

DEVELOPMENT AGREEMENT

This Development Agreement is executed in duplicate this ^{28th} day of October, 2008, by and between the City of Orem, a municipal corporation and political subdivision of the State of Utah, with its principal offices located at 56 North State Street, Orem, Utah 84057 (hereinafter referred to as the "City") and Arrowgon, LLC, a Utah limited liability company with its principal address located at 727 North 1550 East, Suite 400, Orem, Utah 84097 (hereinafter referred to as "Arrowgon").

RECITALS

WHEREAS Arrowgon owns real property located at approximately 96 West Center Street, Orem, Utah consisting of approximately 4.40 acres and more particularly described in Exhibit "A" which is attached hereto and by reference is made a part hereof (hereinafter referred to as the "Property"); and

WHEREAS the Property is currently zoned C2; and

WHEREAS Arrowgon has submitted an application to create a new Planned Development zone referred to as the PD-30 zone, and to apply the PD-30 zone to the Property; and

WHEREAS the PD-30 zone would allow Arrowgon to develop a mixed use project on the Property consisting of residential, retail and office uses; and

WHEREAS the development of the Property under the standards of the proposed PD-30 zone would result in a substantial increase in traffic on Orem Boulevard and Center Street; and

WHEREAS Arrowgon has hired an engineering firm to perform a traffic study for the proposed development; and

WHEREAS the traffic study recommended a number of improvements to streets in the area of the Property including widening of Orem Boulevard and Center Street; and

WHEREAS in order to mitigate the impact of the proposed development on traffic, Arrowgon is willing to dedicate property along Orem Boulevard and Center Street for street right of way; and

WHEREAS the property to be dedicated by Arrowgon to the City will not negatively impact the proposed development as it is area that would be in the required setback area under the standards of the C2 zone; and

WHEREAS as further mitigation of the anticipated traffic impact, Arrowgon is also

willing to widen and improve Orem Boulevard in conjunction with construction of the development on the Property as described herein; and

WHEREAS Arrowgon is willing to enter into this Development Agreement and to develop the Property in accordance with the provisions of this Development Agreement; and

WHEREAS the City, acting pursuant to its authority under Utah Code Section 10-9-101, *et. seq.*, and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations, and in the exercise of its legislative discretion, has elected to approve this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the promises and conditions set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the City and Arrowgon hereby agree as follows:

1. **Dedication of Street Right of Way.** Arrowgon agrees to dedicate a portion of the Property along Orem Boulevard and Center Street to the City (which may also be used by UDOT) as street right of way (hereinafter referred to as the "Dedication Area"). The Dedication Area shall be the area located between the existing street right of way line and the line designated as "Proposed Orem Blvd Right of Way" and "Proposed Center Street right of way line" on Exhibit "B." The Dedication Area is also more particularly described in Exhibit "B." Exhibit "B" is attached hereto and by reference is made a part hereof. The Dedication Area shall be formally dedicated to the City prior to the issuance of any building permit for construction on the Property.
2. **Construction of Street Improvements.** In connection with the construction of the Project, Arrowgon agrees to widen and improve Orem Boulevard in the area designated as "Proposed Orem Blvd Widening right of way" in Exhibit "B." The parties acknowledge and agree that Arrowgon's obligation under this section shall only be to widen and improve Orem Boulevard in the area shown in Exhibit B and Arrowgon shall not be required to overlay Orem Boulevard or Center Street as part of this requirement.
3. **Installation of Sidewalk and Tree Planters.** In conjunction with the construction of the project on the Property, Arrowgon agrees to install sidewalk, tree planters and trees in the locations shown in Exhibit "B."
4. **Relocation of Traffic Signal Pole.** The parties acknowledge that an existing traffic signal pole located on the Property at the intersection of Orem Boulevard and Center Street will likely need to be relocated due to the construction of new street, sidewalk and other improvements related to the Project. The parties agree that the City shall be responsible for the relocation of said traffic signal pole.
5. **Setbacks.** Arrowgon agrees that all buildings on the Property shall be set back at least nineteen

feet (19') from the new dedication line referred to as the "Proposed Orem Blvd Right of Way" and "Proposed Center Street right of way line" shown on Exhibit B. However, Arrowgon will only be required to dedicate the area referred to in Section 1 of this Agreement.

