Zander asked about adding another unit on the end after removing Council Member Harris' suggested units.

Mr. Jones noted that the turnaround at that end will be huge, and the road will need to stay.

Council Member Harris still suggested removing four units to open things up more.

Mr. Layton asked about requirements on green space for this zone.

Director Schaefermeyer responded there are requirements for commercial, but not for multi-family space. He discussed the history of related ordinances and stated there is no minimum because there is no multi-family attached specific ordinances. It has been discussed whether they need to go back to more standard zoning for this, but traditionally the council has preferred the flexibility that comes with this, so it's a balance.

Council Member McGuire noted that the area Council Member Harris suggested removing was actually only two units, and everyone agreed; he likes the idea to help open it up. Regarding Director Schaefermeyer's comments, he doesn't believe it's that the council didn't like the amount of open space, but that this is what they are hearing back from the residents. On paper this project appears to work, but every time he drives past, it looks like the development will be very crowded with a feeling of living on top of one another.

Council Member Zander applauded the improvements with the green space next to the wall on the north side for those residents. She also very much appreciates the wall being nine feet, which is much more than she had hoped for. She appreciates the sidewalk as well. If they could work with the numbers and drop the two units, that would be great, and she asked what the density would be with those two units removed.

Mr. Jones responded that the residential portion would be 9.8 units per acre with that change.

Council Member Zander knows this is dense, but it doesn't create a huge concern for her with the commercial and residential together. She appreciates the changes to the rooflines, added green space and parking. If they could financially make it work to drop those two units it would definitely make things feel so much nicer for the future residents.

Council Member Shelton wonders if they are talking about creating more green space for future residents that might live in this development, or so the residents across Beckstead find it more palatable; what are they trying to accomplish by removing those two units.

Council Member McGuire responded that, for him, it's about creating open space for those living right there in the community.

Council Member Shelton said that when they sign the contract, they will know how much green space there is. If these gentlemen here representing the project believe it will sell, and Council Member Zander thinks it will sell, then what would they be accomplishing. They are losing sight of the fact that Redwood Road needs to have density around it to support any sort of commercial there. He really appreciates what has been done, and fully supports the project as it stands, as they need that density in that location; even though it's an awkward location.

Mr. Layton discussed other cities and proportions of things in those other areas right now. Green space was a big concern here, and in most zones where they would be able to design this type of building, 20% green space would be difficult; this project has 27% which is a significant amount.

He is not saying it's enough, and he still thinks the council's value and opinion of it is credible, but it's more than most townhome projects ever get close to. He appreciates the sensitivity to development rights and commerce, but those two units mean two more families that get to live there.

Council Member Marlor appreciates how well they've responded to some of the concerns and questions. It's tough for developers to work out whether the residents around the project, the council or the planning commission are "running the ship." He believes they have tried to respond as much as possible to those concerns holistically. One of the things the council was looking for was some commercial on Redwood Road, and that has been done. It's hard to put the whole thing in commercial because there is a large residential lot right in the middle of the space and there were probably a lot of residents who said they didn't want a big commercial project right behind their home. Something that he continues to hear is that they need more and more affordable housing, and to put affordable housing here seems fairly logical with the balance of commercial. He thinks this is a great project, they have responded to many of the council's concerns and he likes several of the concepts changed. He would love the tot lot to be a little wider, so there is a little more room for people to recreate with kids, and he doesn't want to chew up any more grass than they have to unless it's being included as open space as he thinks it should be. This seems like a good balance of what the city is being pushed to provide in terms of nice, affordable homes in this area. He knows the flex buildings will be very attractive looking. When he looks at the current project he tries to think how he could better the project without messing things up and he feels it's where he can be comfortable with the density, commercial and parking currently there.

Mayor Ramsey noted that she does not have a vote in this, but did want to weigh in. She wasn't present at the last interactive meeting for this, but she has gone through the last discussion including the feedback, input and requests. She thinks this has been a healthy discussion with a lot of good ideas and explanations with a lot of time spent on this. Ultimately, as she looks at the whole project with the history, location and purpose, this is so much better than where it started. She had the same thoughts as Council Member Marlor, wondering if there is anything she could add to make this better. For many of the reasons already discussed, she is comfortable with this the way it is and she agrees there is a need for it. She doesn't want to lose sight of the forest for the trees; this is a significant amount of open space, more than they usually ask of any project, including more than they ask for in Daybreak. This is a small area, so it may not feel like as much open space, but it is percentage wise. They decided a long time ago that Redwood Road was the area needing the commercial, and density could go along that road for the reasons already stated. So much work has been done to make this project better, and she is comfortable with where it is currently and supportive of it. She asked the council if they are ready to recommend this for a public hearing. The developer has come in several times and has been sent away several times, she doesn't want to belabor this to the point where it can't be realistically accomplished. She has heard the idea of removing a few units, and she assumes that changes the outcome of the project for the developer. If something wasn't asked of them before, and changes have already been made, she doesn't feel it's fair to ask that at this point; they are far enough down the road with this project that she's not comfortable with it.

Council Members Shelton and Marlor agreed with the mayor's feelings.

Council Member Marlor supports the project. He wishes the tot lot was a little bit wider, but otherwise this has his support.

Council Member Shelton supports the project.

Council Member Zander is supportive of the project, and isn't insistent the two units come out at all. She doesn't want to belabor this either, but looking at the square footage of the open area towards the bottom of the project, she thinks there are so many extra parking stalls that they could put an extra unit there. She considered what might happen in that green area, and when comparing that to the potential of another unit, she thinks pulling the two units up top and adding one at the bottom could be a good solution as it would only be losing one total unit. She sincerely appreciates how much the developer has listened to the council, it really means a lot, and she is very pleased with the park strip they gave on the north side of the project when asked for some more green space there. The developer has been super responsive, and she appreciates the calculations stating they have 27% green space, as that has helped her see this perspective wise since Daybreak only has 20%. This is a different project and the developer has had to work under a microscope, which she thanked them for that as well.

Council Member Marlor is concerned with what goes in the open space as well, but since they have been pushing green space he assumed that was the only option. He agreed that he would rather see a unit at the bottom in that space.

Council Member Zander agreed that she doesn't see that small space being used for more than kids doing dumb things like kicking balls into homes. She would rather see a large area with eyes on it, like at the top where the removal of the two units was suggested.

Council Member Marlor would also be okay with leaving the two units at the top and adding the additional one at the bottom. If they could make the tot lot larger he also thinks that would create usable space; the open space at the bottom isn't really usable space in his opinion.

Mr. Adams asked if they were suggesting removing the two guest stalls.

Council Member Zander responded yes, as the space would now be a driveway to that additional unit. They have given ample parking in her opinion.

Mayor Ramsey agreed with the suggestion.

Council Member Zander also noted they have created barriers, so even if they decided to keep a unit on the very north end it creates a barrier for kids to play on the other side of it.

Council Member McGuire agreed with Council Member Zander's option of moving a unit, Unit 8 for example, down on the south side. However, he questioned whether it is practical for the

developer to build a single unit as he has always heard it has to be multiple units together for townhomes to sell.

Mr. Adams asked if the owner states a preference to not lose a unit, would the council rather leave the two units there and leave the space on the bottom.

Council Member Zander said they'd rather have the two units left for more families.

Mr. Adams asked about swapping the picnic area for Units 7 & 8.

Council Member Zander doesn't see a need for the picnic area, saying she doesn't believe anyone will use it. However, swapping the spaces isn't a bad idea.

Council Member McGuire believes the picnic area would be better served located by the tot lot.

Council Member Marlbor noted the picnic area could be connected to the tot lot.

Mayor Ramsey added they might be able to get one more unit than shown if they moved Units 7 & 8 to the picnic area, filling in one unit where the guest spots on the bottom are; and creating a more cohesive green space by the tot lot with the picnic area there, if possible.

Council Member McGuire appreciates there is currently 27% green space. If his math is right, the middle area with the tot lot equals about 1/8 acre of open space, but thinking about other developments, when they calculated their density it was based on the actual residential area. Currently this is 10.9 units, and they've told others they had to get under 8 units per acre without looking at a percentage of green space; this puts them in a bit of a balancing act.

Director Schaefermeyer noted that with the Peterson Development they did include the commercial. They have gone back and forth in discussion on this project, but it's ultimately up to the council to decide those parameters. With Peterson they ultimately agreed to include the dirt to be developed, and none of the parking lot, which brought them to basically 8 units per acre.

Council Member Harris doesn't like the location of the two units, they need to open up that area to give the neighbors there some space to live. He understands they will sign contracts on purchase and be made aware of what's there, but he still thinks if they can provide a better lifestyle for people that's important. He would prefer if those units went away from a density perspective, but the rest of the council had good points about the picnic area and moving the units; that would be better than what is currently proposed. He is not sure if he could support this project or not with those changes, but they would be an improvement from where things are right now.

Mr. Adams noted that if they removed those two units and filled the space in they are back to 8.1 units per acre, which is where they were previously with 21 units.

Mr. Layton said they could combine the two lots together in the Unit 7 space and possibly gain more usable green space on either side.

Council Member Shelton wanted to make it clear that he likes the idea of adding the one unit on the south side since that really is ineffective green space.

Mr. Jones asked for the council's opinion if, to balance all that, they filled in the hole, moved the two units to the picnic area, and dropped one unit off the five-plex on the north side, keeping the density the same.

Council Member Shelton reiterated that this is Redwood Road, where things should be dense.

Council Member Zander asked about the necessity of the four parking stalls on the green side.

The council and developer representatives had an open discussion about possible changes and results of those changes.

Mayor Ramsey thanked everyone for their discussion, noting that it appears they have a majority vote that this is doing better and that the developer would be okay to bring this back for a public hearing when they're ready.

F. Presentation Item

F.1. Overview of potential funding mechanism for public infrastructure. (By Lewis Young Robertson & Burningham, Laura Lewis)

City Manager Dustin Lewis noted there is not enough time for this item, and Laura Lewis has agreed to come back another night to make this presentation. They discussed dates for the change, including having the presentation during the regular council meeting on August 1, as the work meeting is already full and the council meeting has a light agenda currently.

Council Member Shelton explained his reasons for requesting this presentation, as with the recent annexation and projects in the Daybreak area, he knows they will be asked to do some public financing. He would rather discuss the available options, including the pros and cons, without a developer sitting across the table pressing the council to do something right away; he would like to have the conversation in a more educational environment.

Laura Lewis agreed that it would be better to do in that type of situation.

