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DEVELOPMENT AGREEMENT **FOR SILVER POINTE ESTATES** **LEEDS, UTAH**

THIS DEVELOPMENT AGREEMENT (the "Agreement") is entered into as of the 26th day of SEPTEMBER, 2008, by and between **THE TOWN OF LEEDS, UTAH**, a Utah municipal corporation (the "Town"), and **CROCKER CAPITAL, LLC and the GRS TRUST**, as tenant-in-common owners (hereinafter collectively referred to as the "Developer"). The Town and Developer are referred to herein individually as a "party" and collectively as "parties."

RECITALS

A. In furtherance of its land use goals, objectives, policies, ordinances and regulations, and to strengthen the public planning process and encourage private participation in comprehensive planning, the Town has elected to approve this Development Agreement.

B. Developer is the owner of or controls, for development purposes, approximately one hundred forty-nine (149) acres of real property located adjacent to the boundaries of the Town. Said property is more particularly described in Exhibit "A", attached hereto (the "Project") and is known as **Silver Pointe Estates**.

C. In connection herewith, the Developer has submitted a Petition for Annexation for the Project (the "Annexation Petition", a copy of which is attached hereto and incorporated herein by this reference as Exhibit "C"), requesting the initiation of annexation proceedings under applicable provisions of the ordinances of the Town governing annexation, all adopted pursuant to the provisions of the Utah Municipal Code, Part 4, "Annexation" (the subject ordinances and the said sections of the Utah Municipal Code and any other applicable laws, rules, ordinances or regulations are hereinafter collectively referred to as the "Annexation Laws").

D. Pursuant to Utah Code Annotated 10-9a-401, et seq., the Town has adopted the Leeds, Utah General Plan, Ordinances Number 04-05, adopted September 15, 2004 and pursuant to Utah Code Annotated §10-9a-501, et seq., the Town has adopted the Leeds, Utah Land Use and Subdivision Ordinances, Ordinance Number 05-02, adopted August 17, 2005. The General Plan and the Land Use and Subdivision Ordinances will be referred to in this Development Agreement as

"Town Ordinances". The Property which is subject to this Development Agreement is hereby described as: SEE EXHIBIT "A" FOR LEGAL DESCRIPTION.

E. Annexation would result in the development of the Project. Upon completion of annexation the Project will be governed by the Town Ordinances together with the zoning changes mentioned in Recitals "F", "G" and "H" below.

F. The Developer has undertaken significant planning and land use studies for the Project and has developed a Land Use Map for the Project (attached hereto as Exhibit "B"). The parties agree that the Developer, or its assigns, can develop up to 105 residential lots and approximately 5 acres of commercial property within the Project. 5 lots can be two acres or larger, 70 lots can be one (1) acre or larger, and 30 lots can be six tenths (.6) of an acre or larger (26,000 SF) with approximately 5 acres of commercial development. This will all be developed according to the Land Use Map as shown on Exhibit "B" attached.

G. Pursuant to preliminary discussions and meetings between Developer and representatives of the Town, the Town and Developer currently believe that the appropriate zoning designations and classification for the Project should be as follows: 5 lots R-1-2; 70 lots R-1-1; 30 lots R-1-20 with all lots in the R-1-20 zone being a minimum of 26,000 SF; and approximately 5 acres designated as commercial. See Exhibit "B" for the location of the zone areas.

H. As part of the Project development efforts of the Developer, the Developer has had ongoing meetings, dialogue, discussions and presentations to the Town. Subsequently, the Town Council has approved the R-1-2, R-1-1, R-1-20 and commercial zoning designations as described in Recitals "F" and "G" above at a hearing held on February 13, 2008, together with an approval of the Land Use Map (Exhibit "B").

I. The Town is authorized to enter into Development Agreements with developers of real property within its boundaries in appropriate circumstances in order to promote the orderly development of property within its boundaries and provide infrastructure and other benefits in connection with the Project and to eliminate some degree of uncertainty and provide cooperation that leads to achieving mutually beneficial goals of the Town and the Developer. The Town has determined that this Agreement is appropriate for the Project and, therefore, desires to enter into this Agreement to promote such ends and objectives. This Agreement establishes development standards within the confines of the existing Town rules, laws and ordinances, eliminates uncertainty in planning and guides the Developer in the orderly development of the Project; mitigates significant environmental impacts; ensures installation of necessary on-site and off-site public improvements; provides funding for improvements and other public purposes; provides for public services appropriate for the development of the Project and ensures attainment of the maximum effective utilization of resources within the Town at the least economic cost to its citizens.

J. The Town and the Developer expressly acknowledge that there may be environmental concerns and issues arising from historic uses of the property and certain adjacent property and attendant, therefore, to development of the Project. The Developer has obtained studies and reports

addressing such issues, in an effort to address and appropriately respond to these issues. The parties intend to stipulate and agree regarding a process to resolve those issues, as set forth in this Agreement.

K. The Developer may apply for other land use approvals, actions, agreements, permits or entitlements (collectively, "Subsequent Approvals") necessary or desirable to the development of the Project. Each application submitted by Developer shall be considered by the Town on a case by case basis. These Subsequent Approvals may include, without limitation, the following: improvement agreements and other agreements relating to the Project; use permits; grading permits; building permits; lot line adjustments; sewer and water connection permits; certificates of occupancy; additional subdivision maps; preliminary and final development plans; landscaping plans; etc. Nothing herein shall diminish or reduce the Developer's obligation to fulfill all requirements in order to obtain said permits, entitlements, adjustments, etc., provided that the Town shall not alter or amend said requirements in a discriminatory manner against Developer.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing goals, conditions and objectives and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Developer and the Town, intending to be legally bound, hereby mutually agree as follows:

1. Incorporation of Recitals and Exhibits – Defined Terms. The above Recitals and Exhibits attached hereto and referenced herein are hereby incorporated into this Agreement. For purposes of this Agreement, the following capitalized terms shall have the definitions hereinafter set forth:

a. "CC&Rs & Bylaws" are not a part of this Agreement. The CC&Rs are an initial draft designed to provide direction, concept and substance for the Project and that the Developer may provide further modifications, refinements and changes within the general framework and consistent with the Design Guidelines & Standards.

b. "Design Guidelines & Standards" are to ensure orderly and proper development of the Project and are not a part of this Agreement. They are also subject to further refinement and adjustment as the development proceeds.

c. "Developer" means Crocker Capital, LLC and the G.R.S. Trust, its successors and assigns.

d. "Town Ordinances" shall be the Leeds, Utah General Plan, Ordinance Number 04-05, adopted September 15, 2004 and the Leeds, Utah Land Use and Subdivision Ordinances, Ordinance Number 05-02, adopted August 17, 2005 or as modified.

e. "Final Plat" means a final plat of a phase or a parcel within the Project which, after approval by Town's governing body, is to be recorded in the Official Records

in Office of the Recorder of Washington County, State of Utah.

f. "Land Use Application" means any application for development within the Project submitted to the Town subsequent to the execution of this Agreement.

g. "LDWA" means the Leeds Domestic Waterusers Association, or its successors and assigns, a private non-profit corporation which provides culinary water service to most of the municipal boundaries of the Town.

h. "Silver Pointe Estates Community Association" means a non-profit corporation created and validly existing under the laws of the State of Utah for the purposes of owning and maintaining any common area or private roads (if any) within the Project and to administer and enforce the CC&R's and Design Guidelines and Standards as ultimately adopted for the Project.

i. "Preliminary Plat" means a plat of a phase or a parcel or portion of the Property within the Project submitted to the Planning Commission and the Town's planning staff to be the basis for evaluation and dialogue in order to achieve the approval of a Final Plat.

