

ORLO LARSON ANNEXATION AGREEMENT

THIS ANNEXATION AGREEMENT ENTERED INTO THIS ____ DAY OF _____, 2014, BY AND BETWEEN THE ORLO B. LARSON REVOCABLE TRUST (“PETITIONERS”) AND PAYSON CITY CORPORATION (“CITY”), A MUNICIPAL CORPORATION AND POLITICAL SUBDIVISION OF THE STATE OF UTAH.

RECITALS

- A. This Annexation Agreement is prepared pursuant to Chapter 19.12 of the Payson City Land Use Ordinance to specifically describe the rights, obligations and duties of the parties and to address zoning designation, specific plan, transfer of water rights, compliance with City development ordinances and resolutions in relation to development of property as described in Attachment B.
- B. City, acting pursuant to its authority under Utah Code Annotated §10-2-401, et seq., and §10-9a-101, et seq. and in furtherance of its land use policies, goals, objectives, ordinances, resolutions, and regulations, has made certain determinations with respect to the Orlo Larson Annexation, and in the exercise of its legislative discretion, has elected to approve this Annexation Agreement in accordance with Chapter 19.12 of the Payson City Zoning Ordinance.
- C. The annexation and the contents of this Annexation Agreement are intended to be consistent with Payson City’s General Plan and Annexation Policy Plan.

Now, therefore, in consideration of the mutual covenants, conditions and considerations that are more fully set forth below, Applicants and City hereby agree as follows:

Section 1 Definitions

- 1. **Annexation** means inclusion in the Payson City municipal boundaries of the property identified on the Annexation Plat of the Orlo Larson Annexation attached hereto as Attachment A.
- 2. **Annexation Petition** is a formal written application pursuant to Utah Code Annotated, 1953, (as amended) requesting to incorporate real property within the corporate limits of Payson, Utah County, Utah.
- 3. **Applicant(s)** is an individual or group of individuals seeking approval of an activity regulated by the development ordinances of Payson City, including, but not limited to, the division of land, issuance of building permits, or the use of property in a manner consistent with the provisions of the Payson City Zoning Ordinance.
- 4. **City** means the City of Payson, Utah, a municipal corporation. Any reference to another city shall include the full name of the intended municipality.
- 5. **Development** means approval of a subdivision, issuance of a building permit, or approval of any other development related activity regulated by Payson City. Development does not mean the construction of ancillary agricultural facilities built to support agricultural uses.
- 6. **Petitioners** are the individuals representing, via signature, the petition for annexation.
- 7. **Property Owner(s)** means a holder or proprietor of land or group of owners within the annexation area. Property Owners must comply with the terms of this Agreement.

Section 2 Zoning Designation

In order to achieve the development goals of Payson City and to conform to the General Plan, the property in the annexation shall receive the zoning designation of A-5-H, Annexation Holding Zone until such time the additional development is proposed and the City Council approves alternate zoning to accommodate such development. The zoning designation is in no way an indication of development approval of any subdivision or other land use application. Each application for development approval shall satisfy the requirements of the development ordinances of Payson City enacted at the time of application for development approval.

Petitioners and City understand and agree the future development pattern within the annexation area will primarily consist of residential development. Petitioners and City agree to develop a Specific Plan consistent with Section 19.12.11 prior to any zone change to accommodate more intense development occurring on the annexed property. Once the Specific Plan is completed, City will amend the General Plan to make it consistent with the Specific Plan, if necessary.

Section 3 Preparation of Specific Plan

Prior to any zone change to accommodate more intense development within the annexation area, City, with the assistance of Petitioners and Property Owners, shall prepare a Specific Plan pursuant to Section 19.12.11 and the other provisions of the development ordinances. If consulting services are necessary, City may up front to cost for the preparation of the Specific Plan and the Petitioners and Property Owners will be required to reimburse City a proportionate share of the cost of the Specific Plan at the time each property owner develops its parcel(s). Development pursuant to the A-5-H, Annexation Holding Zone may occur without the approval of a Specific Plan. At a minimum, the Specific Plan shall include the following:

1. **Infrastructure Analysis:** The infrastructure analysis will include the ownership and condition of existing infrastructure, including water lines, sewer lines, power lines, irrigation facilities, roadway improvements, roadway surface conditions and drainage facilities. Furthermore, the analysis will determine what infrastructure systems and/or upgrades will be needed for Payson City to provide adequate municipal services to the annexation area.
2. **Land Uses:** The specific plan will identify the land use designations, including potential densities for residential development, parks and open space, trails, churches, schools, government facilities, and other land use considerations for the annexation area.
3. **Traffic Circulation and Access Plan:** The transportation system must provide proper connectivity with the existing street network and accommodate future transportation corridors, including connections to both collector and arterial status streets. The roads and streets in the development shall be constructed in such a manner as to satisfy the Design Guidelines and Standard Specifications of City, unless an alternative design is approved by City.
 - a. **Trails:** The transportation plan shall include a trail system and other alternative modes of transportation that will allow safe movement for pedestrians through the annexation area. The trail system will connect with existing and planned pedestrian facilities in the area. Applicants for development approval may be eligible for a density bonus or other consideration for accommodating the non-motorized trail system.
4. **Open Space:** The specific plan will include a park and open space plan to accommodate the needs of the additional residential development within the annexed area. The size of the parks and open space will need to be consistent with the level of service adopted by the Payson City

Council. These facilities may be designed to accommodate storm drain facilities required for the area.