6. **Agreement Considered Mitigation of Impact.** In consideration for the agreement of Arrowgon to construct the project in conformity with this Agreement, the City staff shall make a recommendation to the Orem City Council to consider the terms of this Development Agreement as sufficient mitigation of the potential adverse impacts resulting from the request to change the zoning designation of the Property to the PD-30 zone.

7. **No Guarantee of Rezone.** The City makes no representation that the request of Arrowgon to have the Property rezoned will be approved by the Orem City Council. Therefore, this Agreement shall not be binding upon Arrowgon unless the request for a rezone of the Property is approved by the Orem City Council.

8. **No Limitation on Exercise of Police Power.** Nothing in this Agreement shall limit the future exercise of the police power by the City in enacting zoning, subdivision, development, transportation, environmental, open space, and related land use plans, policies, ordinances and regulations after the date of this Agreement.

9. **Compliance With All Applicable Laws.** Arrowgon expressly acknowledges and agrees that nothing in this Agreement shall be deemed to relieve Arrowgon from the obligation to comply with all applicable requirements of the City necessary for approval and recordation of subdivision plats and a site plan (if applicable), including the payment of fees and compliance with all other applicable ordinances, resolutions, including the Orem City Zoning and Subdivision Ordinances and design and construction standards.

10. **Agreement to be Recorded.** This Agreement may be recorded against the Property and shall be deemed to run with the land and shall be binding on all successors and assigns of Arrowgon in the ownership or development of any portion of the Property.

11. **Indemnification.** Arrowgon agrees to indemnify and hold the City harmless from and against any demand, claim, action, damages or loss of any type arising or resulting from the development of the Property except such demands, claims, actions, damages, or losses that are caused by the City's own negligence.

12. **Lawful Agreement.** The parties represent that each of them has lawfully entered into this Agreement, having complied with all relevant statutes, ordinances, resolutions, bylaws, and other legal requirements applicable to their operation. The parties further represent that each of them has authority to enter into this Agreement and that the individuals signing this Agreement on behalf of each party have authority to bind the party represented by the signing individual.

13. **Applicable Law.** This Agreement shall be interpreted pursuant to the laws of the State of Utah.

14. **Time of Essence.** Time shall be of the essence of this Agreement.

15. **Interpretation.** The invalidity of any portion of this Agreement shall not prevent the remainder from being carried into effect. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number, and vice versa, and the use of any gender shall include the other gender. Should any provision of this Agreement require judicial interpretation, the Court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party, by reason of the rule of construction that a document is to be construed more strictly against the person who himself or through his agents prepared the same, it being acknowledged that both parties have participated in the preparation hereof.

16. **Modifications.** No oral modifications or amendments to this Agreement shall be effective, but this Agreement may be modified or amended by written agreement.

17. **Assignment.** Neither this Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement.

18. **Relationship of Parties.** This Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to a third party.

19. **Incorporation of Recitals.** The Recitals to this Agreement are incorporated by reference into the Covenants section of this Agreement as if fully set forth herein.

SIGNED and ENTERED INTO this 28th day of October, 2008.

City of Orem
By:

[Signature]
Jim Reams, Orem City Manager



ATTEST: [Signature]
Donna Weaver, City Recorder

Arrowgon, LLC
By:

[Signature]
L. Wayne Ross, Owner/Manager

STATE OF UTAH)
 :SS.
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 28th day of October, 2008, by L. Wayne Ross who acknowledged that he signed this Agreement on behalf of Arrowgon, L.L.C.

