Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

NOTICE OF MEETING
OF THE
KANAB CITY COUNCIL

Notice is hereby given that the Kanab City Council will hold a regular council meeting on the **14th day of October 2025**, in the City Council chambers at the Kanab City Office, **26 N 100 E, Kanab, Utah**. The Council Work Meeting will convene at **6:00 p.m**. followed by the Business Meeting at **6:30pm**. The agenda will be as follows:

WORK MEETING

1) **MAYOR AND COUNCIL BUSINESS – LIAISON REPORTS**

2) **CITY STAFF BUSINESS**

3) **DISCUSSION WITH KAIBAB BAND OF PAIUTE INDIANS**

BUSINESS MEETING

1) **CALL TO ORDER AND ROLL CALL**

2) **PUBLIC COMMENT PERIOD:** Members of the public are invited to address the Council. Participants are asked to keep their comments to 3 minutes and follow the rules of civility outlined in Kanab Ordinance 3-601.

3) **CONSENT ITEMS:** (Consent items contain routine, non-controversial items that require City Council action but need little or no City Council deliberation).

A) Approval of City Council Minutes:
Regular City Council Meeting – September 9, 2025

B) Approval of Accounts Payable Vouchers
Accounts Payable September 11, 2025 $720.00
Accounts Payable September 16, 2025 $176,346.39
Accounts Payable September 23, 2025 $135,884.53
Accounts Payable September 30, 2025 $38,254.37
Accounts Payable October 7, 2025 $1,048,965.41

4) **BOARD COMMISSION, COMMITTEE APPOINTMENTS:** None at this time

5) **PRESENTATIONS:**
   A) Employee Recognition- Life-saving actions by Kanab City Police Officer.
   B) Employee Recognition- State and national meter building competition.
   C) Utah Department of Natural Resources – Presentation on inspection program for invasive aquatic species.

6) **PUBLIC HEARING ITEMS:**
   A) Discussion and consideration of an ordinance amending Kanab City's General Ordinance Chapter 9- Business Licenses. The purpose of the amendment is to update the regulations of special events and to allow for-profit events in city limits.
   B) Discussion and consideration of an ordinance amending Kanab City's Land Use Ordinance Section 13 Police and Public Offenses. The Purpose of the amendment is to discuss dog boarding parameters and requirements for residential areas.

7) **ACTION ITEMS READY FOR VOTE:**
   A) Discussion and consideration of an ordinance authorizing a zone change on parcel K-45-9 from R-1-8 (Single Family) to RM (Multi-Family Zone). The Parcel is located at 322 E. 200 S. (Applicant Josh Beazer).
   B) Discussion and Consideration of a letter of approval to provide emergency medical services and patient transports within Kanab City pursuant to Kane County's EMS RFP process.
   C) Discussion and consideration of a resolution adopting an official City Flag and authorizing its use for community display.

8) **ITEMS FOR DISCUSSION:**
   A) Discussion on the Kanab City Public Infrastructure District Policy and the financing tool of Infrastructure Financing Districts allowed for in the State of Utah and recognition of a public hearing on October 21, 2025 at 6:30pm to approve the Hidden Canyon PID.
   B) Discussion on the proposed Kanab Municipal Airport Capital Improvement Plan (2025-2033).
   C) Discussion and receipt of 2026 City Goals developed by department directors and City staff.
   D) Strategy session and discussion of a real estate exchange, surplus, or sale to include the City owned property at parcel 3-6-32-3
   E) Strategy session to discuss pending or reasonably imminent litigation.

9) **REVIEW AND DISCUSSION OF THE NOVEMBER 18, 2025 CITY COUNCIL MEETING AGENDA.**

ADDITIONAL NOTICES:
Times listed for each item on the agenda may be accelerated, as time permits, or taken out of order.
The public comment period and public hearings are intended for the public to provide input to the Council or to pose questions individuals believe the Council and City staff should consider. Public hearings are not intended for individual members of the public to engage in conversation. While questions may be posed by a member of the public, the Council and City staff will attempt to refrain from answering or engaging in conversation during the public hearing.
An item listed on the agenda may be discussed in a closed portion of the public meeting, in which the public may be excused, if it meets the criteria outlined in the Open and Public Meetings Act (*see* Utah Code 52-4-204 and -205).
If you are planning to attend this public meeting and due to a disability need assistance in understanding or participating in the meeting, please notify the City eight (8) or more hours in advance of the meeting, and we will try to provide whatever assistance may be required. Please contact Celeste Cram at the Kanab City offices.

Kanab City Council Meeting
September 9th, 2025
Kanab City Offices
26 North 100 East
6:30 PM

Work Meeting

1. **Mayor and Council Business – Liaison Reports**

Liaison Report

Councilmember Chamberlain – None.
Councilmember Banks – None.
Councilmember Corry – None.
Mayor Johnson – We are moving along with the Jacob Hamblin park expansion. The City is getting ready to put in a sprinkler system to prepare for the sod that we are hopefully laying in October. Also, the footings are poured for the Recreation Center.
Councilmember Heaton – Absent.
Councilmember Colson – The airport project is coming right along.

City Staff Business – None.

Business Meeting

Call to Order and Roll Call – Mayor Johnson called the meeting to order. Councilmember Chamberlain offered the invocation. Councilmember Colson led the pledge of allegiance.

In attendance: Mayor Johnson; Councilmember Corry, Councilmember Banks (6:37), Councilmember Chamberlain, Councilmember Colson; City Manager Kyler Ludwig; Building Inspector & Land Use Coordinator Janae Chatterley; Treasurer Danielle Ramsay and City Attorney Kent Burggraaf.

Not in attendance – Councilmember Heaton

2. **Public Comment Period – None.**

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3. **Consent Items: (Consent contain routine, non-controversial items that require City Council action but need little or no City Council deliberation).**

    a. **Approval of City Council Minutes:**
        August 12th, 2025 City Council Meeting.
    b. **Approval of Accounts Payable Vouchers**
        i. **Accounts Payable August 13, 2025 $86,512.34**
        ii. **Accounts Payable August 19, 2025 $145,892.69**
        iii. **Accounts Payable August 26, 2025 $45,782.46**
        iv. **Accounts Payable September 5, 2025 $116,970.67**

Councilmember Colson made a motion to approve the consent items as listed in the packet. Councilmember Banks seconds, unanimous vote. Motion passed**.**

4. **BOARD COMMISSION, COMMITTEE APPOINTMENTS: None at this time.**

5. **PRESENTATIONS: None at this time.**

6. **PUBLIC HEARING ITEMS:**
    a. **Public hearing for a proposed plat amendment of parcel K-13-1-Utah-Annex, K-366-43, K-366-44 and K-366-CA2 adjusting the phases and platting of the Planned Development Overlay; located approximately at 600 E Kaneplex Road.**

Mrs. Chatterley stated that Iron Rock Engineer applied to amend the plat for Ventana Resort Village, Phase 1 & 2 effecting parcels K-13-1-Utah-Annex, K-366-43, K-366-44 and K-366-CA2, located approximately at 600 East Kaneplex Road. The plat amendment consists of splitting the two phases into three. The current zone is R-1-8 PD. The owner of record contained within the plat is M-W Kanab LLC, a title report has been submitted to Kanab City. The applicant has paid the amended plat fee required. Any impact fees will be collected through the building permitting process.
Planning Commission sends a positive recommendation with a unanimous vote.
Councilmember Colson made a motion to approve the plat amendment to the Ventana Resort Village, Phase 1 & 2 effecting parcels K-13-1-Utah-Annex, K-366-44 and K-366-CA2 based on the findings and conditions of approval as outlined in the staff report #PLAN25-047. Councilmember Banks seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

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b. Public hearing, discussion and consideration of an ordinance amending Kanab City's Land Use Ordinance Chapter 15 – Establishing Zones. The purpose of the amendment is to update the ordinance with the new requirements in Utah State Code to establish a process to modify the land use tables.

Mrs. Chatterley stated that Utah Senate Bill 179 was passed during the 2025 legislative session and is now in effect, which requires cities to adopt a formal process for (1) business use classification and (2) addressing proposed business uses that are not currently listed as permitted or conditional uses within the City. The intent is to provide a consistent method and criteria for classifying a business to see if it aligns with a current listed permitted/conditional use, and for addressing business activities that do not align with a permitted/conditional use—i.e., new and unlisted businesses. Even though the City already follows an informal process that somewhat aligns with SB 179, the process must be adopted into the Land Use Ordinance and include:

• The process for an applicant to submit a business use classification request.
• A set of defined criteria on how the city will review the classification request.
• Designate the "Land Use Authority" for classification requests.
• Allowing the proposed use to proceed if it "aligns with an existing use".
• If the proposed use is determined to be "new"/"unlisted" in the City's ordinances, define how the City Council will review the request and provide a timeline.
• An appeal process if the applicant disagrees with the classification determined by the Land Use Authority or if the City Council denies the application to add the "new"/"unlisted" business use to the Land Use Ordinance.

- Enter Public Hearing -
- Close Public Hearing -

Councilmember Colson made a motion to approve Ordinance No. 9-1-25 O, an Ordinance: (1) establishing the business use classification process, as outlined in the proposed changes and additions to Chapter 15 of the Land Use Ordinance, as included therewith; (2) setting the fee for the classification request as $250 and for the application for a new or unlisted business use as $50; and (3) directing and authorizing staff to include a footnote to each land use chart in each applicable chapter of the Land Use Ordinance, referencing Section 15-9, Classification of New and Unlisted Business Uses Process. Councilmember Chamberlain seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

7. ACTION ITEMS READY FOR VOTE:

a. Discussion and consideration of an ordinance approving a zone change for parcel KC-6-1 from C3 (Commercial Zone) to RM (Multi-Family Zone). Parcel is located at 220 West 300 North [Applicant: Michael Lai, owner of the Cowboy Bunkhouse]

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Mrs. Chatterley stated that Property Owner, Zion Lodge Kanab LLC, is requesting a zone change to rezone parcel K-C-6-1 from C3 (Commercial Zone) to a RM (Multi-Family Residential). The property owner would like to change the use of the building to allow for long-term rentals. The subject property is approximately 2.63 acres. The parcel has an existing structure that has been used as a short-term rental. Planning Commission made a positive recommendation for the zone change with a unanimous vote.

- Enter Public Hearing -

Sharon Kording (write in) – The current owner desires to make changes to this property to long term rooms. There are currently 3 long term occupants living there. Kanab needs affordable apartments for singles, couples, and families, and the current rentals in town cost around $1,200 and up, and that is not affordable for many.

Nicole Colby- Nicole owns property near the property requesting a zone change. She knows the owner wants to become compliant, but she wants the City to understand what the residents are going through and will go through living near this location. There is concern that once this zone change happens, what other uses the zone allows for if the property owner decided they wanted to change it. She hopes that they do not forget the residents that own homes near this location.

Rob Delsman – Rob used to be associated with the Cowboy Bunkhouse for many years. It is a unique place, and it serves the community. It is a residential living facility. It gives people a chance and the ability to start over.

- Close Public Comment -

Owner, Michael Lai, spoke to the council. They have 7 residents currently, but do not intend on 30 units. They intend on long term (30 days or more) rentals with the potential of family units. He wants to improve the property so that residents will stay.

Councilmember Colson asked Mrs. Chatterley if the City receives a lot of complaints for violations of City ordinances for any specific property, what the process is for rectifying the situation. She explained to him that the City tries to get voluntary compliance first by attempting to work with the property owner or managers. If they do not voluntarily comply, they can be issued citations.

Councilmember Chamberlain made a motion to approve the zone change from C3 to RM for Parcel K-C-6-1 based on the findings and conditions outlined in Staff Report PLANZONE25-001 and adopt ordinance 9-2-25 O. Councilmember Banks seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

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b. Discussion and consideration of an ordinance amending Kanab City's Land Use Ordinance Chapter 9 – Site Plan Review. The purpose of the amendment is to clarify the application process.

Mrs. Chatterley stated that a text amendment to update Land Use Ordinance Chapter 9 Site Plan Review to amend or clarify the requirements for a site plan review. She would like to add the verbiage, "If the change of use, alterations, renovations, or modifications to the square footage of an existing commercial, multi-family, manufacturing or industrial business or building will not increase or change the requirements to parking, landscaping, or other requirements within the chapter. The Land Use Administration or Building Official can review and approve the site plan."

Councilmember Colson made a motion to approve Ordinance No. 9-3-25 O, an Ordinance amending Land Use ordinance chapter 9. Councilmember Banks seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

c. Discussion and consideration of an ordinance amending Kanab City's Land Use Ordinance Chapter 6 – Parking Requirements. The purpose of the amendment is to allow access for public parking spaces from a public street.

Mrs. Chatterley stated that they would like to make a text amendment to update Land Use Ordinance Chapter 6 – Parking Requirement. Amendments are to allow public parking spaces to be accessed from a public road and a few minor clarifications.

Councilmember Colson made a motion to approve Ordinance No. 9-4-25 O, and Ordinance amending Land Use chapter 6. Councilmember Banks seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

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d. Discussion and consideration of a five-year agreement with Axon for the purchase and deployment of Taser 10 devices for the Kanab City Police Department.

Mr. Ludwig stated that The Kanab Police Department currently uses TASER 7 conducted energy weapons as part of its standard-issue less-lethal force options. As part of the department's ongoing effort to modernize equipment, improve officer safety, and enhance training tools, Axon has provided a proposal to transition to the new TASER 10 platform. This transition includes new equipment, enhanced virtual training, extended warranties, and continued access to existing digital evidence archives. The proposal also includes a buyback of nine (9) TASER 7 handles and three (3) TASER X2 handles, which helps offset the overall cost of the new program.

The Axon TASER 10 Certification Program is a comprehensive five-year package that includes:

- Ten (10) TASER 10 units with accessories and holsters
- Access to Axon's Virtual Reality (VR) training program for enhanced use-of-force training
- A full five-year warranty on all major components
- Continued licensing for Evidence.com, Axon's digital evidence management platform

Maintaining Evidence.com access is critical, as it allows the department to retain access to all historical body camera and Taser-related footage—a vital tool for investigations, public records requests, and officer accountability.

Two payment options are offered:

- Option 1: Even annual payments of $9,566.40 for each of the five years
- Option 2: A reduced first-year payment of $5,482.65, followed by $10,550.00 annually in years 2 through 5.

Both options result in the same total program cost: $47,682.65.

Councilmember Chamberlain made a motion to approve the 5-year agreement with Axon for the purchase and deployment of Taser 10 devices. Councilmember Banks seconds.

Councilmember Colson – Yes
Councilmember Heaton – Absent
Councilmember Corry – Absent
Councilmember Banks – Yes
Councilmember Chamberlain – Yes
Motion passed.

8. ITEMS FOR DISCUSSION:

a. Discussion on the Kane County 911 EMS and Transport Services Request for Proposals to meet requirements set by Senate Bill 215.