j. "Project Improvements" means the site improvements (streets and utilities) that are located within the boundary of the Project; that are necessary for the use and convenience of the occupants or users of the development. "Project improvements" does not mean system improvements.

k. "Proportionate share" means the cost of public facility improvements that are roughly proportionate and reasonably related to the service demands and needs of any Development Activity.

l. "Public Facilities" means types of facilities identified in Utah Code Ann. § 11-36-102(12).

m. "Project" means the Property located adjacent to the municipal boundaries of the Town owned by the Developer, described and depicted in Exhibit "A".

n. "System Improvements" has the meaning set forth in Section 13 of this Agreement, including existing public facilities that are designed to provide services to service areas within the community at large; and future public facilities identified in a current or future capital facilities plan that are intended to provide services to service areas within the community at large. "System Improvements" does not mean Project Improvements.

o. "Town" means the Town of Leeds, a Utah municipal corporation and political subdivision of the State of Utah.

p. "Town Council" means the Town Council of the Town of Leeds.

q. "WCWCD" means the Washington County Water Conservancy District, a political subdivision of Washington County and the State of Utah providing culinary and raw water services to the unincorporated areas of the County and future annexed areas of the Town.

r. "Water Storage Distribution System" means the culinary water storage tank and transmission lines installed across dedicated rights-of way for the distribution of culinary water to the homes within the Town.

2. Term of Agreement. The vested rights described in this Agreement shall be effective for a period of ten (10) years following the date on which this Agreement is adopted by the Town Council of the Town and signed by the Town's Mayor, with an option on the part of the Developer or the Town to extend such vested rights for an additional five (5) years if the terms of this Agreement have been substantially complied with and the Developer is proceeding with reasonable diligence in the development of the Project.

3. Findings and Authority

a. Compliance and Benefits to Town The Town finds, acknowledges and agrees that the development of the Project pursuant to this Agreement will result in significant planning and economic benefits to and will further the health, safety and general welfare of the Town and its residents, by, among other things; (A) requiring development of the Project in a manner consistent with the laws, rules, regulations and stated policies of the Town; (B) providing for the dedication of infrastructure improvements to be completed in connection with the future subdivision and phasing of the Project; and (C) increasing sales and/or property tax and other revenues to the Town derived from the residences to be constructed in the Project.

b. Reliance by the Parties. The Parties acknowledge that Developer is relying on the execution and continuing validity of this Agreement and the conditions set forth in this Agreement. Developer expended considerable funds in the development of the Project in anticipation of being able to consummate this Agreement with the Town and will continue to rely upon this Agreement and the commitments, statements, covenants and obligations of the Town in expending additional material funds to proceed with the Development as contemplated hereby.

c. Purpose; Authorization to Develop. The Parties desire that the Town have reasonable certainty concerning the manner in which the Project will be developed and that Developer and its successors and assigns will have reasonable certainty in proceeding with the development of the Project. Through this Agreement, Developer agrees to comply with the conditions of approval listed in connection with adoption of the ordinance annexing the Property into the Town. In exchange for the Developer's covenant and promise to proceed in compliance with such requirements and terms, the Town authorizes the Developer to develop the Project as set forth in this Agreement.

d. Reserved Legislative Powers - Vested Rights. Nothing in this Agreement shall limit

the future exercise of Town's police powers in enacting zoning, subdivision, development, growth management, platting, environmental, open space, transportation and other land use plans, policies, ordinances and regulations after the date of this Agreement. Notwithstanding the retained power of Town to enact such legislation under its police power, such legislation shall not modify the zoning designations found in Recital "F" and Exhibit "B" unless facts and circumstances are present which meet the compelling, countervailing public interest exception to the vested rights doctrine as set forth in Western Land Equities, Inc. v. Town of Logan, 617 P.2d 388 (Utah, 1988), or successor case law or statute. Any such proposed change affecting Developer's rights shall be of general application to all development activity in Town. Unless Town declares an emergency, Developer shall be entitled to prior written notice and an opportunity to be heard with respect to the proposed change and its applicability to the Project.

e. Applicable Laws and Regulations. The Parties acknowledge and agree, that upon completion of the process to annex the Project pursuant to applicable Utah law, the Project will be located within the municipal boundaries of the Town. Accordingly, the Parties agree that all Development Activity and improvements of any sort, on-site and off-site, relating to the Project shall therefore comply with the Town Ordinances (together with the approved zoning changes in Recitals "F" and "G"), including Leeds Standard Specifications for Design and Construction for public improvements and all regulations, requirements and procedures established by and for the Town and this Agreement.

i. Land Use Applications. The Parties agree that any Land Use Application made subsequent to the execution of this Agreement shall conform to applicable provisions of the ordinance in effect when a complete application is submitted for consideration.

ii. Building Permits. The Parties agree that any person or entity applying for a building permit within the Project shall be subject to the building, electrical, mechanical, plumbing, fire codes and other Town ordinances relating to the construction of improvements and structures, in effect when a person or entity files with the Town a complete application for a building permit.

No building permit for the construction of any structure or residential unit or the modification, expansion or remodeling of the same within the Project will be issued without the presentation, in connection with the building permit plans and specifications and other application materials, of a stamped or written approval of the Silver Pointe Estates Community Association or the Silver Pointe Estates Design Review Committee or other design and construction approval body appointed by the Community Association. This requirement of the Town will continue after this agreement expires.

iii. Later-Enacted State or Federal Law. The rights and obligations of the Parties under this Agreement shall be subject to later enacted State and Federal laws and regulations to the extent that the same lawfully govern and apply to the Project and its development, subdivision, improvement, ownership, use and occupancy.

f. Right to Develop the Project. It is the intent of the Parties to vest the Developer with the right to develop the Project to the full extent permitted under the Town Ordinances and applicable Utah Law, subject to Developer's compliance with Developer's duties and obligations provided for herein, including without limitation Developer's obligations relating to environmental issues (Section 4). Without limiting the generality of the foregoing, the parties hereby acknowledge, agree and make clear that the Developer is vested with certain rights granted in Recitals "F" and "G", as shown above, relating to density, use, and configuration as described in this Agreement. All provisions of the Town Ordinances with respect to Leeds Standard Specifications for Design and Construction 05-04, as they apply to the Project, shall apply except as expressly modified by the approved Zoning, this Agreement, and upon approval by the Town Council, the Preliminary Plat and Final Plat (as defined in Chapter 21 of the Town Land Use and Subdivision Ordinances).

4. Environmental Concerns - State of Utah Volunteer Cleanup Program. The Project and surrounding properties have been used for mining purposes in the past. The Developer has entered into a Voluntary Cleanup Program Agreement with the Utah Division of Environmental Response and Remediation (UDERR) to assess and remediate contamination, if any, at the Project. It is the intent of the Developer to clean up and remediate any contamination found on the Project to the standards set forth by UDERR and covenants, that if annexation is successful, that it will fulfill all responsibilities, duties and commitments under the UNDERR Voluntary Cleanup Program Agreement if they develop the Project.

All residential structures built on the Project will be required to include a passive radon mitigation system, including vent and detector and the Developer will take all such actions to impose such covenants and requirements with respect to lots or units within the Project, to assure that compliance with such requirements are undertaken.

