

SUBDIVISION DEVELOPMENT AGREEMENT
FOR
JACOBS RANCH, PLAT F SUBDIVISION

THIS AGREEMENT is made and entered into as of April 13, 2004 by and between the CITY OF SARATOGA SPRINGS ("City") and Land Rock Development, LC, ("Developer").

RECITALS:

A. City has given final approval of the Jacobs Ranch, Plat F Subdivision consisting of forty (42) building lots (the "Subdivision") on approximately 14.57 acres. That approval was subject to, among other things, the execution of this Agreement.

B. This Agreement is being entered into by the City and Developer to provide for the construction of and bonding for the "Subdivision Improvements" and to provide for other related matters relating to the Subdivision as herein set out.

AGREEMENT:

NOW THEREFORE, for and in consideration of the mutual covenants, conditions and terms set forth in the above Recitals and hereinafter set forth, the parties hereby agree as follows:

1. Subdivision Improvements. Developer agrees to make construct or install the subdivision improvements as set forth in the Subdivision Plat and other plans and drawings for the subdivision (the "Subdivision Plans") that have been approved by the City Engineer (the "Subdivision Improvements"). The Subdivision Improvements shall be constructed and installed in a good and workmanlike manner and in full accordance with the Subdivision Plans, any applicable construction standards of City and all applicable federal, state and local laws, rules and regulations that apply. Developer will supply the City with As-Built drawings showing the Subdivision Improvements when they are completed. The Subdivision Improvements and all off-site improvements required to provide services to the Subdivision must be completed before the City will issue any building permits or certificates of occupancy. Upon conditions set and approved by the City in Resolution No. 2-0122-02 a limited number of building permits may be issued for "model homes" in the Subdivision before the requirements for a normal building permit are met. All Subdivision Improvements must be completed within one year from the date of recordation of the Subdivision Plat. If the Subdivision Improvements are not completed within one year, the City shall have the right, but not the obligation, upon notice of Developer's default as provided in this Agreement, to cause the Subdivision Improvements to be completed with the use of the proceeds of the performance bond provided in accordance with Section 2 of this Agreement. The Developer hereby warrants that all of the improvements installed and every part thereof shall remain in good condition free from all defects in design, materials and/or workmanship for two years from the date all required improvements are completed, inspected and accepted by the City's designated representative (the "Warranty Period"). The Developer shall promptly make all repairs, corrections and/or replacements for all defects in workmanship, materials and/or equipment included in the required improvements during the Warranty Period which warranty work shall be inspected and accepted by the City's designated representative.

2. Performance Bond. Developer shall provide a performance bond acceptable to the City covering the Subdivision Improvements, in the amount of 115% of the cost of said improvements, as set forth in Exhibit A attached hereto and made a part hereof. The bond shall

provide that periodic completion payments for the improvements described in Exhibit A, calculated on percent of completion less 10%, provided that at least 20% of the bond amount shall be retained until all required improvements are completed, inspected and accepted by the City's designated representative. Percent of completion shall be calculated by the City's designated representative based upon such inspection as he deems appropriate and based upon actual invoices and other documentation as he deems appropriate. When all required improvements are completed, inspected and accepted by the City's designated representative, all of the bond amount except for 10% of the bond amount may be disbursed or released by Lender. The remaining 10% of the bond amount shall be retained by the City for the Warranty Period to cover any defects in workmanship or materials discovered during the Warranty Period and not repaired, corrected and/or replaced by Developer.

3. Dedication of Improvements. The Subdivision Improvements as well as all public streets and easements as set out in the Subdivision Plat shall be dedicated to City upon City's acceptance of same.

4. Sewer Service. City agrees to provide sewer service to the Subdivision at standard rates generally charged for other development within the City in accordance with the ordinances, rules and regulations of the City and the Timpanogos Special Service District ("Timpanogos") covering sewer service on the following conditions:

4.1. Sewer Lines. City shall not be obligated to provide sewer to any lot until all sewer lines within the Subdivision and all off-site sewer lines and/or facilities required to provide sewer service to the Subdivision are completed and accepted by the City.

4.2. Sewer Fees. Timpanogos requires payment of a Capital Facilities Charge prior to the issuance of a building permit. Developer understands and agrees that this Capital Facilities Charge by Timpanogos will be paid directly to Timpanogos for each connection in addition to connection fees as may be imposed by the City (such as meter set, etc.).

5. Water Service. City agrees to provide culinary and secondary (outside irrigation) water service to the Subdivision at standard rates generally charged for other development within City in accordance with the Ordinances and rules and regulations of City covering water service on the following conditions:

5.1. Water Facilities and Water Rights. The water facilities and water rights have been provided in accordance with the City's Water Utilities Ordinance. City may provide to Developer or such other party who has provided such water facilities and water rights, Water Certificates evidencing that water facilities and water rights have been provided for all lots in the Subdivision. Such certificates shall be provided to City at the time a building permit is issued.

5.2. Water Lines. City shall not be obligated to provide water service to any lots in the Subdivision until all culinary and secondary water lines within the Subdivision and all off-site culinary and secondary water lines and/or facilities required to provide water service to the Subdivision are completed and approved and accepted by City.

5.3. Water Fees. The lot owners shall be required to pay connection fees to cover the costs of water meters and the costs to connect the same in order to receive water service.