Mr. Ludwig stated The Utah State Legislature passed Senate Bill 215, which restructured the process for awarding ground ambulance service areas by eliminating the certificate of need and requiring a competitive selection process for EMS providers. Municipalities and counties are now tasked with selecting EMS providers via publicly issued RFPs, ensuring transparency, competition, and defined service expectations.

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In response, Kane County and Kanab City staff have worked collaboratively to developed a comprehensive Request for Proposals (RFP) to secure qualified EMS providers for both 911 Emergency Services and Interfaculty Transports. All cities and towns within Kane County are invited to participate in the unified procurement and selection process.
The process needs to be complete by December 31, 2025 in order to avoid a lapse in coverage.
The Kane County EMS Request for Proposals (RFP) gathers comprehensive information to evaluate potential providers for 911 emergency medical services and interfaculty transport.

b. Discussion on the Kanab City Public Infrastructure District Policy and the financing tool of Infrastructure Financing Districts allowed for in the State of Utah.

Public Infrastructure Districts are independent limited-purpose government entities authorized under Utah Code §17D-4 to finance public infrastructure through the issuance of bonds. PIDs are formed with 100% consent from property owners and registered voters in the proposed district and must be approved by the City.
PIDs can issue:
Limited tax bonds (repaid by a new property tax up to 15 mills), and Special assessment bonds (repaid through per-lot assessments, often paid off by the developer before resale)
Key Characteristics: PIDs are not a financial liability of the City, debt does not appear on the City's balance sheet, bonds are repaid by property owners within the district, and boards are appointed initially by the City and transition to elected members over time.
Kanab has approved one PID in the Ventana Resort. The PID was used to help secure attainable housing within the development.
A Letter of Intent has been received from JJJ Development, Inc. for the proposed Hidden Canyon PID. The City's District Advisory Committee (DAC) has reviewed the initial submission and provided written feedback on August 8, 2025. In response, the developer submitted a formal reply on August 27, 2025, along with an independent appraisal from Colliers International. The additional documents are still under review by the DAC.
Notably, the applicant has suggested that the creation of the Hidden Canyon development itself constitutes the public benefit. This framing differs from prior PID considerations, which often tied benefit to specific outcomes (e.g., attainable housing, public parks, trail access, etc.).
The City Council's feedback is requested regarding whether the development alone is sufficient to meet the public benefit threshold for a PID formed under a special assessment model. This discussion may help guide future DAC evaluations and establish clearer policy expectations.

c. Discussion on the fiscal year 2025 fourth quarter unaudited financial report.

Mr. Ludwig stated that this report provides an unaudited overview of the City's funds for the fiscal year ending June 30, 2025 (Q4). The data covers the period from July 1, 2024, through June 30, 2025. These figures are presented for informational purposes and are subject to change pending final audit adjustments

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Total General Fund revenues for FY 2024–25 remained generally consistent with prior-year budget expectations; however, notable shifts in key revenue sources are beginning to reflect changing economic conditions.

Sales Tax Revenues, which represent approximately 47% of General Fund revenues, declined by approximately 5% year-over-year. This decrease aligns with early FY 2025 trends, with July and August revenues already indicating continued softening.

Property Tax Revenues (about 17% of the General Fund) were relatively stable, showing a modest year-over-year decrease of approximately 4%, primarily due to lower delinquent collections and fees in lieu.

Municipal Transient Room Tax (TRT) revenues, which comprise less than 5% of General Fund revenue, increased by approximately 5% over the prior year.

Licenses and Permits revenue remained strong, particularly in building permits, which increased by over $90,000 from the prior year, and Miscellaneous Revenues, including interest income and airport fuel sales, showed year over-year increases, helping to offset some of the losses in sales tax

While not part of the General Fund, utility revenue trends provide important context for overall financial performance: Water and Sewer Revenues experienced a 6% increase, consistent with expected growth, and Stormwater Revenue rose by 2%, reflecting a modest uptick tied to ongoing development activity.

9. REVIEW AND DISCUSSION OF THE OCTOBER 14, 2025 CITY COUNCIL MEETING AGENDA.

Streets Building Storage/PD Storage
Special Events
PID Hidden Canyon

Councilmember Colson made a motion to adjourn. Councilmember Chamberlain seconds. Unanimous vote, meeting adjourned.

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Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
09/25	09/11/2025	38363	12310	DUTTON, JAKE	51-2100	360.00
09/25	09/11/2025	38364	13696	WATERS, MIKE	51-2100	360.00
Grand Totals:						720.00

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
09/25	09/16/2025	38365	1360	#1 STAGE STOP	10-2100	40.89
09/25	09/16/2025	38366	10685	ALSCO	10-2100	363.74
09/25	09/16/2025	38367	1080	AMERIGAS PROPANE LP	41-2100	790.43
09/25	09/16/2025	38368	12333	AVFUEL CORPORATION	10-2100	8,245.43
09/25	09/16/2025	38369	12144	BANKCARD CENTER	10-2100	41,777.38
09/25	09/16/2025	38370	990	BLUE STAKES OF UTAH 811	51-2100	63.02
09/25	09/16/2025	38371	9501	BUSINESS SOLUTIONS GROUP	10-2100	368.23
09/25	09/16/2025	38372	1200	C. C. AUTO PARTS	51-2100	772.89
09/25	09/16/2025	38373	1290	CASELLE	51-2100	2,349.00
09/25	09/16/2025	38374	11140	CEM AQUATICS	41-2100	1,639.99
09/25	09/16/2025	38375	13706	CHAMBERLAIN, MEGAN	10-2100	125.00
09/25	09/16/2025	38376	12129	CHILD SUPPORT SERVICES	02-2100	471.69
09/25	09/16/2025	38377	300	CROSBY HOME & FARM CENTER	10-2100	990.03
09/25	09/16/2025	38378	13480	DEPT OF GOVERNMENT OPERATION	51-2100	4,799.91
09/25	09/16/2025	38379	13367	DEPT OF PUBLIC SAFETY TRUST FUN	10-2100	900.00
09/25	09/16/2025	38380	11268	DIRT AT JERRY & SON TRUCKING	45-2100	3,300.00
09/25	09/16/2025	38381	13695	EDMUNDS, SUSAN	10-2100	20.00
09/25	09/16/2025	38382	13208	FREEDOM MAILING SERVICES, INC.	51-2100	1,692.52
09/25	09/16/2025	38383	560	GARKANE ENERGY	10-2100	27,469.88
09/25	09/16/2025	38384	9010	GLAZIER'S MARKET	10-2100	612.57
09/25	09/16/2025	38385	13335	HEELY, CHRIS	01-2100	37.69
09/25	09/16/2025	38386	13705	IRON ROCK CONSTRUCTION	10-2100	70.00
09/25	09/16/2025	38387	12422	JOHNSON, SANDY	45-2100	21,000.00
09/25	09/16/2025	38388	3900	KANAB CITY CORPORATION	51-2100	18,899.36
09/25	09/16/2025	38389	2620	KANAB CUSTOM MEATS	10-2100	949.14
09/25	09/16/2025	38390	880	KANE CO. SPECIAL SERVICE DIST.	10-2100	800.00
09/25	09/16/2025	38391	12898	KOMATSU EQUIPMENT	10-2100	862.90
09/25	09/16/2025	38392	13574	LACEY, ROBERT	10-2100	50.00
09/25	09/16/2025	38393	11266	LB 413071	51-2100	1,244.98
09/25	09/16/2025	38394	10411	M.D. AUTO AND DIESEL	10-2100	131.63
09/25	09/16/2025	38395	580	MEGA-PRO	41-2100	588.50
09/25	09/16/2025	38396	10647	MOUNTAIN WEST COMPUTERS	10-2100	4,506.00
09/25	09/16/2025	38397	12166	MW CLOUD SERVICES, LLC	10-2100	105.00
09/25	09/16/2025	38398	1140	QUILL CORPORATION	10-2100	59.06
09/25	09/16/2025	38399	11843	RAMSAY SERVICE INC.	10-2100	373.14
09/25	09/16/2025	38400	11208	SALT LAKE WHOLESALE SPORTS	10-2100	914.56
09/25	09/16/2025	38401	12677	SG WATER STORE	10-2100	13.90
09/25	09/16/2025	38402	11755	SHERWOODS SEW WHAT	51-2100	60.00
09/25	09/16/2025	38403	5110	UTAH STATE DIVISION OF FINANCE	15-2100	28,600.51
09/25	09/16/2025	38404	1635	WATERMAN WELDING	51-2100	110.41
09/25	09/16/2025	38405	11126	WAXIE SANITARY SUPPLY	10-2100	177.01
Grand Totals:						176,346.39

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
09/25	09/23/2025	38406	1080	AMERIGAS PROPANE LP	41-2100	585.00
09/25	09/23/2025	38407	12333	AVFUEL CORPORATION	10-2100	8,575.64
09/25	09/23/2025	38408	13709	BAKER, NICHOLAS	51-2100	28.14
09/25	09/23/2025	38409	12144	BANKCARD CENTER	10-2100	470.00
09/25	09/23/2025	38410	13225	BRODY CHEMICAL COMPANY INC.	41-2100	10,155.19
09/25	09/23/2025	38411	13051	BUNTING, KAYLIE	51-2100	11.12
09/25	09/23/2025	38412	12129	CHILD SUPPORT SERVICES	02-2100	471.69
09/25	09/23/2025	38413	12429	CIVIL SCIENCE INFRASTRUCTURE, IN	10-2100	266.00
09/25	09/23/2025	38414	13560	CRAM, CELESTE	10-2100	238.00
09/25	09/23/2025	38415	13708	DEMPSEY, TYLER	51-2100	68.11
09/25	09/23/2025	38416	360	JENKINS OIL COMPANY	51-2100	4,511.43
09/25	09/23/2025	38417	12422	JOHNSON, SANDY	45-2100	5,100.00
09/25	09/23/2025	38418	13707	KACZMAREK, SARAH	51-2100	73.87
09/25	09/23/2025	38419	880	KANE CO. SPECIAL SERVICE DIST.	10-2100	30,355.90
09/25	09/23/2025	38420	12788	KANE CO. SPECIAL SERVICE DIST.	10-2100	6,029.07
09/25	09/23/2025	38421	13497	KEYBANK	42-2100	22,321.50
09/25	09/23/2025	38422	11266	LB 413071	51-2100	242.44
09/25	09/23/2025	38423	4690	LITTLE'S DIESEL SERVICE	10-2100	288.96
09/25	09/23/2025	38424	10647	MOUNTAIN WEST COMPUTERS	10-2100	300.00
09/25	09/23/2025	38425	12540	NUTRI-MULCH	45-2100	34,944.00
09/25	09/23/2025	38426	11919	OWEN EQUIPMENT	10-2100	402.39
09/25	09/23/2025	38427	5930	PUBLIC EMPLOYEES LONG TERM	02-2100	1,129.04
09/25	09/23/2025	38428	13545	ROBINSON, GARRETT	41-2100	200.00
09/25	09/23/2025	38429	12975	ROBINSON, RICK	41-2100	200.00
09/25	09/23/2025	38430	12268	ROOD & ASSOCIATES	42-2100	1,000.00
09/25	09/23/2025	38431	1240	SCHOLZEN PRODUCTS	51-2100	6,391.24
09/25	09/23/2025	38432	12677	SG WATER STORE	10-2100	27.80
09/25	09/23/2025	38433	11755	SHERWOODS SEW WHAT	10-2100	40.00
09/25	09/23/2025	38434	12969	STERMER, SKEETER	41-2100	240.00
09/25	09/23/2025	38435	12967	STERMER, TYSON	41-2100	200.00
09/25	09/23/2025	38436	13477	SWINDLER, DAVID	10-2100	550.00
09/25	09/23/2025	38437	2340	UTAH PROSECUTION COUNCIL	10-2100	125.00
09/25	09/23/2025	38438	13710	VEATER, FRED	10-2100	300.00
09/25	09/23/2025	38439	1635	WATERMAN WELDING	51-2100	43.00
Grand Totals:						135,884.53

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
09/25	09/30/2025	38440	13061	ANDERSON, CAMBERLY	10-2100	35.00
09/25	09/30/2025	38441	12333	AVFUEL CORPORATION	10-2100	390.00
09/25	09/30/2025	38442	13712	BATEMAN, ABBEY	41-2100	400.00
09/25	09/30/2025	38443	12886	BATEMAN, SAVANNAH	41-2100	400.00
09/25	09/30/2025	38444	13561	BREWER, MEGAN	41-2100	400.00
09/25	09/30/2025	38445	13225	BRODY CHEMICAL COMPANY INC.	41-2100	643.50
09/25	09/30/2025	38446	9760	COLONIAL	02-2100	23.00
09/25	09/30/2025	38447	13522	GATEWAY MAPPING INC.	10-2100	500.00
09/25	09/30/2025	38448	615	HONEY'S MARKETPLACE	10-2100	311.23
09/25	09/30/2025	38449	13711	KANE COUNTY SENIOR CENTER	10-2100	500.00
09/25	09/30/2025	38450	13562	RAFTER H. HOMES	49-2100	3,341.62
09/25	09/30/2025	38451	1240	SCHOLZEN PRODUCTS	45-2100	31,310.02
Grand Totals:						38,254.37

Report Criteria:
Report type: Summary

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
10/25	10/07/2025	38452	13713	ADVANCED CONSTRUCTION AND DE	42-2100	760,743.95
10/25	10/07/2025	38453	10685	ALSCO	10-2100	358.30
10/25	10/07/2025	38454	1080	AMERIGAS PROPANE LP	10-2100	3,932.86
10/25	10/07/2025	38455	12904	BADGER METER	51-2100	1,700.79
10/25	10/07/2025	38456	12942	BLOMQUIST HALE CONSULTING GRO	10-2100	285.00
10/25	10/07/2025	38457	990	BLUE STAKES OF UTAH 811	51-2100	54.19
10/25	10/07/2025	38458	12768	BUGSY'S PEST CONTROL, LLC	10-2100	85.00
10/25	10/07/2025	38459	1290	CASELLE	51-2100	2,349.00
10/25	10/07/2025	38460	11140	CEM AQUATICS	41-2100	11,872.20
10/25	10/07/2025	38461	12608	CERTIFIED LABS. DIV. OF NCH CORP.	51-2100	2,520.85
10/25	10/07/2025	38462	12129	CHILD SUPPORT SERVICES	02-2100	471.69
10/25	10/07/2025	38463	12429	CIVIL SCIENCE INFRASTRUCTURE, IN	10-2100	10,020.00
10/25	10/07/2025	38464	2260	DAT MANAGEMENT, INC	51-2100	140.00
10/25	10/07/2025	38465	3880	INTERMOUNTAIN FARMERS ASSOCIA	10-2100	5,203.63
10/25	10/07/2025	38466	9213	KANAB COAL & ROCK PRODUCTS	45-2100	35.00
10/25	10/07/2025	38467	13503	KANAB GARAGE DOORS	10-2100	175.00
10/25	10/07/2025	38468	4690	LITTLE'S DIESEL SERVICE	10-2100	6,195.23
10/25	10/07/2025	38469	580	MEGA-PRO	10-2100	4,918.51
10/25	10/07/2025	38470	978	MORETON & COMPANY	10-2100	120.00
10/25	10/07/2025	38471	10647	MOUNTAIN WEST COMPUTERS	10-2100	911.00
10/25	10/07/2025	38472	13083	PEAK ASPHALT LLC	39-2100	228,753.78
10/25	10/07/2025	38473	13496	ROZAJAC GROUP LLC	10-2100	111.25
10/25	10/07/2025	38474	12677	SG WATER STORE	10-2100	13.90
10/25	10/07/2025	38475	13340	ST. GEORGE CARQUEST	51-2100	466.41
10/25	10/07/2025	38476	12183	TAYLOR MADE FENCING, LLC	10-2100	833.00
10/25	10/07/2025	38477	9210	UTAH PUBLIC TREASURER	10-2100	1,000.00
10/25	10/07/2025	38478	2775	UTAH PUBLIC TREASURER	10-2100	2,000.00
10/25	10/07/2025	38479	2765	UTAH PUBLIC TREASURER	10-2100	1,000.00
10/25	10/07/2025	38480	11126	WAXIE SANITARY SUPPLY	10-2100	1,194.97
10/25	10/07/2025	38481	13481	WILLIAM H. LEIGH, PC	10-2100	1,500.00
Grand Totals:						1,048,965.