5. Culinary Water Issues and Cooperation. Culinary water is not presently available to the Project. The Developer agrees to continue present discussions with LDWA with the object and purpose of having LDWA provide culinary water service to the Project through the LDWA system and infrastructure. The Town hereby agrees to support and assist in the facilitation of an agreement with LDWA to provide such culinary water service to the Project using LDWA's culinary water system in a manner consistent with the Leeds Culinary Water Authority, Town of Leeds Ordinance 2008-01, for areas not serviceable by the Town Water System Company.

The Town agrees to provide culinary water service to the Project through the Town's own culinary water system and proprietary water company (the "Town Water Company"), on the same or similar terms and conditions as are required by the Town with respect to other developers or land owners desiring such service and the extension of the Town Water Company's infrastructure to provide such service. If the Developer installs off-site water infrastructure to serve their Project that will also serve other properties, the Town will set up a reimbursement plan in their Capital Facilities Plan for the benefited property owners to reimburse the Developer for their share of the improvements.

Regardless of which entity ultimately provides culinary water service to the Project, the Town will assist the Developer in obtaining permission from LDWA to use the water tank in the LDWA

system that would be best suited to provide such culinary water service for that portion of the Project that is located in the higher elevations of the Project. If this is not possible the Town will allow the Developer to install, at Developer's expense, a booster pump that will serve water to the higher elevations of the Project.

6. Irrigation Water Issues. Irrigation water is also not presently available to the Project and Developer intends to and will control the need for and use of irrigation water for the Project through the landscaping and other plans and specifications for external design that are part of the Design Guidelines & Standards and CC&R's. Developer will limit the amount of landscaping on each lot by declaring non-disturbance areas which will be left untouched and in their natural condition. All grass areas will be limited to artificial grass and landscaping will be desert and xeriscape landscaping and will be irrigated with a drip system. Therefore, under the current Developer Landscape Concepts there will only be a requirement for the Developer to install a separate water line for irrigation water on the Project when areas of the project allow for watered lawns and green space other than drip irrigation.

7. Sewer System. There are presently no sewer connections available for the Project. The Town of Leeds does not have a sanitary sewer system and the County of Washington will not issue Septic Tank permits for new subdivisions. Therefore, the town is presently working with a landowner's organization known as the Leeds Area Landowners Association (LALA) to complete studies that will give the Town information needed to design and build a sanitary sewer system in the Town of Leeds. The Town agrees to follow through with this process and exert best efforts to design and build a sewer system to serve areas now and hereafter a part of the Town, to include the Project. If for any reason, the Town is unable to serve the Property with sewer service and necessary residential sewer hookups within two years from the date of the signing of this Agreement the Town agrees to allow and support the Developer in constructing a private sanitary sewer system to serve the Project and to assure that the costs of development of such a private system can be appropriately recouped, will allow the Developer or the other owner of the said system to sell hook-ups and charge appropriate service fees for the system to other landowners and developers on a reasonable basis. Supporting the Developer means to serve as and be the body politic, if any, required by the State of Utah as the sponsor or supporting governmental entity for the said private sanitary sewer system and company, to assure the required sanitary sewer service to the Project and otherwise fulfill all the requirements needed by the Developer to establish and create a proprietary private sewer system.

8. Parks, Trails & Impact Fees. The Developer shall convey to the Town, free of any charge, title to two acres of park land within the Project in the vicinity of the Protestant Cemetery as illustrated in Exhibit "D". In exchange for this property the Town agrees to allow one of the designated streets within the Project to go through a portion of the Protestant Cemetery property as shown in Exhibit "D". The street going through the Protestant Cemetery property will occupy six tenths (.6) of an acre and will be dedicated to the Town. The park land deeded to the Town shall be conveyed by special warranty deed, at no cost to the Town, free and clear of liens and encumbrances, except non-delinquent taxes, easements, covenants, conditions and restrictions and rights-of-way of record. The said public park land may be conveyed to the Town at any time, but no later than the recording of the plat for the development phase in which the said park land is located. The deeded

park land will be improved and maintained from Town funds obtained through park impact fees.

Furthermore, the Developer agrees that gravel bike and/or walking/jogging trails will be installed in the road rights-of-way. These rights-of-way will be public and dedicated to the Town. The Developer will also design, install and dedicate a walk-way, acceptable to the Town, between the Protestant and Catholic Cemeteries to link the two together. Upon dedication and acceptance by the Town of the public park and walk-way property, the Town shall provide services at a level generally provided to other areas of the Town, and at a level of service which maintains the area in at least the same condition as at the time of dedication to the Town.

9. Road Improvements. The roads within the Project will be built and financed by the Developer and the materials, standards and specifications for the roads shall be consistent with those imposed by the Town in other similar residential subdivisions in the area. There will be no requirement for curb, gutter or sidewalk, in the construction of the roads except when it is necessary to install curb and gutter on hillside roads to provide proper drainage.

The Developer will improve Silver Reef Road where Silver Reef Road borders the boundaries of the Project. The parties agree that as and to the extent that the Developer finances, builds, and dedicates these system improvements (see item 13 for definition of system improvements) bordering the Project that serve other areas of the Town (both present and projected for future annexation), the Town agrees to reimburse the Developer for the Town's Proportionate Share of such commonly used public roads through road impact fees collected by the Town.

The following outlines the procedure to reimburse the Developer for the Town's share of the cost of the road system improvements on Silver Reef Road. Prior to construction of the improvements the Town will review the Developer's proposed improvement plans and determine what improvements will be included in the reimbursement to the Developer. An agreement will be drawn up and signed at that time between the Town and the Developer regarding the reimbursement for said system improvements. The exact amount due the Developer for the Town's share of the cost of the improvements will be determined after the improvements are completed and accepted by the Town.

Upon completion of the improvements the Developer will submit to the Town a cost breakdown showing the cost of the improvements in detail. The Town will review the costs and determine the amount to be reimbursed to the Developer. If the Developer does not agree with the Town's amount of the reimbursement they can ask for Arbitration per Section 16. j in this Agreement.

Once the amount of reimbursement has been determined and the agreement for reimbursement has been signed by both parties the Town will make quarterly payments to the Developer as outlined in the agreement.

10. Phased Development/Timing of Development. The Town has agreed that the Project may be developed by Developer in phases. The Parties acknowledge that the efficient and economic

development of the Project may be contingent and dependent upon numerous factors, such as market conditions and demand, interest rates, competition, and the availability of sewer hook-ups and water service. Therefore, because of these unknown factors, the Town hereby agrees that the Developer shall not have a definite time limit to develop the Project. The Project will be developed in phases according to the market for improved lots and availability of utilities.

11. Preliminary Design Plan Approval. Subject to the terms of this Agreement the Developer shall have the right to have Preliminary Plats and Final Plats approved by the Town and to develop the Project providing that the request of approval is complete and complies with this Agreement and pertaining Town Ordinances.

12. Development of the Project. The Town and the Developer hereby agree that the Developer shall develop the Project in accordance with the terms of this Agreement.

