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WHEN RECORDED, RETURN TO:

City of Taylorsville  
Attn: City Recorder  
2600 Taylorsville Blvd.  
Taylorsville, Utah 84129

14339769 B: 11546 P: 6127 Total Pages: 10  
01/27/2025 10:17 AM By: salvaredo Fees: \$0.00  
Rashelle Hobbs, Recorder, Salt Lake County, Utah  
Return To: TAYLORSVILLE CITY  
2600 TAYLORSVILLE BLVD SALT LAKE CITY, UT 84114



**DEVELOPMENT AGREEMENT  
for  
TAYLOR VILLAS**

This Development Agreement for Taylor Villas (this “Agreement”) is entered into between the City of Taylorsville, a Utah municipal corporation (the “City”) and PKEG Investments, LLC, a Utah limited liability company (“Developer”). The City and Developer are jointly referred to as the “Parties” and each may be referred to individually as a “Party.”

**RECITALS**

A. Developer owns Salt Lake County Tax Parcel 21-19-200-052 (approximately 2.64 acres) and Salt Lake County Tax Parcel 21-19-200-027 (approximately 2.68 acres) located at 6200 South and 4027 West, Taylorsville, Utah (collectively, the “Property”). The legal description of the Property is set forth in Exhibit A hereto.

B. Developer intends to develop the Property consistent with the Site Plan attached hereto as Exhibit B (the “Site Plan”). The development of the Property as shown on the Site Plan is referred to as the “Project.” The Project is known as *Taylor Villas*.

C. The City, acting pursuant to its authority under the Land Use Development and Management Act (as codified in Utah Code Ann. § 10-9a-102(2) et seq., hereafter the “Act”) and the Taylorsville City Municipal Code (the “City Code”), and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations, has determined that this Agreement is necessary and appropriate for the use and development of the Property within the City.

D. The Property is currently zoned Single Family Residential (R-1-40).

E. The Developer desires to develop the Property in conformity with this Agreement and desires a zone change on the Property from Single-Family Residential (R-1-40) to Site-Specific Development Residential (SSD-R) Taylor Villas (hereinafter, the “SSD-R Taylor Villas Zone”) under the Site Specific Development (SSD) District Regulations in Section 13.44 et seq. of the City Code (the “SSD Regulations”).

F. The Parties acknowledge that the purpose of the SSD Regulations is “*to allow the most efficient and creative development of lands that have unique or unusual characteristics. The SSD District is intended to be used for development when it can be shown that no other zone classification would be adequate or appropriate for reasonable development. The SSD District is used when the uses on a specific parcel of property are appropriate for the location, but may not be appropriate for a community wide land use ordinance.*

G. The Parties agree that the Property fits the purposes of the SSD Regulations and that the Project, as depicted in the Site Plan, accomplishes the objectives of the SSD Regulations. The development standards and regulations for the Project are set forth in the SSD-R Taylor Villas Zone and this Agreement.

H. The Parties acknowledge that development of the Property pursuant to this Agreement and the SSD-R Taylor Villas Zone will provide certainty useful to Developer and the City.

I. The City has determined that the proposed Project contains features which advance the City's policies, goals, and objectives, including, without limitation, the purposes of the SSD Regulations. The Project will contribute to capital improvements which substantially benefit the City, and will result in planning and economic benefits to the City and its citizens.

J. The Parties, having cooperated in the drafting of this Agreement, understand and intend that this Agreement is a "development agreement" within the meaning of, and is entered into pursuant to, the terms of Utah Code Ann. § 10-9a-103(12) (2024).

**NOW THEREFORE**, based on the foregoing recitals and in consideration of the mutual covenants and promises contained and set forth herein, the Parties agree as follows:

### **AGREEMENT**

1. **Recitals; Definitions**. The Recitals set forth above are incorporated herein by this reference. Any capitalized term used but not otherwise defined in this Agreement shall have the meaning ascribed to such term in the Act or City Code.

2. **Conditions of Enforceability**. The Parties acknowledge that the terms of this Agreement shall be enforceable and the rights of the Developer relative to the Property shall vest only if the City Council, in its sole legislative discretion, approves all of the following items (collectively, the "**Conditions of Enforceability**") : (i) a zoning text amendment to Chapter 13.44 of the City Code, adopting standards for the SSD-R Taylor Villas zoning district; and (ii) a zoning change for the Property from Single-Family Residential (R-1-40) to Site-Specific Development Residential (SSD-R) Taylor Villas.