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Recognition of Officer Trevan Harris for Lifesaving Action
PREPARED BY: City Manager, Kyler Ludwig

Background:

On September 11, 2025, Officer Trevan Harris of the Kanab City Police Department responded to a serious two-vehicle accident on Highway 89, just north of Kanab. Officer Harris was the first on scene and acted decisively under critical conditions. One passenger was deceased, a second victim was critically injured and trapped, and a third had a life-threatening injury.

Officer Harris's rapid assessment and application of a tourniquet saved the injured man's life. His medical training, calm demeanor, and immediate response under pressure have been recognized by the Kanab Fire Chief and the Utah Highway Patrol.

Analysis:

Officer Harris's actions exemplify the highest standards of public service, emergency response, and dedication to the well-being of others. His ability to transition seamlessly from law enforcement duties to providing lifesaving medical aid demonstrates the exceptional value of his cross-disciplinary training.

Legal:

Financial:

Recommendations/Actions: It is recommended the City Council:

Formally recognize and commend Officer Trevan Harris for his lifesaving actions on September 11, 2025

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Recognition of Mike Waters – State and National Meter Competitions
PREPARED BY: City Manager, Kyler Ludwig

Background:

Mike Waters, of the Kanab City Public Works Department, has consistently demonstrated exceptional skill our Public Works Department. In 2024 and again in 2025, Mike earned first place at the Utah Rural Water State Meter Building Competition, distinguishing himself as the top meter builder in the state for two consecutive years. These wins qualified him to represent Utah at the National Rural Water Association Conference.

At the 2025 national competition, held in New Orleans, Louisiana, Mike placed 5th in the nation, competing against top utility professionals from across the country. His placement reflects a high degree of competence, focus, and professionalism.

Analysis:

Mike's accomplishments are not only a testament to his personal dedication and technical proficiency, but also an indicator of the strength and quality of Kanab City's Public Works training and operational standards. Participation in these competitions supports professional development and encourages a culture of excellence within the City's utility services.

Legal:

Financial:

Recommendations/Actions: It is recommended the City Council:

Formally recognize Mike Waters for his outstanding performance and achievements in both the 2024 and 2025 meter building competitions.



Challenge

ored by:

ZENNER

All that counts.




ZENNER
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counts.
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Mayor
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Scott Colson
Chris Heaton
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Peter Banks

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

KANAB
UTAH

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Special Events Ordinance
PREPARED BY: City Manager, Kyler Ludwig

Background:

Kanab City seeks to update its regulation of special events through a complete rewrite of Section 9-06 of the Business Licenses and Regulations Ordinance. Historically, Kanab's code only allowed non-profit special events, and for-profit events were permitted on a case-by-case basis outside the scope of staff authority or clear regulatory standards. As a result, many events particularly those involving camping, amplified entertainment, or vendor sales have occurred outside of traditional zoning allowances. These inconsistencies have led to growing staff concerns related to enforcement limitations, neighborhood impacts, and unclear expectations for applicants and event hosts.

The City has seen growing interest in both community events and private gatherings, reflecting broader regional trends. In some cases, event types hosted in neighboring communities have drawn public attention or concern due to their political, cultural, or social nature. Under the protections of the First Amendment, Kanab City may not regulate events based on content but may impose reasonable restrictions on time, place, and manner. The proposed ordinance acknowledges this legal framework and establishes a consistent permitting process that may apply to events some may find controversial, while ensuring compliance with constitutional standards.

Analysis:

The proposed Section 9-06 introduces a comprehensive framework for special event regulation, including:

1. Purpose and Structure
   - Establishes a neutral, transparent permitting process.
   - Balances public access with organized events that support tourism, culture, and economic activity.

2. Tiered System for Events
    - Defines three tiers of events based on size and impact.
    - Provides flexibility for small gatherings (Tier 1- Less than 100 participants) and robust requirements for larger public events (Tier 2: 101-500 and Tier 3 501+).
3. Clear Definitions
    - Includes detailed terms for different event types (e.g., filming, races, markets, parades, etc.).
    - Clarifies the differences between City events, City-sponsored, and City-partnered events.
4. Permit and Application Process
    - Sets clear timelines: 45-day minimum for most events; 14-day minimum for Tier 1 events.
    - Introduces an Events Review Committee (ERC) for coordinated internal review.
    - Requires written use agreements for approved events.
5. Insurance and Risk
    - Specifies insurance coverage thresholds based on event type and risk.
    - Allows for reduced requirements for low-risk (Tier 1) events.
    - Requires signed indemnification and liability waivers.
6. Fees and Waivers
    - Establishes cost recovery and application fees.
    - Allows City Manager approval for fee waivers to government entities.
    - Requires City Council approval for waivers requested by nonprofit or private groups.
7. Use and Limitations
    - Includes Table 1 showing where different event types are permitted and the number of event days allowed per month for each location.
    - Protects residential areas from overuse and maintains regular access to parks and trails.
8. Denials, Appeals, and Enforcement
    - Lists clear grounds for permit denial (e.g., prior violations, falsehoods, site limitations).
    - Establishes a standard and expedited appeals process.
    - Violations may lead to permit suspension and two-year or permanent bans.
9. Additional Requirements
    - Mandates neighborhood notification for high-impact events.
    - Requires sales tax collection plans for vendor-inclusive events.
    - Grants access for City inspections to ensure compliance.

Legal:

Approved as to form

Financial:

Recommendations/Actions: It is recommended the City Council:

Section 9: BUSINESS LICENSES AND REGULATIONS

- 9-01 General Business License Process
- 9-02 General Fees & Time Periods
- 9-03 Solicitors
- 9-04 Mass Gatherings
- 9-05 Special Sales Events and Promotions
- 9-06 ~~Non-Profit~~ Special Events
- 9-07 Seasonal Businesses
- 9-08 Alcoholic Beverage Control
- 9-09 Construction Permits
- 9-10 Offensive Businesses and Facilities
- 9-11 Short Term Rental Property

Section 9: BUSINESS LICENSES AND REGULATIONS

9-01 General Business License Process

- 9-01-010 Penalty for No License
- 9-01-020 Business Definition
- 9-01-030 City License Officer's Powers and Duties
- 9-01-040 License Denial or Revocation
- 9-01-050 License - Application - Issuance
- 9-01-060 Content of License
- 9-01-070 No Transfer of License
- 9-01-080 Separate License for Branch Establishments
- 9-01-090 Hearing as to Classification
- 9-01-100 Exemptions
- 9-01-110 Qualifying for Exemptions
- 9-01-120 Civil Enforcement

9-01-010 Penalty for No License

It shall be a Class B Misdemeanor:

(1) To engage in any activity or business regulated or licensed under the provisions of this Section without a valid license therefor; or
(2) To otherwise violate any provision of this Section.

9-01-020 Business Definition

To engage in any activity or business means:

(1) operating, keeping, conducting, or maintaining a vacation rental dwelling;
(2) sale of tangible personal property at retail or wholesale;
(3) manufacturing of goods; or
(4) rendering of services to others for consideration (i.e., something of value), and includes (as examples, and not by way of limitation): retail merchants; persons engaged in trades and crafts; professionals, including doctors, lawyers, accountants, and dentists; contractors; banks; savings

and loan associations; and real estate agents. The act of employees rendering services to employers shall not be included in such terms unless otherwise specifically prescribed.

9-01-030 City License Officer's Powers and Duties

(1) The City Recorder is the City License Officer. The City License Officer shall issue licenses in the name of the City to all persons qualified under the provisions of this Section, shall collect all license fees based upon the rate established by this Section, and shall remit all license fees collected to the City Treasurer. While the City License Officer may disclose business names and locations as public information, all other information furnished to or secured by the City License Officer under the authority of this Section shall be kept in strict confidence, shall not be subject to public inspection, and shall be kept in such a manner as to prevent disclosure to persons other than those charged with the administration of this Section except as otherwise provided by law. He or she shall enforce all provisions of this Section, and shall cause to be filed complaints against all persons violating any of the provisions of this Section. The City License Officer shall have the power, directly or through his or her appointed agents, to:

A. Adopt forms - Adopt all forms and prescribe the information required therein as to all matters relevant for the issuance of a license hereunder.
B. Investigation - Investigate and determine the eligibility of any applicant or licensee either at the time of issuance of a license or at any reasonable time after its issuance in such manner as may be reasonable and necessary for the proper administration and enforcement of this Section. The Chief of Police, the Fire Marshall, and their authorized officers and deputies are authorized and declared to be investigators for the City License Officer upon request of the latter.
C. Inspection of Premises and Records - Inspect prospective or existing places of business to ensure compliance with building, zoning, safety, and health codes, and request production by the applicant or licensee

of documents which will verify the number of employees or other information relevant under this Section. The Officer shall utilize the investigators referred to in sub-paragraph B, above, for the purpose of the inspections provided for herein.

D. Give Notice - Notify any applicant of the acceptance or rejection of his or her application and, in the event of rejection, upon request of the applicant, state in writing the reasons for such rejection; notify a licensee of any infraction of City zoning, building, fire or health codes disclosed by the inspection provided herein, together with notice of the revocation by the City License Officer of the license unless correction of the infraction is effected within five days after such notification.

E. Request Enforcement - Request the City Attorney to file a complaint against any applicant or any licensee who conducts a business in violation of this Section.

F. Good Standing of Applicant or Licensee - Determine that the applicant or licensee is not in default under the provisions of any City ordinance, or indebted or obligated in any manner to the City or the utilities operated by it; ~~to not~~nor is the applicant ~~be~~ in violation of any City zoning regulations by reason of the condition of business premises or the use to be made thereof.

(2) In the event the City License Officer has not fulfilled his or her duties in regards to issuing the license at the time the applicant or licensee pays for a license or renewal thereof, the City Treasurer may issue a receipt for the money paid but it shall not be construed as the approval of the City License Officer for the issuance of the License, nor shall it entitle or authorize the applicant to open or maintain any business until such times as the license itself has been issued to him.

9-01-040 License Denial or Revocation

The City may deny, suspend, or revoke a license if the applicant:

(1) Has obtained a license by fraud or deceit;

(2) Has failed to pay personal property taxes or other required taxes or fees imposed by the City; or
(3) Has violated the laws of the State of Utah, the United States Government, or the ordinances of the City governing operation of the business for which the applicant is applying for the license.

9-01-50 License - Application - Issuance

(1) All applications for a business license, except as otherwise provided in this code, shall be made in writing to the City License Officer.
(2) All licenses shall be approved and signed by the City License Officer or its designee. The City License Officer shall file all applications for license with accompanying statements and bonds, and shall keep an alphabetical list of licenses issued, stating the number, name, licensing time frame, place and kind of business, and the amount paid, with such remarks as may be considered necessary.
(3) All business license issuances shall be subject to a fire inspection to ensure compliance with applicable fire codes and regulations.

A. Inspection Options:
    i. The City may conduct a fire inspection, subject to a fee as outlined in the Kanab City Consolidated Fee Schedule.
    ii. Applicants may elect to perform a self-inspection and certify their compliance with fire code requirements, using forms and guidelines provided by the City.
B. Regardless of the inspection method selected, the City reserves the right to conduct fire inspections at any time to verify compliance and ensure the safety and welfare of residents.

9-01-060 Content of License

Every license issued shall specify, by name, the person to whom it is issued and shall designate the particular place at which the business is to be carried on. No license granted or issued under any of the provisions of this Section shall be in any manner assignable or transferable, or authorize any other person than is therein mentioned and named to do business, or

authorize any other business than is therein mentioned or named to be done or transacted, or the business therein mentioned or named to be done or transacted at any place other than is therein mentioned or named, unless specifically authorized herein.

9-01-070 No Transfer of License

A business license issued hereunder shall not be transferrable to a new owner of any licensed business, or to a new entity owning or operating such business, wherein the previous licensee is not the owner of a majority interest in the new entity. An existing license may be transferred from one location to another, where the business is operated at a fixed location, only after obtaining approval of the City License Officer, having a new license issued indicating the new location, and paying an additional fee in accordance with the Kanab City Consolidated Fee Schedule as well as a fee for a fire inspection of the new premises. The City License Officer shall not approve the transfer of a license to a new location operated by the same licensee where the basic type of business in which he shall engage is changed from his former business. Upon the termination of business, the expiration of a license year, or the revocation of a license, the previous license permit shall be destroyed.

9-01-080 Separate License for Branch Establishments

A separate license must be obtained for each branch established or each separate place of business in which the business activities of a licensee are carried on, except that warehouses and distributing plants from which no retail or public trade is conducted used in connection with or incidental to a business licensed under the provisions of this Section shall not be deemed to be separate places of business or branch establishments.

9-01-090 Hearing as To Classification

In the event the City License Officer determines that a business falls within a category that requires additional regulation, fees, or processing steps, an

applicant may contest such classification by submitting a notice of appeal in accordance with the process and procedures outlined in Chapter 3 of the Kanab City Land Use Ordinance.

[*See also*, Kanab City Land Use Ordinance, Chapter 15-8, Classification of New and Unlisted Business Uses. If the adverse decision relates to a new or unlisted business in the land use table of the zone in which the applicant desires to operate a business, then the procedure outlined in Chapter 15-8 must be followed.]