City Manager Lewis noted there may also be some significant changes in the future to those options, based on what he is hearing.

ADJOURNMENT

Council Member Marlor motioned to adjourn the July 18, 2023 City Council Study Meeting. Council Member Zander seconded the motion; vote was unanimous in favor.

The July 18, 2023 City Council Study meeting adjourned at 6:19 p.m.

UNAPPROVED

SOUTH JORDAN CITY
COMBINED CITY COUNCIL AND
REDEVELOPMENT AGENCY MEETING

July 18, 2023

Present: Mayor Dawn Ramsey, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Tamara Zander, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, City Attorney Ryan Loose, Director of Recreation Janell Payne, Fire Chief Chris Dawson, Director of Planning Steven Schaefermeyer, City Engineer Brad Klavano, City Recorder Anna Crookston, Police Lieutenant Rob Hansen, Director of Administrative Services Melinda Seager, Director of Commerce Brian Preece, Assistant Director of Finance Nick Geer, Director of Strategy & Budget Don Tingey, Communications Manager Rachael Van Cleave, GIS Coordinator Matt Jarman, Senior IS Tech Phill Brown, Meeting Transcriptionist Diana Baun, Planning Commissioner Laurel Bevans

Absent:

Others: ben@bksteckler.com, Bill Gerrard, Bryan F., Randy Satchwell, Kathy Johnson

6:33 P.M.
REGULAR MEETING

A. Welcome, Roll Call, and Introduction to Electronic Meeting - *By Mayor Dawn Ramsey*

Mayor Ramsey welcomed everyone and introduced the meeting.

B. Invocation– *By Council Member Don Shelton*

Council Member Shelton offered the invocation.

C. Pledge of Allegiance – *By Council Member Jason McGuire*

Council Member McGuire led the audience in the Pledge of Allegiance.

D. Minute Approval

D.1. June 20, 2023 City Council Study Meeting

D.2. June 20, 2023 Combined City Council & Redevelopment Agency Meeting

Council Member Shelton noted a spelling error in City Manager Whatcott's name in the regular meeting minutes and noted that the regular meeting's agenda listed Council Member Zander leading the Pledge of Allegiance, but Mayor Ramsey was noted as leading the pledge. It was

discussed and decided that the minutes clearly noted Mayor Ramsey was leading the pledge in Council Member Zander's absence.

The spelling error was corrected in the minutes and saved.

Council Member Shelton motioned to approve the June 20, 2023 City Council Study Meeting as published and June 20, 2023 Combined City Council & Redevelopment Agency Meeting Minutes with amendments. Council Member Harris seconded the motion; vote was unanimous in favor.

E. Mayor and Council Reports

Council Member Jason McGuire shared some pictures and noted that he attended the splash pad ribbon cutting and the Bingham Creek Regional Park Grand Opening. He thanked the staff involved in the park opening and shared his family's experience at a local cemetery, noting that his family appreciated how much better taken care of our city cemetery was than the one they visited. He met with the Arts Council, as well as their steering committee. He attended a night at the movies with the mayor and the Shelton family, involving Senator Fillmore.

Council Member Tamara Zander shared that while she was in Italy, she still donned her City Council hat, taking note of how garbage was dumped in Venice. They have no roads, so she wondered how they did things like garbage disposal and emergency services like paramedics and police. She shared pictures of the garbage boat with a crane that empties the garbage dumpsters on the land, as well as the local paramedics being in boats. She discussed their posting of public notices during a heat wave, which caused some deaths due to the area not having air conditioning. She enjoyed seeing how their city services worked, and felt very blessed to have the services we do here.

Council Member Brad Marlор met with a developer on June 21 regarding potential development plans. On June 22 he attended the Bingham Creek ribbon cutting and he shared how wonderful it was with the response and enthusiasm. June 28 was the Heritage Splash Pad ribbon cutting and he shared pictures from that event, thanking staff and all those who were a part of that project; he can't wait to take his guests to that splash pad in the near future. On June 29 he attended City Manager Gary Whatcott's retirement open house, which was a wonderful event. On June 30 he had the opportunity to be interviewed by the South Jordan Journal, sharing some of his thoughts and experiences.

Council Member Patrick Harris also attended the Bingham Creek ribbon cutting, along with the kid's race of the most recent SoJo Race Series event. He met with city staff to discuss city insurance. He met with Representative Teuscher and attended a sewer board meeting where a big decision was made and approved regarding the Rio Tinto annexation.

Council Member Shelton shared some pictures of his family's time at Bear Lake and the grand opening of Bingham Regional Park. He met with Representative Teuscher regarding transportation and had a Senior Advisory Committee and Audit Committee meeting. He attended Mr. Whatcott's retirement party, the associated ruck, and the previously mentioned movie. He

discussed the Unified Golf Tournament coming up and his son's involvement. He discussed interactions with staff regarding changes to residents' filing of complaints, which is now an easier process. He spoke with City Engineer Brad Klavano about Google Fiber and a box that was placed in a lawn where the resident felt it was unsightly; Director Klavano was able to get that removed while keeping Google Fiber service at the location. He has spoken with City Dustin Lewis and Associate Director of Parks, Colby Hill to arrange Day of Service activities for the coordinating council out west of Bangerter Highway.

Council Member Marlor shared some photos and discussed his experience flipping the strip in his cul-de-sac.

Mayor Dawn Ramsey echoed the previous comments about city events they all attended. She noted that earlier today she had a great discussion with Mayor Wilson about additional projects South Jordan is working with and collaborating with Salt Lake County on, along with getting some great updates. She appreciates the wonderful and unique partnership we have with Mayor Wilson, who had nothing but great things to say about the work going on right now in South Jordan. She had the opportunity to officiate a wedding on Friday for Rodney Shaw who is the principal of Bingham High School. Yesterday the city had the privilege of hosting the Big Cities Caucus, which includes the 12 largest cities in the state that are all cities of the first and second class, based on population. They met for two hours with lots of policy conversations, follow-up questions similar to those asked at LPC, and input on creating priorities going forward to come up with their soft lines in the sand before reaching hard lines in the sand. She and her husband got to attend the live size tabernacle event the day before it opened here in South Jordan, which is free to visit and located at 2450 West 10400 South. It is open seven days a week until August 2, and is incredibly well done.

F. Public Comment

Mayor Ramsey opened the public comment portion of the meeting.

Randy Satchwell (Resident) – I am very satisfied that the tone of my comments are going to take a 180 degree difference of where they had been earlier. On about April 28, I had sent Council Member Marlor an email, which the mayor may have also received. I was very concerned with South Jordan opting out of the state money for water conservation. Last week, Assistant City Manager Jason Rasmussen sent me an email that an agreement had been there; the sad thing is I don't think too many residents really know it. The neighborhoods that I talked to had no idea, so I would like to commend the council, mayor and city workers of working out something. Though my anxiety level was quite high, it is now lower, so thank you. If I offended anybody with my emails, I apologize for that but I am sort of blunt and I write the way that I see it. Thank you very much for working that out because it's a major piece of cash if you are trying to put in the localscape.

Mayor Ramsey closed the public comment portion of the meeting.

G. Presentation Items

G.1. Oath of Office of the City Manager, Dustin Lewis. (By City Recorder Anna Crookston)

City Recorder Anna Crookston swore in Dustin Lewis as the new City Manager for the City of South Jordan.

City Manager Dustin Lewis thanked the mayor, council and staff that have supported him. He thanked his wife and son who are here tonight as well.

G.2. Scarlett Pimpernel cast performance. (By Director of Recreation, Janell Payne)

The cast performed a short musical number and shared a flyer with performance details (Attachment B)

H. Action Items

H.1. Resolution R2023-32, Authorizing the Mayor to sign an Interlocal Cooperation Agreement between the City of South Jordan and Salt Lake County for 300 West Improvements to Dry Creek Channel. (By Director of Engineering/City Engineer Brad Klavano)

Council Member Zander motioned to appoint Council Member Marlors as Mayor Pro Tempore while Mayor Ramsey briefly stepped out of the meeting. Council Member Harris seconded the motion; vote was unanimous in favor.

City Engineer Brad Klavano reviewed background information from the Council Report and showed a map of the area (Attachment A) for explanation of both Resolution R2023-32 and the next item for Resolution R2023-33.

Mayor Ramsey returned to the meeting.

Council Member Shelton asked for an explanation of why it would be important to take these areas out of a flood plain.

Director Klavano responded that it is for insurance purposes, as well as removing restrictions on development. The city had committed to do this years ago and failed to follow through on that, so they are taking care of it now and cleaning things up.

Council Member Marlors asked for our city's share of the expense.

Director Klavano responded, based on estimates, it is about \$271,000 more; we have around \$340,000 currently budgeted.

Council Member Shelton asked if this is already in the budget, or if the budget is being modified to accommodate this.

Director Klavano responded the funds are already in the budget.

Council Member Zander asked if Director Klavano is comfortable with what each entity is contributing, and if he feels it is a fair split between the three.

Director Klavano responded it's about as fair as it could be. He wishes the county had just paid the cost of the culvert, but the county will only pay a max of \$300,000. The City of Sandy really stepped up in splitting the cost with us, after they hit the maximum contribution from the county. This is all in the City of South Jordan, so to get Sandy to participate at the level they are is a great thing for us.

Council Member Zander motioned to approve Resolution R2023-32, Authorizing the Mayor to sign an Interlocal Cooperation Agreement between the City of South Jordan and Salt Lake County. Council Member McGuire seconded the motion; vote was unanimous in favor.

H.2. Resolution R2023-33, Authorizing the Mayor to sign an Interlocal Cooperation Agreement between the City of South Jordan and Sandy City for 300 West Improvements to Dry Creek Channel. *(By Director of Engineering/City Engineer, Brad Klavano)*

Council Member McGuire motioned to approve Resolution R2023-33, Authorizing the Mayor to sign an Interlocal Cooperation Agreement between the City of South Jordan and Sandy City. Council Member Zander seconded the motion; vote was unanimous in favor.

H.3. Resolution R2023-36, Interim Emergency Successors for 2023-24.

City Manager Dustin Lewis presented the list as included in the Council Packet, and noted that it has been updated to reflect the recent changes in the City Manager on down, as well as updates to activating the emergency system with the county.

Council Member Shelton motioned to approve Resolution R2023-36, Interim Emergency Successors for 2023-24. Council Member Marlor seconded the motion; vote was unanimous in favor.