3. **Effective Date**. This Agreement is effective on the date the last party executes this Agreement as indicated by the date stated under that party's signature line and the above-stated Conditions of Enforceability have been satisfied (the "**Effective Date**"), at which point this Agreement shall be recorded against the Property with the Salt Lake County Recorder's Office.

#### **4. Developer's Rights and Obligations.**

4.1. **Uses**. Developer shall develop and improve the Property in accordance with this Agreement and the SSD-R Taylor Villas Zone.

4.2. **Density**. Subject to Developer's obligation to satisfy the City's requirements for plat approval, the Project shall be comprised of forty-one (41) single family attached townhomes and nine (9) single family detached homes (collectively, the

“Residential Units”), as shown on the Site Plan. The Residential Units shall be constructed in compliance with the SSD-R Taylor Villas Zone.

- 4.3. **Owner Occupancy Requirements.** From the date of the initial conveyance of title to a Residential Unit to a purchaser, and for a period of five (5) consecutive years thereafter, each Residential Unit shall be owner-occupied. This means that upon completion of construction of a Residential Unit, it shall not be sold or conveyed to an investor, property manager, or any other person or entity who would rent or lease the Residential Unit to tenants, nor shall Developer rent out or lease any Residential Units to tenants. All initial purchasers of Residential Units in the Project shall be owner-occupants. If the initial purchaser needs or desires to sell a Residential Unit before the five-year owner occupancy period has expired, the Residential Unit shall be sold only to a new owner-occupant. After the five (5) year owner occupancy period has expired, no more than ten (10) of the Residential Units in the Project may be leased or rented to tenants at any given time for the remaining life of the Project. The restrictions in this Section 4.3 are collectively referred to as the “Owner Occupancy Requirements.”
- 4.4. **Recorded Covenants and Restrictions.** The Owner Occupancy Requirements described in the preceding Section shall be set forth in the written Covenants, Conditions and Restrictions (“CC&Rs”) to be recorded against the Property, with express language stating that the Owner Occupancy Requirements in the CC&Rs cannot be amended without the prior written consent of the City. The CC&Rs shall also authorize the homeowners association (HOA) of this Project to enforce the Owner Occupancy Requirements and to adopt appropriate rules and regulations to monitor and enforce the rental restrictions that apply after the initial five (5) year owner occupancy period expires (i.e., no more than 10 Residential Units in the Project shall be rented to tenants at any given time). The CC&Rs shall be recorded against the Property before any sales contracts are signed to sell any Residential Units in the Project.
- 4.5. **First Time Homebuyer Assistance Program.** Utah Senate Bill 240 (2023) created the First-time Homebuyers Assistance Program for allocation by the Utah Housing Corporation (the “Program”). Under the Program, up to \$20,000 may be provided to first-time homebuyers to assist them in purchasing a newly constructed but not yet inhabited home so long as the purchase price of the new home does not exceed \$450,000. As a key feature of the Project to meet the City’s objectives, Developer has stipulated and agreed that at least eight (8) of the single family attached townhomes shall be sold to first-time homebuyers under the Program. Developer acknowledges that this means at least eight (8) attached townhomes shall be sold at a sales price that does not exceed \$450,000 even if market conditions would support a higher sales price (the “Price Restriction”). Developer voluntarily agrees to comply with the Price Restriction and acknowledges that the Price Restriction is an integral part of the bargained-for exchange under the SSD-R Taylor Villas Zone supporting the City’s decisions to amend its General Plan and approve the zoning change for the Property as requested by Developer. Accordingly, Developer irrevocably waives and releases any and all claims that the Price Restriction is unlawful or constitutes an unlawful

exaction or an unconstitutional taking. Developer agrees that the Price Restriction is binding and enforceable.

4.6. **Exclusive Offering to Specific Buyers.** Developer agrees that when the attached townhomes are ready to be released for sale to the general public, Developer shall first notify the City of the same and shall provide an initial period of thirty (30) days in which the eight (8) price-restricted units to be sold under the Program described in the preceding Section shall first be made available for purchase by veterans, activity duty military, school teachers, police officers, and first responders so that they have the initial opportunity to take advantage of the First Time Home Buyer Assistance Program. Developer and the City shall coordinate their efforts to ensure that adequate marketing and publicity are provided to make persons in these categories aware of the opportunity to purchase the price-restricted units under the Program. After said 30-day offering period has expired, the attached townhome units may be offered for sale to the public at large, but Developer shall remain obligated to sell at least eight (8) attached townhomes as part of the Program.