~~with his or her application a written request for hearing as to the propriety of such classification. The Officer shall submit any request for hearing so received to the Kanab City Council, and the Council shall notify such applicant in writing that on a day and at a time and place therein mentioned said Council shall take up for hearing the question as to whether said Classification is proper or not, and at which time and place said applicant may appear and be heard. At the time and place named in said notice, the City Council shall take up said matter and shall determine said question upon the facts presented to it, and it shall, within 30 days, enter an order according to its judgment upon the facts so presented. Included in that order shall be findings made by the City Council supporting its decision. If it shall be determined that the classification is improper, the Officer shall accept a new application under a general business classification or other specific classification. In the event an applicant or licensee for whom a bond is required because of any of the classifications referred to herein shall object to the size of such bond, he may request a hearing before the Kanab City Council as to the amount of bond set by the Officer in like manner as set forth above, and the Council shall either approve the bond as set by the Officer or instruct the Officer to reconsider the amount of the bond required.~~

9-01-100 Exemptions

Unless otherwise provided in this Section, the provisions of this Section shall not be construed to require a business license for:

(1) an activity which is conducted, managed, or carried on wholly for charitable, religious, or other non-profit purposes from which profit is not derived, directly or indirectly by any person. Qualification under the federal tax laws for non-profit status shall be prima facie evidence that a person has the charitable, religious, or non-profit purposes described above.
(2) Any person selling surplus household goods or furnishings at a private residence in the garage or yard, if such sales are held in accordance with the applicable requirements and frequency set in the municipal code.
(3) Any individual who is under 18 years of age.

9-01-110 Qualifying for Exemptions

With respect to exemptions from business license requirements claimed because of charitable, religious or other nonprofit status, the person claiming the exemption shall have the burden of establishing that exemption.

9-01-120 Civil Enforcement

Upon receipt of a report of the violation of this Section or of any other law or ordinance of the City, or of failure by a licensee or applicant to verify information or produce documents upon request, the City License Officer shall issue to the licensee a notice of the alleged violation, along with the manner in which the licensee can correct the violation if applicable. If the licensee refuses or is unable to correct the violation, or if the violation automatically revokes the license, the City License Officer shall also send a notice with a request that the licensee appear at a hearing at a date and time set forth in the notice, which date shall be not less than five (5) and not more than thirty (30) days after the date of the notice. In the event the City License Officer receives a sworn statement outlining specific facts showing the alleged violation is a threat to the safety, health, or welfare of any specific person or the public, the notice may also contain a provisional order to comply, in writing. The provisional order shall require compliance, or arrangements with the City Officer for such compliance, upon service of

the order. The notice shall be personally served upon the person, his or her agent, or employee. In the event service cannot be obtained upon the person doing business, or his agent or employee, a copy of such notice shall be affixed to some structure on the premises, and a copy shall be deposited in the United States mail addressed to the address contained on the license application. Upon such hearing before the City Council, the City License Officer and the licensee shall have the right to call witnesses, present evidence, and make statements. If the City Council finds that a violation of the license ordinance, City ordinances, license conditions, or other laws has occurred, the City Council shall declare the business license suspended until compliance is made or revoked because of the violation. Within 30 days of a decision, the City Council shall put in writing its findings in support of its decision. Upon revocation of a license, the licensee shall summarily cease business and close the premises upon which the business was operated. The City Attorney shall institute a civil suit at the request of the City License Officer to enjoin the operation of any business being operated without the license required hereunder, and he or she shall also commence suit to collect the amount of any unpaid amount, the payment of which is required hereunder, if it cannot be collected by other means. This subsection does not preclude the City's option of pursuing criminal charges against the licensee.

9-02 General Fees & Time Periods

- 9-02-010 General Business License Fee
- 9-02-020 Fee Payments and Prorations
- 9-02-030 Late Penalties
- 9-02-040 Expiration of Licenses
- 9-02-050 Year-End Fee Adjustment
- 9-02-060 Rebate of Fee

9-02-010 General Business License Fee

Section 9: BUSINESS LICENSES AND REGULATIONS

Fees for business licenses and inspections are set in the Kanab City Consolidated Fee Schedule.

"Number of Employees" shall be the average number of employees engaging in the furtherance of the licensee's business from a base within the city during each regular working day of the preceding calendar year. In the computing of such number, a part-time or seasonal employee shall be counted as that fraction formed by using the total amount of hours regularly worked by the part-time employee in the year as the numerator and the number 2016 as the denominator. The fractional numbers for such part-time or seasonal employees shall be cumulated for the determination of the total number of employees. Any fractional balance after such accumulation shall be considered an additional employee.

9-02-020 Fee Payments and Prorations

All license fees shall be paid in advance at the office of the City Treasurer. Annual license fees shall be due and payable on the first day of April of each year. The license fee of any business commenced after the beginning of the license period shall be prorated for the balance of the year remaining.

9-02-030 Late Penalties

Any license fee due on April 1st that is paid later than April 30th of any license year shall be considered to be late, and a late penalty shall be assessed for each renewal or application submitted after April 30th and before June 1st of a license year. A license renewal application due on April 1st of a license year, which is not submitted until after June 1st of that year, shall pay an additional late fee.

9-02-040 Expiration of Licenses

All licenses shall expire on March 31st of each year, except those issued pursuant to a specific indicated time period.

Section 9: BUSINESS LICENSES AND REGULATIONS

9-02-050 Year-End Fee Adjustment

If an applicant or licensee discovers by the end of any license year that the number of employees utilized by him or her at the beginning of that license year to determine the amount of license fee payable was an improper estimate, and the business did in fact during the year employ more or less persons than the number used as a basis for that fee, an amended application for that year shall be filed on or before April 30th of the following year setting forth the actual number of employees during the license year just completed, and the license fee for the coming year shall be adjusted in accordance with the amended application. The City License Officer shall have the right to verify through inspection of the business's payroll and personnel records the accuracy of any amended application. This Section shall ~~apply also~~also apply to businesses starting up after the commencement of the license year, but on a prorated basis.

9-02-060 Rebate of Fee

No rebate or refund of any license fee or part thereof shall be made by reason of the non-use of such license or by reason of a change of location or type of business rendering the use of such license ineffective, except in the following instances:

(1) When a license fee is collected in error;
(2) When a licensee has been prevented from enjoying the full license term due to death or physical incapacity to engage in business;
(3) When a licensee is rendered unable to conduct business because he has entered the armed services of the United States; or
(4) When the licensed business is destroyed by fire or other casualty through no fault of the licensee. In the event of the applicability of an exception, the rebate shall be prorated according to the number of days remaining in the license year after the occurrence of the event relied upon for a rebate.

Section 9: BUSINESS LICENSES AND REGULATIONS

9-02-70 Fee Waivers

Fee waivers do not change the requirements for businesses to have a business license and to comply with other applicable federal, state, and local laws and regulations. Businesses are eligible for a fee waiver if all business activities fall under the following criteria:

(1) The business is a producer of unprocessed food grown on the producer's property, located within Kanab City limits or within fifty (50) miles of the City's limits, and generating less than 5,200 dollars per year in gross revenues. Unprocessed food includes fruits, vegetables, herbs, mushrooms, and flowers. This section does not apply to any producer who sells products that have been processed or altered in any way.

(2) Any person with a Cottage Food Establishment permitted by the State of Utah generating less than 5,200 dollars per year in gross revenues.

(3) Home occupation businesses that do not create an additional offsite impact. Examples of offsite impact include regular deliveries, client meetings, signage, utilization of off-street parking, storage of materials, and employment of people not living in the home.

[The dollar amounts in this section may be updated or adjusted in accordance with State law or the City's Consolidated Fee Schedule.]

9-03 Solicitors

- 9-03-010 Purpose
- 9-03-020 No Other City License or Approval Required
- 9-03-030 Definitions
- 9-03-040 Exemptions from This Subsection
- 9-03-050 Solicitation Prohibited
- 9-03-060 Registration of Solicitors
- 9-03-070 Application Form
- 9-03-080 Written Disclosures
- 9-03-090 When Registration Begins
- 9-03-100 Issuance of Certificates
- 9-03-110 Certificate Form and Identification Badge

Section 9: BUSINESS LICENSES AND REGULATIONS

- 9-03-120 Maintenance of Registry
- 9-03-130 Non-Transferability of Certificates
- 9-03-140 Denial, Suspension or Revocation of a Certificate
- 9-03-150 Appeal
- 9-03-160 Deceptive Soliciting Practices Prohibited
- 9-03-170 "No Solicitation" Notice
- 9-03-180 Duties of Solicitors
- 9-03-190 Time of Day Restrictions
- 9-03-200 Buyer's Right to Cancel

9-03-010 Purpose

Residents of the City have an inalienable interest in their personal safety, well-being, and privacy in their residences, as well as their ability to provide or receive information regarding matters of personal belief, political or charitable activities, and goods and services lawfully in commerce. The City has a substantial interest in protecting the well-being, tranquility, personal safety, and privacy of its citizens, which includes the ability to protect citizens from unwanted intrusions upon residential property. The City also has a substantial interest in protecting citizens from fraud or otherwise unfair consumer sales practices as well as criminal activity.

There must be a balance between these substantial interests of the City and its citizens, and the effect of the regulations in this Section on the rights of those who are regulated. Based on the collective experiences of City officials derived from regulating business activity, protecting persons and property from criminal conduct, responding to the inquiries of citizens regarding door-to-door Solicitation, the experience of its law enforcement officers and those affected by door-to-door canvassing and solicitation, as well as judicial decisions outlining the boundaries of constitutional protections afforded and denied persons seeking to engage in door-to-door Solicitation, the City adopts this Subsection to promote the City's substantial interests in:

(1) respecting citizen~~'~~s' decisions regarding privacy in their residences;
(2) protecting persons from criminal conduct;
(3) providing equal opportunity to advocate for and against religious belief, political position, or charitable activities; and
(4) permitting truthful and non-misleading door-to-door solicitation regarding lawful goods or services in intrastate or interstate commerce.

The City finds that the procedures, rules, and regulations set forth in this Section are narrowly tailored to preserve and protect the City's interests referred to herein, while at the same time balancing the rights of those regulated.

9-03-20 No Other City License or Approval Required

(1) Registered solicitors and persons exempt from Registration need not apply for ~~n~~or obtain any other license, permit, or registration from the City to engage in door-to-door solicitation.
(2) Any business licensed by the City under another City Ordinance that uses employees, independent contractors, or agents for door-to-door solicitation in an effort to provide any tangible or intangible benefit to the Business~~,~~ shall be required to have such solicitors obtain a Certificate, unless otherwise exempt from registration.
(3) Those responsible persons or entities associated with registered solicitors need not apply for, nor obtain, any other license, permit, or registration from the City, provided they do not establish a temporary or fixed place of business in the City.
(4) Nothing herein is intended to interfere with or supplant any other requirement of federal, state, or other local government law regarding any license, permit, or certificate that a registered solicitor is otherwise required to have or maintain.

9-03-030 Definitions

For the purposes of this Chapter, the following definitions shall apply:

Section 9: BUSINESS LICENSES AND REGULATIONS

(1) **Advocating** means speech or conduct intended to inform, promote, or support a religious belief, political position, or charitable activities.

(2) **Appeals Officer** means the City's ~~Council~~ Appeal Officer or designee of the City responsible for receiving the information from the City and Appellant regarding the denial or suspension of a Certificate and issuing a decision as required by this Section and pursuant to the process and procedure outlined in Kanab City's Land Use Ordinance, Chapter 3.

(3) **Appellant** means the person or entity appealing the denial or suspension of a Certificate, either personally as an Applicant or registered Solicitor, or on behalf of the Applicant or registered solicitor.

(4) **Applicant** means an individual who is at least sixteen (16) years of age and not a corporation, partnership, limited liability company, or other lawful entity, who applies for a Certificate permitting door-to-door solicitation.

(5) **Application Form** means a standardized form provided by the City to an Applicant to be completed and submitted as part of registration.

(6) **B.C.I.** means an original or copy, dated no older than 180 days prior to the date of the Application, of either: (1) a Utah Department of Public Safety Bureau of Criminal Identification verified criminal history report personal to the Applicant; or (2) verification by the Utah Department of Public Safety Bureau of Criminal Identification that no criminal history rising to the level of a Disqualifying Status exists for the Applicant.

(7) **Business** means a commercial enterprise licensed by the City as a person or Entity under this Section, having a fixed or temporary physical location within the City.

(8) **Certificate** means a temporary, annual, or renewal Certificate permitting door-to-door solicitation in the City applied for or issued pursuant to the terms of this Section.

(9) **Charitable Activities** mean advocating by persons or Entities that either are, or support, a charitable organization.

(10) **Charitable Organization** includes any person, joint venture, partnership, limited liability company, corporation, association, group, or other entity:

A. that is:

i. a benevolent, educational, voluntary health, philanthropic, humane, patriotic, religious, social welfare or advocacy, public health, environmental or conservation, or civic organization;
ii. for the benefit of a public safety, law enforcement, or firefighter fraternal association; or
iii. established for any charitable purpose; and

B. that is tax exempt under applicable provisions of the Internal Revenue Code of 1986 as amended, and qualified to solicit and receive tax-deductible contributions from the public for charitable purposes.

Charitable organization includes a chapter, branch, area, office, or similar affiliate, or any person soliciting contributions within the state for a Charitable Organization that has its principal place of business outside the City or State of Utah.

(11) **Competent Individual** means a person claiming or appearing to be at least eighteen (18) years of age and of sufficiently sound mind and body to be able to engage in rational thought, conversation, and conduct.
(12) **Completed Application** means a fully completed Application Form, a B.C.I, two copies of the original identification relied on by the Applicant to establish proof of identity, and the tendering of fees.
(13) **Criminally Convicted** means the final entry of a conviction, whether by a plea of no contest, guilty, entry of a judicial or jury finding of guilt, which has not been set aside on appeal or pursuant to a writ of habeas corpus. The criminal conviction is that offense of which the Applicant or registered solicitor was convicted, without regard to the reduced status of the charge after completion of conditions of probation or parole, and charges dismissed under a plea in abeyance or diversion agreement.
(14) **Disqualifying Status** means anything specifically defined in this Section as requiring the denial or suspension of a Certificate, and any of the following:

A. The Applicant or registered solicitor has been Criminally convicted of: (i) felony homicide, (ii) physically abusing, sexually abusing, or

exploiting a minor, (iii) the sale or distribution of controlled substances, or (iv) sexual assault of any kind;

B. Criminal charges currently pending against the Applicant or registered solicitor for: (i) felony homicide, (ii) physically abusing, sexually abusing, or exploiting a minor, (iii) the sale or distribution of controlled substances, or (iv) sexual assault of any kind;
C. The Applicant or registered solicitor has been criminally convicted of a felony within the last ten (10) years;
D. The Applicant or registered solicitor has been incarcerated in a federal or state prison within the past five (5) years;
E. The Applicant or registered solicitor has been criminally convicted of a misdemeanor within the past five (5) years involving a crime of: (i) moral turpitude, or (ii) violent or aggravated conduct involving persons or property;
F. A Final Civil Judgment has been entered against the Applicant or registered solicitor within the last five (5) years indicating that: (i) the Applicant or registered solicitor had either engaged in fraud, or intentional misrepresentation, or (ii) that a debt of the Applicant or registered solicitor was non-dischargeable in bankruptcy pursuant to 11 U.S.C. 523(a)(2), (a)(4), (a)(6), or (a)(19);
G. The Applicant or registered solicitor is currently on parole or probation to any court, penal institution, or governmental entity, including being under house arrest or subject to a tracking device;
H. The Applicant or registered solicitor has an outstanding arrest warrant from any jurisdiction; or
I. The Applicant or registered solicitor is currently subject to a protective order based on physical or sexual abuse issued by a court of competent jurisdiction.