6. Other Municipal Services. City shall provide standard municipal services to the Subdivision in the same manner and level as said services are provided to other developments in the City subject to the payment of all fees and charges charged or levied therefore by the City.

7. Impact Fees. Impact fees for roadways, storm drainage, wastewater, parks and open space and public safety facilities shall be imposed on all lots in the Subdivision in accordance with the City's Impact Fee Ordinance and shall be paid prior to the issuance of a building permit for any development on a lot in the Subdivision. (Culinary and secondary water impact fees shall not be imposed on lots in the Subdivision except by prior arrangement with Developer relating the provision of Water Facilities.) Any credits for impact fees based on improvements, dedications or conveyances by Developer shall be set out in Exhibit B to this Agreement, upon the prior approval of City. City may issue certificates for such impact fee credits to Developer, in which event, City will not issue building permit unless said impact fee credit certificates are surrendered to City in lieu of payment of the applicable impact fee(s).

8. Subdivision Design Standards. The Subdivision Design Standards are hereby approved in the form attached as Exhibit C hereto and made a part hereof.

9. Rights of Access. The City Engineer and other representatives of the City shall have a reasonable right of access to the Subdivision during construction to inspect or observe the work on the Subdivision Improvements and to make such inspections and tests as are allowed or required under the city's ordinances.

10. Assignment. Any and all successors and assigns, in title or right, with respect to the Subdivision Improvements, shall be bound by the same requirements and obligations as described in this Agreement.

11. Default. In the even Developer fails to perform its obligations under this Agreement, within 30 days of such default by the City, City may, at its election, have the following remedies

(A) All rights and remedies provided in this Agreement or available at law and in equity, including injunctive relief, specific performance and/or damages.

(B) The right to withhold all further approvals, licenses, permits or other rights associated with the Subdivision and any building or development on any lots in the Subdivision.

The rights and remedies herein provided shall be cumulative. If either party default in any of the covenants or agreements herein contained, the defaulting party shall pay all costs and expenses, including reasonable attorney's fees, which may arise or accrue from enforcing this Agreement or in pursuing any remedy provided hereunder or by applicable law, whether such remedy is pursued by filing suit or otherwise.

12. Integration. This Agreement and the attached exhibits and referenced agreements constitute the entire agreement between the parties as to the matters specifically addressed herein. This Agreement supersedes any and all negotiations, dealings and agreements by the parties subsequent to the execution of the Agreement as to the matters addressed herein. Any amendments to this Agreement must be in writing and signed by both parties hereto.

13. Fees. Concurrent with the execution of this Agreement and prior to recording the Subdivision Plat, Developer shall pay to City all fees for subdivision approval and all engineering and other fees for inspection and testing of the Subdivision Improvements. Developer shall reimburse City for its attorney's fees in negotiating and drafting this Agreement and other documents and agreements involved with the subdivision and subdivision approval.

14. Time of the Essence. It is agreed that time is of the essence in the performance of duties and obligations under this Agreement.

15. Notice. Any notice given under this Agreement shall be written and shall be delivered personally, by first class mail or by express mail addressed as follows:

To City: City of Saratoga Springs
2015 South Redwood Road
Saratoga Springs, Utah 84043

To Developer: Land Rock Development, LC
65 North 100 East
Pleasant Grove, Utah 84062

Or other such address as either party may designate by written notice to the other party as herein provided.

16. Construction. This Agreement shall be governed as in validity, enforcement, construction, effect and in all other respects by the Laws of the State of Utah. The section headings and numbers are for convenience only and are not to be used to construe or interpret the provision of this Agreement.

17. Waiver. No failure or delay in exercising any right, privilege hereunder on the part of any party shall operate as a waiver hereof. No waiver shall be binding unless executed in writing by the party making the waiver.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date hereinabove written.

DEVELOPER

By:

Raymond Wright

Its:

Manager



CITY OF SARATOGA SPRINGS

By:

TG Bahn

Mayor

Attest:

City Recorder

Doreen Yales

EXHIBIT A

Plat F Jacobs Ranch

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Expenses

Bank Codes

100	Excavation		\$42,500	
200	Sewer Main		\$34,000	
210	Sewer Laterals		\$19,125	
250	Sewer Manholes		\$17,850	
300	Water Main		\$27,200	
310	Fire Hydrants		\$7,225	
320	Water Valves & Tees		\$10,200	
350	Water Laterals		\$29,325	
400	Irrigation Main		\$25,500	
420	Irrigation Laterals		\$10,625	
450	Irrigation Valves		\$9,775	
500	Storm Drains		\$42,670	
510	Curb,Gutter & Sidewalk	5040 @	\$16.57	\$83,538
520	Road Prep & Sub-base			\$42,500
530	Base and Paving	69,000 Sq. ft	\$1.50	\$103,500
540	Manhole Collars			\$5,950
600	Utility Treching & Crossings			\$38,250
700	Street Lights and Signs			\$17,000
710	Utilities			\$6,375
720	Landscaping, Fence, ect.			\$0
800	Sewer Fees	0 @	\$1,325.00	\$0
810	Inspections			
850	City Fees	0 @	150	\$0
860	Water Rights Ctl.& Sec.	0.00 @	\$2,500.00	\$0
870	Water Connections	0 @	4300	\$0
880	Engineering			\$19,550
890	Misc.			\$25,000
Total Expenses				\$617,658

EXHIBIT B

Not applicable.

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