

GRAPEVINE WASH LOCAL DISTRICT

Facilities Fees Ordinance

ORDINANCE No. 2024-01

AN ORDINANCE ADOPTING FACILITIES FEES WITHIN THE BOUNDARY OF THE GRAPEVINE WASH LOCAL DISTRICT TO BE COLLECTED AT THE TIME OF APPLICATION FOR A BUILDING PERMIT

WHEREAS, pursuant to §17B-1-103(2)(j) Utah Code Annotated 1953, as amended (“UCA”), the Grapevine Wash Local District (“District”) has the authority to “impose fees or other charges for commodities, services, or facilities provided by the district, to pay some or all of the district’s costs of providing the commodities, services, and facilities, including the cost of . . . maintain and operating the district; . . . constructing . . . district facilities; [and] paying debt service on district bonds”. Further, the District may “take action the board of trustees considers appropriate and adopt regulations to assure the collection of all fees and charges that the district imposes”;

WHEREAS, in the public notice that was part of the documents that created the District, under the “Anticipated Method of Financing” section it expressly provided that “the District may impose fees and charges to pay for certain services and may issue revenue bonds secured by said fees and charges”; and

WHEREAS, the District is anticipated to issue its Limited Tax General Obligation Bonds, Series 2024A-1 (together with any additional limited tax general obligation bonds and refunding bonds thereof, the “Limited Tax Bonds”) and its Special Assessment Bonds, Series 2024A-2 (together with any additional assessment bonds and refunding bonds thereof, the “Assessment Bonds” and together with the Limited Tax Bonds, the “Bonds”) to pay for certain facilities that will provide water, sewer, stormwater, roads, recreation, parks, power, and gas to the Silver Cliffs subdivision located within the boundaries of the District (“Facilities”);

WHEREAS, the Limited Tax Bonds will be secured by property taxes within the District boundary and the District Board of Trustees finds that it appropriate and beneficial to impose the fees set forth below (“Facilities Fees”) to further secure the Limited Tax Bonds, to aid in operating the District, to reimburse the landowners for their assessments relating to the Assessment Bonds that are used to acquire, purchase, and construct the Facilities (the “Assessments”), and to benefit the Town of Leeds (“Town”) and the future residents of the Silver Cliffs subdivision in their collective interest in a new I-15 interchange that would improve access to the Facilities;

WHEREAS, §17B-1-1102 UCA provides that a district that charges an collects a fee on real property is sold may proportionally pay down a general obligation bond from the money collected from such fee, and in such event the District shall reduce the property tax rate on the parcel of property for which the fee was paid;

WHEREAS, the District desires to make a finding that the Facilities Fees represents additional revenues required for the repayment of the Limited Tax Bonds and does not constitute

a proportional payment and no reduction in property taxes will occur as the result of the payment of any Facilities Fees;

WHEREAS, the District finds that the Facilities Fees are reasonably related to the overall costs of providing the Facilities and paying for debt service on the Bonds related thereto and that imposition thereof is necessary and appropriate.

NOW, THEREFORE, BE IT ORDAINED by the District as follows:

Section 1. Facilities Fees. The following fees are levied within the boundaries of the District and shall be due and paid at the time of an application to the Town for a building permit for any construction within the District:

- A. *Pledged Residential Facilities Fee.* \$10,000 per single family residential unit. This fee is pledged as security to the Limited Tax Bonds and shall be paid to the trustee of the Limited Tax Bonds, as provided in the documentation related to the Limited Tax Bonds. This fee is not pledged to the Assessment Bonds.
- B. *Contingent Facilities Fee.* Contingently, a \$3,295 per single family residential unit but this fee is charged only in the event the Town does not charge its road impact fee within the District boundary. If charged, this fee is not pledged to the Bonds, but \$1,500 of it shall be used as determined by an interlocal cooperation agreement between the District and the Town and the remainder paid to Grapevine Development, LLC, as reimbursement for the payment of Assessments, as shall be further set forth in an agreement with Grapevine Development, LLC and the District.
- C. *Commercial Facilities Fee.* \$0.40 per square foot of space in the central restaurant, spa, hotel lobby building and \$10,000 per cabin unit. This fee shall be paid to Grapevine Development, LLC, as reimbursement for the payment of Assessments, as shall be further set forth in an agreement with Grapevine Development, LLC and the District. This fee is not pledged to the Bonds.