Section 4 Existing and Future Infrastructure Systems

There is limited infrastructure in the annexation area and additional development will require significant upgrades to existing utility systems and potentially new systems. The costs associated with designing and installing these systems will be borne by various parties, including Petitioners, Property Owners, developers, and builders, with assistance from Payson City, where appropriate.

1. **Wastewater System:** Development within the annexation area will require the installation of supplementary sewer facilities. City discourages the installation of smaller individual systems and may require the applicant to participate in a larger system designed to benefit multiple land owners.
2. **Electrical Considerations:** Following annexation, Payson City has the right to provide electrical service to the annexed area. Provision of electrical service for existing and future electrical customers must satisfy the regulations of Utah Code, local ordinance, and any other service provider obligations. Applicants and City will work together to provide easements or needed land dedication to provide electrical facilities.
3. **Water Transfers:** Applicants for development approval must transfer adequate water to serve any development within the annexation area consistent with the regulations of Title 10, Water Ordinance. Although applicants are not required to transfer adequate water at the time of annexation, no development, as defined in Section 1 herein, will be approved until the transfer of adequate water consistent with Title 10, Water Ordinance has been completed. City recognizes that Petitioners and Property Owners have existing uses in the annexed area which use different sources of water. Petitioners and Property Owners may continue utilizing these sources of water until the property is further developed. At the time of development, applicants will only be required to dedicate sufficient water to satisfy City's water dedication requirement pursuant to Title 10. All excess water will remain the property of the applicant.

Petitioners may transfer the following water rights to City at the time of annexation: #51-1249, 51-5292 and 51-5293. Petitioners and City will jointly file a change application and work together to ensure that the rights are properly transferred to City. Petitioners shall pay the Change Application fee required by the State of Utah. Petitioners shall receive a credit for the amount of water that is properly transferred to City at the time of development.

During the development process, applicants for development approval must provide a letter from the High Line Canal Company and any other affected irrigation company indicating that any proposed or future development will not inhibit their ability to provide irrigation water to downstream users. Applicants will provide City with the location of all private irrigation facilities.

4. **Municipal Utility Connections:** Applicants agree that all municipal utility services required at the time of development shall be connected and all impact, connection and related development fees shall be paid when development occurs. Existing structures shall connect to municipal utility services when the municipal utility service(s) are within 300 feet of the existing structure or when the parcel on which the structure is located is developed. If the connection of an existing structure will require substantial improvement of utility systems or the installation of facilities such as a lift station, the connection will be delayed until the connection can occur in a more feasible and cost effective manner. All applicable impact, connection and related development

fees shall be those fees in place at the time a building permit application is submitted or when the existing structures are required to connect to the municipal utility services.

Section 5 Compliance with Development Ordinances and Resolutions

Applicants expressly acknowledge and agree that nothing in this Annexation Agreement shall be deemed to relieve Applicants from the obligation to comply with all applicable requirements of City necessary for approval of future development proposals. Any development approval shall include the payment of fees and be in compliance with all other applicable ordinances, resolutions, regulations, policies and procedures of Payson City, including but not limited to, the Payson City Subdivision Ordinance, Zoning Ordinance, and Design Guidelines and Standard Specifications.

Section 6 Existing Land Uses and Animal Practices

There are two (2) single family dwellings and agricultural uses of varying degrees in the annexation area. At the time of annexation, City was not aware of any obvious non-compliant uses or code enforcement concerns within the annexation area. Following annexation, all land uses, including the keeping of animals, must comply with the ordinance, resolutions and policies of Payson City. If there are existing uses in the annexation area that are not consistent with the Payson Municipal Code, the property owner must demonstrate that the use legally existed prior to annexation. Upon receipt of acceptable proof, the City Council may allow the use to continue as a non-conforming use until the property is further developed.

Animals must be kept in accordance with Title 6, Animal Control Ordinance and the property owner is responsible to maintain the animals in a manner that does not create a nuisance as defined in the Payson Municipal Code. The Animal Control Ordinance addresses pre-existing animal rights and allowable animal units in the A-5-H, Annexation Holding Zone following annexation.