5. **City Obligations.** City shall review and approve development applications with respect to the Property in a timely manner, consistent with City's routine development review practices and in accordance with all applicable laws and regulations.

6. **Vested Rights and Reserved Legislative Powers.**

6.1. **Vested Rights.** Consistent with the terms of this Agreement, City agrees Developer has the vested right to develop and construct the Project in accordance with: (i) the SSD-R Taylor Villas Zone, (ii) the City Code in effect as of the Effective Date; and (iii) the terms of this Agreement.

6.2. **Reserved Legislative Powers.** Developer acknowledges that City is restricted in its authority to limit its police power by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to City all of its police power that cannot be so limited. Notwithstanding the retained power of City to enact such legislation under the police powers, such legislation shall only be applied to modify the vested rights of Developer if the policies, facts and circumstances meet the compelling, countervailing public interest exception to the vested rights doctrine in the State of Utah. Any such proposed change affecting the vested rights of the Property shall be of general application to all development activity in City; and, unless in good faith City declares an emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Property under the compelling, countervailing public interest exception to the vested rights doctrine.

7. **Term.** This Agreement shall run with the land and shall continue in full force and effect in perpetuity.

8. **Developer Parties.** For purposes of this Agreement, the term "Developer" shall mean and include PKEG Investments, LLC, its successors and assigns, and each person or entity that

constructs a residential unit for sale on one or more of the lots in the Project. The term "Developer" does not mean or include any person or entity who owns or lives in a constructed unit.

9. **Notices.** All Notices and other communication provided for herein or given in connection herewith shall be validly given or served if in writing and delivered personally or sent by registered or certified U.S. Postal Service mail postage prepaid to the following addresses or to such other addresses as either Party may designate in writing and deliver in like manner. Any such change of address shall be given at least ten (10) days before the date on which the change is to become effective:

If to the City:      City of Taylorsville  
Attn: City Recorder  
2600 Taylorsville Blvd.  
Taylorsville, Utah 84129

If to Developer:      PKEG Investments, LLC  
Attn: Paxton Guymon  
14624 Ten Sleep Cir.  
Bluffdale, Utah 84065  
Email: [Paxton.guymon@gmail.com](mailto:Paxton.guymon@gmail.com)

10. **Mailing Effective.** Notices given by mail shall be deemed delivered seventy-two (72) hours following deposit with the U.S. Postal Service in the manner set forth above.

11. **No Waiver.** Any Party's failure to enforce any provision of this Agreement shall not constitute a waiver of the right to enforce such provision. The provisions may be waived only in writing by the Party intended to be benefited by the provisions, and a waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any other or succeeding breach.

12. **Authority.** The Parties to this Agreement represent that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. Developer represents and warrants it is fully formed and validly existing under the laws of the State of Utah, and that it is duly qualified to do business in the State of Utah and is in good standing under applicable state laws. Developer and City warrant to each other that the individuals executing this Agreement on behalf of their respective Party are authorized and empowered to bind the Party on whose behalf each individual is signing.

13. **Entire Agreement.** This Agreement, together with the Exhibits attached hereto, the documents and ordinances referenced herein and all regulatory approvals given by City for the Property contain the entire agreement of the Parties with respect to the Project and supersede any prior promises, representations, warranties, inducements or understandings between the Parties which are not contained in such agreements, ordinances, or regulatory approvals.

14. **Amendment.** This Agreement may be amended in whole or in part with respect to all or any portion of the Property only by the mutual written consent of the Parties or by their successors-in-interest or assigns. Any such amendment of this Agreement shall be recorded in the official records of the Salt Lake County Recorder's Office.

15. **Severability.** If any of the provisions of this Agreement are declared void or

unenforceable, such provision shall be severed from this Agreement. This Agreement shall otherwise remain in full force and effect.

16. **Governing Law**. Utah law shall govern the interpretation and enforcement of this Agreement. The Parties shall agree that the venue for any action commenced in connection with this Agreement shall be proper only in a court of competent jurisdiction located in Salt Lake County, Utah.