Section 2. Facilities Fees Administration. The provisions of this Ordinance shall be liberally construed in order to carry out the purpose and intent of the Board of Trustees in establishing the Facilities Fees and pledging some of them to the Limited Tax Bonds. The District staff shall coordinate with the Town for the orderly collection and deposit of the Facilities Fees when they are collected.

Section 3. No Proportional Pay Down. As further described in the recitals hereto, the Board of Trustees hereby finds that the application of the Facilities Fees to the payment of the Limited Tax Bonds does not constitute a proportional pay down of such Bonds pursuant to §17B-1-1102 UCA, and no reduction will be made in the property tax rate for any parcel which has paid the Facilities Fees.

Section 4. Perpetual Lien. Any unpaid Facilities Fees shall constitute a statutory and perpetual charge and lien upon the applicable structure or unit pursuant to §17B-1-902, UCA, from the date the same becomes due and payable until the date the Facilities Fees are paid. The lien shall be perpetual in nature on the applicable structure or unit and shall run with the land, as defined by

the laws of the State of Utah. Such a lien may be foreclosed upon by the District in the same manner as provided by the laws of the State of Utah for the foreclosure of an assessment lien. This Ordinance shall be recorded in the real property records of Washington County, Utah.

Section 5. Failure to Pay. Failure to make payment of the Facilities Fees due hereunder shall constitute a default in the payment of such Facilities Fees. Upon a default, interest shall accrue on such total amount of the Facilities Fees due at the rate of ten percent (10%) per annum and the District shall be entitled to institute such remedies and collection proceedings as may be authorized by Utah law, including but not limited to foreclosure of its perpetual lien. The defaulting property owner shall pay all costs, including attorneys' fees, the District incurs in connection with the foregoing. In foreclosing the lien, the District will enforce the lien only the extent necessary to collect unpaid fees, interests, and costs.

Section 6. Application to District Boundaries. This Ordinance shall apply to all property within the District boundaries, as the same is established and amended from time to time, including, but not limited to, the property set forth in Exhibit A, attached hereto and incorporated herein by reference, and any additional property annexed into the District after the date of this Ordinance, provided that Facilities Fees relating to property annexed hereafter need not be pledged to the Limited Tax Bonds.

Section 7. Severability. If any portion of this Ordinance is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Ordinance, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as a part of this Ordinance a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

Section 8. Conflicting Resolutions and Ordinances. All resolutions or ordinances or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall being full force and effect immediately upon its approval and adoption.

Section 9. Contest Period. Pursuant to §17B-1-313, the Board desires that a notice of this Ordinance be published as a Class A notice under section 63G-30-102, for at least 30 days (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, and (ii) in a public location in or near the affected area of the District that is reasonably likely to be seen by residents of the affected area. Such notice shall be in substantially the form attached as Exhibit B hereto and include a copy of this Ordinance.

This Ordinance is adopted and shall be effective the 23rd day of August 2024.

District Chair

ATTEST:

District Clerk

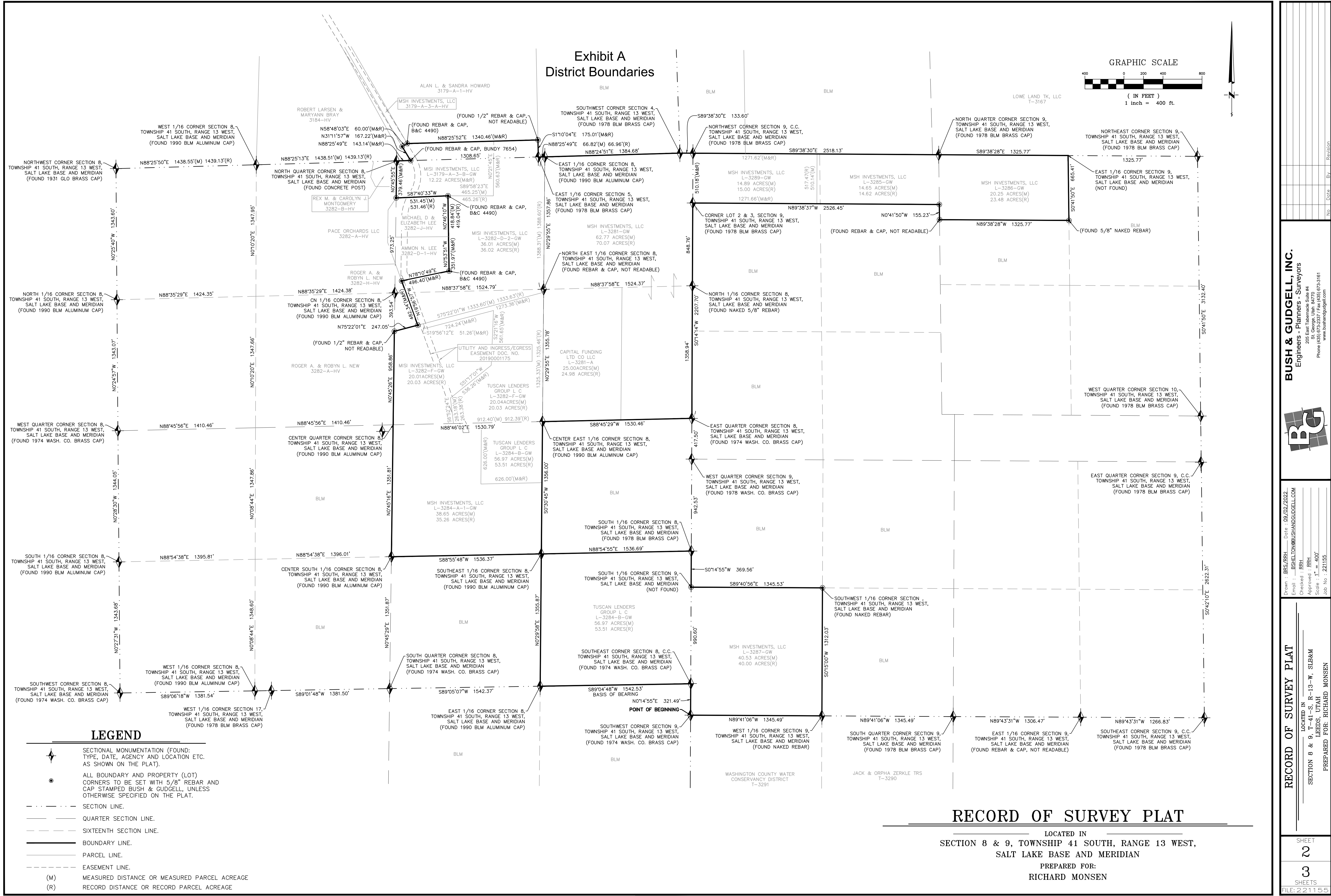


EXHIBIT B

FORM OF NOTICE ORDINANCE AND CONTEST PERIOD

NOTICE IS HEREBY GIVEN pursuant to the provisions of Title 17B, Limited Purpose Local Government Entities – Special Districts of the Utah Code Annotated 1953, as amended, that on August 23, 2024, the Board of Trustees (the “Board”) of Grapevine Wash Local District (the “District”), adopted Ordinance No. 2024-01 (the “Ordinance”) imposing certain Facilities Fees of the District, as further described therein. Pursuant to §17B-1-313 the Board desires to give notice of the Ordinance and run a contest period relating thereto.

Upon publication of this notice (i) any person in interest may file an action in a court with jurisdiction under Title 78A, Judiciary and Judicial Administration, to contest the regularity, formality, or legality of the Ordinance within 30 days after the date of publication; and (ii) if the Ordinance is not contested by filing an action in a court within the 30-day period, no one may contest the regularity, formality, or legality of the Ordinance after the expiration of the 30-day period.

[POST WITH COPY OF ORDINANCE]