#### WHEN RECORDED RETURN TO:

Farmington City
Attn: City Manager
130 North Main Street
P.O. Box 160
Farmington, UT 84025

E 2496611 B 4910 P 2640-2691
RICHARD T. MAUGHAN
DAVIS COUNTY, UTAH RECORDER
11/30/2009 04:35 PM
FEE \$196.00 Pas: 52
DEP RIT REC'D FOR FARMINGTON CITY

### DEVELOPMENT AGREEMENT FOR THE VILLAGE AT OLD FARM

This Development Agreement ("Agreement") is made and entered into as of the 2nd day of September, 2008, by and among FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and GARDNER BTS OLD FARM LLC, a Utah limited liability company, and GARDNER OLD FARM, LLC, a Utah limited liability company, hereinafter jointly and severally referred to as the "Developer."

#### **RECITALS:**

- A. This Agreement pertains to the development of The Village at Old Farm, a planned unit development (the "Project") on approximately 36 acres of land located within the City east of the US 89 Highway, as more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Property").
- B. The Project will consist of up to 71 residential units and certain commercial units as shown on and developed in accordance with a master plan for the Project prepared by the Developer which is attached hereto as <a href="Exhibit B">Exhibit B</a> and by this reference is made a part hereof (the "Project Master Plan") showing all phases of the development which include the following components: master land use plan including building elevations, master streets plan, and master plans for each of the following: pedestrian walkways and trails, water, drainage, sanitary sewer and lighting.
- C. The Developer has received preliminary plat and preliminary master plan approvals for Phase 2 of the residential portion of the Project, together with final approval for Phase 1 of the residential portion of the Project under a separate conditional use permit issued by the City.
- D. The Property is presently zoned under the City's Zoning Ordinance as Neighborhood Mixed Use ("NMU"), which provides for a mixed use development on the Property, including commercial and residential uses as enumerated in the NMU Zoning Ordinance. The Property is subject to all City Ordinances and Regulations, including the provisions of the City's General Plan, the City's Zoning Ordinances, the City's engineering development standards and specifications and any permits issued by the City pursuant to the foregoing Ordinances and Regulations (collectively, the "City's Laws").

- E. All persons and/or entities hereafter developing any portions of the Property shall accomplish such development in accordance with the City's Laws, the Project Master Plan and this Agreement. This Agreement contains certain requirements and conditions for design and/or development of the Property and the Project in addition to those contained in the City's Laws.
- F. It is the desire of the respective parties hereto that the development of the Property proceed in such a manner as to benefit the residents of the City, as well as the Developer.

#### **AGREEMENT**

- **NOW, THEREFORE**, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:
- 1. **Incorporation of Recitals**. The foregoing Recitals are hereby incorporated into this Agreement.
- 2. **Description of the Project**. The Project shall be developed for mixed use to provide a blending of commercial and residential uses as a planned unit development and/or planned center as authorized in the NMU Zoning Ordinance. The Project shall be developed to facilitate safe, attractive and convenient pedestrian circulation, traffic circulation, parking, open space and integrated landscaping. The Project will be generally known as The Village at Old Farm.
- 3. **Definitions**. When used in this Agreement, each term shall have the meaning set forth below or elsewhere in this Agreement, unless such meaning is clearly precluded by the context in which the term is used:
- 3.1. Developer means the Developer set forth hereinabove and any successor to Developer that owns and/or is responsible for the development of any one or more portions of the Property.
- 3.2. *Develop(ment)* means any construction, renovation or expansion of a building, structure, roadway, utility or other improvement.
- 3.3. *Project Association* means the owner association established by the Developer which Association shall govern the entire Project.
- 3.4. Developer means Gardner BTS Old Farm, L.L.C., a Utah limited liability company, and Gardner Old Farm, LLC, a Utah limited liability company and their respective successors and assigns.
- 3.5. Master Development Guidelines means those certain development guidelines attached hereto as Exhibit C and more particularly described in Section 6.6 hereof.
- 3.6. *Project* means The Village at Old Farm mixed-use development to be developed within the Property.

- Project Master Plan. The approved Project Master Plan is attached hereto as 4. Exhibit B. The Property shall be developed by the Developer in accordance with the Project Master Plan. All submittals must comply with the Project Master Plan. The Project Master Plan as approved herein, constitutes schematic plan approval for the Project. The Project Master Plan may be amended from time to time with approval of the City Council and Developer. Any proposed amendments or modifications to the Project Master Plan shall be submitted to the City for review and approval. Any approved modifications shall be incorporated into and made a part of the approved Project Master Plan. Except as otherwise provided in the development standards, Developer shall be entitled to minor variations from literal depictions contained in the Master Plan without going through a review and approval process under the City Laws, if such variations do not constitute "a material change" in the Project Master Plan or any of its components. A material change is defined as a change that the City finds will (a) have a significant adverse or negative impact on the property owners owning land adjacent to the Property; or (b) create a significant public safety hazard to the Property or persons that visit or reside there; or (c) add significant operation and/or maintenance costs to the City; or (d) constitutes a significant deviation from the Project Master Plan approved by the City. Specific site plans and subdivision plats for each portion of the Project will be required for each phase of the Project for approval by the City in accordance with the City Laws, the Project Master Plan and this Agreement. All portions of the Project receiving final site plan approval and/or final plat approval must be developed in strict accordance with the approved site plan and/or final plat for that phase and any conditional use permit issued to the Developer covering the Project or any portion thereof. No amendments or modifications to a final site plan or final plat for any portion of the Project shall be made by the Developer without the prior written approval of the City being first obtained. Notwithstanding the provisions contained in this Agreement, nothing contained herein shall be construed as granting final site plan or subdivision plat approval for any portion of the Project. Developer intends to develop the Project in four (4) phases. Phase 1 consisting of a residential duplex has been previously been approved by the City.
- 5. **Final Plat Approval and Subdivision of Residential Portion of the Property.** In connection with the City's review and approval of this Agreement, the City has simultaneously held all public hearings necessary for the lawful approval of the final plat for the subdivision of Phase 2 of the residential portion of the Project. The final plat is attached hereto as Exhibit C and by this reference is made a part hereof. The residential portion of the Property shall be subdivided and developed by the Developer in strict accordance with the approved final plat for the residential portion of the Project and any conditions required by the City related thereto.
- 6. **Development of the Project**. The Project and the Property shall be developed by the Developer and/or Developer's successors and assigns in accordance with all of the requirements contained herein.
- 6.1. Compliance with City's Laws and Development Standards. The Project and all portions thereof shall be developed in accordance with the City's Laws, approved site plans, approved final plats and this Agreement.

#### 6.2. Streets and Related Improvements.

- i. Developer will construct and/or improve and dedicate to the City the streets shown on the approved site plans and/or final plats for the Project as being public streets. Construction and/or improvement of the streets which shall include all curb, gutter, paving, sidewalks, park strips and related utilities as shown on the approved improvement drawings. All construction and improvements shall be in accordance with City-approved design and construction standards and requirements. Developer hereby acknowledges and agrees that Developer is obligated to obtain access from UDOT and/or the Federal Highway Administration at Developer's sole expense to and from the US 89 Frontage Road on the west side of the Property in order to provide additional access to the Project. Developer shall satisfy all of the above requirements before recording of any further final plats and/or approval of any site plans of the commercial phase of the Project. Moreover, prior to recording of any further final plats and approval of any site plans for the commercial phase of the Project, Developer shall acquire land from UDOT adjacent to the Cherry Hill intersection and the US 89 Highway in order to configure the current commercial site plan and to provide access off Main Street to the Project.
- ii. Developer shall post a bond acceptable to the City to fully improve the public streets in the Project prior to recordation of the final plat for the Phase 2 residential portion of the Project.
- iii. Decorative street lighting must be provided for the Project and shall be subject to review and approval of the City prior to installation. All street lighting shall be owned by and maintained by the Project Association.
- iv. Developer shall provide street trees within the park strip portion of the streets within the Project or behind the sidewalk if no park strip is provided. The species, type and size of trees must be reviewed and approved by the City and such trees shall be spaced no further apart than 30 feet as measured from the center of the tree. Developer shall provide a bond acceptable to the City prior to recordation of the final plat for the Phase 2 residential portion of the Project to insure the adequate installation thereof. The Project Association will be responsible for the maintenance and upkeep of the trees within the Project. Any damaged and/or dead trees must be immediately replaced with a tree of comparable size and/or quality by the Project Association in a timely manner.
- v. Developer hereby agrees to voluntarily dedicate and donate to the City all roads within the Project. After dedication, the City shall be solely responsible for the maintenance of all roads in the Project. The Project Association shall be solely responsible for the maintenance of the sidewalks and trails within the Project. Developer is making the dedication and donation of land and improvements as provided in this Agreement voluntarily as a contribution to the City and hereby waives and releases any claims for compensation therefore from the City unless otherwise expressly provided herein. Prior to receiving final approval for each Phase of the Project, Developer agrees to dedicate, transfer and donate to the City all required easements for the public of constructing, installing, operating and maintaining public improvements and public utilities of every kind and nature as determined by the City.