(15) **Door-to-Door Solicitation** means the practice of engaging in or attempting to engage in conversation with any person at a residence, whether or not that person is a competent individual, while making or seeking to make or facilitate a home solicitation sale, or attempting to further the sale of goods and or services.

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(16) **Entity** includes a corporation, partnership, limited liability company, or other lawful entity, organization, society, or association.

(17) **Fees** means the cost charged to the Applicant or Registered Solicitor for the issuance of a Certificate and/or Identification Badge, which shall not exceed the reasonable costs of processing the application and issuing the Certificate and/or Identification Badge.

(18) **Final Civil Judgment** means a civil judgment that would be recognized under state law as a judgment to which collateral estoppel would apply.

(19) **Goods** means one or more tangible items, wares, objects of merchandise, perishables of any kind, subscriptions, or manufactured products offered, provided, or sold.

(20) **Home Solicitation Sale** means to make or attempt to make a sale of goods or services by a solicitor at a residence by means of door-to-door solicitation, regardless of

A. the means of payment or consideration used for the purchase;
B. the time of delivery of the Goods or Services; or
C. the previous or present classification of the Solicitor as a solicitor, peddler, hawker, itinerant merchant, or similar designation.

(21) **No Solicitation Sign** means a reasonably visible and legible sign that states No Soliciting, No Solicitors, No Salespersons, No Trespassing, or words of similar import.

(22) **Political Position** means any actually held belief, or information for, against, or in conjunction with any political, social, environmental, or humanitarian belief or practice.

(23) **Registered Solicitor** means any person who has been issued a current Certificate by the City.

(24) **Registration** means the process used by the City Licensing Officer to accept a completed application and determine whether or not a Certificate will be denied, granted, or suspended.

(25) **Religious Belief** means any sincerely held belief, or information for, against, or in conjunction with, any theistic, agnostic, or atheistic assumption, presumption or position, or religious doctrine, dogma, or practice regardless of whether or not the belief or information is endorsed by any other person or public or private entity.

(26) **Residence** means any living unit contained within any building or structure that is occupied by any person as a dwelling consistent with the zoning laws of the City, together with the lot or other real property on which the living unit is located. This does not include the sidewalk, public street, or public rights of way.

(27) **Responsible Person or Entity** means that person or entity responsible for providing the following to an applicant, registered solicitor, and the competent individual in a residence to whom a sale of goods or services is made or attempted to be made by means of a home solicitation sale:

A. maintaining a state sales tax number, a special events sales tax number, computing the sales taxes owing from any sale of goods or services, paying the sales taxes, and filing any required returns or reports;
B. facilitating and responding to requests from consumers who desire to cancel the sale pursuant to applicable contractual rights or law; and
C. refunding any monies paid or reversing credit card charges to those persons who timely rescind any sale pursuant to applicable contractual rights or law.

(28) **Sale of Goods or Services** means the conduct and agreement of a Solicitor and the Competent Individual in a Residence regarding a particular Good(s) or Service(s) that entitles the consumer to rescind the same within three days under any applicable federal, state, or local law.

(29) **Services** means those intangible goods or personal benefits offered, provided, or sold to a Competent Individual of a Residence.

(30) **Soliciting or Solicit or Solicitation** means any of the following activities:

A. Seeking to obtain Sales or orders for the exchange of goods, wares, merchandise or perishables of any kind, for any kind of remuneration or consideration, regardless of whether advance payment is sought;
B. Seeking to obtain prospective customers to apply for or to purchase insurance, subscriptions to publications, or publications;
C. Seeking to obtain contributions of money or any other thing of value for the benefit of any person or entity;

D. Seeking to obtain orders or prospective customers for goods or services;
E. Seeking to engage an individual in conversation at a Residence for the purpose of promoting or facilitating the receipt of information regarding Religious Belief, Political Position, Charitable Conduct, or a Home Solicitation Sale; or
F. Other activities falling within the commonly accepted definition of Soliciting, such as hawking or peddling.

(31) **Solicitor or Solicitors** means a person(s) engaged in Door-to-Door Solicitation.

(32) **Submitted in Writing** means the information for an appeal of a denial or suspension of a Certificate, submitted in any type of written statement to the City offices by certified, registered, priority, overnight, or delivery confirmation mail, facsimile, email, or hand delivery.

(33) **Substantiated Report** means an oral, written, or electronic report:

A. That is submitted to and documented by the City by any of the following:
    i. A Competent Individual who is willing to provide law enforcement or other City employees with publicly available identification of their name, address, and any other reliable means of contact;
    ii. City law enforcement or Licensing Officer; or
    iii. Any other regularly established law enforcement agency at any level of government;
B. That provides any of the following information regarding a Registered Solicitor:
    i. Documented verification of a previously undisclosed Disqualifying Status of a Registered Solicitor;
    ii. Probable cause that the Registered Solicitor has committed a Disqualifying Status which has not yet been determined to be a Disqualifying Status;
    iii. Documented, eye-witness accounts that the Registered Solicitor has engaged in repeated patterns of behavior that

demonstrate failure by the Registered Solicitor to adhere to the requirements of this Chapter; or

iv. Probable cause that continued licensing of the Registered Solicitor creates exigent circumstances that threaten the health, safety, or welfare of any individuals or entities within the City.

(34) **Waiver** means the written form provided to Applicant by the City wherein Applicant agrees that the City may obtain a name/date of birth BCI background check on the Applicant for licensing purposes under this Section, and which contains Applicant's notarized signature.

9-03-040 Exemptions from This Subsection

The following are exempt from rRegistration under this Subsection:

(1) Persons specifically invited to a rResidence by a Ccompetent Iindividual prior to the time of the person's arrival at the residence;

(2) Persons whose license, permit, certificate, or registration with the State of Utah permits them to engage in door-to-door solicitation to offer goods or services to an occupant of the residence, and such state permit that specifically articulates that requiring a City permit orf license is unlawful;

(3) Persons delivering goods to a residence pursuant to a previously made order, or persons providing services at a residence pursuant to a previously made request by a competent individual;

(4) Persons advocating or disseminating information for, against, or in conjunction with, any Religious Belief, or Political Position, regardless of whether Goods, Services, or any other consideration is offered or given, with or without any form of commitment, contribution, donation, pledge, or purchase; and

(5) Persons representing a Charitable Organization. The charitable exemption shall apply to students soliciting contributions to finance extracurricular social, athletic, artistic, scientific, or cultural programs, provided that the solicitation has been approved in writing by the school

administration and that such student solicitors carry a current picture student identification from the educational institution for which they are soliciting.

Those Persons exempt from rRegistration are not exempt from the duties and prohibitions outlined in Sections 9-03-160, 9-03-170, 9-03-180, and 9-03-190 while Aadvocating or Ssoliciting.

9-03-050 Solicitation Prohibited

Unless otherwise authorized, permitted, or exempted pursuant to the terms and provisions of this Subsection, the practice of being in and upon a private residence within the City by solicitors, for the purpose of home solicitation sales or to provide goods or services, is prohibited and is punishable as set forth in this Section.

9-03-060 Registration of Solicitors

Unless otherwise exempt under this Subsection, all persons desiring to engage in Door-to-Door Solicitation within the City, prior to doing so, shall submit a Completed Application to the Licensing Officer and obtain a Certificate.

9-03-070 Application Form

The Licensing Officer shall provide a standard Application Form for use for the Registration of Solicitors. Upon request to the Licensing Officer, or as otherwise provided, any person or Entity may obtain in person, by mail, or facsimile, a copy of this Application Form. Each Application Form shall require disclosure and reporting by the Applicant of the following information, documentation, and fee:

(1) **Review of Written Disclosures**. An affirmation that the Applicant has received and reviewed the disclosure information required by this Subsection.

(2) **Contact Information**.

A. Applicant's true, correct, and legal name, including any former names or aliases used during the last ten (10) years;

B. Applicant's telephone number, home address, and mailing address, if different;
C. If different from the Applicant, the name, address, and telephone number of the Responsible Person or Entity; and
D. The address by which all notices to the Applicant required under this Subsection are to be sent.

(3) **Proof of Identity**. An in-person verification by the Licensing Officer of the Applicant's true identity by use of any of the following, which bear a photograph of said Applicant:

A. A valid driver's license issued by any State;
B. A valid passport issued by the United States;
C. A valid identification card issued by any State; and
D. A valid identification issued by a branch of the United States military. Upon verification of identity, the original identification submitted to establish Proof of Identity shall be returned to the Applicant.

(4) **Special Events Sales Tax Number**. The Applicant shall provide a special events sales tax number for either the Applicant, or for the Responsible Person or Entity for which the Applicant will be soliciting.

(5) **Marketing Information**.

A. The Goods or Services offered by the Applicant, including any commonly known, registered, or trademarked names; and
B. Whether the Applicant holds any other licenses, permits, registrations, or other qualifications required by federal or state law to promote, provide, or render advice regarding the offered Goods or Services.

(6) **BCI Background Check**. The Applicant shall provide:

A. An original or a copy of a BCI background check as defined in 9-03-030 (F); and
B. A signed copy of a Waiver whereby Applicant agrees to allow the City to obtain a name/date of birth BCI background check on Applicant for purposes of enforcement of this Subsection.

Section 9: BUSINESS LICENSES AND REGULATIONS

(7) **Responses to Questions Regarding a Disqualifying Status**. The Applicant shall be required to affirm or deny each of the following statements on the Application Form:

A. Has the Applicant been Criminally Convicted of: (i)felony homicide, (ii) physically abusing, sexually abusing, or exploiting a minor, (iii) the sale or distribution of controlled substances, or (iv) sexual assault of any kind?

B. Are any criminal charges currently pending against the Applicant for: (i) felony homicide, (ii) physically abusing, sexually abusing, or exploiting a minor, (iii) the sale or distribution of controlled substances, or (iv) sexual assault of any kind?

C. Has the Applicant been Criminally Convicted of a felony within the last ten (10) years?

D. Has the Applicant been incarcerated in a federal or state prison within the past five (5) years?

E. Has the Applicant been Criminally Convicted of a misdemeanor within the past five (5) years involving a crime of: (i) moral turpitude, or (ii) violent or aggravated conduct involving persons or property?

F. Has a Final Civil Judgment been entered against the Applicant within the last five (5) years indicating that: (i) the Applicant had either engaged in fraud, or intentional misrepresentation, or (ii) that a debt of the Applicant was non-dischargeable in bankruptcy pursuant to 11 U.S.C. ' 523(a)(2), (a)(4), (a)(6), or (a)(19)?

G. Is the Applicant currently on parole or probation to any court, penal institution, or governmental entity, including being under house arrest or subject to a tracking device?

H. Does the Applicant have an outstanding arrest warrant from any jurisdiction? or

I. Is the Applicant currently subject to a protective order based on physical or sexual abuse issued by a court of competent jurisdiction?

(8) **Fee**. The Applicant shall pay in accordance with the Kanab City Consolidated Fee Schedule.

(9) **Execution of Application**. The Applicant shall execute the Application Form, stating upon oath or affirmation, under penalty of perjury, that based on the present knowledge and belief of the Applicant, the information provided is complete, truthful, and accurate.

9-03-080 Written Disclosures

The Application Form shall be accompanied by written disclosures notifying the Applicant of the following:

(1) The Applicant's submission of the ~~A~~application authorizes the City to verify information submitted with the c~~C~~ompleted ~~A~~application~~,~~ including:
   A. the Applicant's address;
   B. the Applicant's and/or ~~R~~responsible ~~P~~person or ~~E~~entity's state tax identification and special use tax numbers, if any; or
   C. the validity of the Applicant's ~~P~~proof of ~~I~~identity.

(2) The City may consult any publicly available sources for information on the Applicant, including but not limited~~,~~ to databases for any outstanding warrants, protective orders, or civil judgments;

(3) Establishing p~~P~~roof of ~~I~~identity is required before r~~R~~egistration is allowed;

(4) Identification of the fee amount that must be submitted by Applicant with a ~~C~~completed ~~A~~application.

(5) The Applicant must submit a BCI background check with a c~~C~~ompleted a~~A~~pplication.

(6) To the extent permitted by State and/or federal law, the Applicant's BCI background check shall remain a confidential, protected, private record not available for public inspection.

(7) The City will maintain copies of the Applicant's Application Form, ~~P~~proof of ~~I~~identity, and ~~I~~identification ~~B~~badge. These copies will become public records available for inspection on demand at the City offices~~,~~ whether or not a c~~C~~ertificate is denied, granted, or renewed.

(8) The criteria for ~~D~~disqualifying ~~S~~status, denial, or suspension of a ~~C~~certificate under the provisions of this ~~Chapter~~Section.

(9) That a request for a ~~C~~certificate will be granted or denied within one business day ~~that a Completed Application is submitted~~of the submission of a completed application.

9-03-090 When Registration Begins

The Licensing Officer shall not begin the ~~R~~registration process unless the Applicant has submitted a ~~C~~completed ~~A~~application. The original identification submitted to establish ~~P~~proof of ~~I~~identity shall be returned after the Licensing Officer verifies the Applicant's identity. A copy of the identification may be retained by the Licensing Officer. If an original B.C.I. background check is submitted by the Applicant, the Licensing Officer shall make a copy of the B.C.I. and return the original to the Applicant.

9-03-100 Issuance of Certificates

The Licensing Officer shall review the completed application submitted by the applicant and issue a certificate if the following requirements have been met:

(1) applicant's submission of a completed application;
(2) applicant's submission of the required fee;
(3) applicant establishes proof of identity;
(4) the applicant's representations on the application form do not affirmatively show a disqualifying status;
(5) the B.C.I. does not affirmatively show a disqualifying status; and
(6) the applicant has not previously been denied a certificate by the City, or had a certificate revoked for grounds that still constitute a disqualifying status under this Subsection.