[Signature]
NOTARY PUBLIC

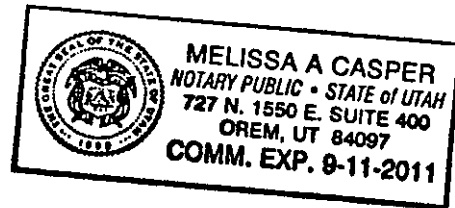


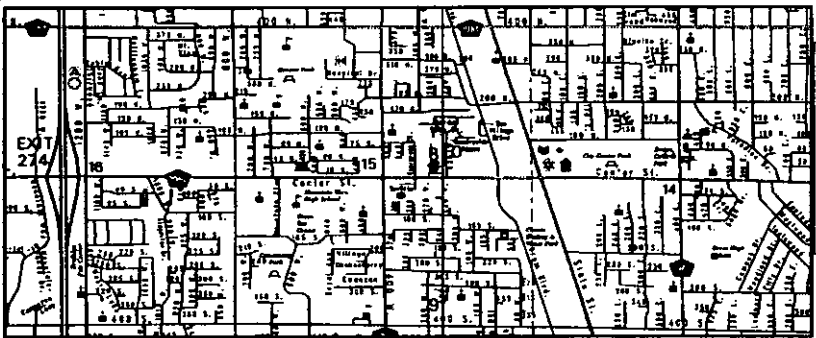
EXHIBIT "A"

Centennial Plaza Concept & Rezone Boundary Description:

Beginning at a point located North 00°29'00" West along the section line 667.57 feet and West 774.85 feet from the East Quarter Corner of Section 15, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence South 18°32'19" East 426.43 feet; thence South 71°27'41" West 3.06 feet; thence along the arc of a 513.09 feet radius non tangent curve to the right 54.80 feet, (chord bears South 15°18'07" East 54.78 feet); thence along the arc of a 100.00 feet radius non tangent curve to the right 13.77 feet, (chord bears South 04°04'40" East 13.76 feet); thence South 00°07'55" East 33.47 feet; thence along the arc of a 106.00 feet radius curve to the left 10.12 feet, (chord bears South 02°52'04" East 10.12 feet); thence South 05°36'14" East 14.94 feet; thence along the arc of a 500.00 feet radius curve to the right 56.91 feet, (chord bears South 02°20'36" East 56.88 feet); thence along the arc of a 26.00 feet radius compound curve to the right 15.99 feet, (chord bears South 18°32'00" West 15.74 feet); thence South 54°48'27" West 16.64 feet; thence along the arc of a 26.00 feet radius non tangent curve to the right 2.65 feet, (chord bears South 76°23'15" West 2.65 feet); thence South 89°19'45" East 14.80 feet; thence along the arc of a 14.25 feet radius non tangent curve to the left 7.57 feet, (chord bears North 69°16'31" East 7.48 feet); thence along the arc of a 13.27 feet radius compound curve to the left 11.28 feet, (chord bears North 29°43'18" East 10.94 feet); thence North 05°47'12" East 3.25 feet; thence North 89°52'01" East 0.02 feet; thence South 00°07'59" East 0.72 feet; thence along the arc of a 22.00 feet radius non tangent curve to the right 34.89 feet, (chord bears South 45°18'46" West 31.35 feet); thence North 89°14'36" West 73.36 feet; thence South 00°40'53" West 9.15 feet; thence North 89°41'01" West 80.89 feet; thence North 00°18'59" East 0.07 feet; thence North 89°40'53" West 54.99 feet; thence North 00°47'18" East 67.29 feet; thence North 89°39'50" West 18.92 feet; thence North 00°47'18" East 56.95 feet; thence North 89°12'42" West 18.50 feet; thence North 00°47'18" East 79.41 feet; thence North 89°39'50" West 52.90 feet; thence North 00°47'18" East 11.47 feet; thence North 89°39'50" West 111.60 feet; thence North 00°47'18" East 419.30 feet; thence South 88°18'00" East 22.97 feet; thence North 86°23'15" East 0.97 feet; thence South 88°07'48" East 242.15 feet to the point of beginning.

Containing 191,828.56 square feet or 4.40 acres.