I. Public Hearing Items

I.1. Presentation by Matt Olsen on behalf of JVVCD. *(By JVVCD Assistant General Manager, Matt Olsen)*

Matt Olsen reviewed Attachment C.

I.2. Public Hearing JVVCD proposed property tax increase. *(By JVVCD Assistant General Manager, Matt Olsen)*

Mayor Ramsey opened the public hearing for comment. There were no comments and the hearing was closed.

Council Member Zander asked when this incremental increase would start, if passed.

Mr. Olsen responded it would start with their fiscal year, in July of this year.

Council Member Zander asked what this water district entails in terms of geographic area.

Mr. Olsen described the geographic area covered.

Council Member Shelton noted that the Council Report mentioned the water district developing some wells, asking if that was correct and if they had been already located.

Mr. Olsen responded yes, they try to have a very diversified portfolio; when they can acquire more wells, they will, typically on the east side of the valley. He and Council Member Shelton discussed some of the processes they use for those additional water sources. He also discussed how often they raise the rates, and that with the values coming down they should be able to get closer to the max amount taxable.

Mayor Ramsey pointed out that on a \$550,000 home it comes out to about \$9.00 a year, and on a \$700,000 home it comes out to about \$11.00 a year.

I.3. Ordinance 2023-06, Vacating all of the East Town Center Roadway Dedication Plat in Lieu of Condemnation Amending Lot T3 of the Kennecott Master Subdivision #1 Amended. RCV *(By Director of Planning, Steven Schaefermeyer)*

Director Schaefermeyer reviewed background information from the Council Report and Attachment D.

Council Member Zander asked where the public service building will be on the map, and staff pointed that out.

Mayor Ramsey opened the public hearing for comment. There were no comments and the hearing was closed.

Council Member Harris motioned to approve Ordinance 2023-06, Vacating all of the East Town Center Roadway Dedication Plat. Council Member Zander seconded the motion. Roll Call vote was 5-0, unanimous in favor.

I.4. Resolution R2023-34, Designating the South Jordan Redevelopment Agency (Agency) as the City's Agent for the South Station Housing and Transit Reinvestment Zone (South Station HTRZ). RCV *(By City Attorney, Ryan Loose)*

City Attorney Ryan Loose reviewed background information from the Council Report for both Resolutions R2023-34 and RDA 2023-04.

Council Member Zander asked if a discrepancy comes up that needs to be addressed, would that go through the city attorney, Director Preece, or through the board.

Attorney Loose responded that they would start with Director Preece, but if there are legal issues they would work with the city's RDA Attorney, Craig Smith, as he is legal counsel to the board. He discussed previous issues worked through including affordable housing money use with Ivory, which went through Director Preece's office and Attorney Smith.

Director Preece noted that the City Manager is the Executive Director of the RDA, with the mayor being the Board Chair.

Council Member Shelton asked the reasons for this change.

Attorney Loose responded that it allows the board to handle all the budgeting and other processes, already set up through the RDA.

Council Member Shelton asked about any potential disadvantages to running this through the RDA.

Attorney Loose responded they don't see any, it structurally works much better under the RDA.

Mayor Ramsey opened the public hearing for comments. There were no comments and the hearing was closed.

Council Member Marlor motioned to approve Resolution R2023-34, Designating the South Jordan Redevelopment Agency as the City's Agent for the South Station Housing and Transit Reinvestment Zone. Council Member Shelton seconded the motion. Roll Call vote was 5-0, unanimous in favor.

Council Member McGuire motioned to recess the City Council Meeting and move to the Redevelopment Agency Meeting. Council Member Zander seconded the motion; vote was unanimous in favor.

RECESS CITY COUNCIL MEETING AND MOVE TO REDEVELOPMENT AGENCY MEETING.

I.5. Resolution RDA 2023-04, Accepting the City of South Jordan's Designation of Agent for the South Station Housing and Transit Reinvestment Area (South Station HTRZ). RCV *(By Director of City Commerce, Brian Preece)*

Board Chair Dawn Ramsey opened the public hearing for comments. There were no comments and the hearing was closed.

Board Member Jason McGuire motioned to approve Resolution RDA 2023-04, Accepting the City of South Jordan's Designation of Agent for the South Station Housing and Transit Reinvestment Area. Board Member Tamara Zander seconded the motion. Roll Call vote was 5-0, unanimous in favor.

Board Member Brad Marlor motioned to adjourn the Redevelopment Agency Meeting and return to the City Council Meeting. Board Member Tamara Zander seconded the motion; vote was unanimous in favor.

ADJOURN REDEVELOPMENT AGENCY MEETING AND RETURN TO CITY COUNCIL MEETING

J. Staff Reports and Calendaring Items

City Manager Lewis announced the city employee lunch on September 12, as well as the end of summer bash in August. There was a reference made during public comment that the city had opted out of Jordan Valley Water's conservation program, and that was incorrect. The city has been very active in their own program for a few years now, with Jordan Valley just making their program available in the last week or so, and that was made available to residents as soon as that was released. That will be advertised, in addition to existing programs that have been available for a few years already; the residents of South Jordan have multiple options to participate in water conservation measures.

Mayor Ramsey noted that Jordan Valley staff has clearly shared that they have been trying for 15 years to get all of their member agencies to follow the plan South Jordan has. No one would agree, stating it was too much work and wanting something easier.

Attorney Loose discussed potential council meetings with various legislators, and noted that he would work to set those up and notify the council members when those are scheduled.

Mayor Ramsey talked about the importance of inviting additional representatives to tour the Pure SoJo facility, hopefully this fall. She also discussed conversations with legislators regarding transit and light rail, as well as the city's desire to see an extension of the Red Line. Today there was an item on the agenda for The Point State Land Authority, asking for support towards additional, new analysis in regards to development pattern changes over the years with all the new growth coming. She and Representative Teuscher took that issue on together and they were able to get a unanimous vote of support to make a statement of support for renewed analysis of the extension of the Red Line from its current end in South Jordan, all the way to The Point. It was also requested that at the end of the analysis, they get a recommendation from WFRC or whoever is doing the analysis to the legislature on what is needed to move forward.

Attorney Loose added that this is a good time to start pushing priorities to legislators, and he offered to send lists of what was discussed yesterday by the League from his notes.

Director Klavano discussed the delayed opening of Phase One of the Grandville Extension, noting that it opened at noon today and is open from Lake Avenue to South Jordan Parkway. Paving is happening this week from South Jordan Parkway up to Bingham Creek, and he noted there have been delays due to Rocky Mountain Power and UTA finishing the rest of Old Bingham.

Council Member Harris motioned to adjourn the City Council Meeting. Council Member Zander seconded the motion; vote was unanimous in favor.

ADJOURNMENT

The July 18, 2023 City Council Meeting adjourned at 8:12 p.m.

RESOLUTION R2023-38**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, PROVIDING NOTICE OF A PENDING LAND USE ORDINANCE TO AMEND THE PLANNED DEVELOPMENT FLOATING ZONE IN SECTION 17.130.050.**

WHEREAS, pursuant to Utah Code § 10-9a-509 (1)(a)(ii), the City Council of the City of South Jordan (the “City Council”) desires to provide notice of a pending land use ordinance regarding proposed changes to Section 17.130.050 of the South Jordan City Municipal Code (“City Code”) that regulates development in the Planned Development Floating Zone (PDFZ); and,

WHEREAS, the City is currently preparing a draft ordinance that will prohibit development of more than 8 residential units per acre in the PDFZ except in PDFZ zones existing within the boundaries of approved Station Area Plans and where the City is the applicant; and

WHEREAS, the City Council finds that studying the issues presented in the PDFZ and potentially adopting restrictions on the number of residential units per acre in the PDFZ is in the best interest of the public health, safety, and welfare.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Notice of Planned Changes to the City Land Use Ordinance. Notice is hereby given that the City Council intends to consider and potentially adopt an ordinance that will prohibit residential unit density of greater than 8 residences per acre in any PDFZ with the exception of PDFZ zones existing within the boundaries of approved Station Area Plans and where the City is the applicant.

SECTION 2. Effective Date. This Resolution shall become effective immediately upon passage.

[SIGNATURE PAGE FOLLOWS]

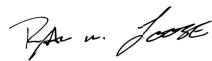
**APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH,
ON THIS ____ DAY OF _____, 2023 BY THE FOLLOWING VOTE:**

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Bradley Marlor	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: _____
Dawn R. Ramsey

Attest: _____
City Recorder

Approved as to form:



Office of the City Attorney

RESOLUTION RDA 2023 - 05

A RESOLUTION OF THE BOARD OF THE SOUTH JORDAN REDEVELOPMENT AGENCY, AUTHORIZING THE CHAIR OF THE BOARD TO SIGN THE SOUTH STATION HTRZ PARTICIPATION AGREEMENT.

WHEREAS, The Housing and Transit Reinvestment Zone Act (“Act”) Title 63N Chapter 3 Part 6 of the Utah Code allows municipalities to apply for tax increment funding to promote the purposes of the Act found in Utah Code Ann. § 63N-3-603 and the City of South Jordan (“City”) submitted an application for funding; and; and

WHEREAS, On March 22, 2023, a Housing and Transit Reinvestments Zone Committee for the Utah Governor’s Office of Economic Opportunity approved the creation of the South Station Housing and Transit Reinvestment Zone (“South Station HTRZ”); and

WHEREAS, the South Station HTRZ is located within the Daybreak subdivision in South Jordan; and

WHEREAS, on July 18, 2023 the South Jordan City Council designated the South Jordan Redevelopment Agency as Agent for the South Station HTRZ; and

WHEREAS, The Act permits the Board to enter into a participation agreement with the owners of the Daybreak subdivision regarding the South Station HTRZ; and

WHEREAS, the Board and the owners of the Daybreak subdivision find have agreed on terms regarding the South Station HTRZ; and

WHEREAS, the Board finds it in the best interest of the South Jordan Redevelopment Agency to enter into the South Station HTRZ Participation Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Authorization to Sign. The South Jordan Redevelopment Agency Board authorizes the Board Chair to sign the South Station HTRZ Participation Agreement as shown in Exhibit A.

SECTION 2. Effective Date. This Resolution shall become effective immediately upon passage.