9-03-110 Certificate Form and Identification Badge

(1) **Certificate Form**. Should the Licensing Officer determine that the applicant is entitled to a certificate, the Licensing Officer shall issue a certificate to the applicant. The certificate shall list the name of the registered

solicitor and the responsible person or entity, if any, and the date on which the certificate expires. The certificate shall be dated and signed by the License Officer. The certificate shall be carried by the registered solicitor at all times while soliciting in the City.

(2) **Identification Badge.** The City shall issue each registered solicitor an identification badge that shall be worn prominently on his or her person while soliciting in the City. The identification badge shall bear the name of the City and shall contain: (a) the name of the registered solicitor; (b) the address and phone number of the registered solicitor, or the name, address, and phone number of the responsible person or entity is provided; (c) a recent photograph of the registered solicitor; and (d) the date on which the certificate expires.

9-03-120 Maintenance of Registry

The Licensing Officer shall maintain and make available for public inspection a copy or record of every completed application received and the certificate or written denial issued by the City. The applicant's BCI background check shall remain a confidential, protected, private record not available for public inspection. The Licensing Officer may furnish to the head of the City's law enforcement agency a listing of all applicants, those denied, and those issued a certificate.

9-03-130 Non-Transferability of Certificates

Certificates shall be issued only in the name of the applicant and shall list the responsible party or entity, if any. The certificate shall be non-transferable. A registered solicitor desiring to facilitate or attempt to facilitate home solicitation sales with different: (a) goods or services; or (b) a responsible person or entity, from those designated in the originally submitted completed application, shall submit a written change request to

the Licensing Officer. A new certificate based on the amended information shall be issued for the balance of time remaining on the solicitor's previous certificate before the amendment was filed. Before the new certificate is given to the registered solicitor, the registered solicitor shall obtain a revised identification badge from the City, after payment of the fee for the identification badge.

9-03-140 Denial, Suspension, or Revocation of a Certificate

~~(1)~~ **Suspension or Revocation**. The City shall either suspend or revoke a certificate if the information submitted by the applicant when seeking a certificate is found to be incomplete or incorrect, or if the applicant has violated any part of this Subsection.

~~(2)~~(1)

~~(3)~~(2) **Notice of Denial or Suspension**. Upon determination of the Licensing Officer to deny an applicant's completed application or to suspend a registered solicitor's certificate, the City shall cause written notice to be sent to the applicant or registered solicitor by the method indicated in the completed application. The notice shall specify the grounds for the denial or suspension, the documentation or information the City relied on to make the decision, the availability of the documentation for review by the applicant upon one (1) business day's notice to the City, and the date upon which the denial or suspension of the certificate shall take effect. It shall further state that the applicant or registered solicitor shall have ~~fourteen~~ ten (~~14~~10) ~~business~~ calendar days from the date of mailing by~~from~~ the City of the notice of denial or suspension to appeal the same. The denial or suspension of the certificate shall be effective no sooner than two (2) calendar days from the date the notice is sent, unless that suspension is because of exigent circumstances outlined in Section 9-03-030 (GG) (2) (D), in which case, the suspension is effective immediately. The denial or suspension shall remain effective unless and until the order is rescinded, overturned on appeal, or determined by a court to be contrary to equity or law. Failure to appeal the suspension of a certificate automatically results in its revocation.

Section 9: BUSINESS LICENSES AND REGULATIONS

9-03-150 Appeal

An applicant or registered solicitor whose certificate has been denied or suspended shall have the right to appeal following the City's appeal process and procedures outlined in the Kanab City's Land Use Ordinance, Chapter 3, except for those timelines and procedures outlined herein~~to the City Council or its designee~~. Any appeal must be submitted by either the applicant, the responsible person or entity, or legal counsel for either who: (a) documents the relationship with the applicant or responsible person or entity; or (b) is licensed or authorized by the State of Utah to do so, and makes the assertion of an agency relationship. The following procedures and requirements shall apply:

(1) A notice of~~ny~~ appeal must be submitted in writing to the City Recorder with a copy to the License Officer within ten (10) ~~business~~ calendar days of the decision from which the appeal is taken. Such appeal shall describe in detail the nature of the appeal, the action complained of, and the grounds for appeal.

(2) Upon request of the applicant or registered solicitor, within one business day, the City will make available any information upon which it relied in making the determination to either deny or suspend the Certificate.

(3) The Appeals Officer shall review, de novo, all written information submitted by the applicant or registered solicitor to the Licensing Officer, any additional information relied upon by the Licensing Officer as the basis for denial, suspension, or revocation, and any additional information supplied by the City, applicant, or registered solicitor. Any additional information submitted by any party to the appeal to the Appeals Officer shall be simultaneously submitted to the opposing party. If desired, any party shall have three (3) business days to submit rebuttal documentation to the Appeals Officer regarding the additional information submitted by the opposing party.

(4) The Appeals Officer will render a decision no later than fifteen (15) calendar days from the date the appeal was received by the City, unless an extension of time is agreed upon by the parties. Included in that decision shall be written findings regarding the decision. In the event that any party to the appeal submits rebuttal information as allowed in Section 9-03-150(C),

the fifteen (15) calendar days shall be extended to include the additional three (3) days for rebuttal.

(5) The denial or suspension of the certificate shall be reversed by the Appeals Officer if, upon review of the written appeal and information submitted, the Appeals Officer finds that the Licensing Officer made a material mistake of law or fact in denying or suspending the applicant or registered solicitor's certificate.

(6) If the written appeal and information submitted indicate that the Licensing Officer properly denied or suspended the certificate of the applicant or registered solicitor, the denial or suspension of the Certificate shall be affirmed and constitute a determination that the suspended certificate is revoked.

(7) The decision of the Appeals Officer shall be delivered to the applicant or registered solicitor by the means designated in the completed Application, or as otherwise agreed upon when the Appeal was filed.

(8) After the ruling of the Appeals Officer, the applicant or solicitor is deemed to have exhausted all administrative remedies with the City.

(9) Nothing herein shall impede or interfere with the applicant's, solicitor's, or City's right to seek relief in a court of competent jurisdiction.

9-03-160 Deceptive Soliciting Practices Prohibited

(1) No Solicitor shall intentionally make any materially false or fraudulent statement in the course of Soliciting.

(2) A Solicitor shall immediately disclose to the consumer during face-to-face Solicitation~~:~~; (i) the name of the Solicitor; (ii) the name and address of the entity with whom the Solicitor is associated; and (iii) the purpose of the Solicitor's contact with the person and/or Competent Individual. This requirement may be satisfied through the use of the Badge and an informational flyer.

(3) No Solicitor shall use a fictitious name, an alias, or any name other than his or her true and correct name.

(4) No Solicitor shall represent directly or by implication that the granting of a Certificate of Registration implies any endorsement by the City of the Solicitor's Goods or Services or of the individual Solicitor.

9-03-170 "No Solicitation" Notice

(1) Any occupant of a Residence may give notice of a desire to refuse Solicitors by displaying a "No Solicitation" sign which shall be posted on or near the main entrance door or on or near the property line adjacent to the sidewalk leading to the Residence.
(2) The display of such sign or placard shall be deemed to constitute notice to any Solicitor that the inhabitant of the Residence does not desire to receive and/or does not invite Solicitors.
(3) It shall be the responsibility of the Solicitor to check each Residence for the presence of any such Notice.
(4) The provisions of this Section shall apply also to Solicitors who are exempt from Registration pursuant to the provisions of this Subsection.

9-03-180 Duties of Solicitors

(1) Every person soliciting or advocating shall check each residence for any "No Soliciting" sign or placard or any other notice or sign notifying a solicitor not to solicit on the premises, such as, but not limited to, "No Solicitation" signs. If such sign or placard is posted, such solicitor shall desist from any efforts to solicit at the residence or dwelling and shall immediately depart from such property. Possession of a certificate of registration does not in any way relieve any solicitor of this duty.
(2) It is a violation of this Subsection for any person soliciting or advocating to knock on the door, ring the doorbell, or in any other manner attempt to attract the attention of an occupant of a residence that bears a "No Solicitation" sign or similar sign or placard for the purpose of engaging in or attempting to engage in advocating, a home solicitation sale, door-to-door soliciting, or soliciting.

(3) It is a violation of this Subsection for any solicitor, through ruse, deception, or fraudulent concealment of a purpose to solicit, to take action calculated to secure an audience with an occupant at a residence.
(4) Any solicitor who is at any time asked by an occupant of a residence or dwelling to leave shall immediately and peacefully depart.
(5) The solicitor shall not intentionally or recklessly make any physical contact with, or touch another person without the person's consent;
(6) The solicitor shall not follow a person into a residence without their explicit consent;
(7) The solicitor shall not continue repeated soliciting after a person and/or competent individual has communicated clearly and unequivocally their lack of interest in the subject, goods, or services of the solicitor;
(8) The solicitor shall not use obscene language or gestures.

9-03-190 Time of Day Restrictions

It shall be unlawful for any person, whether licensed or not, to solicit at a residence before 9:00 a.m. or after 9:00 p.m. Mountain Time, unless the solicitor has express prior permission from the resident to do so.

9-03-200 Buyer's Right to Cancel

In any home solicitation sale, unless the buyer requests the solicitor to provide goods or services without delay in an emergency, the seller or solicitor shall present to the buyer and obtain the buyer's signature to a written statement that informs the buyer of the right to cancel within the third business day after signing an agreement to purchase. Such notice of "Buyer's right to cancel" shall be in the form required by §70C-5-103, Utah Code Annotated, 1953, or a current version thereof or any State or Federal law modifying or amending such provision.

9-04 Mass Gatherings

- 9-04-010 Rules Governing Temporary Mass Gatherings
- 9-04-020 Fees for Exhibitions, Concerts and Performances

Section 9: BUSINESS LICENSES AND REGULATIONS

9-04-10 Rules Governing Temporary Mass Gatherings

(1) "Temporary Mass Gathering" means an actual or reasonably anticipated assembly of 500 or more people, which continues or can reasonably be expected to continue for two or more hours per day, at a site for a purpose different from the designed use and usual type of occupancy. A temporary mass gathering does not include an assembly of people at a location with permanent facilities designed for that specific assembly, unless the designed occupancy levels are exceeded.
(2) All mass gatherings taking place within the incorporated area of Kanab City shall comply with the Utah Department of Health, Temporary Mass Gathering Sanitation Rule as adopted by the Southwest Public Health Department.
(3) No permit or license to so gather shall be issued unless the gathering has been approved by the Southwest Public Health Department; nor shall any "Owner" or "Operator" (as defined by the existing Southwest Public Health Department rule governing temporary mass gatherings) permit a "Temporary Mass Gathering" as defined by such rule to take place within the City or any part thereof, unless the gathering is in compliance with the rules or rules adopted by the Southwest Public Health Department.
(4) A license pursuant to this section shall not be issued until arrangements are made to conduct such activity on private property, and until liability insurance acceptable to the City in accordance with internal policies to protect and indemnify Kanab City against any loss or liability arising from such activity.

9-04-020 Fees for Exhibitions, Concerts and Performances

Individuals or groups putting on performances, exhibitions, concerts or other entertainment activities for which a fee is charged, either to the public or to the hiring entity, shall pay a license fee in accordance with the Kanab City Consolidated Fee Schedule each 24-hour period during which they present a public performance, concert or exhibition. If the group to be entertained consists of more than 300 persons, based upon seating

capacity, number of tickets sold, or any other reasonable criteria, the license fee shall set through the Kanab City Consolidated Fee Schedule for each 24-hour period in which exhibitions, concerts, or performances are presented. This license shall be required of all performers and groups engaging in business within the City of Kanab, including musical aggregations, circuses, carnivals, rodeos, fight promoters, racing promoters, displays and exhibitions, live shows and entertainers of any kind. No fee shall be required for the license issued to any person or group in this category which is non-profit or which is raising funds exclusively for religious or charitable purposes.

9-05 Special Sales Events and Promotions

(1) **Definitions**: A Special Sales Event or Promotion, hereby referred to as a Sales Event, is a commercial activity conducted by businesses currently operating within Kanab City. They may be conducted on or off-premise, on the public sidewalk, or on private or publicly owned parking lots.
(2) **Permit Required**: No person shall operate a Sales Event without the required permit.
(3) **Application**: Application must be made at least 48 hours prior to the Sales. Application is submitted to the Kanab City Police Department, which grants the permit.
(4) **Permit**: The license shall state the dates of the event sale. The Sales Event shall not extend for more than 3 consecutive working days nor more than 4 times a year.
(5) **License Fee**: None.
(6) **Sales Event**:

A. Must be conducted in a commercial zone.
B. If extension cords are utilized, they must be outdoor rated and placed in a manner to not create a hazard.
C. Must be operated in a manner so as not to block traffic into or out of adjacent businesses or structures. Trucks and trailers may be used for storage of merchandise or inventory but may not be entered by the customer.

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D. Are limited to the use of one sign of 15 square feet or less. No other means of advertising, such as flashing lights, loud speakers, or calling out, are permitted. Permanent signs on trucks or semi-truck trailers are not considered part of the signage.

E. Before a license is issued, the applicant must: If the event is off-premise from the original business location, the applicant must provide written evidence that restroom facilities for employees will be provided by another business within 300 feet and provide evidence that the owner of the premises upon which the event will be conducted has given approval to do so.

9-06 ~~Non-Profit~~ Special Events

~~Non-profit sponsoring units of Special Events may apply for a Special Events Permit to conduct business and have concession stands in connection with the requested event. If the event and the activities comply with all local and state ordinances, law, and regulations, a permit will be issued.~~

~~The sponsoring unit will be assessed a permit fee set through the Kanab City Consolidated Fee Schedule for each business and/or concession stand for each day that the business and/or concession stand operates. Additionally, the sponsoring unit must provide evidence from the IRS of Non-profit status and ensure that all businesses and concession stands have a temporary sales tax number and collect the appropriate sales tax. All business activities in connection with said event shall be at locations approved by both the sponsoring unit and the city administrative officer assigned by the mayor to overview the special event. The permit issued shall entitle each individual business or concession to operate without acquiring an independent license, but the duration of the business activity shall not exceed seven calendar days. A business or concession stand that is non-profit, or that already has a Kanab City business license, is exempt from paying the permit fee indicated above.~~

1) Purpose: The purpose of this ordinance is to regulate temporary special events in Kanab City in a way that promotes community spirit, cultural

enrichment, tourism, and economic development while ensuring the protection of public health, safety, welfare, and property. Regulations herein apply neutrally with respect to content, focusing strictly on time, place, and manner restrictions. This ordinance aims to provide clear, fair processes for the review, approval, and management of events conducted on public or private property that affect or may affect the ~~c~~City's resources, services, or infrastructure.