CENTENNIAL PLAZA



- Proposed Cream Blvd. R.O.W.
- Proposed Orem Blvd. widening area
- Proposed 8' wide planter
- Proposed curb and gutter
- Existing edge of asphalt
- Proposed driveway access
- Proposed 5' sidewalk

ROBERTS CRAFTS

Proposed urban sidewalk w/ street trees in planter boxes typical

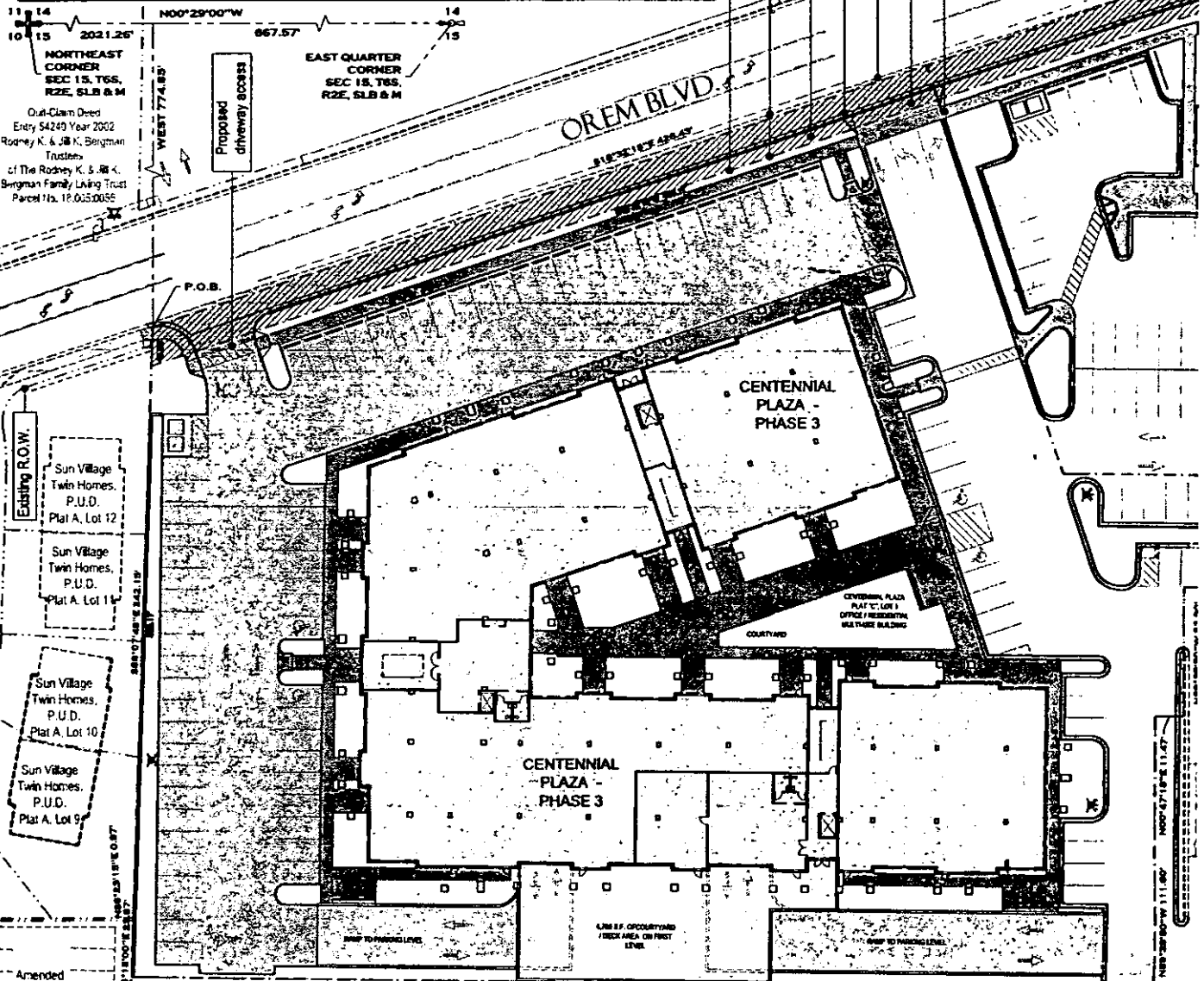


Exhibit "B"

Grass Valley, LP
 Page No. 18-005-0102
ENT 118665:2008 PG 7 of 8

Centennial Plaza Concept & Reserve Boundary Description:

Beginning at a point located North 00°29'00" West along the section line 667.57 feet and West 774.85 feet from the East Quarter Corner of Section 15, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence South 18°32'19" East 426.43 feet; thence South 71°27'41" West 3.06 feet; thence along the arc of a 513.09 foot radius non tangent curve to the right 54.80 feet, (chord bears South 15°18'07" East 54.78 feet); thence along the arc of a 100.00 foot radius non tangent curve to the right 13.77 feet, (chord bears South 04°04'40" East 13.76 feet); thence South 00°07'55" East 33.47 feet; thence along the arc of a 106.00 foot radius curve to the left 10.12 feet, (chord bears South 02°52'04" East 10.12 feet); thence South 05°36'14" East 14.94 feet; thence along the arc of a 500.00 foot radius curve to the right 56.81 feet, (chord bears South 02°20'38" East 56.88 feet); thence along the arc of a 26.00 foot radius compound curve to the right 15.99 feet, (chord bears South 18°32'00" West 15.74 feet); thence South 54°48'27" West 16.64 feet; thence along the arc of a 26.00 foot radius non tangent curve to the right 2.65 feet, (chord bears South 76°23'15" West 2.65 feet); thence South 89°19'45" East 14.80 feet; thence along the arc of a 14.25 foot radius non tangent curve to the left 7.57 feet, (chord bears North 89°16'31" East 7.48 feet); thence along the arc of a 13.27 foot radius compound curve to the left 11.28 feet, (chord bears North 29°43'18" East 10.94 feet); thence North 05°47'12" East 3.25 feet; thence North 89°52'01" East 0.02 feet; thence South 00°07'58" East 0.72 feet; thence along the arc of a 22.00 foot radius non tangent curve to the right 34.89 feet, (chord bears South 45°18'46" West 31.35 feet); thence North 89°14'36" West 73.36 feet; thence South 00°40'53" West 9.15 feet; thence North 89°41'01" West 80.89 feet; thence North 00°18'59" East 0.07 feet; thence North 89°40'53" West 54.99 feet; thence North 00°47'18" East 67.29 feet; thence North 89°39'50" West 18.92 feet; thence North 00°47'18" East 56.85 feet; thence North 89°12'42" West 18.50 feet; thence North 00°47'18" East 79.41 feet; thence North 89°39'50" West 52.80 feet; thence North 00°47'18" East 11.47 feet; thence North 89°39'50" West 111.60 feet; thence North 00°47'18" East 419.30 feet; thence South 89°18'00" East 22.97 feet; thence North 86°23'15" East 0.97 feet; thence South 88°07'48" East 242.15 feet to the point of beginning.

Containing 191,828.56 square feet or 4.40 acres.

Centennial Plaza - Orem Blvd. Widening and Center Street Widening Right-of-Way Description:

Beginning at a point located North 00°29'00" West along the section line 667.57 feet and West 774.85 feet from the East Quarter Corner of Section 15, Township 6 South, Range 2 East, Salt Lake Base and Meridian; thence South 18°32'19" East 426.43 feet; thence South 71°27'41" West 3.06 feet; thence along the arc of a 513.09 foot radius non tangent curve to the right 54.80 feet, (chord bears South 15°18'07" East 54.78 feet); thence along the arc of a 100.00 foot radius non tangent curve to the right 13.77 feet, (chord bears South 04°04'40" East 13.76 feet); thence South 00°07'55" East 33.47 feet; thence along the arc of a 106.00 foot radius curve to the left 10.12 feet, (chord bears South 02°52'04" East 10.12 feet); thence South 05°36'14" East 14.94 feet; thence along the arc of a 500.00 foot radius curve to the right 56.81 feet, (chord bears South 02°20'38" East 56.88 feet); thence along the arc of a 26.00 foot radius compound curve to the right 15.99 feet, (chord bears South 18°32'00" West 15.74 feet); thence South 54°48'27" West 16.64 feet; thence along the arc of a 26.00 foot radius non tangent curve to the right 2.65 feet, (chord bears South 76°23'15" West 2.65 feet); thence South 89°19'45" East 14.80 feet; thence along the arc of a 14.25 foot radius non tangent curve to the left 7.57 feet, (chord bears North 89°16'31" East 7.48 feet); thence along the arc of a 13.27 foot radius compound curve to the left 11.27 feet, (chord bears North 29°43'18" East 10.94 feet); thence North 05°47'12" East 3.25 feet; thence North 89°52'01" East 0.02 feet; thence South 00°07'58" East 0.72 feet; thence along the arc of a 22.00 foot radius non tangent curve to the right 34.89 feet, (chord bears South 45°18'46" West 31.35 feet); thence North 89°14'36" West 73.36 feet; thence South 00°40'53" West 9.15 feet; thence North 89°41'01" West 80.89 feet; thence North 00°47'18" East 0.07 feet; thence North 89°40'53" West 54.99 feet; thence North 00°47'18" East 67.29 feet; thence North 89°39'50" East 188.24 feet; thence along an arc of a 19.91 foot radius curve to the left 31.12 feet (chord bears North 45°33'44" East 28.05 feet); thence North 00°47'18" East 77.49 feet; thence along an arc of a 292.91 foot radius to the left 98.80 feet (chord bears North 08°52'31" West 96.34 feet); thence North 18°32'19" West 433.11 feet; thence South 89°07'48" East 15.98 feet to the point of beginning.