<<Signatures on following page>>

**APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH,
ON THIS _____ DAY OF _____, 2023 BY THE FOLLOWING VOTE:**

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Bradley Marlor	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: _____
Dawn R. Ramsey

Attest: _____
City Recorder

Approved as to form:



Ryan W. Loose (Jul 28, 2023 17:26 MDT)
Office of the City Attorney

Exhibit A
South Station HTRZ Participation Agreement

<<Agreement on Following Pages>>

SOUTH STATION HTRZ PARTICIPATION AGREEMENT

This “South Station HTRZ Participation Agreement” (the “**Agreement**”) is made and entered into as of this 1st day of August, 2023 (the “**Effective Date**”), by and between the South Jordan Redevelopment Agency (the “**Agency**”), a political subdivision of the State of Utah, and VP Daybreak Devco, LLC, a Delaware limited liability company (“**Participant**”). Participant and the Agency may from time to time hereinafter be referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Participant owns ten parcels of real property (the “**Property**”) located within the City of South Jordan (the “**City**”). The Property’s boundary is described in Exhibit A-1 and depicted on Exhibit A-2. Participant intends to develop the Property into a mixed-use development that includes plans and approvals for office, retail, and civic uses along with residential dwelling units (the “**Project**”). The Property is within the South Station HTRZ [defined below], measured from the Central Station for the UTA light rail line, and is eligible to participate in the South Station HTRZ under the Act [defined below].

B. The Housing and Transit Reinvestment Zone Act (“**Act**”) Title 63N Chapter 3 Part 6 of the Utah Code allows municipalities to apply for Tax Increment [defined below] funding to promote the purposes of the Act found in Utah Code Ann. § 63N-3-603 and the City of South Jordan (“**City**”) submitted an application for funding.

C. On March 22, 2023, a Housing and Transit Reinvestments Zone Committee for the Utah Governor’s Office of Economic Opportunity approved the creation of the South Station Housing and Transit Reinvestment Zone (“**South Station HTRZ**”) over the Property as depicted in Exhibit B, and the City is authorized to capture 80% of the tax increment generated with the South Station HTRZ (the “**Tax Increment**”). Pursuant to Utah Code § 63N-3-607(2)(c)(i), the City has designated the Agency as the body to administer Tax Increment generated within the HTRZ and the Agency has entered into an interlocal agreement with the City pursuant to Utah Code § 63N-3-607(2)(c)(ii), (“**Interlocal Agreement**”). A copy of Resolution No. 2023-04 designating the Agency to administer Tax Increment and the Interlocal Agreement are attached as Exhibit B-1.

D. For the purposes of this Agreement the term “City” will include the “Agency” and the term “Agency” will include the “City” as appropriate and in context.

E. Participant desires to use a portion of the Tax Increment generated within the South Station HTRZ (“**Participant’s HTRZ Share**”), which includes all of the Tax Increment received except for the 1% designated under Utah Code § 63N-3-607(4)(g) to be retained by the Agency (“**Agency Share**”) for the Agency’s administrative expenses. Participant’s HTRZ Share will finance a portion of the Project’s development costs as allowed under the Act, and the Agency has agreed to remit Participant’s HTRZ Share to Participant as set forth herein.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

1. HTRZ TERM; TRIGGERING

The collection period for the South Station HTRZ will begin on January 1, 2026, and end on December 31, 2056 (“**Collection Period**”). During the Collection Period, Participant may elect to trigger the collection of Tax Increment from one or more parcels recognized by the Salt Lake County Assessor as a tax parcel, as the same may be subdivided in the future, within the South Station HTRZ by submitting notice to the Agency (“**Triggering Notice**”). Each Triggering Notice must identify the parcel or parcels being triggered and identify the beginning date that Tax Increment will be collected from the applicable parcel or parcels. After Participant submits a Triggering Notice to the Agency, the Agency shall, unless the Triggering Notice is unreasonable, request Salt Lake County pay Tax Increment to the Agency from the parcel or parcels identified in the Triggering Notice for a period of 15 consecutive years or until the termination of the Collection Period, whichever occurs first. The “base taxable value” for each parcel comprising the Property is attached hereto as Exhibit C and shall be confirmed in each Triggering Notice.

2. SOUTH STATION HTRZ REIMBURSEMENT

2.1. Definitions

The following definition apply to this Article 2:

- “Affordable Housing” means dwelling units reserved for occupancy by households whose gross household income is equal to or less than 80%, 70%, or 60% of the annual median income of the applicable municipal or county statistical area for households of the same size according to Utah Code Ann. § 63N-3-602(1).
- “Affordable Housing Area” means an area of the Project that contains Affordable Housing together with all parking areas, amenities, and common areas associated with the Affordable Housing dwelling units.
- “Density Qualified Building” means a building constructed within the Project that is five (5) or more stories tall inclusive of any subgrade stories or stories used for parking and contains residential dwelling units. An example of a Density Qualified Building is attached hereto as Exhibit D-1, however that example is illustrative only and does not limit the definition of a Density Qualified Building as provided herein.
- “Density Qualified Building Area” means an area of the Project that contains a Density Qualified Building together with all parking areas, amenities, and common areas associated with the Density Qualified Building.
- “Horizontal Constructions Costs” means costs incurred by Participant in preparing or improving land for the construction of buildings, structures, or improvements, and

includes, without limitation, the costs of earthwork, supporting infrastructure, improvements, utilities, landscaping, and other similar costs.

- “Indirect Costs” means costs incurred by Participant in the design of buildings, structures, improvements, or infrastructure within the Project together with the costs of ensuring that the same are adequately financed, marketed, and compliant with applicable law. Indirect Costs includes architectural fees, engineering fees, legal fees, amounts expended on interest reserves, insurance and marketing costs, contingency costs, and other similar costs.
- “Standard Qualified Building” means a building within the Project that: (i) is no more than four (4) stories tall; (ii) contains residential dwelling units; and (iii) includes structured parking incorporated as part of or adjacent to the building. An example of a Standard Qualified Building is attached hereto as Exhibit D-2, however that example is illustrative only and does not limit the definition of a Standard Qualified Building as provided herein.
- “Standard Qualified Building Area” means an area of the Project that contains a Standard Qualified Building together with all parking areas, amenities, and common areas associated with the Standard Qualified Building.
- “Office Building” means a building constructed within the Project that contains areas to be used as office space and includes structured parking incorporated as part of or adjacent to the building. An example of an Office Building is attached hereto as Exhibit D-3, however that example is illustrative only and does not limit the definition of an Office Building as provided herein.
- “Office Building Area” means an area of the Project that contains an Office Building together with all parking areas, amenities, and common areas associated with the Office Building.
- “Structure and Improvement Costs” means costs incurred by Participant to construct structures or improvements and includes, without limitation, the costs of labor and materials to construct buildings, structures or improvements, all finish and tenant improvement costs, insurance costs, bonding costs, amenities servicing such structures or improvements, common area improvements, permit fees, impact fees, contingency costs, and other similar costs.

2.2. Payment of HTRZ Reimbursement

If Participant fulfills all of its obligations under this Agreement, the Agency shall reimburse Participant (the “**HTRZ Reimbursement**”) from the Participant’s HTRZ Share in the amount calculated in Section 2.3 below. The cost types described in Section 2.3 below are for the purposes set forth in the Act, including expressly: (a) income targeted housing costs; (b) structured parking; (c) enhanced development costs; (d) horizontal construction costs; and (e) vertical construction costs (See Utah Code Ann. § 63N-3-607(4)). If the amount of HTRZ funds received by the Agency for a given year is greater than the HTRZ Reimbursement, the Agency shall retain such excess HTRZ funds in an Agency account and shall use such funds for the payment of future HTRZ

Reimbursements in accordance with this Agreement. The Agency shall make the payment to Participant representing the HTRZ Reimbursement for the preceding year within sixty (60) days after the date on which the Agency reasonably determines all of the applicable conditions precedent as described in Section 2.5 are met. For each year that the Agency receives the Agency Share, the Agency shall reconcile the amount of the Agency Share with the Agency's annual expenses in administering the South Station HTRZ. If the Agency Share exceeds the Agency's expenses for a given year, then any surplus amount shall be included in Participant's HTRZ Share and can be utilized for the HTRZ Reimbursement

2.3. Calculation of HTRZ Reimbursement

2.3.1. Project Improvement Costs

The percentages below represent the reimbursable costs permitted by Utah Code §§ 63N-3-602 and 607 as approved by the Utah Governor's Office of Economic Opportunity. The amount of the HTRZ Reimbursement shall be limited to the amounts invested by Participant into the Project for the following expenditures of Participant which qualify for reimbursement under Utah Code § 63N-3-607(4) (collectively, the "**Project Improvement Costs**"):

- OFFICE. 24% of Participant's Structure and Improvement Costs, Horizontal Construction Costs, and Indirect Costs that are directly or indirectly attributable to the construction of an Office Building and improvements within the Office Building Area.
- DENSITY QUALIFIED BUILDINGS. 32% of Participant's Structure and Improvement Costs, Horizontal Construction Costs, and Indirect Costs that are directly or indirectly attributable to the construction of a Density Qualified Building and improvements within the Density Qualified Building Area.
- STANDARD BUILDINGS. 20% of Participant's Structure and Improvement Costs, Horizontal Construction Costs, and Indirect Costs that are directly or indirectly attributable to the construction of a Standard Qualified Building and improvements within the Standard Qualified Building Area.
- AFFORDABLE HOUSING. 32% of Participant's Structure and Improvement Costs, Horizontal Construction Costs, and Indirect Costs that are directly or indirectly attributable to the construction of dwelling units designated as Affordable Housing and improvements within the Affordable Housing Area that are attributable to Affordable Housing dwelling units.

The attached Exhibit E illustrates how the Parties intend that the Project Improvement Costs will be calculated and reimbursed ("**Project Improvement Costs Example**"). The Project Improvement Costs Example is hypothetical and demonstrative of a potential budget and should not be construed as a representation of actual costs, units, or metrics within the Project.

2.3.2. Multiple Category Reimbursement. If a Standard Qualified Building or Density Qualified Building contains Affordable Housing, or any of the preceding include Office

Building, then Participant may combine the maximum reimbursement for the applicable categories and seek reimbursement of the Project Improvement Costs for the applicable area simultaneously.

2.4. Other Costs

In addition to the Project Improvement Costs, Participant may also seek reimbursement for: (i) interest on unreimbursed costs for Project Improvement Costs, calculated at a rate of seven percent (7%) simple interest, and (ii) incentives to attract specific tenants or purchasers, provided that all such incentive expenditures are approved in advance and in writing by the Agency. Approval by the Agency of incentives to attract specific tenants or purchasers is subject to Utah Code § 63N-3-607(4) and is within the sole and absolute discretion of the Agency.