2) Definitions: For the purposes of this chapter, the following words and phrases shall be defined as set forth in this section:
   a) Applicant: The individual event organizer and the organization responsible for the event and the payment of fees.
   b) Athletic/Recreation Event: An organized competitive or recreational event in which a group of people collectively engage in a sport or form of physical exercise, including, but not limited to, running, jogging, walking, bicycling, or skating, racing, or fighting held on any public or private property, including events occurring at a venue specifically designed for the purpose of that sport or activity such as baseball/softball, soccer, tennis, pickleball, rodeo, etc.
   c) Camping: The temporary occupation or use of public or private property for the purpose of sleeping, lodging, or residing overnight in tents, recreational vehicles (RVs), campers, trailers, or other temporary shelters in connection with a special event. Camping may include the use of amenities such as campfires, generators, or sanitation facilities, and must be explicitly approved as part of the special event permit. Camping is only allowed in designated areas and must comply with applicable fire, health, and safety regulations, as well as any limitations imposed by the City or property owner.
   d) City Event: An event of any variety that is planned, organized, and operated by the city, whether directly or by contract with a third-party operator.
   e) City Partner Event: An event coordinated by a third-party organization in collaboration with Kanab City where the City provides significant financial, in-kind, or logistical support; the event aligns

with official city goals or initiatives; and the partnership is formalized through a memorandum of understanding (MOU), agreement, or Council resolution. While not solely produced by the City, these events are recognized as serving a public purpose and may qualify for modified fee, insurance, or resource requirements as determined by the City Council or City Manager.

f) City Sponsored Event: A special event for which the C~~c~~ity ~~c~~Council or its designee has formally agreed to provide financial, in-kind, or other support or remuneration in exchange for the ~~c~~City's name and logo to be added as a sponsor of the event in all print, video, or internet publications, advertising, or signs. The use of the ~~c~~City's name or logo without sponsorship is prohibited. [A contribution of financial, in-kind, or other support or remuneration alone does not indicate an event is a City Sponsored Event.]

g) Completed Application: An application will be considered complete when all information and documents necessary for review and approval have been provided to the C~~c~~ity, including all application fees paid, site layouts, security plans, venue, and vendor information, etc. An insurance certificate and a facility use agreement are not required prior to review by the Events Review Committee, ~~ERC~~ but shall be required prior to any permit being issued.

h) Entertainment or Performance Event: A special event organized for the purpose of providing live or recorded amusement, artistic display, or cultural expression to an audience. This includes but is not limited to concerts, plays, recitals, dance performances, comedy shows, talent showcases, film screenings, or other live stage productions. Events may occur indoors or outdoors, with or without amplified sound, and may involve the construction of temporary stages, seating, or lighting. Entertainment or performance events typically require coordination of public safety, crowd management, and sound control measures.

i) Event Tiers

i) Tier 1: Small neighborhood or private events with minimal c~~e~~ity impact and fewer than 100 attendees. These events typically do not require street closures or ~~e~~City services beyond a basic facility reservation.

ii) Tier 2: Medium-scale public events such as local markets, community concerts, or fairs expecting 100 to 500 attendees. These may include minor ~~e~~city services, require traffic plans, and involve vendors, entertainment, or sound amplification.

iii) Tier 3: Large regional events such as festivals, races, or major concerts expecting more than 500 attendees. These typically require significant ~~e~~city coordination, traffic control, public safety presence, and infrastructure support.

j) Fee Waiver: A decision by the ~~e~~City C~~e~~ouncil or its designee to waive some or all application fees or facility use fees requested by applicants for a special event. The grant of a fee waiver alone does not act as a sponsorship for the event. The City Manager is authorized to approve full or partial fee waivers for other governmental entities, including but not limited to school districts, county departments, and interlocal partners operating within Kane County.

k) Filming Event: Any organized activity involving the recording of still or moving images on public property, or in a manner that affects public spaces, services, or traffic, for commercial or promotional purposes. This includes productions for television, motion picture, advertising, digital media, or professional content creation that requires the use of streets, parks, sidewalks, or other city-managed areas, or that impacts normal public access or city operations. This definition does not include casual or non-commercial filming or photography for personal use, such as family videos, student projects without city impact, or incidental social media content not requiring city services, equipment, or closures.

l) Market or Vendor Event: An organized event primarily intended to create a sales marketplace for vendors to offer goods, products, crafts, services, or food to the public. Such events may include

displays, exhibitions, farmers' markets, artisan or craft fairs, outdoor sales, tent sales, or similar activities, and may also incorporate entertainment, demonstrations, or food services incidental to the primary sales activity. Market or Vendor Events may occur on public or private property and must comply with applicable health, safety, and licensing requirements.

m) Parade/Moving Event: A special event that involves the organized movement of people, vehicles, animals, or other elements along public streets, sidewalks, trails, or other public rights-of-way in a planned, scheduled manner. Parade Events may include processions such as marches, motorcades, fun runs, or ceremonial walks, and typically require traffic control, public safety coordination, or temporary closure of public access areas.

n) Permittee: The "applicant," as defined herein, becomes a "permittee" upon approval and issuance of a special event permit. As the permit holder, a permittee becomes the sole proprietor and responsible party for the event, including all fees, insurance provisions, and violations.

o) Person: Any individual, natural human being, partnership, corporation, firm, company, association, society, or group.

p) Private Social Events: Invitation--only gatherings such as weddings, family reunions, or corporate parties. Private events may vary in size and impact and ~~must comply~~ are categorized by Tier based on anticipated attendance.

q) Special Event: An event which impacts the ~~c~~City, or may impact the City, by involving the use of or having an impact on public property or facilities, including rights-of-way, or which requires city licensing, land use approval, or services beyond the scope of normal business and/or special liquor regulations, requires the temporary deviation from the City's adopted ordinances, or creates public impact through bringing a group of people together in one or more locations for a limited period of time for a particular activity, including:

(i) Any athletic event, entertainment event, carnival, circus, dance, musical event, rodeo event, fighting

event, racing event, live shows, fairs, concerts, or outdoor sales event, whether held for profit, nonprofit, or charitable purposes, held on public property within the city, other than specific venue events;

(ii) Any gathering event at any public park, public square, or other c~~c~~ity property which uses more services, amusement devices such as stages, inflatable devices, temporary structures, tables, lighting, or equipment, whether provided by the C~~c~~ity or a third party, than normally provided to groups which reserve park facilities or other city-owned facilities;

(iii) Use or creation of amplified sound;

(iv) Events on private property which are not consistent with the allowed uses of the property's zoning designation;

(v) Any event which requires an event permit or license from the Utah Department of Alcohol and Beverage Services, as set forth in Utah Code Title 32B, Chapter 9;

(vi) Filming Events involving commercial or promotional photography, video production, or media creation on public property or in a manner that affects city operations, services, or access;

(vii) Parade Events involving organized movement of people, animals, or vehicles along public rights-of-way, such as parades, marches, motorcades, ceremonial walks, or races that require traffic control or impact public access

r) Sponsor: A person, group, or business ~~which~~that has contracted to provide financial or logistical support to any special event. The sponsor agreement may provide for advertising rights, product promotion, logo promotion, exclusivity of rights, products, or logos.

s) Substantial Change: Any change to a previously held special event or new permit application which adds or requires:

(i) Additional security;
(ii) Amplified sound;
(iii) Sale of alcohol;
(iv) Additional participants changing the event tier, or more than 150 participants;
(v) Additional road closures or other encroachments;
(vi) Inclusion of artificial lighting or other aspects that present the potential for nuisance or impact to neighboring property owners;
(vii) Change of venue requested by the applicant; or
(viii) Additional burden on city resources, staff time, or operational capacity, including demands on public safety, sanitation, parks, or administrative functions.

t) Vendors: A person engaging in business at a permitted special event, city event, or city-sponsored event.
u) Venue: The location or locations at which a special event is held, which may include the ingress and egress route, protest zones, or other affiliated areas as approved in the special event permit.

3) Permit Required: It is unlawful for any person, corporation, partnership, association, or other entity, public or private, to hold a special event without first obtaining a special event permit. Permits must include:
a) Contact and organizer information
b) Site plan
c) Security and traffic plan
d) Proof of insurance
e) State sales tax ID if applicable
f) Description of activities
i) Summary
ii) Amplified sound
iii) Alcohol
iv) Estimated attendance
v) Parking plan
vi) Public safety plan

g) Requested city services
h) Tier classification
i) Written authorization from the property owner authorizing the event to occur~~.~~
j) Dates and Hours of Operation
k) Event map and traffic plan
l) Proof of business license
m) Acknowledgement of ordinance, waiver of liability, and commitment to comply~~iance~~ with this ordinance.

4) Application Submission:
a) ~~a~~A completed electronic application on the city form (unless is a hard copy city form is approved and submitted), including the payment of application fees and the submission of corrected or additional information as required, shall be submitted to the ~~c~~City at least forty-five (45) calendar days, but no more than three hundred sixty-five (365) days, before the event is scheduled to take place in order to allow sufficient time to process the application, to review the preparation and setup of the event, for any inspection to occur, and to allow timely appeal in the event the application is denied. Complete applications shall be processed as outlined in this section, from the date of application, so long as the application submitted is complete and timely.
b) If an application is determined to be incomplete or if substantial changes are made to an existing application or event, the forty-five (45) day deadline shall not begin until the application is resubmitted and determined to be a complete application. Applicants are strongly encouraged to submit a complete application for a special event permit well in advance of the forty-five (45) day application deadline.
c) Applications for events that submit the application less than forty-five (45) calendar days prior to the scheduled event shall not be accepted. Applications for Tier 1 events may be accepted with a minimum of fourteen (14) calendar days' notice and submission, provided that the event does not require additional city services.

d) The Cc~~c~~ity shall issue a written decision ~~, in the form of a use agreement~~ for approved permits, which may require a use agreement, or shall issue a letter of explanation for denied applications, on all complete special event permit applications no less than ten (10) business days prior to the event. The City will make reasonable efforts to issue a written decision on Tier 1 events accepted after the forty-five (45) day deadline no later than five (5) calendar days prior to the scheduled event.

e) Once received, completed applications for an event permit shall be forwarded to the Events Review Committee (ERC). The events review committee shall be composed of City staff and officials with relevant expertise necessary to evaluate the impact and requirements of special event applications. T~~While t~~he ERC typically includes representatives from the following areas: City Council, Risk Management, Legal, Police, Fire, Community Development, Parks, Facilities, and Streets. Participation may be adjusted based on the scope, size, location, and complexity of the event under review. The City reserves the right to designate alternate or additional staff as needed to ensure appropriate review.

f) Special event permits that are approved or approved with conditions shall enter into a written use agreement for the event. The use agreement, once executed, shall serve as the permit and authorization to hold the event. The applicant shall sign the use agreement and return it to the Cc~~c~~ity for execution. Upon the Cc~~c~~ity m~~M~~anager's signature on the agreement, the special event permit shall be considered approved, and the special event may be held once a sufficient certificate of insurance has been received by the Cc~~c~~ity.

5) Insurance Requirements

a) Hold Harmless and Indemnification: All special event applicants shall sign a Hold Harmless and Indemnification Agreement holding Kanab City, its officers, employees, agents, and volunteers harmless from and against any and all claims, damages, injuries, liabilities, losses, costs, or expenses (including attorney's fees) arising out of or

resulting from the permitted event. Submission of a special events permit application is an acknowledgement of this hold harmless provision. Failure of an applicant to sign a Hold Harmless and Indemnification Agreement shall not constitute a waiver of the applicant's requirement to hold harmless and indemnify the City, its officers, employees, agents, and volunteers from and against any and all claims, damages, injuries, liabilities, losses, costs, or expenses (including attorney's fees) arising out of or resulting from the permitted event.

b) Minimum Coverage Amounts:
   i) All events using public property, requesting city services, or classified as Tier 2 or Tier 3 must maintain commercial general liability insurance with a minimum limit of $1,000,000 per occurrence and $4,000,000 general aggregate, or updated amounts as listed in the City's Consolidated Fee Schedule.
   ii) Events involving fireworks, explosives, or pyrotechnics must maintain coverage of $5,000,000 per occurrence and $10,000,000 general aggregate, or updated amounts as listed in the City's Consolidated Fee Schedule.

c) All insurance policies must:
   i) Name Kanab City as an additional insured by way of a separate, signed endorsement.
   ii) Be primary and non-contributory with respect to any insurance or self-insurance maintained by the City.
   iii) Include a waiver of subrogation in favor of Kanab City.
   iv) List the insured party exactly as named in the special event permit application.

d) Notice of cancellation or material change: The policy or applicant must provide at least thirty (30) days' advance written notice to Kanab City of any cancellation, nonrenewal, or material modification. If such notice is not

provided by the insurer, the applicant shall notify the City within 24 hours of receiving such notice.

e) Excess or Umbrella Policies: If applicable, excess or umbrella insurance shall extend to Kanab City on the same terms as the primary policy, including additional insured status and waiver of subrogation.

f) Self-Insured Retention (SIR): If the insurance policy includes a self-insured retention (SIR) greater than $25,000, the applicant shall submit documentation demonstrating their financial capacity to satisfy the retention. Acceptable documentation may include audited financial statements, a letter of credit, or other evidence deemed acceptable by the City Manager or City Attorney.

g) Responsibility for Compliance:

i) It is the sole responsibility of the applicant to obtain and submit valid, compliant insurance documentation.

ii) Approval of a permit does not waive or reduce insurance obligations, even if the City does not identify deficiencies during review.

iii) The applicant remains fully liable for all claims and losses arising from noncompliance, including incomplete, inaccurate, expired, or nonconforming coverage.

iv) The City shall not be deemed to have accepted or approved any noncompliant insurance, regardless of permit issuance.

h) Tier 1 Events – Alternative Risk Requirements: Tier 1 events—defined as private or neighborhood events with fewer than 100 attendees and minimal city impact—are not required to carry commercial general liability insurance unless otherwise determined by the City Manager or Risk Management staff. However, the City shall require the following:

i) Signed Waiver of Liability: All Tier 1 applicants must sign a City-provided Waiver of Liability and Hold Harmless Agreement, acknowledging and accepting all responsibility for any injury, property damage, or loss arising

from the event, and releasing Kanab City from liability to the fullest extent permitted by law.

ii) Tier 1 events are generally exempt from commercial insurance requirements. However, at the discretion of the City Manager or Risk Manager, insurance may be required if the event includes features that substantially increase risk (e.g., alcohol service, amplified sound, inflatables, or exclusive use of public facilities).

(1) The City reserves the right to increase, reduce, or adjust insurance requirements based on the nature, location, scope, or risk level of the event, and based on recommendations from legal counsel or the City's risk manager.

i) Acknowledgement of requirements: All applicants shall sign a written Acknowledgment of Insurance and Liability Requirements provided by Kanab City, confirming they have read, understand, and agree to comply with all terms outlined in this section. The signed acknowledgment shall be submitted with the event application and retained in the City's records.