- a. Inspection. The services of qualified inspectors or inspection services for onsite and offsite improvements relating to the Project shall be performed or obtained by the Town to execute all required inspections for the Project. Such inspections shall be timely and diligently pursue completion of the same. The cost of the inspections will be paid for by the Developer either through fees or on a case by case basis.
- b. Standard Governing Approvals. When required, the consent or approval of the Town shall not be unreasonably withheld, conditioned or delayed. When approval is withheld or conditioned, the Town shall at the time of withholding or conditioning its approval set forth in writing the requirements, changes or conditions which, if satisfied, would cause its approval to be granted. The Town will cooperate and comply in good faith with the issuance and granting of permits, approvals, easements, and other consents and authorizations, as are reasonably necessary to the development of the Project, and shall do so without charge to Developer other than with respect to ordinary and customary building permit, engineering review fees, and inspection fees.
- c. Easements. The Developer agrees to grant and to cooperate in obtaining the granting of easements and rights-of-way necessary for the construction and maintenance of the water, sewer, roadway, electrical, telephone and other infrastructure improvements that may be required for development of the Project. The form of the legal documents conveying such easements and rights-of-way shall be satisfactory to the Town and shall be consistent with such documents normally required by the State of Utah, the Town and the utility companies for such easements.
- d. Roads. The Developer shall dedicate all roads in the Project (with one possible exception) to the Town of Leeds who shall be responsible for maintenance obligations associated therewith. The one exception is that it may be necessary to have one private road in the higher elevations of the Project where the land is too narrow to build a standard road. All private roads must be approved by the Town. The following provisions are included in this Agreement:

1. Roads to other property in the area that have been using the existing dirt roads will be serviced by a road run to the edge of the property line in such a way that the road may at some time in the future be extended.

2. One ingress/egress point at Silver Reef Road.

3. One ingress/egress point will be to the property line in the vicinity of the Catholic Cemetery so that one day this road can be continued to Cemetery Road.

4. One ingress/egress point will be on the North property line so that in the future the road can be extended to Silver Reef Drive in the area around Wells Fargo Drive.

e. Standard Fees. Nothing contained in this Agreement shall exempt or defer the Developer from payment of standard fees and charges that are charged equitably to all developers within the Town.

f. Right of Access. Representatives of the Town shall have the reasonable right of access to inspect all the Developer's sites at reasonable hours for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing improvements. The Town agrees to and shall indemnify and hold the Developer harmless from and against all liability, loss, damage, costs, or expenses 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 shall occur directly as a result of the Town's negligence except that this indemnity shall not apply to proportional negligence or willful misconduct of the Developer.

13. Project and System Improvements. The Developer is responsible for the Project Improvements located within the borders of the Project. The parties acknowledge that significant public infrastructure and public improvements will be constructed on Silver Reef Road in connection with the development of the Project, including without limitation, easements and rights-of-way, street construction, curb and gutter, sidewalks, street signs, water distribution facilities, fire hydrants, sewage disposal facilities, storm drainage facilities, street signalization and telecommunications equipment and conduit, street lighting, electrical utilities, flood control facilities, survey monuments, landscaping and re-vegetation, (collectively "System Improvements") Developer shall bear the entire cost of constructing Project Improvements needed to service the Project. Developer shall also bear the initial cost of constructing System Improvements required as a result of the Project but shall be reimbursed for the cost of such System Improvements except for Developer's Proportionate Share of System Improvement costs. The means of reimbursing the Developer for the Town's share of the system improvements is outlined in Section 9 above.

14. Default. In the event either party fails to perform its obligations hereunder or to comply with the terms hereof within thirty (30) days after giving written notice of default and the failure of the defaulting party to cure such default, or if the default is of a nature that it cannot be reasonably cured within thirty (30) days, then to have diligently and in good faith commenced to cure such default, the non-defaulting party may, at its election, pursue all rights and remedies available at law and in equity, including injunctive relief, specific performance and/or damages.

15. Transfer and Assignment. The Developer may, from time to time, convey and

transfer all or any portions of the Project, and freely assign all rights granted by this Agreement with respect to the portions of the Project so conveyed or transferred, to third-party successors-in-interest. Any such assignment shall be made expressly subject to the applicable terms and provisions of this Agreement. Notice of any such transfer and assignment shall be given, in writing, to the Town. The rights of the Town under this Agreement shall not be assigned. Notwithstanding the foregoing, the sale or other dispositions (barter, trade, bequeath or gift) in the ordinary course of a lot or other subdivided unit within the Project, after a Final Plat is recorded shall relieve Developer of further obligations and duties under this Agreement with respect to the sold lot or unit.

16. Miscellaneous.

a. Recordation; Binding Effect; Interpretation. A memorandum of this Agreement shall be recorded by the Developer against the Project. The rights and obligations of Developer under this Agreement shall be those affecting the Project, and shall run with and be binding upon the Project and upon the Developer and its successor and assigns. The terms of this Agreement shall be deemed to expire as to any portion of the Project upon the issuance of a certificate of occupancy for a structure on the subject portion of the Project. This Agreement shall likewise be binding upon any governmental entity that succeeds the Town in any respect as to jurisdiction over the Project. The fact that one party or the other may have drafted the provisions of the agreement shall not affect the interpretation of its provisions.

b. Further Assurances. Each party hereto shall take all such further acts as shall be reasonably necessary in order to carry out more effectively the intent and purposes of this Agreement and the actions contemplated hereby.

c. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

d. Integration. This Agreement (together with all Exhibits hereto, which exhibits are hereby incorporated herein by reference) constitute the entire agreement between the Town and the Developer concerning the development of the Project, and supersedes all prior understandings, agreements, or representations, verbal or written, concerning the development of the Project.

e. Amendment. Except as expressly provided herein, this Agreement shall not be amended except in writing signed by a duly authorized officer of the Developer and a duly authorized representative of the Town.

f. Severability. If any part or provision of this Agreement shall be adjudged unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such adjudgment shall not affect any other part or provision of this Agreement except that part or provision so adjudged to be unconstitutional, invalid or unenforceable. If any condition, covenant, or other provision of this Agreement shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or

breadth permitted by law.

g. Conflict of Interest. No member, official or employee of the Town shall knowingly have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee knowingly participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he/she is, directly or indirectly, interested. The Town warrants that they have not intentionally paid or given, and will not intentionally pay or give, any third-party any money or other consideration for obtaining this Agreement. This paragraph does not include efforts by the Town to comply with affirmative obligations of the Town contemplated by this Agreement.

h. Non-liability of Town Officials and Employees. No member, official, employee or consultant of the Town shall be personally liable to the Developer, or any successor in interest, or any other entity, in the event of any default or breach by the Town or the Town for any amount which may become due to the Developer or to its successor, or on any obligations under the terms of this Agreement.

i. Force Majeure. Neither party hereto shall be liable for any delay or failure in the keeping or performance of its obligations under this Agreement during the time and to the extent that any such failure is due to causes beyond the control and without the fault of negligence of the party affected, including, without limitation, acts of God, acts of the United States Government or the State of Utah, fires, floods, strikes, embargoes or unusually adverse weather conditions. Upon the occurrence of any such cause, the party affected thereby shall promptly resume the keeping and performance of the affected obligations after such cause has come to an end. During the existence of such an event, each party shall bear its own costs resulting therefrom. Each party shall make every reasonable effort to keep delay in performance as a result of such cause to a minimum.

j. Arbitration. In the event any dispute or disagreement shall arise as to the enforcement of this Agreement or as to the zoning, building or subdivision ordinances affected thereby, the parties may submit the same for arbitration by disinterested arbitrators as allowed under Section 78-31A, 1 through 20, Utah Code Annotated, as amended, entitled "Arbitrations Act." The arbitration location shall be in Washington County at a site agreeable to the parties. Arbitrators may be drawn from the Washington County area. Attorney's fees and costs shall be allowed under this Agreement if awarded pursuant to the Arbitration Act.

k. Authorization of Execution.

- (i) Town. The execution of this Agreement by the Town has been authorized by a lawful vote of the Town Council of the Town of Leeds, Utah, at a regularly scheduled meeting of that body, pursuant to notice, held on the 13th day of FEBRUARY 2008.
- (ii) Developer represents and warrants to the Town that execution and delivery of this Agreement has been duly authorized by Developer.