2.5. Conditions Precedent to the Payment of the HTRZ Reimbursement to Participant

The Agency has no obligation to pay the HTRZ Reimbursement to Participant until the following conditions precedent, as applicable, are satisfied (each a “**Condition Precedent**” and together “**Conditions Precedent**”):

2.5.1. Agency has Actually Received the Payment

The Agency has actually received the Tax Increment from Salt Lake County for the particular calendar year.

2.5.2. Request for Reimbursement

Participant has made a timely Request for Payment (defined below) in writing pursuant to Section 2.7.

2.5.3. Density Requirement

At the time of each request for HTRZ Reimbursement, Participant shall provide written confirmation to Agency that Participant is developing the Project according to a master plan that depicts an overall density of at least 50 units per acre for at least 51% of the Project’s net developable acreage area.

2.5.4. Affordable Housing

Participant and the Agency have entered into an affordable housing agreement (“**Affordable Housing Agreement**”) with a term concurrent with the Collection Period. The Affordable Housing Agreement will be similar to the form attached hereto as Exhibit F and the Parties shall negotiate in good faith and work diligently to finalize the Affordable Housing Agreement within forty-five (45) days after the Effective Date. The Agency may either assign the Affordable Housing Agreement to a housing authority of its choosing or enter into an agreement with a housing authority to fulfill the purposes of the Affordable Housing Agreement.

2.5.5. Certification of Compliance

In each Request for Payment [defined below], Participant shall include a certification to the Agency that the Project Improvement Costs for which the HTRZ Reimbursement is requested complied with the Act.

2.6. HTRZ Reimbursement Consistent with Act

Any HTRZ Reimbursement must be consistent with the Act. Participant shall indemnify, defend, and hold the Agency and its directors, officers, agents, employees, and representatives harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorney fees and court costs) arising from or as a result of the Participant utilizing all or part of the HTRZ Reimbursement for purposes not authorized under the Act.

2.7. Request for Payment

Participant shall submit in writing a request for payment to the Agency by March 31 of the year following the year for which the HTRZ Reimbursement is being sought (the “**Request for Payment**”). Each Request for Payment shall be in substantially the form attached hereto as Exhibit G. All information regarding the Project Improvement Costs shall be accompanied by supporting documentation that is sufficient, in the reasonable opinion of the Agency, to establish the details of construction and the actual costs of the Project Improvement Costs. If the Agency determines that a Request for Payment is: not in accordance with the requirements of Title 63N Chapter 3, Part 6 of the Utah Code; incomplete; or otherwise legally deficient, the Agency shall notify Participant within thirty (30) days of the Agency’s receipt of the Request for Payment. A deficient Request for Payment that is submitted by the date established in this section shall be treated as timely so long as Participant provides an updated Request for Payment within fifteen (15) days of receiving notice of the deficiency from the Agency.

2.8. Effect of Failure to Meet Conditions Precedent to Payment of Incentive

If the Conditions Precedent are not met during the term of this Agreement, and Participant is thus not entitled to receive the HTRZ Reimbursement until the Condition Precedent is met, but Participant is otherwise not in default under this Agreement, such failure of a Condition Precedent shall not constitute a Default under this Agreement. If a Condition Precedent has not been met, Agency agrees to hold and account for the Tax Increment, in accounts, and to distribute timely the same to Participant upon satisfaction of the applicable Conditions Precedent.

2.9. Reduction or Elimination of Tax Increment

Participant assumes and accepts the risk of possible alteration of federal or state statute, regulation, or judicial or administrative adjudication rendering unlawful or impractical the collection, receipt, disbursement, or application of the Tax Increment to the Agency or the payment of HTRZ Reimbursement. If the provisions of Utah law that govern the payment of the Tax Increment or HTRZ Reimbursement are changed or amended so as to reduce or eliminate the amount paid to the Agency under the Act or the adopted South Station HTRZ, the Agency’s obligation to pay HTRZ Reimbursement, Participant will be proportionately reduced or eliminated, but only to the

extent necessary to comply with the changes in such law or court ruling. Further, parties acknowledge that they have made such investigations as necessary to confirm the Central Station was properly approved, adopted, and made effective for purposes of this Agreement. Agency shall not support or solicit any changes to the Act that would impair or limit the availability of the Reimbursement to Participant hereunder. Notwithstanding any change in law, Participant specifically reserves and does not waive any right it may have to challenge, at Participant's cost and expense, the constitutionality of any law change(s) that would reduce or eliminate the payment of Reimbursement to Participant and nothing herein shall be construed as an estoppel, waiver or consent to reduce or eliminate payment of the Reimbursement to Participant. Nothing herein shall be construed as granting the Agency the right to terminate this Agreement upon any changes to the Act.

2.10. Failure to Timely Receive Tax Increment

The Participant acknowledges neither the City nor Agency controls, directs, or supervises the actions of Salt Lake County, the Salt Lake County Assessor, or Salt Lake County Treasurer, in the payment of Tax Increment to the Agency or City. Neither the Agency nor the City shall have any liability or responsibility for any delayed payment, non-payment, or under payment, of Tax Increment to the Agency or City by Salt Lake County. If Tax Increment Payment from Salt Lake County is delayed, no interest will accrue thereon. The Agency shall pay any unpaid portion to Participant within thirty (30) days of receipt of the delayed Tax Increment. The Agency, in its sole and absolute discretion, may determine the course of action to cause Salt Lake County to pay any delayed payment of Tax Increment.

2.11. Declaration of Invalidity

If any legal action is filed in a court of competent jurisdiction that seeks to invalidate the South Station HTRZ or this Agreement or that otherwise seeks to or would have the possible result of reducing or eliminating the payment of the Reimbursement to Participant, the Agency shall provide written notice of such legal action to Participant. If such an action is filed, the Agency shall have no obligation to challenge that action or defend itself against such action but agrees not to enter into any settlement, consent, decree, or other resolution without first providing Participant a reasonable opportunity to intervene and defend the rights and privileges provided under this Agreement. If requested by Participant, the Agency may, at its sole discretion, take such actions as may be reasonably required to defend such legal action and to address the grounds for any causes of action that could result in the reduction or elimination of the Reimbursement. Participant specifically reserves and does not waive any right it may have to intervene, at Participant's cost and expense, in any such legal action and challenge the basis for any causes of action or any remedy sought that would reduce or eliminate the payment of the Reimbursement to Participant, and nothing herein shall be construed as an estoppel, waiver or consent to reduce or eliminate payment of the Reimbursement to Participant. In the event that the court declares that the Agency cannot pay the Reimbursement, invalidates the South Station HTRZ or this Agreement, or takes any other action which eliminates or reduces the amount of Reimbursement, the Agency's obligation to pay to Participant the Reimbursement in accordance with this Agreement will be reduced or eliminated to the extent required by law.

2.12. Nature of Participant's Obligations and Limitation

The failure of Participant to fulfill its obligations may result in a failure to qualify to receive the Reimbursement or trigger withholding of an unpaid portion of the Reimbursement but shall not give rise to any other right or remedy in favor of the Agency. The Agency shall have no right hereunder to compel Participant to install improvements or otherwise develop the Project.

3. ADDITIONAL TERMS

3.1. Responsibility for Development Plans and Permits

The Participant and not the Agency is required to obtain permits, licenses, or other approvals for any development of the Project. Participant and any assigns or successors in ownership of the real property comprising the Project or in pursuing the development of the Project, shall obtain all necessary permits, licenses, and approvals from the City or others as necessary to develop the Project. However, Agency will reasonably cooperate in providing any consents or acknowledgments for Participant to obtain the same.

3.2. City Land Use Authority

Participant acknowledges that nothing in this Agreement shall be deemed to supersede, waive, or replace the City's authority over land use, zoning, and permitting within the City.

3.3. Indemnification

Participant agrees to and shall indemnify, defend, and hold the Agency and its directors, officers, agents, employees, and representatives harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorney fees and court costs) arising from or as a result , (a) claims by any person or entity, other than Participant, of entitlement to receive HTRZ Reimbursement; and (b) of the death of any person, or any accident, injury, loss, or damage whatsoever caused to any third party person or to the property of any third party person, directly or indirectly caused by any acts done or any errors or omissions of Participant or its directors, officers, agents, employees, consultants, and contractors except for willful misconduct or negligent acts or omissions of the Agency, the City, or their respective officials, directors, officers, agents, employees, contractors, and consultants. Likewise, the Agency agrees to and shall indemnify, defend, and hold Participant and its directors, officers, agents, employees, and representatives 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 third party person or to the property of any third party person, directly or indirectly caused by any acts done or any errors or omissions of the Agency, the City, or their respective directors, officers, agents, employees, contractors and consultants except for willful misconduct or negligent acts or omissions of Participant or its directors, officers, agents, employees, consultants, and contractors.

3.4. Limits on Liability

In no event shall one Party be liable to the other(s) for consequential, special, incidental, indirect, exemplary, or punitive damages of any kind (including, but not limited to, loss of profits, loss of reputation, or loss of current or prospective business advantage, even where such losses are characterized as direct damages) arising out of or in any way related to the relationship or dealings between Participant and the Agency, regardless of whether the claim under which damages are sought is based upon contract, tort, negligence (of any kind), willful misconduct, strict liability or otherwise, and regardless of whether the parties have been advised of the possibility of such damages at the time of contracting or otherwise.

3.5. Local, State, and Federal Laws

Each Party shall act in conformity with all applicable laws; provided, however, that unless otherwise addressed elsewhere in this Agreement, nothing herein shall limit the right of Participant to properly challenge any such law or the applicability of such law.

3.6. Responsibility of the Agency

The Agency shall not have any obligation under this Agreement other than those specifically provided for herein. Except as expressly provided for in this Agreement, nothing herein shall be construed as requiring the Agency to pre-approve or prejudge any matter, or as otherwise binding the Agency's discretion or judgment on any issue prior to an appropriate hearing (if required), review, or compliance with any other requirement.

3.7. Non-waiver of Governmental Immunity

Nothing in this Agreement shall be construed as a waiver of any immunity, protection, or rights granted to the Agency under the Governmental Immunity Act of Utah, Utah Code 63G-7-101, *et seq.*

3.8. Binding Financial Obligation

This Agreement constitutes a binding financial obligation on the HTRZ within the meaning of Utah Code § 63N-3-609(1)(b)(ii).