- vi. Developer shall cause to be designed and constructed 2 traffic signals utilizing proper transportation and engineering principles which designs shall meet the requirements of the City's designated traffic engineer. The signal at South Mountain Road and Main Street must be approved by UDOT prior to approval of any additional site plans or final subdivision plats for the commercial area of the Project. The signal locations are shown on the Project Master Plan and will be located respectively at what is commonly known as Farmington Junction and the Somerset entrance to the Project. The City hereby agrees to enter into a separate written Reimbursement Agreement with the Developer to reimburse a portion of Developer's costs for the two signals referred to herein as more particularly set forth in the Reimbursement Agreement. Reimbursement shall not include the widening of the intersection or construction of the surface improvements including curb, gutter, sidewalk and related grading and asphalt widening. These improvements shall be Project improvements and paid for solely by Developer.
- vii. Developer shall delay the construction of one of the dwellings (as designated by the City and mutually agreed to by the Developer) until such time as areas in the Project north of residential Phase 2 are developed by the Developer. This requirement may hereafter be waived in writing by the City Council at its sole discretion. In the interim, if the City finds it necessary to provide for better traffic circulation within the Project, Developer agrees to amend the necessary plats and dedicate and improve a public street connecting residential Phase 2 with future phases of the Project north of residential Phase 2 in a manner acceptable to the City.
- viii. The Project Association shall own and maintain all sidewalks within the Project and be responsible for snow removal therefrom.
- 6.3. *Phasing*. The Property shall be developed in accordance with the Project Master Plan in phases. Phasing of the Property shall take into account orderly development of the Property, coordination in connection with the installation of infrastructure improvements, future utility capacity needs, availability of access, adequacy of utilities and related considerations, and providing of open space, parking and landscaping at various intervals of development as provided herein. The phasing of the Property shall be determined by the Developer after consultation with the City.
- 6.4. Open Space and Detention Basins. The Developer shall preserve to the City all open space shown on the Project Master Plan. The Project Association shall be responsible to maintain all open space and all detention basins located within the Project on a continuing basis in accordance with the City's Laws. The City will provide the Project Association credits for monthly storm water utility fees where appropriate.
- 6.5. Alley Rose Home. The Alley Rose Home is presently located on property owned by UDOT which will be acquired by Developer and be included as part of the Project. The City has proposed that Developer convert the Alley Rose Home into a single family residence or incorporate the structure as part of the commercial phase of the Project. A final determination regarding the future of the Alley Rose Home, which is mutually satisfactory to the City and the Developer, will be made after recommendations are received from the Farmington Historic Preservation Commission and other interested entities. The Alley Rose Home is presently located at approximately 1787 North Main Street within the City.

- 6.6. Master Development Guidelines. The Property shall be developed in accordance with those master development guidelines which have been prepared by the Developer and approved by the City and which are attached hereto as Exhibit D and by this reference made a part hereof (the "Master Development Guidelines"). The City may require Developer to submit supplemental development guidelines where the Developer proposes exceptional or unusual uses not previously designated or clearly identified in the Project Master Plan, which shall be reviewed and approved by the City prior to any final plat and/or site plan approvals. The Master Development Guidelines contain certain approved deviations from the City's typical engineering standards so as to allow greater flexibility and development of the Project.
- Subdivisions and Site Plans. The Project Master Plan does not constitute a 6.7. subdivision of the Property or any portion thereof. Except as otherwise expressly provided for herein, all future subdivisions of the Property shall comply with the City Laws, the Project Master Plan and the Master Development Guidelines. A preliminary subdivision plat for each portion of the Property which is developed by Developer will be required for each phase and shall be submitted for approval by the City. A phase shall include a specific area or portion of the Property that Developer intends to develop at one time. Notwithstanding the provisions contained in this Agreement, nothing contained herein shall be construed as granting preliminary or final subdivision plat approval to the Developer or any developer for any portion of the Property. A specific site plan shall be required to be submitted to the City for each phase of development on the Property comprising commercial or other development for which site plans are presently required under the City Laws. No development of such phases shall take place until a site plan has been submitted to and approved by the City. Following site plan approval all portions of the Property receiving final site plan approval must be developed in accordance with the approved site plan, as well as any conditional use permit(s) issued to the Developer and/or any developer covering the Property or any phase of development thereon.

#### 7. Utilities and Infrastructure.

- 7.1. General. Developer shall install natural gas, underground electrical service, telephone, cable television, high speed internet capability, storm water, sanitary sewer, culinary and pressure irrigation water supply systems for the entire Project up to the boundary lines of the Project and within any roads or streets located therein. All installations shall be done in accordance with the customary design and construction standards of the utility providers and as required by the City Engineer.
- 7.2. Water Development. Developer shall install a culinary water supply system to serve the Property in accordance with the water plan approved by the City and the City's rules and regulations covering culinary service. The constructed water system shall connect to and be part of the City's water system and shall comply with the City Laws. Individual water meters will be installed for each residential unit and to each building in the commercial phase of the Project.
- 7.3. Storm Drains and Detention Basins. Developer shall acquire and install such storm drains, channels and detention basins to serve the Property as shown on the Project Master Plan and as required by the engineering requirements and construction standards of the

City and the City Engineer. Developer specifically agrees to design and construct storm water detention basins on the Property to service the Project with a total capacity of 3.3 acre feet. Should the Developer, with the City's approval, construct detention facilities above the 3.3 acre fee required for the Project on open space owned by the Developer, the City will reimburse to Developer the actual, reasonable costs incurred by the Developer in constructing the additional detention capacity. Such costs shall not include land costs if the detention facilities are located within designated open space. Any costs to be reimbursed by the City shall be set forth in a written reimbursement agreement signed by the parties hereto.

- 7.4. Sewer. Developer shall make arrangements with and shall comply with the requirements of the Central Davis Sewer District to provide public sanitary sewer service to the Project.
- 7.5. Secondary Water. The Developer shall make arrangements with and shall comply with all of the requirements of the Farmington Area Pressure Irrigation District ("FAPID") to provide secondary water to the Project.
- 7.6. Garbage Collection. Residential garbage collection service for the Project will be provided by the City and billed to each residential dwelling unit. Commercial garbage collection shall be provided and paid for by the Project Association.
- 7.7. *Cost.* All public improvements for the Project shall be constructed and installed at Developer's sole expense unless otherwise expressly set forth herein.
- Conditions, Covenants and Restrictions. Prior to recording of any further final plat or approval of any final site plan for any portion of the Project, the Developer shall prepare and submit to the City for review and comment conditions, covenants and restrictions providing for common area maintenance. The CC&Rs shall be consistent with this Agreement and the City Laws. The approved CC&Rs are attached hereto as Exhibit E. The Developer shall record the CC&Rs in the office of the Davis County Recorder prior to recording any further final plat or receiving final site plan approval for any portion of the Project. Concurrent with the recording of the CC&Rs, the Developer shall establish an Architectural Review Committee and a master association for the Project (the "Project Association") for the purpose of preserving the quality of development within the Project and maintaining the common areas and facilities. The CC&Rs shall establish the structure, procedures, authorities and remedies of the Project Association, including rights to make assessments and to lien defaulting properties and lots/unit owners. The documents creating the Project Association shall be submitted to the City for review and approval prior to filing of the same. The CC&Rs shall establish architectural guidelines and a requirement that all plans for buildings and structures located within each portion of the Project must comply with the same and be reviewed by the Architectural Review Committee to assure compliance. The Developer or Architectural Review Committee shall review and stamp approved all plans prior to the submittals of the plans to the City in conjunction with a building permit application or other application, thereby representing that the same are in compliance with the architectural guidelines. The City shall have no responsibility for the interpretation and enforcement of the architectural guidelines other than requiring that all building plans have been stamped approved as set out above prior to the issuance of any building permit for any building or structure on the Property. Inasmuch as the Project is being developed as a planned unit

development, all landscaping, the plaza, open space, pedestrian walkways and trails, pool and the club house located on the Property shall all be considered the part of the common areas of the Project. Owners of the residential units in the Project will own only the footprint upon which their unit is constructed together with curtilage consisting of approximately six (6) feet around each such unit. All other portions of the Property will be common area and will be maintained by the Project Association. The Project landscaping plan is attached hereto as Exhibit F and will installed by the Developer and thereafter maintained by the Project Association.

#### 9. Construction Standards and Requirements.

- 9.1. General. All construction on any portion of the Project shall be conducted and completed in accordance with the City Laws. "As built" drawings for the Project shall be provided to the City in AutoCAD digital format without cost by the Developer constructing improvements within the Project. Improvements and landscaping for the Project shall be constructed for each phase in coordination with any proposed future phases of the Project and as such improvements and landscaping are required to provide reasonably necessary and customary access and municipal services to each phase of the Project. Developer shall, at Developer's expense, construct public improvements and landscaping in accordance with the Project landscaping plan as indicated in this Agreement, the Project Master Plan and any conditional use permits issued to Developer for the Project.
- 9.2. Security. Developer shall provide security to the City in a form satisfactory to the City to guarantee the installation and completion of all public improvements installed within any portion of the Project as required by the City in accordance with the City Laws, the Project Master Plan or this Agreement. All required bonds must be in place before initiation of any construction.
- Inspection by the City. The City may, at its option, perform periodic inspections of the improvement being installed and constructed by the Developer and its assigns or its contractors. No work involving excavation shall be covered until the same has been inspected by the City's representatives and/or the representatives of other governmental entities having jurisdiction over the particular improvements involved. Developer, shall warrant the materials and workmanship of all public improvements to be dedicated to the City and installed within any phase of the Project for a period of twenty-four (24) months from and after the date of final inspection and approval by the City of the improvements in that phase. Final City inspection and approval shall not be unreasonably withheld and written notice of acceptance or rejection (specifying the reasons for rejection) shall be provided to Developer within twenty (20) business days after Developer's written request for final inspection. In the event the City incurs any extraordinary costs for inspections, due to Developer's action or inaction or at Developer's request, Developer shall immediately pay such extraordinary costs for inspection to the City upon receipt of billing for the same. No extraordinary inspections will be performed by the City at the Developer's request for any phase of the Project without advance arrangements being made with the City Manager for payment of costs of the same to the City.
- 9.4. Maintenance During Construction. During construction of the infrastructure for each phase, the Developer or its assigns, shall keep such phase, all affected public streets therein, and all abutting properties free and clear from any unreasonable

accumulation of debris, waste materials, mud, and any nuisances caused by such construction and shall contain construction debris and provide dust and mud control so as to prevent the scattering via wind and/or water or clogging of the storm sewer system.