17. **Defaults & Remedies**. If either party breaches any provision of this Agreement, the non-defaulting Party shall be entitled to all remedies available at law provided the Party first complies with the dispute resolution provisions set forth in this Agreement.

18. **Attorney's Fees and Costs**. If either Party brings legal action either because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and court costs.

19. **Binding Effect**. The benefits and burdens of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, legal representatives, successors in interest and assigns. This Agreement shall be incorporated by reference in any instrument purporting to convey an interest in the Property.

20. **Assignment**. Developer may freely assign this Agreement, in which case the assignor or successor-in-interest shall be fully liable under this Agreement. Developer shall remain obligated for the performance of this Agreement until it receives a written release from the City. The City shall grant a written release upon a showing that the Assignee is financially and otherwise capable of performing the obligations of the Agreement.

21. **No Agency Created**. Nothing contained in this Agreement shall create any partnership, joint venture, or agency relationship between the Parties.

22. **Dispute Resolution**. In the event of a dispute regarding the meaning, administration or implementation of this Development Agreement, the parties shall meet and confer and attempt to resolve the dispute. If this is unsuccessful the parties shall engage in formal mediation within thirty days of the unsuccessful meeting. The parties shall mutually agree upon a single mediator and Developer shall pay the fees of the mediator. If the dispute remains unresolved after mediation the Parties may seek relief in the Third District Court for Salt Lake County, State of Utah.

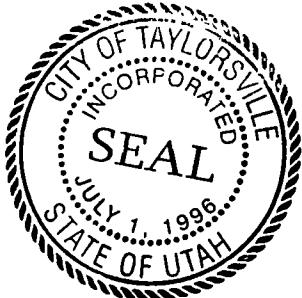
23. **Table of Exhibits**. The following exhibits attached hereto and referred to herein are hereby incorporated herein and made a part of this Agreement for all purposes as if fully set forth herein:

|           |                            |
|-----------|----------------------------|
| Exhibit A | Property Legal Description |
| Exhibit B | Site Plan – Taylor Villas  |

*[signatures on following pages]*

Wherefore, the Parties have executed this Agreement, and it shall be effective on the date stated in Section 3 above.

**CITY OF TAYLORSVILLE**



Signature: Kristie S. Overson

Print Name: Kristie S. Overson

Title: Mayor

Date: Jan. 23, 2025

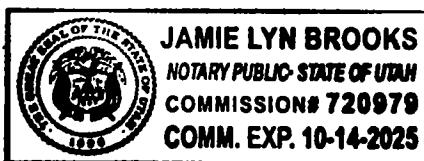
APPROVED AS TO FORM

Office of the City Attorney

STATE OF UTAH )  
:ss

COUNTY OF SALT LAKE )

On this 23<sup>rd</sup> day of January, 2025, personally appeared before me Kristie S. Overson, whose identity is personally known to me (or proven on the basis of satisfactory evidence) and who by me duly sworn, did say that they are the Mayor of the City of Taylorsville and that said document was signed by them on behalf of Taylorsville City by Authority of its City Council, and they further acknowledged to me that the City executed the same.

  
NOTARY PUBLIC

**DEVELOPER:**  
PKEG INVESTMENTS, LLC

Signature: Payton Grayson

Print Name: Paxton Guymon

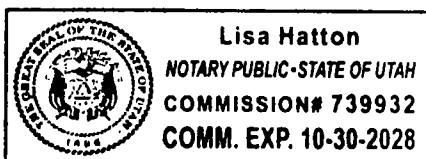
Title: Manager

Date: January 22, 2025

STATE OF UTAH )  
:ss  
COUNTY OF SALT LAKE )

On this 22 day of January, 2025, personally appeared before me PAXTON GUYMON, whose identity is personally known to me (or proven on the basis of satisfactory evidence) and who by me duly sworn/affirmed, did say that he is the Manager of PKEG Investments, LLC, and that said document was signed by him on behalf of PKEG Investments, LLC by authority of its governing documents.