4. TRANSFER AND ASSIGNMENT

4.1. Assignment or Transfer of Agreement

Participant shall not assign or transfer or attempt to assign or transfer all or any part of this Agreement, or any rights herein or obligations hereunder, during the term of this Agreement without the Agency's consent. The Agency may withhold its consent to such an assignment or transfer if, in the sole discretion of the Agency, such transfer or assignment would result in the economic development goals of the Agency not being met.

Notwithstanding the foregoing provisions in this Section 4.1, Participant may assign or transfer its rights and obligations under this Agreement to Participant's affiliates without the Agency's consent. Participant may also assign or pledge its right to receive the Participant's Share of HTRZ Reimbursement under this Agreement to a lender or other financing person or entity to secure financing for the Project, without the Agency's consent, provided that Participant provides notice to the Agency of such an assignment or pledge. The rights and obligations of Participant under this Agreement are specific to Participant and do not run with the land. Except as expressly assigned in writing pursuant to this Section 4.1, the rights and obligations of the Participant do not extend to any owner of all or a portion of the Property.

4.2. Transfer of Property Subject to Agreement

Participant may transfer the Property without the Agency's consent but shall not transfer its rights and obligations under this Agreement except as expressly set forth in Section 4.1 above.

5. DEFAULTS, REMEDIES, AND TERMINATION

5.1. Default

If either the Agency or Participant fails to perform or delays performance of any material obligation of this Agreement and fails to cure as provided for in this Article 6, such conduct constitutes a default of this Agreement ("**Default**"). The Party in default must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 5.3 hereof.

5.2. Notice

If a Default under this Agreement occurs, the non-defaulting Party shall give written notice (a "**Default Notice**") of the Default to the defaulting Party, specifying the nature of the Default. failure or delay in giving such notice shall not constitute a waiver of any Default, nor shall it change the time of Default, nor shall it operate as a waiver of any rights or remedies of the non-defaulting Party; but the non-defaulting Party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by either Party in asserting any of its rights and remedies shall not deprive the other Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

5.3. Cure Period

The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject Default continues uncured for a period of thirty (30) days after delivery of the Default Notice with respect thereto, or, where the default is of a nature which cannot be cured within such thirty (30) day period, the defaulting Party fails to commence such cure within thirty (30) days and to diligently proceed to complete the same. A Default which can be cured by the payment of money is understood and agreed to be among the types of defaults which can be cured within thirty (30) days. If the Default is not cured or commenced to be cured if such default is of a nature which cannot be cured within thirty (30) days, by such Party within thirty (30) days of delivery of the

Default Notice, such failure to cure shall be an Event of Default (“**Event of Default**”), and the non-defaulting Party may pursue such other rights and remedies as it may have.

5.4. Rights and Remedies

Upon the occurrence of an Event of Default, the non-defaulting Party shall have all remedies provided for in this Agreement and shall have the right to obtain specific performance, unless otherwise limited by the express remedies set forth in this Agreement. Such remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the same Default or any other Default by the defaulting Party.

Notwithstanding the foregoing, the Agency shall not have to right to compel, through a remedy of specific performance or otherwise, the Participant to develop the Property or make any investment therein.

5.5. Venue

All legal actions between the Parties, arising under this Agreement, shall be conducted exclusively in the Third Judicial District Court for the State of Utah located in Salt Lake County, Utah, unless they involve a case with federal jurisdiction, in which case they shall be conducted exclusively in the Federal District Court for the District of Utah.

5.6. Service of Process

Service of process on the Agency shall be made by personal service upon the Chairman or Executive Director of the Agency or in such other manner as may be provided by law. Service of process on Participant shall be by personal service upon its Registered Agent, or in such other manner as may be provided by law, whether made within or without the State of Utah.

5.7. Applicable Law

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

6. GENERAL PROVISIONS

6.1. Authority

Each Party hereby represents and warrants to the other that the following statements are true, complete, and not misleading as regards to the representing and warranting party: (a) such Party has full authority to enter into this Agreement and to perform all of its obligations hereunder; (b) those executing this Agreement on behalf of each Party do so with the full authority of the Party each represents; (c) this Agreement constitutes a legal, valid, and binding obligation of each Party, enforceable in accordance with its terms.

6.2. Notices, Demands, and Communications between the Parties

Formal notices, demands, and communications between the Agency and Participant shall be sufficiently given if emailed and: (1) personally delivered; or (2) if dispatched by registered or certified mail, postage prepaid, return-receipt requested, to the principal offices of the Agency and Participant, as designated below. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by formal notice hereunder. Delivery of notice shall be complete upon mailing or making physical delivery of the writing containing the notice.

The address of the Agency for purposes of this Agreement is:

South Jordan Redevelopment Agency
1600 W. Towne Center Drive
South Jordan, UT 84095
Attn: Executive Director

With a copy to:

City Attorney of South Jordan City
1600 W. Towne Center Drive
South Jordan, UT 84095

and

Counsel for the Redevelopment Agency of South Jordan City
Smith Hartvigsen, PLLC
257 East 200 South, # 500
Salt Lake City, UT 84111

Participant's address for purposes of this Agreement is:

VP Daybreak Devco, LLC
9350 South 150 East, Suite 900
Sandy, UT 84070
Attn: Brad Holmes

With a copy to:

Snell & Wilmer L.L.P.
Attn: Wade Budge
15 West South Temple, Suite 1200
Salt Lake City, UT 84101

6.3. Severability

If any condition, covenant, or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other covenant or condition herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant, or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

6.4. Nonliability of Officials and Employees

No director, officer, agent, employee, representative, contractor, attorney, or consultant of the Parties hereto shall be personally liable to any other Party hereto, or any successor-in-interest thereof, in the event of any Default or breach by a Party hereto or for any amount which may become due to a Party hereto or to its successor, or on any obligations under the terms of this Agreement.

6.5. Enforced Delay; Extension of Time and Performance

In addition to the specific provisions of this Agreement, performance by either Party hereunder shall not be deemed to be in default where a force majeure event has occurred and delays or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, terrorist activity, pandemics, quarantine restrictions, freight embargoes, lack of transportation, unusually severe weather, or any other causes beyond the reasonable control or without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent, whether on the part of the Agency's Executive Director or its governing board or on the part of Participant, to the other Party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the Agency and Participant by mutual agreement.

6.6. Approvals

Whenever the consent or approval is required of any Party hereunder, except as otherwise herein specifically provided, such consent or approval shall not be unreasonably withheld or delayed.

6.7. Time of the Essence

Time shall be of the essence in the performance of this Agreement.

6.8. Attorney Fees

In the event of any litigation arising from or related to this Agreement, the prevailing Party shall be entitled to recover from the non-prevailing party all reasonable costs and attorney fees related to such litigation.

6.9. Interpretation

The Parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either Party hereunder, shall be construed as creating the relationship of principal and agent, or a partnership, or a joint venture, or an enterprise between the Parties hereto.

6.10. No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create for either Party any independent duties, liabilities, agreements, or rights to or with any third party, nor does this Agreement contemplate or intend that any benefits hereunder accrue to any third party.

6.11. Headings

Article and Section titles, headings or captions are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Agreement or the intent of any provision hereof.

6.12. Contra Proferentum

This is an arm's-length Agreement: The Parties have read this Agreement and have executed it voluntarily after having been apprised of all relevant information and the risks involved and having had the opportunity to obtain legal counsel of their choice. Consequently, no provision of this Agreement shall be strictly construed against either Party.

6.13. Further Assurances

The Parties shall cooperate, take such additional actions, sign such additional documentation, and provide such additional information as reasonably necessary to accomplish the objectives set forth in this Agreement.

6.14. Incorporation of Recitals and Exhibits

All recitals and exhibits attached hereto are incorporated into this Agreement as if fully set forth herein.

6.15. Duplicate Originals

This Agreement may be executed in duplicate originals, each of which shall be deemed an original. Electronic pdf signatures shall be considered original signatures and scans of original documents shall be treated as original documents.

6.16. Integration

This Agreement (including its exhibits) constitutes the entire understanding and agreement of the Parties regarding the subject matter thereof. When executed by the Parties, this Agreement

integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to the subject matter thereof.

6.17. Waivers and Amendments

All waivers of the provisions of this Agreement must be in writing. This Agreement and any provisions hereof may be amended only by mutual written agreement between Participant and the Agency.

[Signatures and Acknowledgements on Following Page(s)]

AGENCY:

**SOUTH JORDAN REDEVELOPMENT
AGENCY**

By: _____
Dawn R. Ramsey, Chair

Attest:

By: _____
Anna Crookston, Agency Secretary

PARTICIPANT:

VP DAYBREAK DEVCO LLC,
a Delaware limited liability company

By: LHMRE, LLC
Its: Manager

By: LHM, Inc.
Its: Manager

By: _____
Name: Steve Starks
Title: President

EXHIBIT A-1

Legal Description of the Property

That certain real property located in the County of Salt Lake, State of Utah, more particularly described as follows:

Beginning at a point that lies South 89°55'30" East 2074.745 feet along the Daybreak Baseline Southeast (Basis of bearings is South 89°55'30" East 10641.888' between Southwest Corner of Section 24, T3S, R2W and the Southeast Corner of Section 19, T3S, R1W) and North 1561.552 feet from the Southwest Corner of Section 24, Township 3 South, Range 2 West, Salt Lake Base and Meridian and running thence North 37°29'42" West 1713.058 feet; thence North 53°27'06" East 484.949 feet; thence North 36°32'54" West 447.000 feet; thence South 53°27'06" West 492.334 feet; thence North 37°29'42" West 1247.558 feet; thence North 00°00'12" East 90.770 feet; thence North 33°40'19" West 1117.454 feet; thence North 89°58'54" East 619.610 feet; thence North 00°02'52" East 867.985 feet; thence North 53°27'06" East 2104.017 feet; thence South 36°32'54" East 373.500 feet; thence South 53°27'06" West 1056.671 feet; thence South 36°32'54" East 629.828 feet; thence North 53°27'06" East 27.000 feet; thence South 36°32'54" East 109.531 feet; thence South 43°40'24" East 2.832 feet to a point on a 1249.500 foot radius tangent curve to the right, (radius bears South 46°19'36" West, Chord: South 40°06'39" East 155.281 feet); thence along the arc of said curve 155.382 feet through a central angle of 07°07'30"; thence South 36°32'54" East 36.927 feet to a point on a 1249.500 foot radius tangent curve to the right, (radius bears South 53°27'06" West, Chord: South 32°59'09" East 155.281 feet); thence along the arc of said curve 155.382 feet through a central angle of 07°07'30"; thence South 29°30'03" East 2.862 feet; thence South 36°32'54" East 98.000 feet; thence South 53°27'06" West 18.500 feet; thence South 36°32'54" East 172.304 feet; thence South 43°40'24" East 40.311 feet; thence South 36°32'54" East 366.196 feet; thence South 53°27'06" West 288.391 feet; thence South 36°32'54" East 763.000 feet; thence North 53°27'06" East 288.391 feet; thence South 36°32'54" East 357.440 feet; thence South 53°27'06" West 228.391 feet; thence North 36°32'54" West 74.490 feet; thence South 53°27'06" West 305.317 feet; thence South 36°32'54" East 330.026 feet to a point on a 532.500 foot radius non tangent curve to the left, (radius bears South 27°29'14" East, Chord: South 57°53'46" West 85.721 feet); thence along the arc of said curve 85.814 feet through a central angle of 09°14'00"; thence South 53°16'46" West 159.212 feet; thence North 36°43'14" West 2.000 feet; thence South 53°16'46" West 562.508 feet; thence South 36°32'54" East 411.672 feet; thence South 36°32'54" East 303.814 feet; thence South 53°04'59" West 318.872 feet to a point on a 97.996 foot radius non tangent curve to the left, (radius bears South 25°41'53" West, Chord: North 85°06'55" West 69.640 feet); thence along the arc of said curve 71.196 feet through a central angle of 41°37'35"; thence North 36°32'54" West 3.916 feet; thence South 53°27'06" West 381.520 feet; thence South 37°29'42" East 745.390 feet; thence South 53°27'06" West 48.871 feet to the point of beginning.

EXHIBIT A-2
Depiction of Property Boundary



EXHIBIT B

Depiction of South Station HTRZ

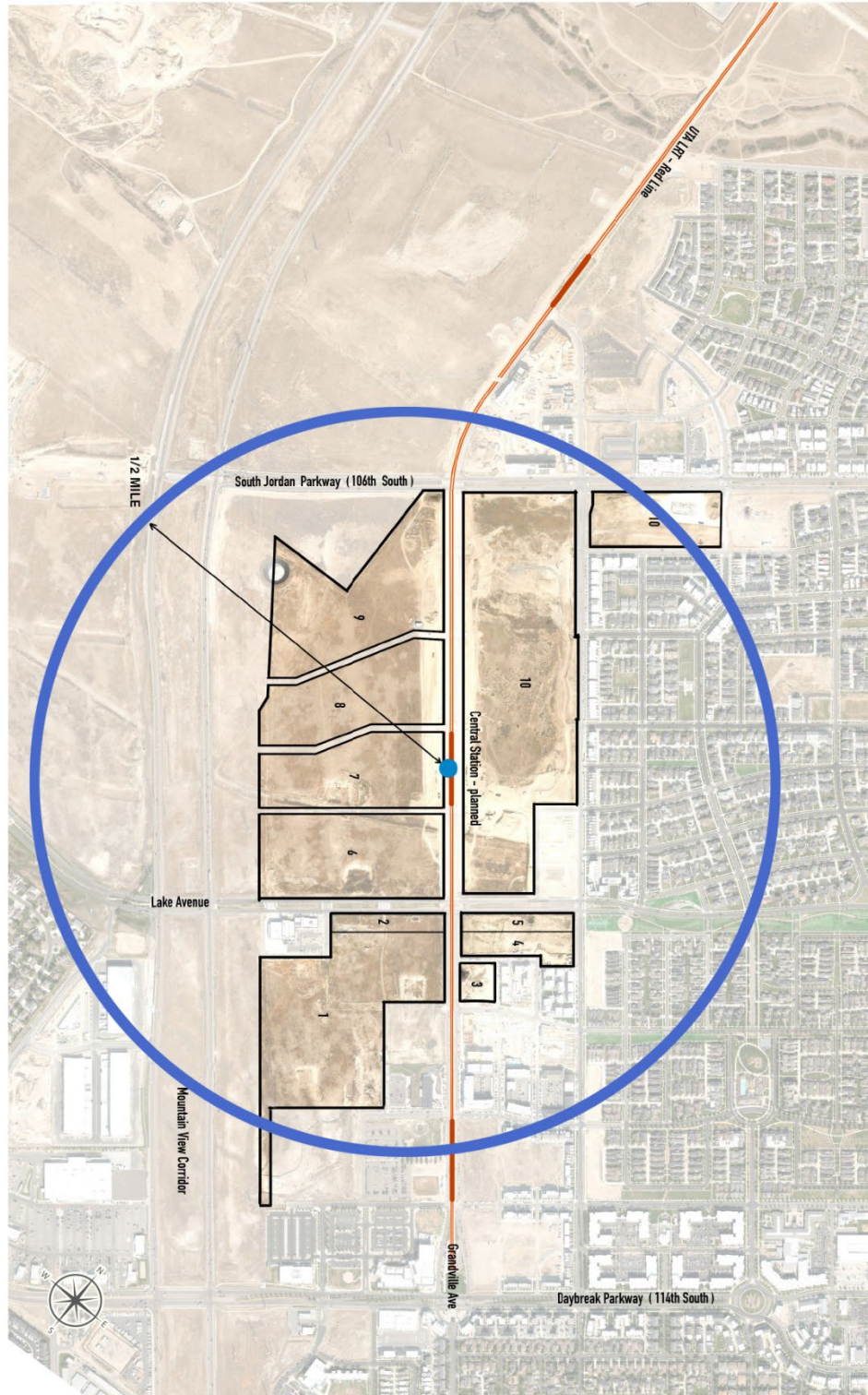


EXHIBIT B-1

Resolution

EXHIBIT C**Base Taxable Value by Parcel for FY–2022**

Tax Parcel ID No.	Real Property Base Taxable Value	Personal Property Base Taxable Value
2624178003	\$11,251,600	\$0
2624178001	\$740,500	\$0
2624179001	\$649,000	\$0
2624126005	\$801,500	\$0
2624126002	\$382,200	\$0
2624155001	\$3,136,200	\$0
2624102001	\$2,946,200	\$0
2624101001	\$3,136,200	\$0
2613355001	\$4,374,600	\$0
2613352004	\$12,568,900	\$0
TOTAL	\$39,986,900	\$0

EXHIBIT D-1**Density Qualified Building Example**

Residential building over four stories

Stories	Type III – Podium
7	Wood Framing
6	Wood Framing
5	Wood Framing
4	Wood Framing
3	Wood Framing
2	Concrete Podium
1	Concrete Podium

EXHIBIT D-2

Standard Qualified Building Example

Residential building up to four stories with parking structure

Stories	Type V – Wrap		
4	Wood		Wood
3	Wood	Enclosed Parking	Wood
2	Wood	Structure	Wood
1	Wood	Concrete	Wood

EXHIBIT D-3
Office Building Example

Office building of any height with parking structure

Stories	Type I	
5		
4		
3	Steel and Concrete	Parking
2		Structure
1		Concrete

EXHIBIT E

Project Improvement Costs Example

Office Building Area Example	\$ per RSF	Total
Construction Costs	218	21,772,336
Structured Parking	105	10,500,000
Indirect Costs	46	4,614,048
QUALIFYING PROJECT COSTS	\$369	\$36,886,383
Development Fees (5% of Construction Costs)	16	1,613,617
Land Cost	12	1,200,000
TOTAL COSTS	397	39,700,000
TIF Incentive	\$89	\$8,880,000
Ratio of Incentive to Qualifying Costs		24%

Density Qualified Building Area Example	\$ per Unit	Total
Construction Costs	279,123	69,780,673
Structured Parking	40,000	10,000,000
Indirect Costs	37,801	9,450,293
QUALIFYING PROJECT COSTS	\$356,924	\$89,230,966
Development Fees (5% of Construction Costs)	15,956	3,989,034
Land Cost	15,000	3,750,000
TOTAL COSTS	387,880	96,970,000
TIF Incentive	\$114,000	\$28,500,000
Ratio of Incentive to Qualifying Costs		32%

Standard Qualified Building Area Example	\$ per Unit	Total
Construction Costs	233,804	58,451,082
Structured Parking	40,000	10,000,000
Indirect Costs	33,745	8,436,364
QUALIFYING PROJECT COSTS	\$307,550	\$76,887,446
Development Fees (5% of Construction Costs)	13,690	3,422,554
Land Cost	15,000	3,750,000
TOTAL COSTS	336,240	84,060,000
TIF Incentive	\$60,000	\$15,000,000
Ratio of Incentive to Qualifying Costs		20%

Affordable Housing Area Example	\$ per Unit	Total
Construction Costs	216,224	54,056,050
Parking Costs	5,120	1,280,000
Indirect Costs	29,069	7,267,148
QUALIFYING PROJECT COSTS	\$250,413	\$62,603,198
Development Fees (5% of Construction Costs)	11,067	2,766,803
Land Cost	15,000	3,750,000
TOTAL COSTS	276,480	69,120,000
TIF Incentive	\$79,500	\$19,875,000
Ratio of Incentive to Qualifying Costs		32%

EXHIBIT F
Form of Affordable Housing Agreement
(Attached)

AFFORDABLE HOUSING AGREEMENT

This Affordable Housing Agreement (“**Agreement**”) dated July 18, 2023, is by and between the South Jordan Redevelopment Agency, a political subdivision of the State of Utah (“**Agency**”) and VP Daybreak Devco, LLC, a Delaware limited liability company (“**Developer**”). The Agency and Developer are referred to herein singly as a “Party” and collectively as the “Parties.”

Recitals

A. Developer owns ten parcels of real property (the “**Property**”) located within the City of South Jordan. Developer intends to develop the Property into a mixed-use development that includes plans and approvals for office, retail, and civic uses along with residential dwelling units (the “**Project**”).

B. Developer and the Agency are parties to that certain South Station HTRZ Participation Agreement, dated the 18th day of July, 2023 (the “**Participation Agreement**”). The Participation Agreement describes the terms and conditions for Developer to receive tax increment generated within the South Station Housing and Transit Reinvestment Zone. Capitalized terms used herein but otherwise undefined herein shall have the meaning set forth in the Participation Agreement.

C. Section 2.5.4 of the Participation Agreement conditions Developer’s right to receive a portion of the tax increment generated within the Project on Developer designating 10.6% of the dwelling units within the Project as Affordable Housing (“**Affordable Housing Condition**”). Section 2.5.4 of the Participation Agreement also contemplates that the Parties will enter into this Agreement for the Agency to oversee the satisfaction of the Affordable Housing Condition.