1. Counterpart Execution. This Agreement may be executed in multiple counterparts and the separate counterparts shall, when the Parties have all executed a counterpart hereof, shall constitute a single integrated and binding agreement, enforceable against the Parties.

IN WITNESS WHEREOF, the parties have executed this Agreement by their authorized representatives effective as of the date first written above.

TOWN:

TOWN OF LEEDS, a Utah municipal corporation

ATTEST:

By: Debbie Shakespeare
~~Karen Markovich, Town Clerk~~
Debbie Shakespeare
Clerk / Recorder

By: Trudy Law
Trudy Law, Mayor

DEVELOPER:

CROCKER CAPITAL, LLC, a Utah limited liability company

By: Gary Crocker
Gary Crocker, Manager

THE G.R.S. TRUST, dated December 13, 1993.

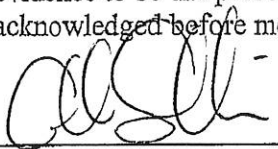
By: G. Richard Sant
G. Richard Sant, Managing Trustee

Exhibits

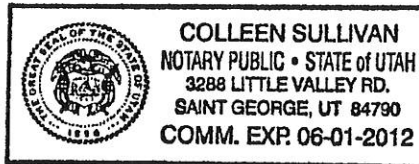
- A – Property Map and Legal Description
- B – Land Use Map
- C – Annexation Petition, Map and Legal Description
- D – Park and Cemetery Land Contribution

STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this 24th day of September, 2008 before me personally appeared Trudy Law and Debbie Shakespeare, personally known to me or proved to me on the basis of satisfactory evidence to be the persons whose names are signed on the preceding document, and acknowledged before me that he/she/they signed it voluntarily for its stated purpose.

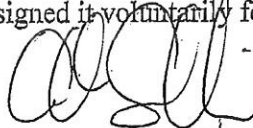


NOTARY PUBLIC
Address: 3288 Little Valley Rd. St George, UT 84790
My Commission Expires: 06/01/2012

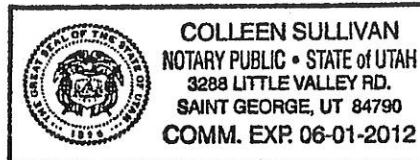


STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this 26th day of September, 2008, before me personally appeared Gary Crocker, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding document, and acknowledged before me that he/she signed it voluntarily for its stated purpose.




NOTARY PUBLIC
Address: 3288 Little Valley Rd. St George, UT 84790
My Commission Expires: 06/01/2012



STATE OF UTAH)
) ss.
COUNTY OF WASHINGTON)

On this 26th day of September, 2008, before me personally appeared G. Richard Sant, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is signed on the preceding document, and acknowledged before me that he/she signed it voluntarily for its stated purpose.



NOTARY PUBLIC
Address: 3288 Little Valley Rd. St George, UT 84790
My Commission Expires: 06/01/2012

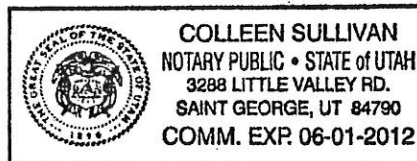


EXHIBIT “A”

PROPERTY DESCRIPTION

THE “PROJECT”

EXHIBIT "A" PROPERTY DESCRIPTION

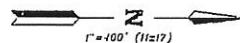
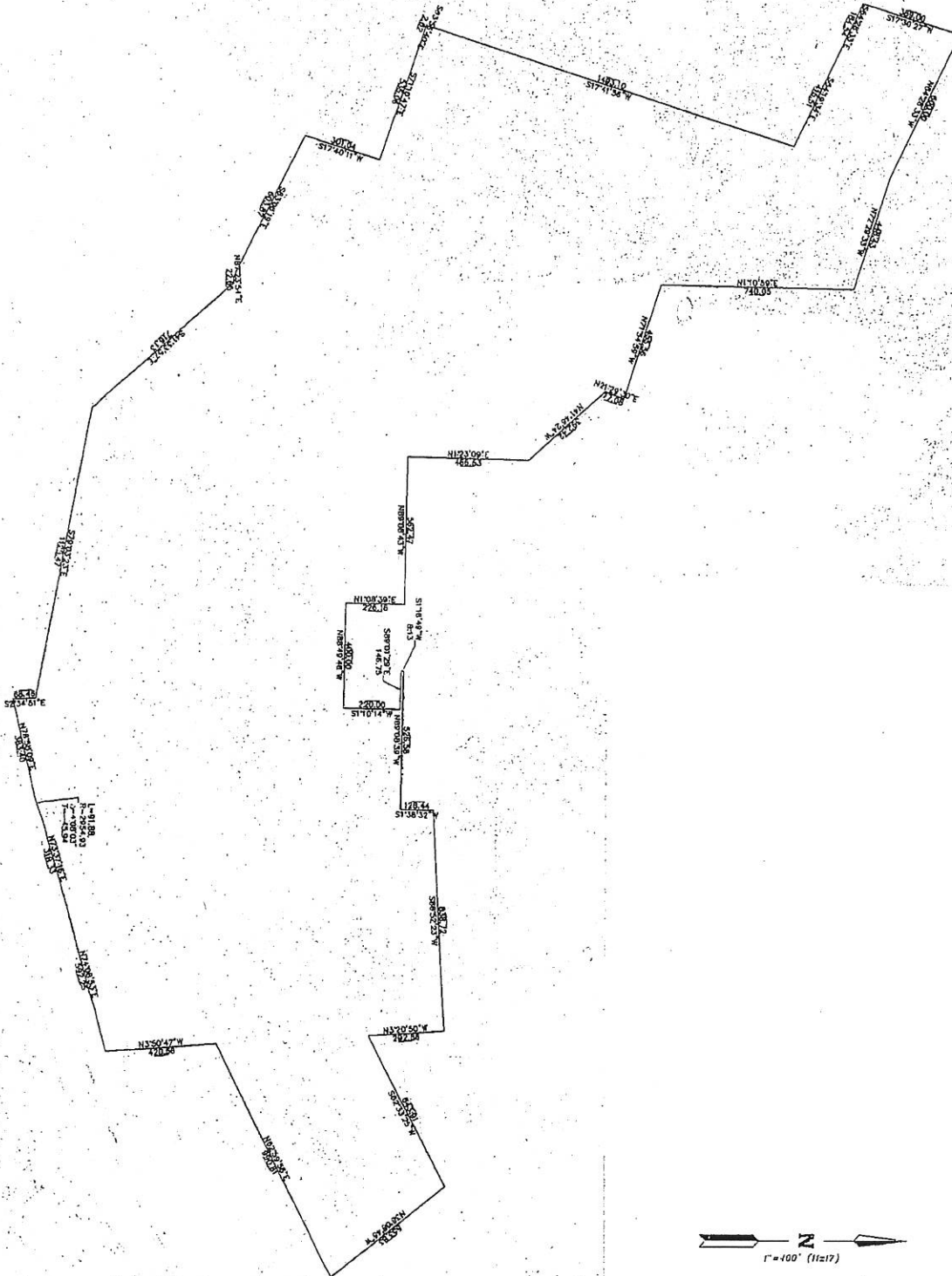


EXHIBIT "A"

MEETS & BOUNDS BOUNDARY

ANNEXATION PROJECT: SILVER POINTE
LEEDS, UTAH

ALPHA
ENGINEERING COMPANY

181 EAST FAYETTE BLVD. ST. GEORGE, UT 84790
TEL: 435-276-1700 FAX: 435-276-1701

NO.	DATE	BY	DESCRIPTION

REVISIONS



ALPHA ENGINEERING COMPANY

148 East Tabernacle, St. George, UT 84770 • (435) 628-6500 • Fax: (435) 628-6553

LEGAL DESCRIPTION FOR SILVER POINTE ESTATES (September 17, 2007)