Nothing herein is intended to limit any property owner from complying with the Utah Farmland Assessment Act, also known as the Greenbelt Act, if the property complies with the applicable regulations of Utah Code and Utah County ordinances.

For the purposes of this Annexation Agreement, the following uses are permitted to continue until the time of development approval for the parcel:

1. Agricultural uses including farming and pasturing, and existing animal rights for each legal parcel in the annexation until the time of development approval for the parcel proposed to be developed.
2. Residential uses typically found in the residential zones of Payson City.
3. Any home based businesses (home occupations) that existed prior to annexation. A business license must be obtained from Payson City.
4. Any commercial agri-business companies that existed prior to annexation. Permits and licenses may be required.

Section 7 Reserved Legislative Powers

Nothing in this Annexation Agreement shall limit the future exercise of the police power by City in enacting zoning, subdivision, development, transportation, environmental, open space, and related land use plans, policies, ordinances and regulations after the date of this Agreement.

Section 8 Agreement to Run With the Land

This Annexation Agreement shall be recorded against the land included in the annexation to Payson City and shall run with the land and shall be binding on all successors and/or assigns of the land or development of any portion or phase of the property.

Section 9 Assignment

Neither this Annexation Agreement nor any of the provisions, terms or conditions hereof can be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Agreement and without the prior written consent of City, which shall not be unreasonably withheld.

Section 10 No Joint Venture, Partnership or Third Party Rights

This Annexation Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to third parties. This Annexation Agreement contains the entire agreement with respect to the subject matter hereof and integrates all prior conversations, discussions, or understandings of whatever kind or nature and may only be modified by a subsequent agreement, in writing, duly executed by the parties hereto.

Section 11 Amendment

This Annexation Agreement may not be amended unless agreed to in writing by the parties.

Section 12 Severability

If any part or provision of this Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Agreement, except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Agreement shall be deemed invalid due its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

DATED this ____ day of _____, 2014.

Petitioners:

Orlan B. Larson, Member
Orlo B. Larson Revocable Trust

Linda Ann Walter, Member
Orlo B. Larson Revocable Trust

Karen M. Dale, Member
Orlo B. Larson Revocable Trust

Payson City:

Richard D. Moore
Mayor, Payson City

Attest:

Jeanette C. Wineteer
Payson City Recorder

STATE OF UTAH)
 : ss
COUNTY OF UTAH)

On the ____ day of _____, 2014, personally appeared before me, a Notary Public in and for the State of Utah, ORLAN B. LARSON, the signers of the above **ANNEXATION AGREEMENT**, who duly acknowledged to me that they executed the same.

NOTARY PUBLIC

STATE OF UTAH)
 : ss
COUNTY OF UTAH)

On the ____ day of _____, 2014, personally appeared before me, a Notary Public in and for the State of Utah, LINDA ANN WALTER, the signers of the above **ANNEXATION AGREEMENT**, who duly acknowledged to me that they executed the same.

NOTARY PUBLIC

STATE OF UTAH)
 : ss
COUNTY OF UTAH)

On the ____ day of _____, 2014, personally appeared before me, a Notary Public in and for the State of Utah, KAREN M. DALE, the signers of the above **ANNEXATION AGREEMENT**, who duly acknowledged to me that they executed the same.

NOTARY PUBLIC

Attachment A

[illegible]

Attachment B

Legal Description:

Beginning at a point on the existing Payson City Boundary Line, which point lies North 0°28'10" West 1349.36 feet along the Section Line and West 571.22 feet from the Southeast Corner of Section 19, Township 9 South, Range 2 East, Salt Lake Base and Meridian; and running thence along the existing Payson City Boundary the following five (5) courses to wit: (1) North 1°24'53" East 386.21 feet; (2) North 89°33'25" West 962.15 feet; (3) North 0°26'35" East 671.50 feet; (4) North 89°19'00" West 606.91 feet; (5) North 89°06'00" West 615.87 feet; thence South 772.12 feet; thence South 88°52'24" East 979.05 feet; thence South 0°33'38" West 679.97 feet; thence South 89°26'22" East 250.00 feet; thence South 0°33'28" West 935.36 feet; thence North 88°43'55" East 250.13 feet; thence North 88°16'57" East 250.20 feet; thence South 0°33'38" West 41.02 feet; thence East 260.11 feet; thence North 1°46'00" East 12.32 feet; thence East 40.51 feet; thence North 25.18 feet; thence North 88°30'00" East 124.08 feet; thence North 1°25'00" East 14.57 feet; thence Northwesterly 16.33 feet along the arc of a 2933.00 foot radius curve to the left, the chord of said curve bears North 88°56'34" West 16.33 feet; thence North 1°00'00" East 742.40 feet; thence North 1°12'00" East 557.38 feet; thence South 89°57'00" East 23.56 feet to the point of beginning.

Containing 62.03 acres.