D. The purpose of this Agreement is to set forth the requirements for Affordable Housing that will be rented within the Project and to satisfy the requirement of Section 2.5.4 of the Participation Agreement.

Agreement

In consideration of the foregoing recitals and the terms and conditions herein set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Affordable Housing Coordination. The Agency is the party designated to confirm Developer’s compliance with the Affordable Housing Condition by verifying the 10.6% ratio of market rate dwelling units to Affordable Housing dwelling units as of December 31st of years 15, 25, and 30 of the Collection Period (each a “**Snapshot Point**” and collectively, the “**Snapshot Points**”).

2. Rented Unit Affordable Housing. For Affordable Housing dwelling units that will be rented and not sold, Developer satisfies the Affordable Housing condition in Section 2.4.4 of the Participation Agreement as follows:

a. A dwelling unit for rent is deemed to be Affordable Housing if the rent charged for the applicable unit type does not exceed the maximum monthly rent as calculated using the formulas in the Affordable Housing Example attached hereto as Exhibit A (“**Affordable Housing Example**”). The Affordable Housing Example is illustrative only for the year 2022 and should not be construed as a representation of median household income, maximum annual or monthly rent, 80% of area median income, or unit counts for future years. To satisfy the Affordable Housing Condition, Developer must ensure that: (i) 70% of the Affordable Housing units are reserved for households earning 80% of the area median income; (ii) 20% of the Affordable Housing units are reserved for households earning 70% of the area median income; and (iii) 10% of the Affordable Housing units are reserved for households earning 60% of the area median income

b. Prior to submitting any Request for Payment (as defined in the Participation Agreement) following a Snapshot Point, Developer shall complete and submit to the Agency a report of the Affordable Housing dwelling units under construction or completed using the form attached hereto as Exhibit B. The “Median Household Income (Salt Lake County)” shall be inserted into the form by Developer based on the published median household income for Salt Lake County for the year of each Snapshot Point. As of each Snapshot Point, the Agency shall confirm whether Developer has designated 10.6% of the completed or under construction dwelling units as Affordable Housing based on the form submitted under this Section 2.b. and any deed restricted units reported to the Agency pursuant to Section 4 below.

c. Notwithstanding anything herein to the contrary, if Developer and the Agency have executed this Agreement, then prior to the first Snapshot Point, Developer is deemed to be compliant with the Affordable Housing Condition. If the Agency has assigned its rights under this Agreement and such assignee confirms that Developer has satisfied the Affordable Housing Condition as of a Snapshot Point, then the assignee shall promptly notify the Agency in writing of the satisfaction of the Affordable Housing Condition.

3. Deed Restriction. For Affordable Housing dwelling units that will be sold and not rented, Developer shall record against such dwelling units an Affordable Housing deed restriction for a term concurrent with the Collection Period (“**Restriction Period**”). The deed restriction described above must state that the dwelling unit may only be sold during the Restriction Period if a household whose income is no more than 80% of the area median income is able to occupy the dwelling unit by paying no more than 30% of the household’s income for gross housing costs, excluding utilities, as confirmed by the Agency. The Agency shall operate its Affordable Housing program so that potential buyers are made aware of the qualifications necessary to purchase a deed restricted dwelling unit. If a deed restricted dwelling unit will be bought and sold during the Restriction Period, then the Agency shall determine whether the potential transaction complies

with the deed restriction within five (5) business days of receiving information regarding the potential transaction.

4. Deed Restricted Reporting. At each Snapshot Point, Developer shall complete and submit a report to the Agency of the number of dwelling units that are completed, and deed restricted, or that are under construction and designated to be deed restricted as Affordable Housing. Each dwelling unit designated as Affordable Housing in Developer's report shall be included in determining Developer's compliance with the Affordable Housing Condition.

5. Conflicts. In the event of any conflict between this Agreement and the Development Agreement, the Development Agreement shall take precedent.

6. Amendment. This Agreement may only be amended by written instrument signed by the Agency and the Developer and/or their respective successors or assigns. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter addressed herein.

7. Binding Effect. This Agreement and the covenants contained herein shall run with the land and shall be binding upon and shall inure to the benefit of the Parties hereto and their successors, heirs, and assigns.

8. Enforcement. All of the terms, provisions and restrictions of this Agreement may be enforced by any of the Parties hereto and in the event of a breach of this Agreement, each Party shall have such remedies as may be available in law or in equity.

9. Notices. All notices to be given pursuant to this Agreement shall be as provided under Section 8.11 of the Development Agreement to the Parties at the addresses set forth below:

To Agency: South Jordan Redevelopment Agency
1600 W. Towne Center Drive
South Jordan, UT 84095
Attn: Executive Director

With a copy to:

City Attorney of South Jordan City
1600 W. Towne Center Drive
South Jordan, UT 84095

and

Counsel for the Redevelopment Agency of South Jordan City
Smith Hartvigsen, PLLC
257 East 200 South #500
Salt Lake City, UT 84111

To Developer: VP Daybreak Devco, LLC
 9350 South 150 East, Suite 900
 Sandy, UT 84070
 Attn: Brad Holmes

With a copy to:

LHMRE LLC
 9350 South 150 East, Suite 900
 Sandy, UT 84070
 Attn: General Counsel

With a copy to:

Snell & Wilmer, LLP
 Attn: Wade Budge
 15 West South Temple, Suite 1200
 Salt Lake City, Utah 84101

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

11. Exhibits and Recitals. All exhibits and attachments attached hereto are incorporated herein by this reference. The Recitals are hereby incorporated into this Agreement.

12. Waiver. No action or failure to act by the Parties shall constitute a waiver of any right or duty afforded any Party under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach hereunder, except as may be specifically agreed to in writing. A waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

13. Counterparts. This Agreement may be executed by the different Parties hereto in separate counterparts, each of which when so executed shall be an original, and all of which taken together shall constitute one and the same agreement.

14. Severability. If any provision of this Agreement or the application thereof to any Party or circumstances shall be invalid or unenforceable to any extent, the remainder of the Agreement and the application of such provisions to any other Party or circumstance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. Headings. Titles or headings to paragraphs of this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed the date and year first above written.

DEVELOPER:

VP DAYBREAK DEVCO LLC,
a Delaware limited liability company

By: LHMRE, LLC
Its: Manager

By: LHM, Inc.
Its: Manager

By: _____
Name: Steve Starks
Title: President

[Signatures Continue on Following Page]

AGENCY:

SOUTH JORDAN REDEVELOPMENT
AGENCY

By: _____
Dawn R. Ramsey, Chair

Attest:

By: _____
Agency Secretary

Exhibit A To Affordable Housing Agreement

Affordable Housing (Rental Units) Rent Calculation Example

HUD Income Guidelines for Salt Lake City, UT MSA

FY 2022 Median Household Income	\$102,400
Max housing cost as % of AMI	30%

Unit Type	80% of AMI	Max Rent Affordable
Studio	\$57,350	\$1,434
One-Bedroom	65,550	1,639
Two-Bedroom	73,750	1,844
Three-Bedroom	81,900	2,048

Unit Type	70% of AMI	Max Rent Affordable
Studio	\$50,200	\$1,255
One-Bedroom	57,400	1,435
Two-Bedroom	64,600	1,615
Three-Bedroom	71,700	1,793

Unit Type	60% of AMI	Max Rent Affordable
Studio	\$43,000	\$1,075
One-Bedroom	49,200	1,230
Two-Bedroom	55,300	1,383
Three-Bedroom	61,400	1,535

Exhibit B To Affordable Housing Agreement

Affordable Housing (Rental Units) Compliance Form

Fiscal Year	[Insert Year]				
AMI (Salt Lake City)	\$	-			
80% of AMI	\$	-			
70% of AMI	\$	-			
60% of AMI	\$	-			

Unit Type	80% AMI by Unit	Max Rent Affordable
Studio	\$ -	\$ -
One-Bedroom	\$ -	\$ -
Two-Bedroom	\$ -	\$ -
Three-Bedroom	\$ -	\$ -

Unit Type	70% AMI by Unit	Max Rent Affordable
Studio	\$ -	\$ -
One-Bedroom	\$ -	\$ -
Two-Bedroom	\$ -	\$ -
Three-Bedroom	\$ -	\$ -

Unit Type	60% AMI by Unit	Max Rent Affordable
Studio	\$ -	\$ -
One-Bedroom	\$ -	\$ -
Two-Bedroom	\$ -	\$ -
Three-Bedroom	\$ -	\$ -

Unit Type	Units Available	Market Units	80% AMI Units	70% AMI Units	60% AMI Units
Studio	-	-	-	-	-
One-Bedroom	-	-	-	-	-
Two-Bedroom	-	-	-	-	-
Three-Bedroom	-	-	-	-	-
TOTAL	-	-	-	-	-
Ratio		0.00%	0.00%	0.00%	0.00%

EXHIBIT G

Form of Request for Payment

REQUEST FOR PAYMENT

REQUEST NO. __

DATED _____, 20__

This REQUEST FOR PAYMENT is made pursuant to that certain Participation Agreement (“**Participation Agreement**”) by and between the South Jordan Redevelopment Agency and VP Daybreak Devco, LLC, a Delaware limited liability company (“**Participant**”), dated as of _____, 202__. Capitalized terms used herein but otherwise undefined herein have the meanings provided in the Participation Agreement.

1. Participant hereby requests reimbursement in the amount of \$_____, which amount represents (select one or more):
 - ☐ 24% of Participant’s development costs of an Office Building and Office Building Area;
 - ☐ 32% of Participant’s development costs of a Density Qualified Building and Density Qualified Building Area
 - ☐ 20% of Participant’s development costs of a Standard Qualified Building and Standard Qualified Building Area
 - ☐ 32% of Participant’s development costs of Affordable Housing dwelling units and Affordable Housing Area
2. Supporting documentation regarding the completion and cost of improvements is included with this Request for Payment.
3. Participant certifies that the statements made in this Request for Payment and any documents submitted herewith are true and has duly caused this Request for Payment to be signed on its behalf by the undersigned authorized agent to request reimbursements.
4. Participant certifies to the Agency that the percentages listed above reflect expenditures for which the Participant is entitled to reimbursement under Utah Code Ann. § 63N-3-607(4).

PARTICIPANT:

VP Daybreak Devco, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____