Commencing at the East $\frac{1}{4}$ Corner of Section 1, Township 41 South, Range 14 West, Salt Lake Base and Meridian;

Thence South $01^{\circ}10'59''$ West along the Section line, a distance of 425.27 feet to the Point of Beginning; Thence South $01^{\circ}10'59''$ West, along said line, a distance of 740.05 feet; Thence South $71^{\circ}54'59''$ East, a distance of 455.56 feet; Thence South $21^{\circ}29'30''$ West, a distance of 77.08 feet; Thence South $41^{\circ}46'24''$ East, a distance of 392.42 feet; Thence South $01^{\circ}23'09''$ West, a distance of 466.63 feet; Thence South $89^{\circ}06'43''$ East, a distance of 562.47 feet, to the Northwest Corner of Leeds Cemetery Number 1; Thence South $01^{\circ}08'39''$ West, a distance of 226.16 feet, to the Southwest Corner of said Cemetery; Thence South $88^{\circ}49'46''$ East, a distance of 400.00 feet, to the Southeast Corner of said Cemetery; Thence North $01^{\circ}10'14''$ East, a distance of 220.00 feet, to the Northeast Corner of said Cemetery; Thence North $89^{\circ}01'29''$ West, along the northerly line of said Cemetery, a distance of 146.75 feet; Thence North $01^{\circ}16'49''$ East, a distance of 8.13 feet; Thence South $89^{\circ}08'39''$ East, a distance of 526.58 feet; Thence North $01^{\circ}38'32''$ East, a distance of 126.44 feet; Thence North $86^{\circ}52'23''$ East, a distance of 838.72 feet; Thence South $03^{\circ}20'50''$ East, a distance of 292.86 feet; Thence North $62^{\circ}33'25''$ East, a distance of 643.91 feet; Thence South $38^{\circ}08'45''$ East, a distance of 553.83 feet; Thence South $62^{\circ}59'56''$ West, a distance of 990.81 feet; Thence South $03^{\circ}50'47''$ East, a distance of 420.56 feet, to a point on the Northerly right-of-way line of Interstate 15; Thence South $74^{\circ}08'53''$ West, along said right-of-way, a distance of 592.25 feet; Thence South $73^{\circ}37'16''$ West, along said right-of-way line, a distance of 318.33 feet to the point of curvature of a non tangent curve to the left, of which the radius point lies South $20^{\circ}52'10''$ East, a radial distance of 2,954.93 feet; thence westerly along the arc of said curve, and said right-of-way line, a distance of 91.88 feet, through a central angle of $01^{\circ}46'53''$; Thence South $76^{\circ}58'09''$ West, a distance of 383.40 feet; Thence North $02^{\circ}34'51''$ West, a distance of 88.46 feet; Thence North $79^{\circ}03'23''$ West, a distance of 1,125.47 feet, to a 1931 BLM Brass cap labeled Corner #1 BH; Thence North $41^{\circ}33'57''$ West, a distance of 716.13 feet, to a 4" x 4" wood post in a mound of rock; Thence South $87^{\circ}23'54''$ West, a distance of 22.65 feet, to a 2" x 2" wood post in a mound of rock; Thence North $63^{\circ}08'19''$ West, a distance of 603.87 feet, to a 2" iron pipe in a mound of rock; Thence North $17^{\circ}40'11''$ East, a distance of 301.04 feet; Thence North $71^{\circ}10'47''$ West, a distance of 535.06 feet, to a 2" iron pipe with plug marked CW-7, in a mound of rock; Thence North $17^{\circ}36'11''$ East, a distance of 1,494.57 feet, to a 2" iron pipe in a mound of rock; Thence North $64^{\circ}28'33''$ West, a distance of 600.00 feet, to a 2" iron pipe in a mound of rock; Thence North $17^{\circ}30'27''$ East, a distance of 389.00 feet, to a 2" iron pipe in a mound of rock; Thence South $64^{\circ}28'33''$ East, a distance of 600.00 feet, to a 2" iron pipe with plug marked G5-4, in a mound of rock; Thence South $72^{\circ}29'33''$ East, a distance of 448.43 feet to the Point of Beginning.

Containing: 148.09 acres, more or less.

Parcel No. C-PL

EXHIBIT "B"

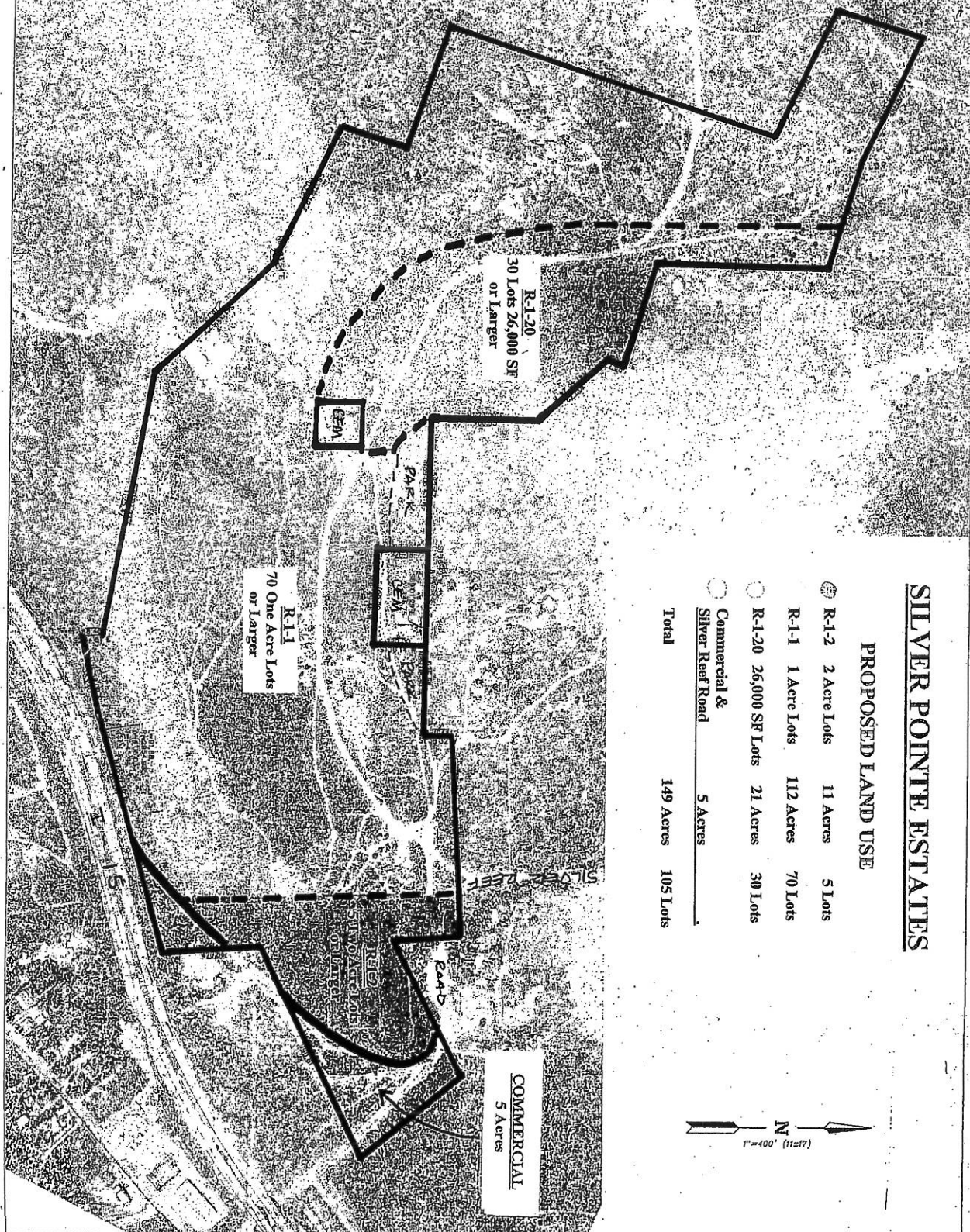
THE LAND USE MAP

ZONING DESIGNATIONS
FOR THE PROJECT

EXHIBIT "B"