J. Hatton  
NOTARY PUBLIC



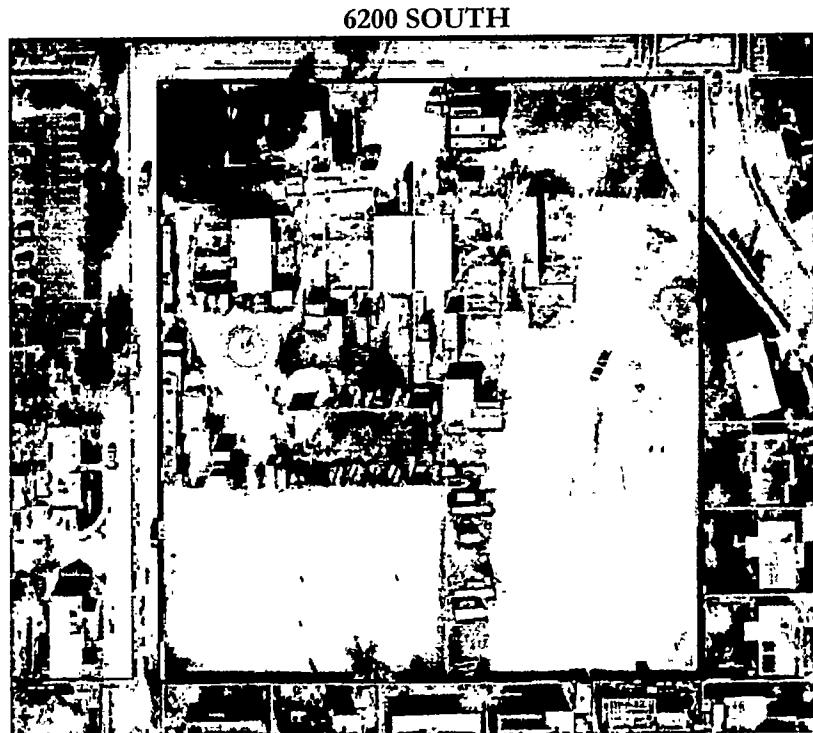
**EXHIBIT A**  
*(Property Legal Description)*

A TRACT OF LAND SITUATED IN THE NORTHWEST QUARTER OF SECTION 19, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS SOUTH  $00^{\circ}06'29''$  EAST 33.00 FEET FROM THE NORTH QUARTER CORNER OF SAID SECTION 19, SAID POINT BEING ON THE PROLONGATION OF THE WESTERLY LINE OF MISTY HILLS NO. 8 PLAT "C" SUBDIVISION, ON FILE WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER IN BOOK 83-7, AT PAGE 88 OF PLATS, AND RUNNING THENCE SOUTH  $00^{\circ}06'29''$  EAST ALONG SAID LINE AND A PROLONGATION THEREOF A DISTANCE OF 524.37 FEET TO THE NORTHEAST CORNER OF MISTY HILL NO. 9 PLAT "B" SUBDIVISION, ON FILE WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER IN BOOK 84-3, AT PAGE 47 OF PLATS; THENCE SOUTH  $89^{\circ}55'40''$  WEST ALONG THE NORTHERLY LINE OF SAID SUBDIVISION A DISTANCE OF 443.95 FEET TO THE SOUTHEAST CORNER OF THE TRACT OF LAND DESCRIBED IN THAT CERTAIN WARRANTY DEED ON FILE WITH THE OFFICE OF THE SALT LAKE COUNTY RECORDER AS ENTRY NO. 10411728, IN BOOK 9599, AT PAGE 8798; THENCE ALONG SAID WARRANTY DEED THE FOLLOWING TWO (2) COURSES, 1) NORTH  $00^{\circ}09'13''$  WEST 512.08 FEET, 2) NORTH  $44^{\circ}52'49''$  EAST 9.06 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF 6200 SOUTH STREET; THENCE ALONG SAID SOUTHERLY LINE THE FOLLOWING THREE (3) COURSES, 1) SOUTH  $89^{\circ}55'30''$  EAST 202.82 FEET, 2) NORTH  $00^{\circ}06'29''$  WEST 7.00 FEET, 3) SOUTH  $89^{\circ}55'30''$  EAST 235.13 FEET TO THE POINT OF BEGINNING.

CONTAINS 231,670 SQUARE FEET OR 5.318 ACRES, MORE OR LESS.

The Property is comprised of Salt Lake County Tax Parcel Nos.: 21-19-200-052 and 21-19-200-027, which parcels are depicted in the image below:



**EXHIBIT B**

(Site Plan)

6200 SOUTH