- 9.5. Studies May be Required. The City may require drainage studies, soil and geological studies to be submitted by the Developer or its assigns, prior to preliminary or final plat or preliminary or final site plan approval for any phase of the Project. All such studies shall be completed at no cost to the City.
- Building Permits. No buildings or other structures shall be constructed 9.6. within the Project or any phase thereof without the party constructing such building or other structure first obtaining building permits therefor. The City shall not issue any building permit on any lot or for any unit within the Project until water, fully-operational fire hydrants, sewer and any utility located under the street surface, including necessary grading, storm drains and/or subsurface drainage facilities pursuant to a subdivision grading and drainage plan required and approved by the City for the Project, are installed by the Developer and accepted by the City and/or appropriate agencies. The City shall not issue any building permits on any lot within the Project until the Developer provides "as-built" drawings acceptable to the City which have been prepared and certified by an engineer licensed by the State of Utah for all required public improvements related to the Project. Except as provided for in Section 12-2-045 of the Farmington City Code, no building permits shall be issued within the Project until the Developer provides continuous access to units or sites throughout the Project by a street or streets acceptable to the City with an all-weather asphalt or concrete surface sufficient to provide access for emergency vehicles. Developer hereby agrees to perform all work necessary to ensure that the streets will remain fully accessible at all times. The Developer agrees at the earliest time weather permits, to install, at Developer's sole expense, permanent hard surface material on all streets in the subdivision in accordance with the City's specifications.

#### 9.7. Indemnification and Insurance during Construction.

Indemnification. During construction and until the date of acceptance (commencement of the warranty period) of the specific improvement by the City, Developer agrees to indemnify and hold the City and its officers, employees, agents, volunteers and representatives harmless from and against all liability, loss, damage, costs or expenses, including attorneys fees and court costs incurred or arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or to the property of any person which: (a) shall occur within the phase of the Project where such improvement is being constructed or occur in connection with any off-site work done for or in connection with such phase; and (b) which shall be caused by any negligent acts of the Developer or its agents, servants, employees or contractors, provided that the Developer shall not be responsible for and such indemnity shall not apply to any negligent acts or omissions of the City or of its agents, servants, employees or contractors. In addition, the Developer shall indemnify and hold the City and its officers, employees, agents, volunteers and representatives harmless from and against any claims, liability, costs and attorney fees incurred or arising from or as a result of any change in the nature, direction or quantity of historical drainage flows resulting from development of the Project or any phase thereof or the construction of any improvements thereon, unless such change or construction was required in writing by the City.

- ii. <u>Insurance</u>. During the period from the commencement of work on the Project or any portions thereof and ending on the date when all work is finally inspected and accepted by the City for the Project or any phase thereof, the Developer shall furnish, or cause to be furnished, to the City satisfactory certificates of liability insurance from a reputable insurance company or companies evidencing commercial general liability insurance policies in the amount of at least \$1 million single limit naming the City and its officers, employees, agents and volunteers as additional insureds. In addition to the foregoing, Developer shall provide any additional insurance required by any regulatory body or other governmental entity having jurisdiction over any work done or facilities developed which pertain to the Project or any phase thereof. Developer shall require all contractors and other employers performing any work on the Project or any phase thereof to maintain adequate workers compensation insurance and public liability coverage.
- iii. <u>Rights of Access</u>. Representatives of the City shall have the reasonable right of access to the Project and each phase thereof during periods of construction and/or repair to inspect or observe the Project and any work thereon. In performing inspections, the City shall take reasonable efforts not to interfere with any construction or repair activities.
- 10. Payment of Fees. Developer shall pay to the City in a timely manner all required fees which are due or which may become due pursuant to the City Laws in connection with the respective developments located within the Property or any portion thereof, according to the City's fee schedule, which fee schedule shall be subject to modification or amendment by the City from time to time. Developer shall pay all standard required fees assessed by the City in those amounts which are in effect at the time the fees are actually paid to the City, subject to any offsets, reimbursements or credits by the City to the Developer which may hereafter be set out in a written Reimbursement Agreement if the same is entered into between the parties hereto. Fees may be increased by the City from time to time during the course of development of the Project as long as any development review fee charged is generally applicable to all similar projects in the City.
- 11. **City Obligations**. The City agrees to maintain the public improvements dedicated to the City following satisfactory completion thereof by the Developer or its assigns and contractors and acceptance thereof by the City following the warranty period subject to appropriate available municipal revenues. The City further agrees to provide standard municipal services to the Project and each phase thereof, including police and fire protection subject to the payment of all fees and charges charged or levied therefor by the City and the availability of appropriate municipal revenues.
- 12. **Assignment**. Developer may from time to time and without the consent of the City, convey any or all portions of the Property to a successor Developer(s), together with the rights granted by this Agreement to develop one or more phases so conveyed or transferred in accordance with the terms of this Agreement; provided, however, such assignment shall in no way relieve Developer of its obligations under this Agreement and Developer shall remain jointly and severally liable with Developer's assignee to perform all of the obligations under the terms of this Agreement which are specified to be performed by Developer. Developer may request the written consent of the City to an assignment of Developer's interest in this Agreement. In such cases, the proposed assignee shall have the qualifications and financial

responsibility necessary and adequate, as required by the City, to fulfill the obligations undertaken in this Agreement by the Developer. The City shall be entitled to review and consider the ability of the proposed assignee to perform, including financial ability, past performance and experience. After review, if the City gives its written consent to the assignment, the Developer shall be released from its obligations under this Agreement for that portion of the Project or Property for which such assignment is approved.

Nothing in this section shall prohibit Developer from leasing space in the ordinary course of the business of operating a commercial center and/or residential center for occupancy of buildings to be developed in the Project, or prohibit the Developer from leasing a portion of the Project to one or more tenants or other user occupants for the purpose of erecting, constructing, maintaining and operating (or causing to be erected, constructed, maintained and operated) commercial improvements thereon. The provisions of this Section shall not prohibit the granting of any security interests for financing the acquisition and development of commercial or residential structures or other development parcels within the Project, subject to Developer complying with the subdivision requirements contained in the City's Laws.

In the event of any conveyance, transfer or assignment by the Developer of all or any portion of the Property or Project, the grantee or assignee, for itself and its successors and assigns, and for the benefit of the City, shall expressly assume all of the obligations of the Developer under this Agreement with respect to the Project and Property, or any portion thereof, which is assigned or conveyed by Developer to the assignee or grantee and the assignee or grantee shall agree to be subject to all of the conditions and restrictions to which the Developer is subject with respect to the Project or any portion thereof.

13. **Notices**. Any notices, requests and demands required or desired to be given hereunder shall be in writing and shall be served personally upon the party for whom intended, or if mailed, by certified mail, return receipt requested, postage prepaid, to such party at its address shown below:

To the Developer:

Attn: Jonathan S. Gardner Union Pacific Depot 12 South 400 West, Suite 250 Salt Lake City, Utah 84101

To the City:

Farmington City Corporation Attn: City Manager 130 North Main Street P. O. Box 160 Farmington, Utah 84025-0160

- 14. **Default**. In the event any party fails to perform its obligations hereunder or to comply with the terms hereof, within thirty (30) days after giving written notice of default, the non-defaulting party may, at its election, have the following remedies:
- 14.1. All rights and remedies available at law and in equity, including injunctive relief, specific performance and/or damages.
- 14.2. The right to withhold from Developer all further approvals, licenses, permits for the Property, or the development of any portion thereof until such default has been cured.
- 14.3. The right to draw on any security posted or provided in connection with the Project or any phase thereof.
- 14.4. The right to terminate this Agreement as to those phases owned or being developed by the defaulting Developer.
- 14.5. The rights and remedies set forth hereinabove shall be cumulative. Any legal actions commenced or filed in connection with the Project or any matters contained herein shall be filed in the Second Judicial District Court in and for Davis County, Utah.
- 15. Attorney Fees. In the event of any lawsuit between the parties hereto arising out of or related to this Agreement, or any of the documents provided for herein, the prevailing party or parties shall be entitled to recover their costs and a reasonable attorney fee.
- 16. **Conflicts**. In the event any conflict arises between the provisions of this Agreement and the City's Laws, the City's Laws shall be controlling. In the event any conflict arises between this Agreement and the Master Development Guidelines and/or the CC&Rs, this Agreement shall control.
- 17. **Entire Agreement**. This Agreement, together with the exhibits attached hereto, documents referenced herein and all regulatory approvals given by the City for the Project and/or any phase thereof contain the entire agreement of the parties with respect to the subject matter hereof and supersede any prior promises, representations, warranties, inducements or understandings between the parties pertaining to the subject matter hereof which are not contained in this Agreement, regulatory approvals granted by the City and related conditions to such approvals. This Agreement is executed in two (2) duplicate originals, each of which is deemed to be an original.
- 18. Non-Liability of City Officials, Employees and Others. No officer, employee, representative or agent of the City shall be personally liable to the Developer or its assignees in the event of any default or breach by the City, or for any act or omission arising out of, or connected to, any of the matters set forth herein, or for any amount which may become due Developer or its assigns, for any obligation arising under the terms of this Agreement.
- 19. **Force Majeure**. Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes, labor disputes, inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature, governmental restrictions,

regulations or controls (other than those of the City), judicial orders, enemy or hostile government actions, wars, civil commotions, fires or other casualties or other causes beyond the reasonable control of the party obligated to perform hereunder (financial inability excepted) shall excuse performance of the obligation by that party for a period equal to the duration of that prevention, delay or stoppage.

- 20. **No Third Party Rights**. The obligations of the parties set forth in this Agreement shall not create any rights in or obligations to any persons or parties other than to the City and the Developer, and its successors and assigns. The City and the Developer alone shall be entitled to enforce or waive any provisions of this Agreement to the extent that such provisions are for their benefit.
- 21. **Headings**. The headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.
- 22. **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 succeeding breach of the same or other provisions.
- 23. **Severability**. If any portion of this Agreement is held to be unenforceable or invalid for any reason by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 24. **Recordation**. This Agreement shall be recorded against the Property on which the Project is located within Davis County, Utah, senior to the CC&Rs, easements and debt security instruments encumbering the Project or any portion thereof. This Agreement may be recorded by either party hereto in the offices of the Davis County Recorder, State of Utah.
- 25. **Relationship**. Nothing in this Agreement shall be construed to create any partnership, joint venture or fiduciary relationship between the parties.
- 26. **Termination**. Notwithstanding anything in this Agreement to the contrary, it is hereby agreed by the parties hereto that in the event the Project, including all phases thereof, is not completed on or before November 15, 2014, the City shall have the right, but not the obligation, at the sole discretion of the City, to terminate this Agreement as to any portions of the Project not completed by the foregoing date. Notwithstanding anything herein to the contrary, this Agreement shall remain in full force and effect with respect to any portions of the Project which are completed and which have received final inspection and acceptance by the City. In the event Developer, or any of its successors or assignees do not comply with the provisions of this Agreement, and such default is not cured within sixty (60) days after notice from the City to the Developer specifying such default, the City shall have the right, but not the obligation, at the sole discretion of the City, to terminate this Agreement. Termination may be effected by the City giving written notice of termination to the Developer or the successor developer Developer's address set forth herein for notices or Developer's last known address, whereupon the City shall

be released from any further obligations under this Agreement, and the same shall be deemed terminated.

27. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon the parties hereto and their respective officers, employees, members, representatives, agents, successors in interest and assigns. The covenants contained herein shall be deemed to run with the Property which is described in Exhibit A attached hereto.

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

"CITY"

By

**FARMINGTON CITY** 

ATTEST:

L. Lomos

"DEVELOPER"

GARDNER BTS OLD FARM, LLC, a Utah limited liability company

GARDNER OLD FARM, LLC, a Utah limited liability company

ag Member

STATE OF UTAH )
COUNTY OF DAVIS    SS.
On the 18 day of December, 2007, personally appeared before me Scott C. Harbertson, who being duly sworn, did say that he is the Mayor of FARMINGTON CITY, a municipal corporation of the State of Utah, and that the foregoing instrument was signed in behalf of the City by authority of its governing body and said Scott C. Harbertson acknowledged to me that the City executed the same.
Notary Public
STATE OF UTAH  STATE
On the 18 day of December, 2007, personally appeared before me Rulen C.  Gardner, who being by me duly sworn did say that he is the managing member of GARDNER
BTS OLD FARM, LLC, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority of its Articles of Organization and duly acknowledged to me that said limited liability company executed the
MARGY L LOMAX NOTARY PUBLIC • STATE OF UTAH 268 S 75 W P O BOX 488 FARMINGTON, UT 84028 COMM. EXP. 11/29/2011 Notary Public
STATE OF UTAH ::ss.
COUNTY OF <u>Paves</u> )
On the 18 day of December, 2007, personally appeared before me Rulon C.  Gardner, who being by me duly sworn did say that he is the managing member of GARDNER  OLD FARM, LLC, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority of its Articles of Organization and duly acknowledged to me that said limited liability company executed the same.
"prove

MARGY L LOMAX
NOTARY PUBLIC • STATE OF UTAH
266 \$ 75 W
P O BOX 488
FARMINGTON, UT 84025
COMM. EXP. 11/29/2011

Margy L. Lomax Notary Public 08-435-0001, 0002, 0003

08-462-0001 thru 0074

# EXHIBIT A Description of the Property

#### **RESIDENTIAL:**

A parcel of land located in the Southwest Quarter of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian, being more particularly described as follows:

Beginning at a point on the East Right of Way Line of Highway 89 and a barbed-wire fence running Southerly, said point being West 437.58 feet and North 00°06'34" West 1392.50 feet from the South Quarter Corner of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian, and running thence;

North 74°18'22" East 185.92 feet; to a point of curvature on a 345.00 foot radius curve to the left (chord bearing is North 55°36'21" East); thence along the arc of said curve 227.67 feet; thence North 36°42'02" East 78.09 feet to a point of curvature on a 195.00 foot radius curve to the left (chord bearing is North 10°27'42" East); thence along the arc of said curve 178.60 feet to a point of reverse curvature on a 180.00 foot radius curve to the right (chord bearing is North 15°11'26" East); thence along the arc of said curve 194.58 feet; thence North 46°09'31" East 123.78 feet to the western right-of-way line of State Route 106; thence South 39°09'51" East 187.83 feet; thence South 63°08'56" West 1.18 feet; thence South 38°57'59" East 95.81 feet; thence North 51°02'01" East 1.48 feet; thence South 39°09'51" East 552.73 feet to a point on 26.50 foot nontangent curve to the left (chord bearing is North 82°26'47" West); thence along the arc of said curve 40.04 feet to a point of curvature on a 180.00 foot reverse curve (chord bearing is South 59°38'08" West); thence along the arc of said curve 33.71 feet; thence South 65°00'00" West 62.51 feet to a point of curvature on a 15.00 foot curve to the left (chord bearing is South 20°09'07" West); thence along the arc of said curve 23.48 feet to a point of curvature on a 174.00 foot radius curve to the right (chord bearing is South 16°03'06" East); thence along the arc of said curve 52.51 feet; thence South 07°24'25" East 6.26 feet to a point of curvature on a 30.00 foot radius curve to the left (chord bearing is South 31°10'48" East); thence along the arc of said curve 24.89 feet to a point of curvature on a 50.00 foot radius curve to the right (chord bearing is South 11°43'04" East): thence along the arc of said curve 75.46 feet; thence South 83°00'56" East 129.48 feet; thence South 88°21'56" East 140.07 feet to the westerly right-of-way line of State Route 106; thence along said right-of-way line South 39°09'51" East 158.08 feet; thence North 89°33'50" West 58.05 feet; thence North 13°00'11" East 10.59 feet; thence South 88°43'03" West 110.97 feet; thence North 89°36'05" West 87.75 feet; thence South 88°49'40" West 97.31 feet; thence South 88°26'50" West 121.47 feet; thence North 89°33;50" West 155.12; thence North 08°40'36" East 9.88 feet; thence North 89°59'49" West 396.69 feet; thence South 03°13'46" West 6.78 feet; thence North 89°33'50" West 242.75 feet to a rebar and cap stamped "4265 RS Inc." marking the easterly right-of-way line of State Route 89; thence northwesterly along said right-of-way line North 21°25'49" West 333.49 feet to the Point of Beginning.

Contains 14.655 Acres more or less.

08-043-0193,0194,0017

#### **COMMERCIAL:**

A tract of land, situate in the West Half of Section 12, T.3N., R.1W., S.L.B.&M. The Basis of Bearing for the following described tract of land is N 00°06'34" W between the found monuments marking the Southwest Corner and the West Quarter Corner of said Section 12. The boundaries of said tract of land are described as follows:

Beginning at a point on the existing easterly right of way line of SR-89, which point is 1329.50 feet N 00°06'34" W along the Section Line and 437.58 feet East from the Southwest Corner of said Section 12; thence N 74°18'22" E 163.33 feet to a point of tangency with a 375.00-foot radius curve to the left; thence northeasterly 246.13 feet along the arc of said curve through a central angle of 37°36'20" (chord bears N 55°30'12" E 241.73 feet); thence N 36°42'02" E 82.85 feet to a point of tangency with a 200.00-foot radius curve to the left; thence northerly 176.28 feet along the arc of said curve through a central angle of 50°30'04" (chord bears N 11°27'00" E 170.63 feet) to a point of reverse curvature with a 180.00-foot radius curve to the right; thence northerly 188.37 feet along the arc of said curve through a central angle of 59°57'33" (chord bears N 16°10'44" E 179.89 feet); thence N 46°09'31" E 123.83 feet to the westerly existing right of way line of Main Street (SR-106); thence along said westerly right of way line for the following six (6) courses: 1) N 39°09'51" W 65.17 feet to a point of tangency with a 606.69-foot radius curve to the right; 2) thence northwesterly 129.89 feet along the arc of said curve through a central angle of 12°16'00" (chord bears N 33°01'51" W 129.64 feet); 3) thence N 26°53'51" W 556.83 feet; 4) thence N 88°35'56" W 11.59 feet; 5) thence N 26°59'41" W 51.21 feet to a point of tangency with a 598.17-foot radius curve to the left; 6) thence northwesterly 82.57 feet along the arc of said curve through a central angle of 07°54'32" (chord bears N 30°56'57" W 82.50 feet) to the southerly line of that certain parcel of land conveyed to the Utah Department of Transportation by the Trustees of the John D. Potter Revocable Trust, which said conveyance is incident to the project know as Project No. \*HDP-9124(003), and recorded by Warranty Deed and filed as Entry No. 1483226, in Book 2439, at Page 316 in the Davis County Recorders Office, Davis County, Utah; thence along the southerly and westerly boundary of said parcel of land for the following two (2) courses: 1) thence S 89°39'20" W 148.47 feet; 2) thence N 00°20'40" W 129.52 feet to a point on the said westerly existing right of way line of Main Street (SR-106) and the southerly boundary line of the parcel of land acquired by the Utah Department of Transportation from the Utah State University of Agriculture and Applied Science as a part of said Project No. \*HDP-9124(003), and recorded by Quit Claim Deed and filed as Entry No. 1404715, in Book 2292, at Page 69 in the said Davis County Recorders Office; thence along said southerly boundary line for the following three (3) courses 1) thence S 06°39'20" W 80.00 feet; 2) thence S 35°35'28" W 99.97 feet; 3) thence S 63°39'20" W 316.22 feet to the existing easterly right of way line of SR-89; thence along the said easterly right of way line for the following five (5) coursers: 1) thence S 28°50'08" E 231.97 feet; 2) thence S 10°31'59" E 651.99 feet; 3) thence S 89°59'49" E 2.39 feet; 4) thence S 16°18'17" E 417.94 feet; 5) thence S 21°25'49" E 30.05 feet to the point of beginning.

Containing 782,681 square feet or 17.968 acres, more or less.

Parcel 'B' – White House & Underlying Land 08-041-0077 (March 19, 2008)

## 08-041-0077

Beginning at a point North 196.25 feet and East 495.37 feet from the West Quarter Corner of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian; and running thence N59°33'07"W 31.26 feet; thence N00°20'40"W 96.67 feet to the Southerly Line of State Road 106; thence Southeasterly 157.63 feet along the arc of a 743.67 foot radius curve to the right, chord bears S44°36'33"E 157.34 feet along said Southerly Line; thence S89°39'20"W 82.97 feet to the point of beginning. Contains 6,410 Square Feet or 0.147 Acres

# Parcel 'C' - Red House 08-032-0091 - pt

(March 19, 2008)

Beginning at a point North 331.92 feet and East 278.11 feet from the West Quarter Corner of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian; and running thence N31°34'06"E 51.04 feet; thence N16°33'18"W 20.38 feet; thence S56°21'38"E 75.22 feet; thence S31°34'06"W 61.93 feet; thence N58°25'54"W 60.00 feet to the point of beginning.