LAND USE MAP

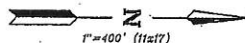
ZONING DESIGNATIONS



SILVER POINTE ESTATES

PROPOSED LAND USE

⊙ R-1-2	2 Acre Lots	11 Acres	5 Lots
⊙ R-1-1	1 Acre Lots	112 Acres	70 Lots
⊙ R-1-20	26,000 SF Lots	21 Acres	30 Lots
⊙ Commercial & Silver Reef Road	5 Acres		
Total	149 Acres	105 Lots	



MEETS & BOUNDS BOUNDARY

ANNEXATION PROJECT: SILVER POINTE
LEEDS, UTAH

ALPHA
ENGINEERING COMPANY
140 EAST TARBURVILLE, ST. GEORGE, UT 84770
TEL: 435-429-8500 FAX: 435-429-5153

NO.	DATE	BY	DESCRIPTION

PROJECT	303-06
DATE	NOV 2007
BY	1-1000
1	

EXHIBIT "C"

**PETITION FOR ANNEXATION
WITH MAP AND LEGAL DESCRIPTION**

&

ZONE CHANGE APPLICATION

(ORIGINALS, EXHIBITS AND FEES WERE FILED WITH THE TOWN)

**Annexation Application Fee: \$1000.00
NON-REFUNDABLE**

Date: _____

Received by: _____

Town of Leeds

218 North Main Street, PO Box 460879, Leeds, UT 84746-0879

Phone: 435-879-2447 Tax: 435-879-6905

Email: leedstownhall@Owest.net // Website: www.leedsutah.us

PETITION FOR ANNEXATION

We the undersigned owners of certain real property lying contiguous to the present municipal limits of the Town of Leeds hereby submit this Petition for Annexation and respectfully represent all items included in this request to be true and correct.

1. This petition is made pursuant to the requirements of Section 10-2-403, Utah Code Annotated, 1953, as amended (U.C.A.).
2. The property subject to this petition is a contiguous, unincorporated area contiguous to the boundaries of the Town of Leeds and the annexation thereof will not leave or create an unincorporated island or peninsula.
3. The signatures affixed hereto are those of the owners of private real property that:
 - a. Is located within the area proposed for annexation.
 - b. Covers a majority of the private land area within the area proposed for annexation.
 - c. Is equal in value to at least 1/3 of the value of all private real property within the area proposed for annexation.
 - d. Is described as (include attachment if needed):

See attached map

4. The property subject of this petition lies contiguous to the present boundary of the Town of Leeds corporate limits (described approximate location):

See attached map; located in Silver
Reef area.

5. Legal description more specifically described as follows: (include attachment if needed)

See attached legal description.

Town of Leeds

218 North Main Street, PO Box 460879, Leeds, UT 84746-0879

Phone: 435-879-2447 Fax: 435-879-6905

E-mail leedstownhall@qwest.net // Website: www.leedsutah.us

PETITION FOR ANNEXATION

6. Provide up to five of the signers of this petition who are designated as sponsors, one of whom is designated as the "Contact Sponsor", with the mailing address of each sponsor being indicated:

Contact sponsor - Rick Sant
1378 St. James Ln., St. George 84790

Sponsor - GARY CROCKER
3764 Thousand Oaks Ct. S.L.C. 84124

7. This petition does not propose annexation for all or a part of an area proposed for annexation in a previously filed petition that has not been denied, rejected, or granted.
8. This petition does not propose annexation of an area that includes some or all of an area proposed to be incorporated in a request for a feasibility study under Section 10-2103 U.C.A. or a petition under Section 10-2-125 U.C.A. if:

Applicant Name: Rick Sant (G. Richard Sant)

Address/Phone: 1378 St. James Ln, St. George 84790
(435) 229-3194

Property Owner (if not Applicant): Same

Address/Phone: _____

For a total of 128.69 ~~111~~ acres. Dated this 16th day of August, 2007.

Date application fee paid: _____ Check No. _____

Printed Name of Application

G Richard Sant

Signature of Applicant

G. Richard Sant



ALPHA ENGINEERING COMPANY

148 East Tabernacle, St. George, UT 84770 • (435) 628-6500 • Fax: (435) 628-6553

LEGAL DESCRIPTION FOR ANNEXATION PARCEL (August 28, 2007)

Commencing at the East $\frac{1}{4}$ Corner of Section 1, Township 41 South, Range 14 West, Salt Lake Base and Meridian;

Thence South $01^{\circ}10'59''$ West along the Section line, a distance of 425.27 feet to the Point of Beginning; Thence South $01^{\circ}10'59''$ West, along said line, a distance of 740.05 feet; Thence South $71^{\circ}54'59''$ East, a distance of 455.56 feet; Thence South $21^{\circ}29'30''$ West, a distance of 77.08 feet; Thence South $41^{\circ}46'24''$ East, a distance of 392.42 feet; Thence South $01^{\circ}23'09''$ West, a distance of 466.63 feet; Thence South $89^{\circ}06'43''$ East, a distance of 562.47 feet, to the Northwest Corner of Leeds Cemetery Number 1; Thence South $01^{\circ}08'39''$ West, a distance of 226.16 feet, to the Southwest Corner of said Cemetery; Thence South $88^{\circ}49'46''$ East, a distance of 400.00 feet, to the Southeast Corner of said Cemetery; Thence North $01^{\circ}10'14''$ East, a distance of 220.00 feet, to the Northeast Corner of said Cemetery; Thence North $89^{\circ}01'29''$ West, along the northerly line of said Cemetery, a distance of 146.75 feet; Thence North $01^{\circ}16'49''$ East, a distance of 8.13 feet; Thence South $89^{\circ}08'39''$ East, a distance of 1193.58 feet, to a point on the Center Section line of Section 6, Township 41 South, Range 13 West, Salt Lake Base and Meridian