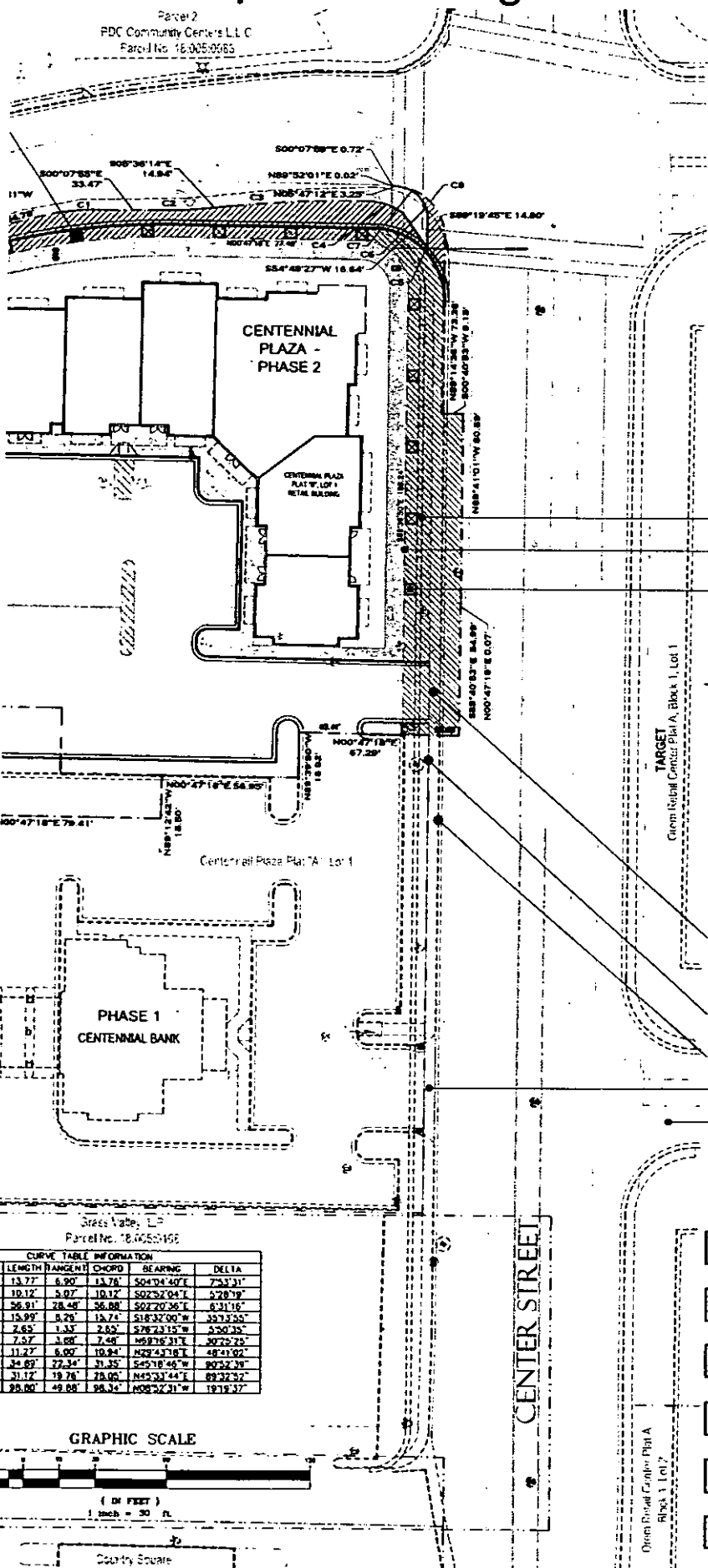
Containing 13,651 square feet or 0.31 acres.