Contains 3,880 Square Feet or 0.089 Acres

## Parcel 'D' - Parcel for Gardner Old Farm LLC pt 08-032-0091

(July 23, 2008)

Beginning at a point on the Easterly Line of US Highway 89, said point being North 24.30 feet and East 78.20 feet from the West Quarter Corner of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian; and running thence N28°50'08"W 134.67 feet along said Easterly Line; thence N49°09'32"E 258.02 feet; thence S54°28'37"E 48.52 feet; thence N31°34'06"E 57.63 feet; thence S58°25'54"E 60.00 feet; thence N31°34'06"E 61.93 feet; thence N56°21'38"W 75.22 feet; thence N33°36'05"E 14.00 feet; thence S56°23'55"E 146.78 feet; thence S00°20'40"E 17.01 feet; thence N56°21'38"W 2.33 feet; thence S35°35'28"W 99.97 feet; thence S63°39'20"W 316.22 feet to the point of beginning.

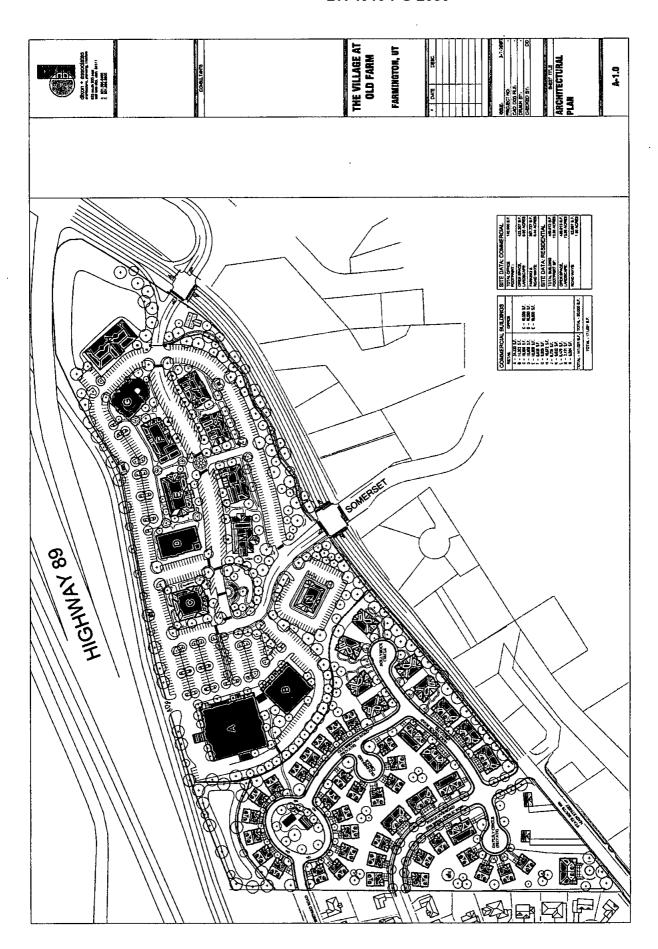
Contains 69,673 Square Feet or 1.600 Acres

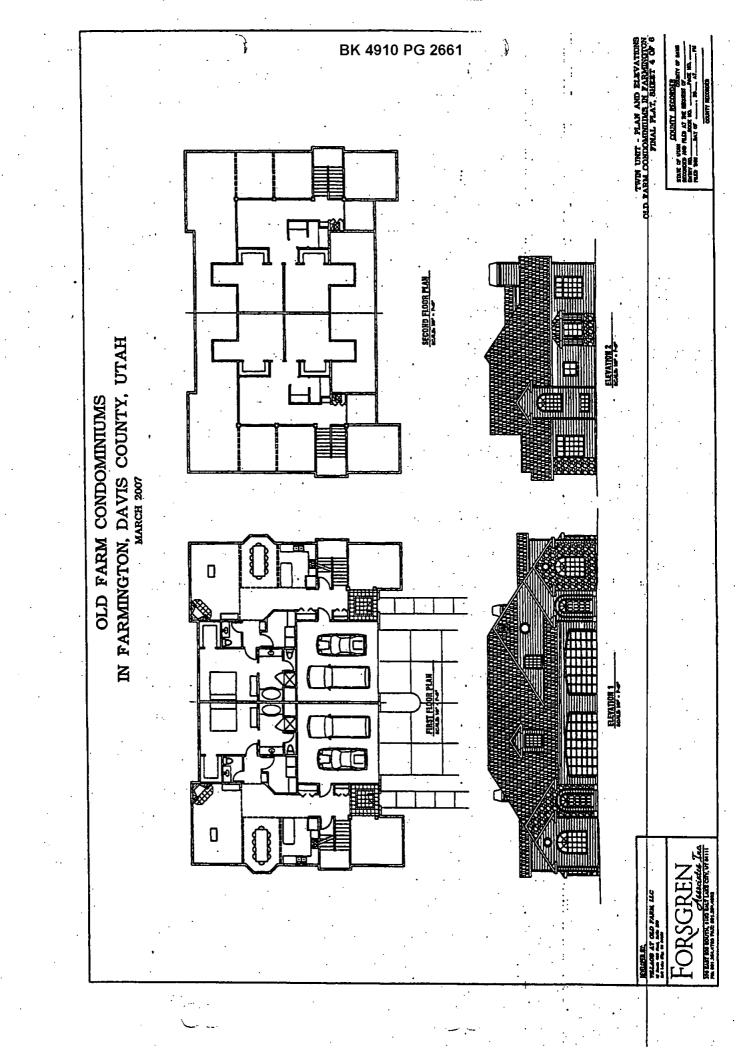
# Parcel 'F' - Remaining White House Land (March 19, 2008)

Beginning at a point North 196.25 feet and East 495.37 feet from the West Quarter Corner of Section 12, Township 3 North, Range 1 West, Salt Lake Base and Meridian; and running thence S89°39'20"W 65.57 feet; thence N00°20'40"W 142.68 feet to the Southerly Line of State Road 106; thence Southeasterly 48.99 feet along the arc of a 743.67 foot radius curve to the right, chord bears S52°34'08"E 48.99 feet along said Southerly Line; thence S00°20'40"E 96.67 feet; thence S59°33'07"E 31.26 feet to the point of beginning.

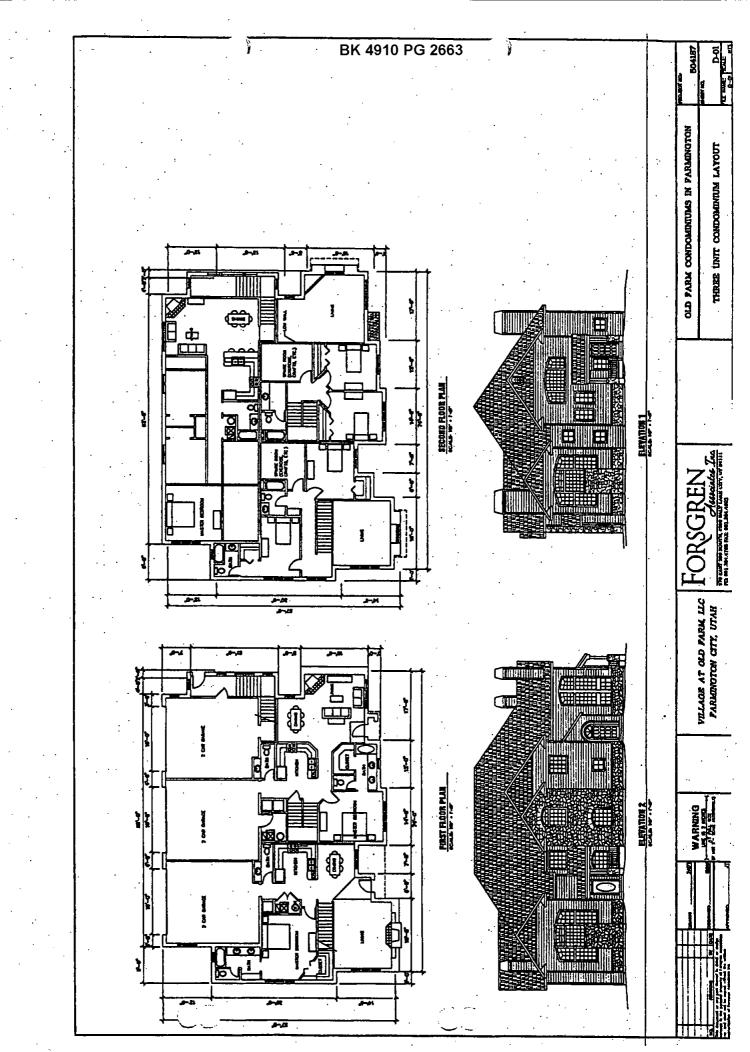
Contains 5,172 Square Feet or 0.119 Acres