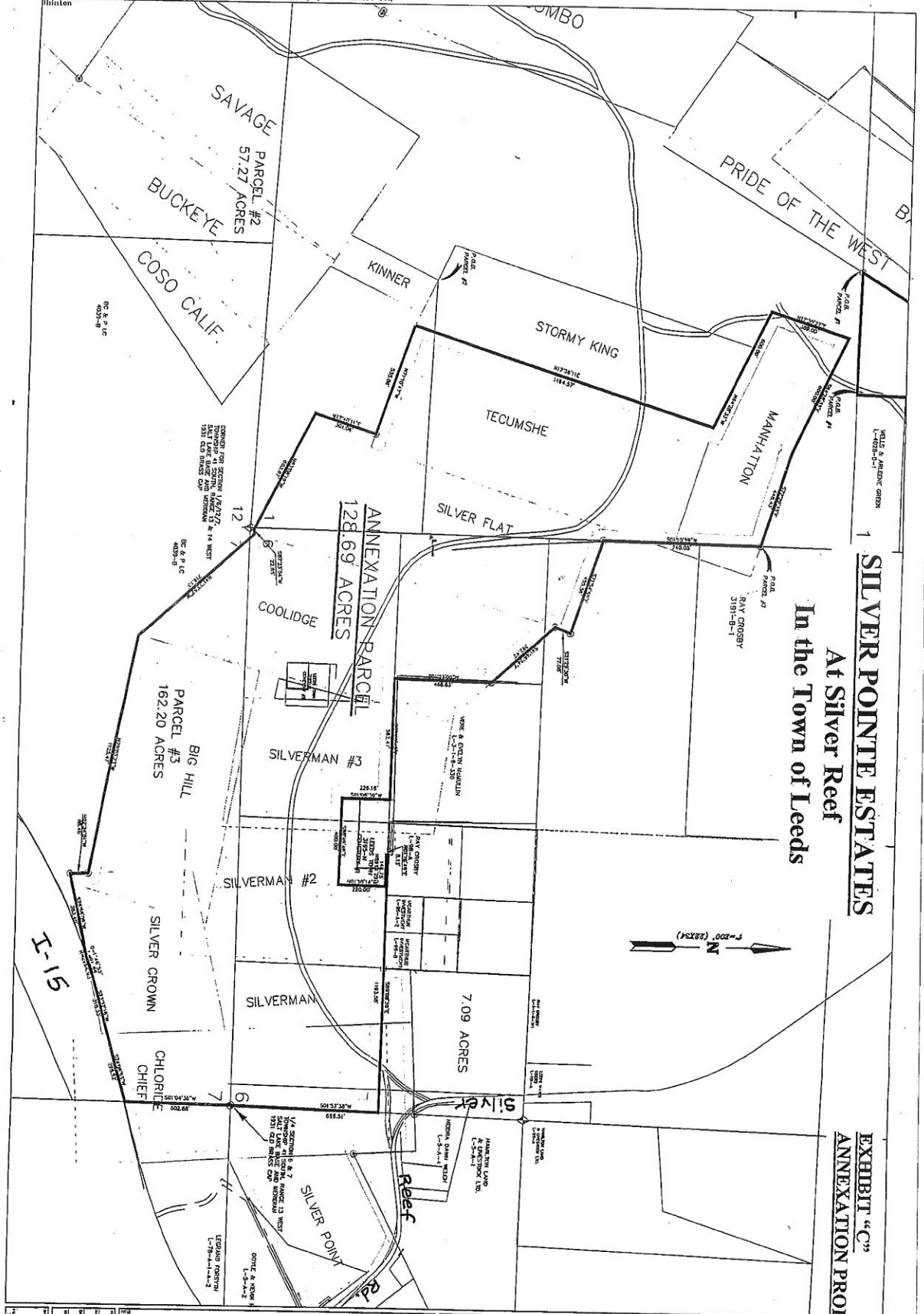
Thence South $01^{\circ}52'38''$ West, along the Section line, a distance of 696.51 feet, to the South $\frac{1}{4}$ Corner of said Section 6;

Thence South $01^{\circ}04'36''$ West, along the Section line, a distance of 502.68 feet, to a point on the Northerly right-of-way line of Interstate 15;

Thence South $74^{\circ}08'53''$ West, along said right-of-way line, a distance of 298.52 feet;

Thence South $73^{\circ}37'16''$ West, along said right-of-way line, a distance of 318.33 feet to the point of curvature of a non tangent curve to the left, of which the radius point lies South $20^{\circ}52'10''$ East, a radial distance of 2,954.93 feet; thence westerly along the arc of said curve, and said right-of-way line, a distance of 91.88 feet, through a central angle of $01^{\circ}46'53''$; Thence South $76^{\circ}58'09''$ West, a distance of 383.40 feet; Thence North $02^{\circ}34'51''$ West, a distance of 88.46 feet; Thence North $79^{\circ}03'23''$ West, a distance of 1,125.47 feet, to a 1931 BLM Brass cap labeled Corner #1 BH; Thence North $41^{\circ}33'57''$ West, a distance of 716.13 feet, to a 4" x 4" wood post in a mound of rock; Thence South $87^{\circ}23'54''$ West, a distance of 22.65 feet, to a 2" x 2" wood post in a mound of rock; Thence North $63^{\circ}08'19''$ West, a distance of 603.87 feet, to a 2" iron pipe in a mound of rock; Thence North $17^{\circ}40'11''$ East, a distance of 301.04 feet; Thence North $71^{\circ}10'47''$ West, a distance of 535.06 feet, to a 2" iron pipe with plug marked CW-7, in a mound of rock; Thence North $17^{\circ}36'11''$ East, a distance of 1,494.57 feet, to a 2" iron pipe in a mound of rock; Thence North $64^{\circ}28'33''$ West, a distance of 600.00 feet, to a 2" iron pipe in a mound of rock; Thence North $17^{\circ}30'27''$ East, a distance of 389.00 feet, to a 2" iron pipe in a mound of rock; Thence South $64^{\circ}28'33''$ East, a distance of 600.00 feet, to a 2" iron pipe with plug marked G5-4, in a mound of rock; Thence South $72^{\circ}29'33''$ East, a distance of 448.43 feet to the Point of Beginning.

Containing: 128.69 acres, more or less.



FILING FEE: \$1,000.00

NON-REFUNDABLE

Date _____ Received by _____

Town of Leeds

218 North Main Street, PO Box 460879, Leeds, UT 84746-0879

Phone: 435-879-2447 Ea. x: 435-879-6905

E-mail leedstownhall@qwest.net // Website: www.leedsutah.us

ZONE CHANGE/AMENDMENT

APPLICATION

Project Name Silver Pointe Estates
Number of Lots Proposed ~~125~~ 105 Acreage ~~117~~ 128.69
Project Location Parcel Tax ID #(s) _____

Applicant Name Rick Sant
Address 1378 St. James Ln. St. George, Ut. 84790
Phone (435) 229-3194 Fax (435) 688-2332 Cell same as e-mail ricsant@msn.com

Owner of Property Crocker Capital LLC & The G.R.S. Trust
Address 1378 St. James Lane, St. George, UT. 84790
Phone same Fax _____ Cell _____ e-mail _____

Contact Person of those listed above Rick Sant R-1-2,

EXISTING ZONING IN THE COUNTY ZONE CHANGE(S) REQUESTED R-1-1 & R-1-20* ACREAGE 147 AC.

Refer to Town of Leeds Zonings: * All lots will be a minimum of 26,000 S.F.

R-R-5.....Rural Residential 5 acre	R-1-2.....Residential 2 acre	R-M-7.....Multiple Residential
R-R-2.....Rural Residential 2 acre	R-1-1.....Residential 1 acre	C.....Commercial
R-R-1.....Rural Residential 1 acre	R-1-20.....Residential 1/2 acre	OS.....Open Space
R-R-20.....Rural Residential 1/2 acre	R-1-10 Residential 1/4 acre	M-H.....Mobile Home

Attach complete legal description for the property/area requested. to be changed and provide all of the following information:

1. Two sets of mailing labels for all property owners within a 300-foot radius from the border of the subject property obtained from a Title Company. Maps & Names of Property Owners are available from Washington County Recorder's Office, 87 North 200 East, St. George, Utah 84770, ph (435)634-5709.
2. Written justification describing the purpose for the zone change request and proof of concurrence with Town of Leeds General Plan.
3. Required Building Plans as per Land Use and Zoning Ordinance #05-02, including all tests,