CURVE	RA
C1	106
C2	338
C3	338
C4	26
C5	26
C6	14
C7	13
C8	27
C9	19
C10	26

gmk

- Concept Plan & Right-of-Way - Exhibit "B"

Parcel 2
PDC Community Centers LLC
Parcel No. 18-065-0665



CENTENNIAL PLAZA

118 WEST CENTER STREET
OREM, UTAH 84058

OWNER / DEVELOPER:

ARROWGON LC
727 NORTH 1550 EAST
OREM, UTAH 84007
Wayne Ross, Manager

SURVEYING / ENGINEERING / PLANNING:

A.L.M. & ASSOCIATES
2230 NORTH UNIVERSITY PARKWAY, SUITE 6D
PROVO, UTAH 84604
374-6262
Mark Greenwood, P.E.
F. Lewis Pratt, L.S.
Brandon Zollinger, Project Planner

ARCHITECT:

KEN HARRIS ARCHITECT
3520 N UNIVERSITY AVE
PROVO, UT 84604
377-6303
Ken Harris

- Future curbing alignment when Center St. is widened to proposed right-of-way
- Proposed Center Street right-of-way line
- Proposed urban sidewalk w/ street trees in planter boxes typical



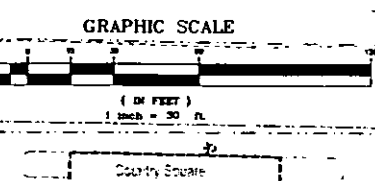
- Existing driveway to remain and then become a right-in-right-out access only to increase the safety of the corridor when the eastbound dual left turn lanes are added to the intersection of Center Street/Orem Blvd.
- Existing Right-of-Way for Centennial Plaza Plat "A", Lot 1 and existing back of sidewalk
- Existing combination curb, gutter and 4' sidewalk
- Existing driveway to remain
- Existing Target Access

- RIGHT-OF-WAY AREA
- EXISTING ASPHALT
- EXISTING CONCRETE
- PROPOSED ASPHALT
- PROPOSED CONCRETE
- PROPOSED BUILDINGS

Street Name: L.P.
Parcel No. 18-065-0665

CURVE TABLE INFORMATION

LENGTH	RADIUS	CHORD	BEARING	DELTA
13.77	6.90	13.78	S04°04'40"E	75°33'31"
10.12	5.07	10.12	S07°25'20"E	67°39'39"
56.91	28.46	56.88	S07°20'36"E	63°31'16"
15.99	8.70	15.74	S18°32'00"W	33°33'50"
7.62	1.33	7.62	S78°23'15"W	5°50'32"
7.37	1.68	7.48	N69°16'31"E	30°22'22"
11.27	6.00	10.84	N29°43'18"E	48°41'02"
34.67	27.34	31.35	S45°18'46"W	80°52'39"
31.12	19.78	28.06	N49°33'44"E	69°32'52"
28.00	49.88	28.34	N02°52'31"W	19°19'37"



SEAL

A.L.M. & ASSOCIATES, INC.
ENGINEERING · SURVEYING · DEVELOPMENT · PLANNING
2230 NORTH UNIVERSITY PARKWAY, BUILDING 6D, PROVO, UTAH 84604 PH: (801)374-6262

CENTENNIAL PLAZA
ARROWGON LC
OREM BLVD. & CENTER ST. RIGHT-OF-WAY

NO.	REVISION	DATE

1
OF 1 SHEETS

PROJECT 701-1151

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