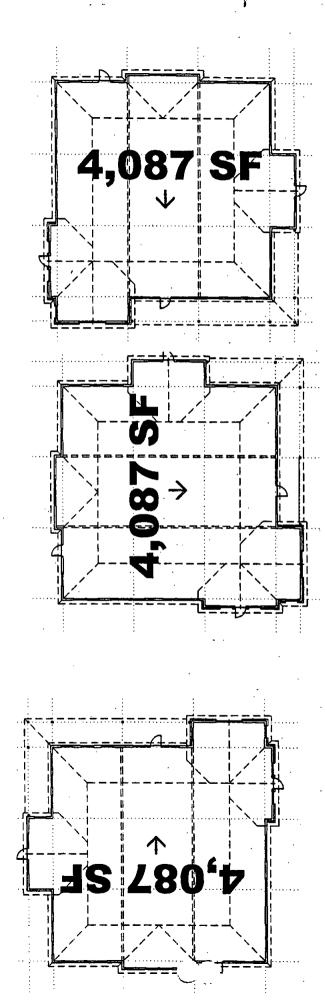
EXHIBIT B Project Master Plan

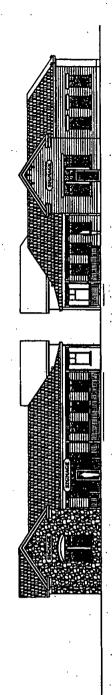


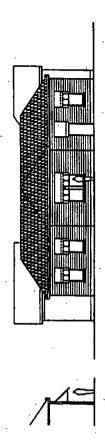


BK 4910 PG 2662 TWIN UNIT A - PLAN AND ELEVATION OLD PARM CONDOMINUMS IN PARLIMOTO FINAL PLAT, SHIELT 5 OF COUNTY RECORD
COUNTY RECORD
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FULD WE MAN OF THE PROPERTY SECOND FLOOR PLAN IN FARMINGTON, DAVIS COUNTY, UTAH OLD FARM CONDOMINIUMS FIRST FLOOR PLAN









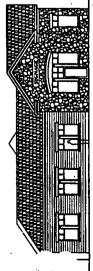
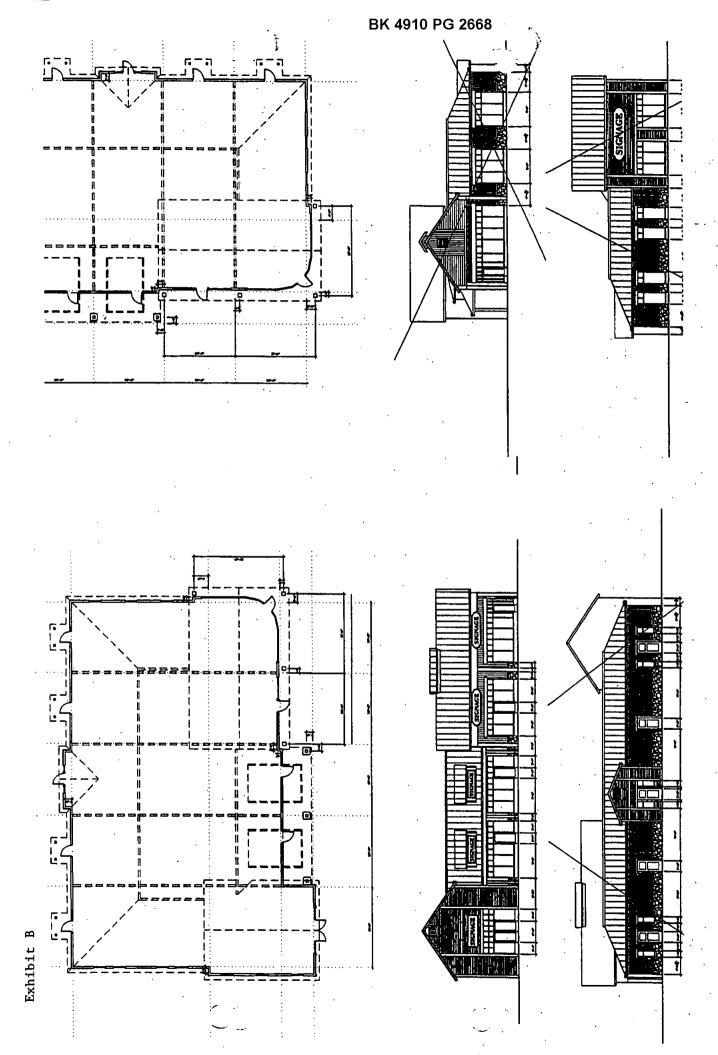
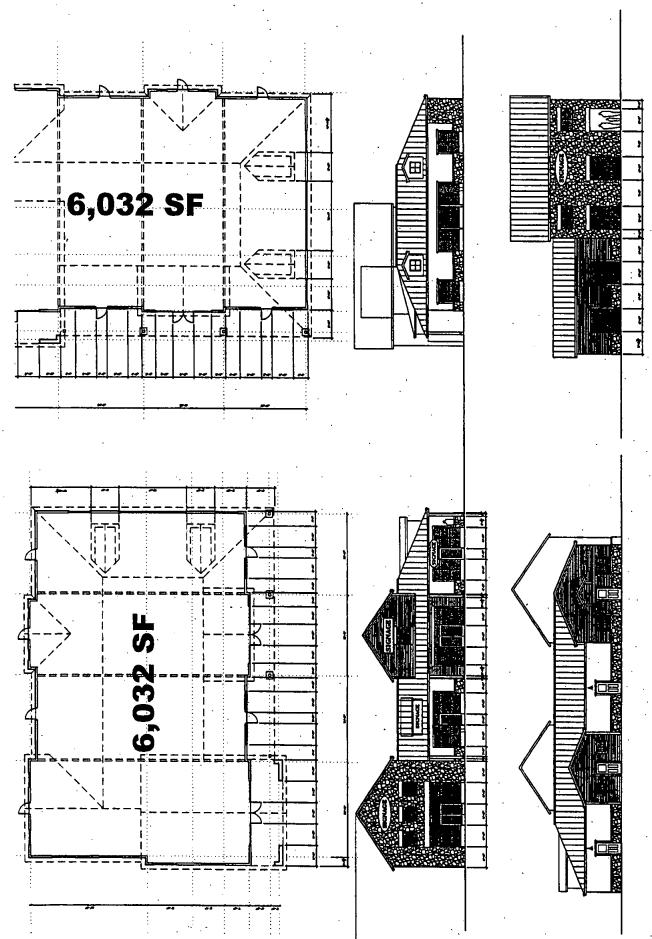
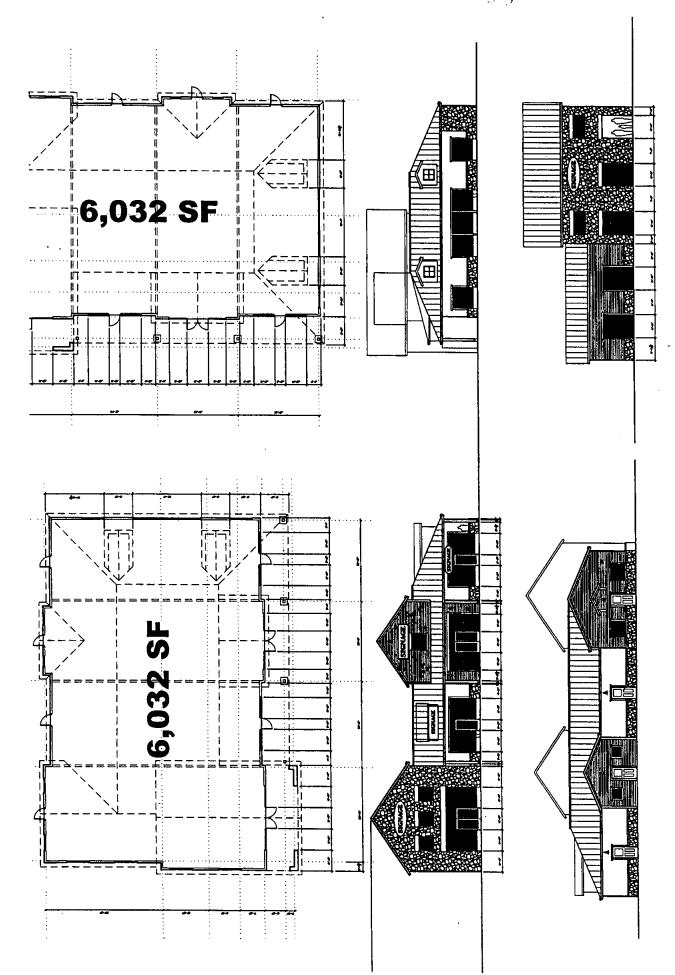


Exhibit B







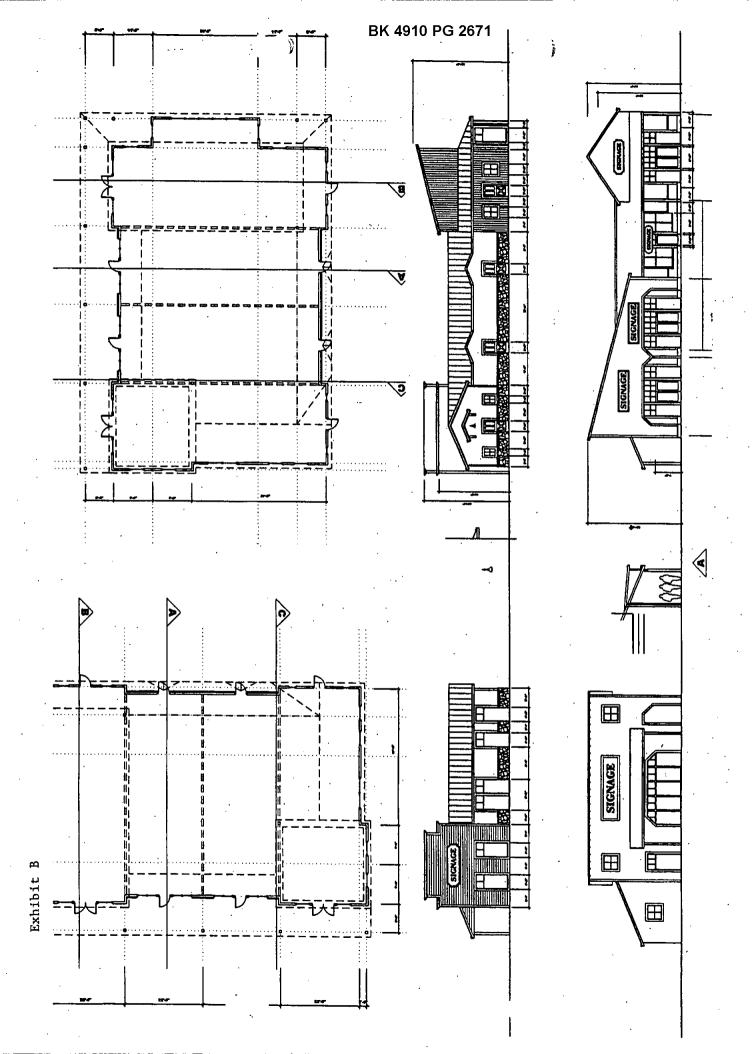
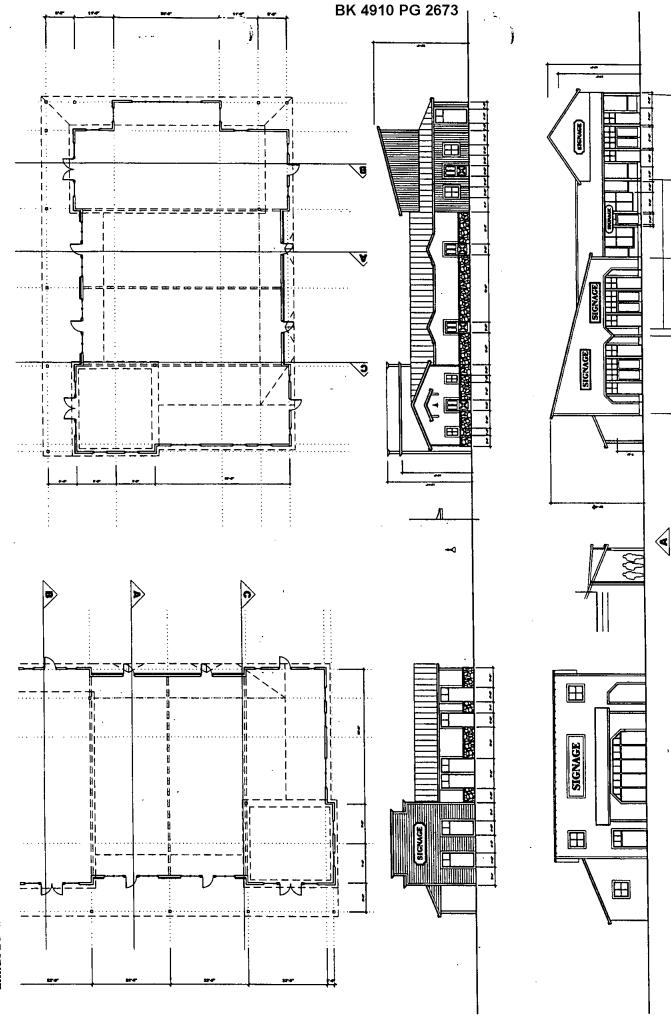


Exhibit B



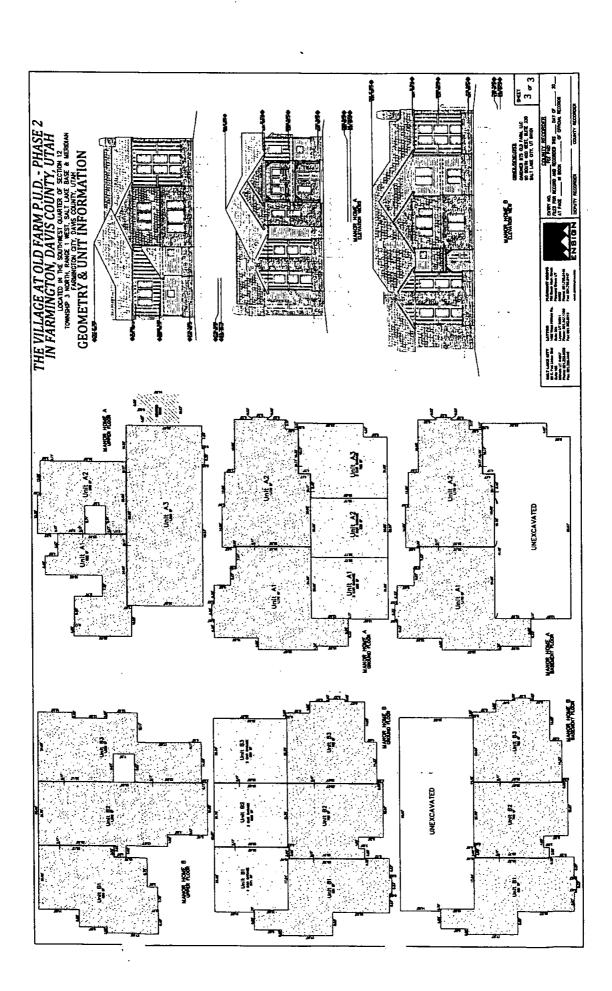


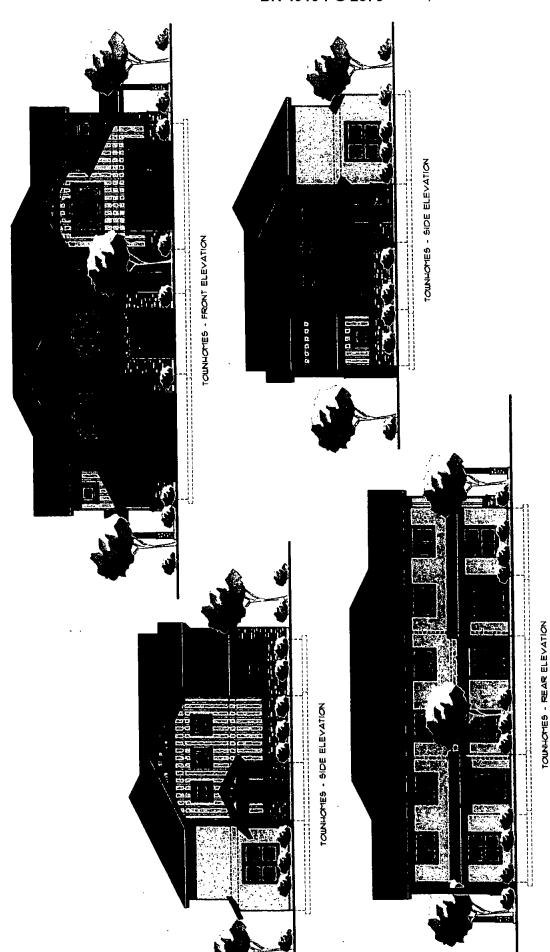
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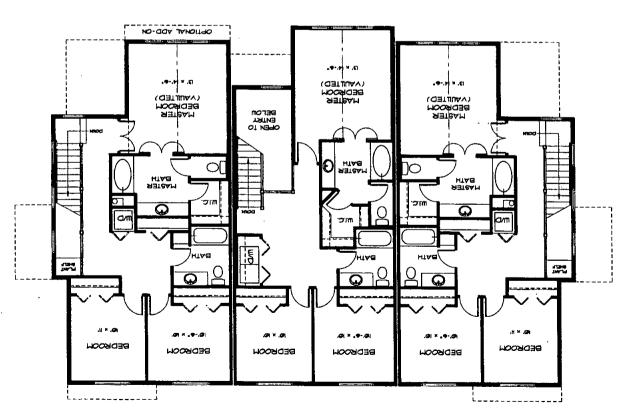
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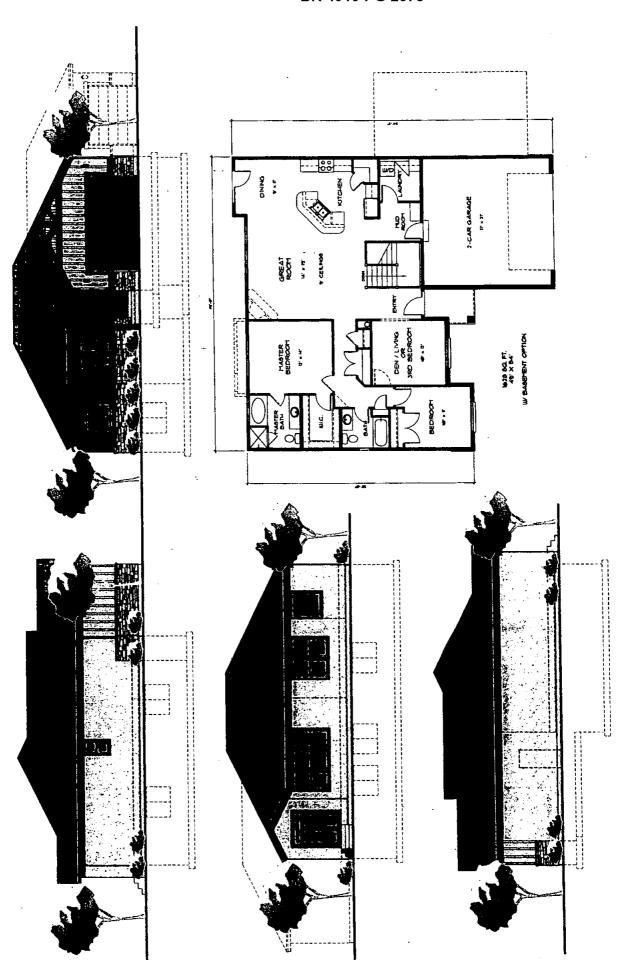
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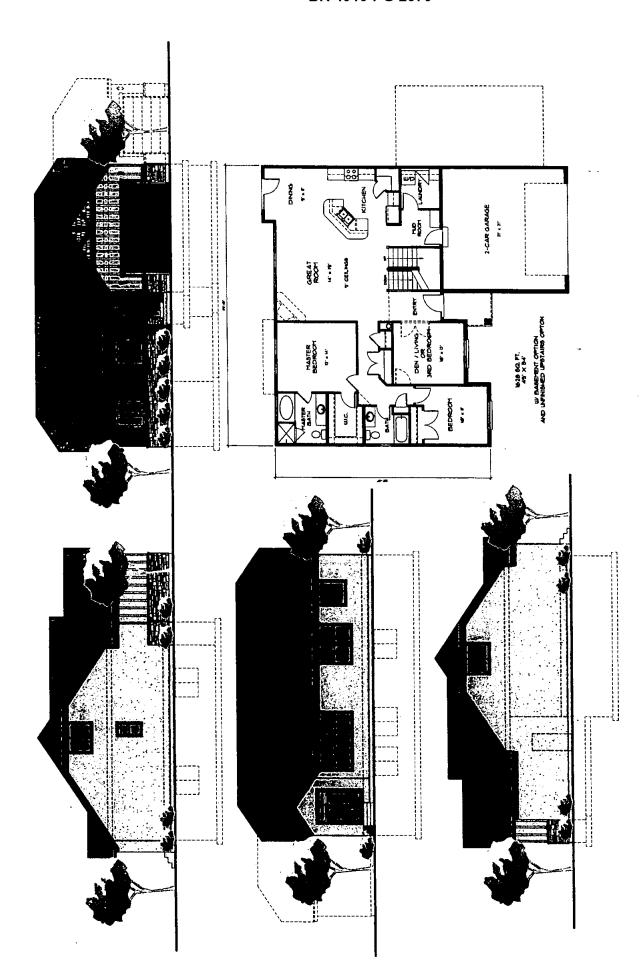
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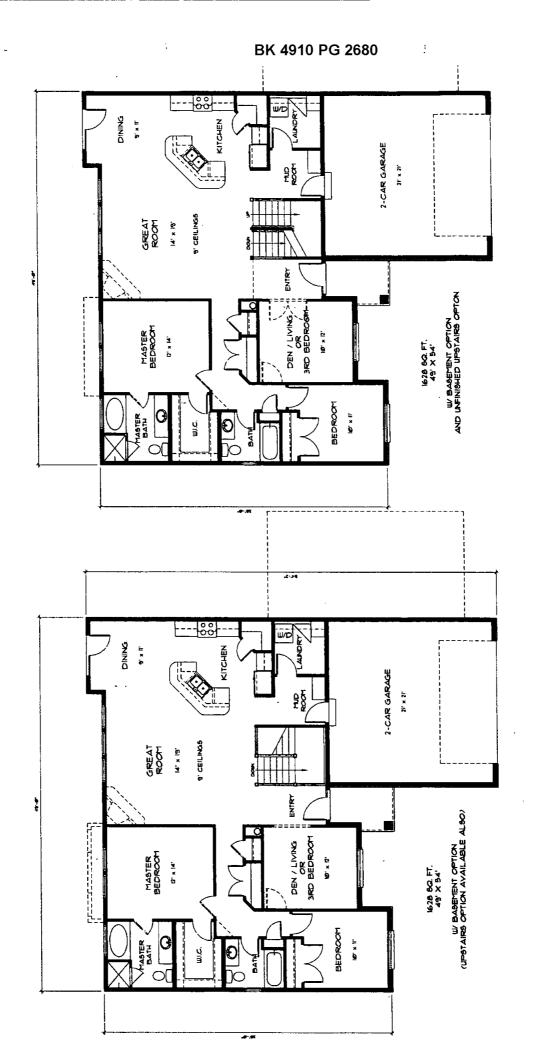
EXHIBIT "B"





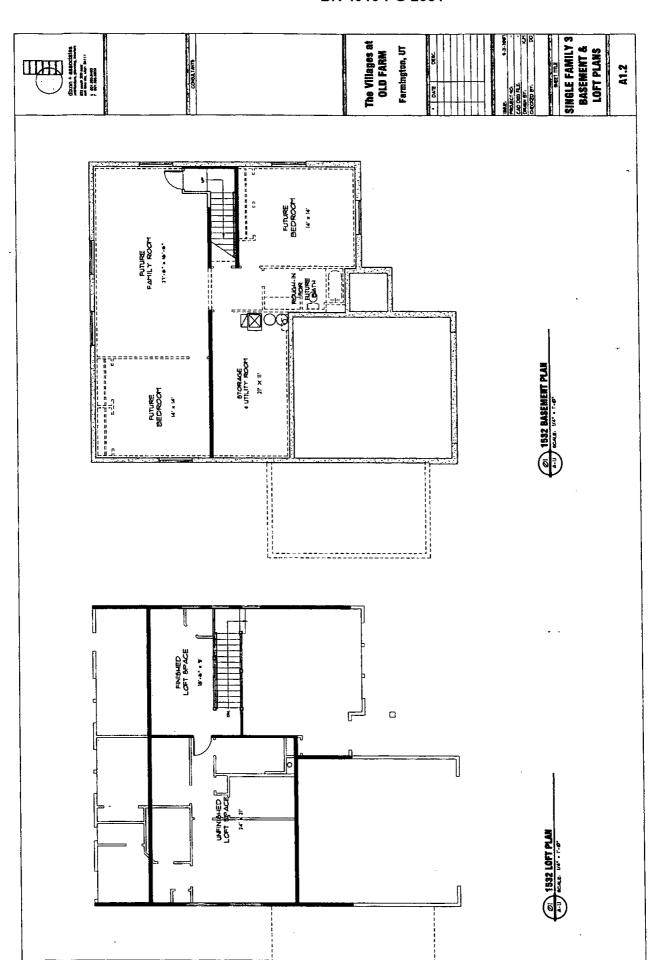




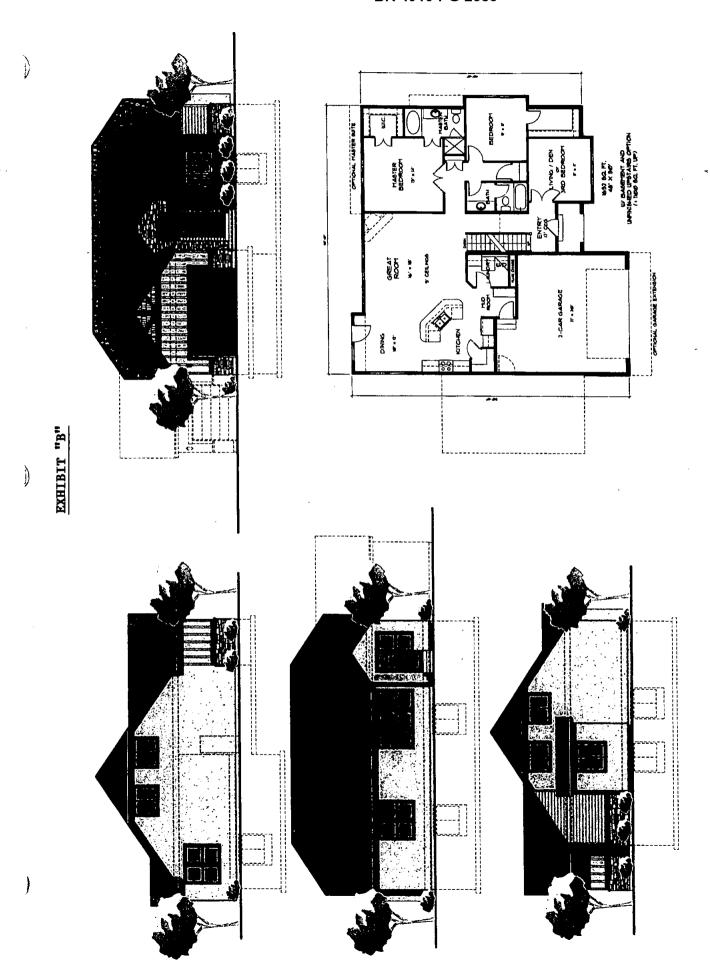


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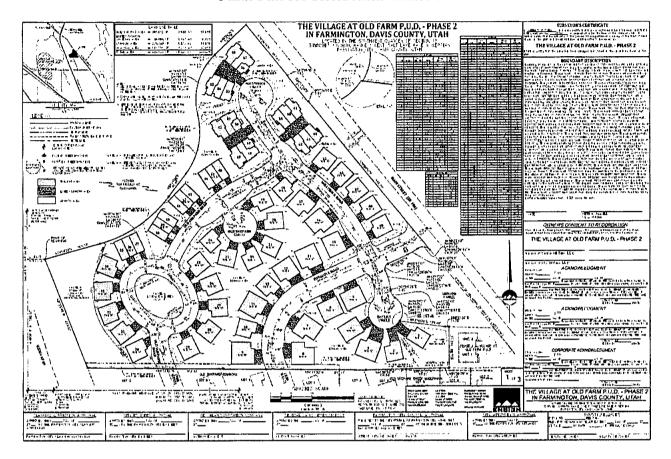


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## **EXHIBIT C Final Plat for Residential Phase 2**

## EXHIBIT C Final Plat for Residential Phase 2



# **EXHIBIT D Master Development Guidelines**

## **EXHIBIT D Master Development Guidelines**

The following design standards shall be implemented throughout The Village at Old Farm ("Development") in order to create a cohesive, attractive appearance that is inviting and pedestrian-friendly.

- 1) Building Design. The height, size, bulk, and arrangement of buildings within the Development shall be designed to invite pedestrian circulation and offer an attractive streetscape. Building design should complement exterior design and be coordinated throughout the Development.
  - a) Buildings shall provide a clear visual deivision between all floors. The top floor of any building shall contain a distinctive finish, consisting of a roof, cornice or other architectural termination.
  - b) For non-residential buildings and the non-residential floor of mixed use buildings, approximately 50 percent of the lineal frontage of any wall visible from a street shall incorporate windows, doors or display windows.
  - c) Building facades of multi-family dwellings shall incorporate colors and materials that are compatible with the neighborhood, including some Farmington stone. The use of pitched roofs is encouraged.
- 2) Exterior Materials. Exterior shall be durable and require low maintenance.
  - a) Details of proposed colors and materials shall be shown on building plans.
  - b) Reflective surfaces shall not be used in locations which may produce excessive reflections or glare that may create a potential safety problem.
  - c) Tile, architectural grade asphalt shingles, standing seam metal or similar quality roofing materials shall be used on all visible pitched roofs.
- 3) Maintenance. All sidewalks within the Development shall be maintained by the Development's Home Owner's Association. All snow removal on the sidewalks shall be the responsibility of the Home Owner's Association.

# **EXHIBIT E Project Conditions, Covenants and Restrictions**

EXHIBIT F Project Landscaping Plan