6) Application Fees:

a) Applicants shall be required to pay the following fees:

i) A nonrefundable special event application fee;

ii) A nonrefundable facility use deposit fee, representing ten percent (10%) of the required fee for the location sites, as well as any equipment.

b) Invoice and Payment: No permit shall be issued without the payment of all fees prior to the tenth business day before the scheduled event.

i) Prior to issuing the permit, the C~~c~~ity shall deliver to the applicant, via email or other methods, an invoice detailing all costs, including the application fee, facility fees, and cost recovery fees. Cost recovery fees may be standard fees adopted in the City's Consolidated Fee Schedule, or particularized fees for special events requiring City services not addressed by the fees in the Consolidated Fee Schedule.

ii) Any facility use fees paid at the time of application shall be credited towards the overall fee total for the issuance of a special event permit. If the total amount exceeds the city cost recovery fees paid in advance, the applicant shall pay the unpaid portion of the invoice. If the amount is less than the application fees paid prior to issuance of the permit, then the remaining amount shall be returned to the applicant.

iii) In the event that force majeure prevents the event from occurring, the cost recovery fees may be refunded to the applicant or applied to a future event.

iv) Application fees and deposits are nonrefundable.

7) Fee Waivers and sponsorships: Fee waivers may be considered under the following conditions:

a) Public Entities: Kanab City Manager is authorized to approve full or partial fee waivers for public entities located within Kane County, including but not limited to school districts, local government departments, and interlocal partners.

b) Non-Profit and For-Profit Applicants: All other fee waiver or sponsorship requests must be reviewed and approved by the Kanab City Council during a public meeting, or the City Council's designee. Council approval may consider the event's public benefit, impact on city resources, and alignment with city goals. Applicants should allow for up to 30 additional days for council consideration beyond standard application review timelines.

8) City Parks, Sites, and Facilities used for Special Events: In order to best accommodate larger gatherings, parking, and impacts on neighborhoods, special events may take place generally only within community parks or neighborhood parks and facilities identified in Table 1. City properties or specific event facilities (not listed herein) are generally not available for special events, but may require a special event permit if triggered by the allowed activity.

a) Athletic events shall not be limited to the park sites and facilities identified in Table 1 when occurring at a facility specifically designed and intended for the

sport or activity of the event. Athletic events involving races that will utilize city roads and rights-of-way shall be allowed to do so outside of the park sites and facilities identified in Table 1, so long as the basecamp for the event is located within and complies with the park sites and facilities identified in Table 1.

b) Special events using city parks, sites, and facilities shall be subject to a maximum number of availability days per month to ensure appropriate access for the general public. The maximum number of days per month, regardless of days of the week, that a city park, site, or facility shall be eligible for reservation for special events shall be as identified in Table 1.

c) Issuance of a Special Event Permit does grant a right to exclusive use and access to public property to the applicant or an applicant's guests, participants, employees, agents, etc. (i.e., the public may still access public facilities and property, such as parks, schools, playgrounds, trails, etc.). Exclusive use and/or access may only be granted if health and/or public safety concerns require it. Exclusive access and use may require a separate agreement with the property owner or, as approved by the City Council or its designee; exclusive use/access may also require an additional fee.

9) Grounds for Denial: An application for a special event permit may be denied by the C~~c~~ity if:

a) The proposed special event violates a federal, state, or local law.

b) The proposed special event is not consistent with the intended nature and use of the requested park or facility as set forth in Table 1.

c) The proposed special event is scheduled at a place and time that could disrupt or interfere with an already approved special event or park/facility reservation.

d) The proposed location or building is not adequate to accommodate the proposed special event, such as parking, sanitation facilities, and health or safety codes, or the nature of the proposed special event is such that the C~~c~~ity, or the applicant does not have sufficient resources available to ensure

the health, safety, and welfare of special event participants or the general public.

e) The permit application contains a material falsehood or misrepresentation.

f) The applicant has failed to pay a debt to the C~~c~~ity, including costs incurred during a prior special event.

g) Incomplete permit applications.

h) The applicant or any person on whose behalf the application for a permit was made has on prior occasions:

i) Damaged city property, if the applica~~n~~tion is for an event on city property;

ii) Made material misrepresentations regarding the nature or scope of an event or activity previously permitted;

iii) Has violated the terms of prior permits issued to or on behalf of the applicant; or

iv) Had violations of state or local laws at a prior event.

i) Unavailability of the site or facility identified for the event.

j) The proposed event presents a zoning conflict inconsistent with applicable land use regulations.

10) Appeal procedure: Applicants may appeal a denial or conditions of a permit through the City's standard appeals process as outlined in the Kanab City ~~Code~~Land Use Ordinance, Chapter 3. Appeals must be submitted in writing within ten (10) ~~business~~calendar days of the decision.

a) In advance of filing a notice of appeal, the applicant(s) may, but is not required to, request the reconsideration of the application, providing additional information as may be deemed appropriate or upon request by the City. A decision on a request for reconsideration shall be issued within fourteen (14) calendar days, at which point the applicant will have ten (10) calendar days to appeal a denial or conditions of a permit.~~Applicants may alternatively request an expedited appeal process through the Kanab City Manager in lieu of the standard process. This option may be exercised by any applicant, particularly when the event is scheduled to occur within 30 days. The City Manager shall review the~~

~~expedited appeal, gather relevant information, and issue a written decision within 15 business days. The City Manager's decision in the expedited process shall be final.~~

11) Inspections: Authorized law enforcement officers, fire control officers, and other government personnel performing inspections pursuant to Kanab City Ordinance or federal or state law ~~this chapter~~ shall be permitted free access to the event to make inspections to ensure compliance with all city, state, and federal laws. All government personnel shall comply with the Fourth Amendment of the United States Constitution at all times during an inspection.

12) Neighborhood Notification: For events affecting nearby residents or businesses through closure, noise, or other impacts, organizers must:

a) Notify affected parties in advance using a flyer or letter approved by the C~~c~~ity.

b) Provide a map of the notification area.

c) Recurring public events organized by Kanab City or Kane County are exempt from the neighborhood notification requirement, provided there are no changes to the areas impacted by the event. If the route, location, noise levels, or scope of the event change in a way that would affect additional properties, notification must be completed as required.

13) Sales tax collection by applicant or vendors: Unless exempted by Utah law, an applicant for a special event that includes vendor(s)~~s~~ sales or concessions shall either:

a) Provide proof that all vendors have a Utah State sales tax identification number and agree to be responsible for direct remittance of all sales tax proceeds from the event to the State; or

b) Provide proof that the applicant has a valid Utah State sales tax identification number and that it will require all vendors to execute a sales tax remittance agreement whereby the vendor delivers sales tax proceeds to the applicant for remittance to the State under the applicant's sales tax identification number.

14) Violation: Any admission to, finding of civil responsibility for, or finding of guilt for violations of federal, state, or local laws during the course of the event, by the permittee or attendees of the event, ~~including the provisions of Utah Code~~

~~Title 76, Chapter 7, Parts 1 and 7, or titles 3 and 5 of this code,~~ shall also be deemed a violation of this ordinance~~f this chapter~~ and subject to the penalties set forth in this section.

a) A violation of any provision of this chapter shall be a class B misdemeanor and subject to the civil penalty set forth in the City's Consolidated Fee Schedule, as updated from time to time~~subsection C of this section~~.

b) Events and/or permittees that are found to have violated the terms of this ~~chapter~~ordinance shall be barred from applying for another special event permit for the same or another event for a period of two (2) years (seven hundred thirty (730) calendar days from the date of the violation). Events and/or permittees ~~which~~that are barred a second time shall be permanently prohibited from applying for a special event permit.

15) Use Chart: In order to preserve the intended use, safety, and capacity of Kanab City parks, facilities, and public spaces, the following chart categorizes the types of events that may be permitted at each location.

a) No special event, regardless of type, may be scheduled or approved for a location in a manner that exceeds the number of available days allocated to that location within a calendar month. For the purposes of this section, each day in which a special event is active at a location, including setup or breakdown days that limit regular public access or facility availability, shall count toward the monthly total.

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Table 1

Location	Maximum Tier Event	Athletic / Recreation	Market or Vendor	Entertainment or Performance	Community Event	Parade/Moving Event	Filming	Private Social Events	Camping	Fireworks	Available Days/Month
Jacob Hamblin Park	3	X	X	X	X	X	X	X	_	X	15
Kanab Municipal Pool	2	X	_	X	X	_	X	X	_	_	10
Jacob Hamblin Field	3	X	X	X	X	X	X	X	X	_	10
Jacob Hamblin Baseball	3	X	_	_	X	_	X	X	X	X	10
Skate Park	2	X	X	X	X	_	X	X	_	_	10
Library	2	X	X	X	X	_	X	X	_	_	10
Garkane Pavillion	2	X	X	X	X	_	X	X	_	_	10
Cemetery	2	_	_	_	X	_	_	X	_	_	10
Ranchos Park	3	X	X	X	X	X	X	X	X	_	15
Kanab Museum	1	_	_	X	X	_	X	X	_	_	10

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Heritage House	2	X	X	X	X		X	X			10
Kanab Airport	2				X				X		10
Dog Park / Connector Trail	1	X			X		X	X			10
City-Owned Open Space	3	X	X	X	X	X	X	X	X		15
Kanab Center	3	X	X	X	X	X	X	X	X		31
Jackson Flat Reservoir	3	X	X	X	X	X	X	X	X	X	15
Old Elementary School Property	3	X	X	X	X	X	X	X	X		10
Kanab Elementary	3	X	X	X	X	X	X	X			10
Kanab Middle School	3	X	X	X	X	X	X	X	X		10
Kanab High School	3	X	X	X	X	X	X	X	X		10
-Main St.	3	X	X	X	X	X	X	X			5
405 N	3	X	X	X	X	X	X	X			31
100 E	3		X	X	X	X					5
Arterial Streets (UDOT Permit)	3	X			X	X	X				5
Major Collectors	2	X	X	X	X	X	X	X			5

Minor Collectors	2	X	X	X	X	X	X	X			5
Local Roads	1	X	X	X	X	X	X	X			10

9-07 Seasonal Businesses

(1) **Definitions**: Seasonal Businesses are the following: Christmas Tree Sales, Firework Sales, Shaved Ice Stands, Nurseries, Florists and Produce Stands, and other seasonal uses.

(2) **License required**: No person shall operate a Seasonal Business without a license.

(3) **Application**: Application must be made at least 48 hours prior to the operation of the seasonal business.

(4) **License**: The license shall state the period of operation, up to six months in any calendar year, which may be renewed yearly.

(5) **License Fees**: The license fee shall be set in accordance with~~to~~ the Kanab City Consolidated Fee Schedule.

(6) **Fireworks**: Any business selling Class (c) fireworks shall obtain a permit from the Fire Department, and must have commercial general liability insurance, including premises and operations liability and products and completed operations liability in the amount of one million dollars per occurrence and one million dollars for products and completed operations aggregate, or amounts as updated in the City's Consolidated Fee Schedule. If the business is seasonal, then it shall pay an additional fee in accordance with the Kanab City Consolidated Fee Schedule. If the business is not seasonal, but permanent, then it shall pay the regular fee plus the Fire Inspection fee.

(7) It is unlawful to operate a seasonal business on days other than those covered by the license.

(8) Seasonal Sales:

A. Shaved Ice Stands and Firework Stands must be conducted from a structure consisting of at least three walls and a roof, and having no more than 1000 square feet of floor space.

B. Must be conducted in a commercial zone.

C. Must be serviced by an approved electrical hook-up if electricity is to be used in connection with said operation. Extension cords from other structures will not be approved. Electrical hook-ups must conform to the currently adopted Electrical Code and must be inspected and approved by the City Building Department prior to ~~the~~ conducting ~~of~~ any business from business premises.

D. Must not obstruct pedestrian walkways. Seasonal businesses are not allowed in areas where curb and gutter do not exist.

E. Must be operated in a manner so as not to block traffic into or out of adjacent businesses or structures.

F. Are limited to the use of one sign of 15 square feet or less. No other means of advertising, such as flashing lights, loud speakers, or calling out, are permitted.

G. Must meet all local and state health and safety requirements applicable to the type of business being carried on.

H. Must remove the temporary structure within five days after the seasonal business license expires. If the structure is not removed within the specified period of time, the licensee will be guilty of a Class B Misdemeanor, and the City will be authorized to remove the structure and charge the licensee for the cost of removal plus storage expenses. Application for a Seasonal Business License shall constitute authority to so remove the structure and an agreement to reimburse the City for removal and storage fees.

I. Before a license is issued, the applicant must:

   i. Provide written evidence that restroom facilities for employees will be provided by another business within 300 feet of the seasonal structure;

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ii. Provide written evidence that the owner of the premises upon which the portable structure is to be placed has given his consent for the placement of the structure and has approved the type of business to be conducted; and

iii. Provide a sales tax license number.

9-08 Alcoholic Beverage Control

- 9-08-010 Definitions
- 9-08-020 License Required
- 9-08-030 License Classifications
- 9-08-040 License Fee
- 9-08-050 Licensing Requirements
- 9-08-060 Inspection and Enforcement
- 9-08-070 Restrictions
- 9-08-080 Suspension and Revocation
- 9-08-090 Appeals
- 9-08-100 Implementation
- 9-08-110 Penalties

9-08-010 Definitions

In addition to the definitions set forth in Utah Code ~~Annotated~~ §32B-1-102, 1953, as amended, or its successor statute, adopted and incorporated herein by this reference, the following definitions apply:

(1) "Alcohol or alcoholic beverage" means ~~both~~ "beer," "wine," and "liquor" collectively when referenced in this chapter, unless otherwise distinguished.
(2) "Alcoholic Beverage Control Act" means Title 32B of the Utah Code Annotated, or its successor statute.
(3) "Annual" means a calendar year.
(4) "Enforcement officer" means any law enforcement officer or any other person designated by the C~~c~~ity to enforce this chapter.
(5) "Food" means an appetizer, entrée, or meal of substantive food customarily served to a patron at a dine-in restaurant.

(6) "Local authority" means Kanab City.
(7) "Licensing authority" means the city official designated by the city ~~administrator~~ manager to issue a license under this chapter.

9-08-020 License Required

In accordance with Utah Code ~~Annotated~~ §11-10-1, no person may operate an association, restaurant, club, business, or similar establishment that allows a person to purchase, possess, or consume an alcoholic product on the premises of said association, restaurant, club, business, or similar establishment without a valid alcohol license as provided in this ~~chapter~~Subsection. In addition to the requirements of this ~~chapter~~Subsection, an association, restaurant, club, business, or similar establishment shall comply with the requirements of Utah Code ~~Annotated~~, Title 32B, ~~§32B~~ ~~entitled~~ the "Alcoholic Beverage Control Act," and other applicable laws and regulations.

9-08-030 License Classifications

An applicant within the City may apply for the following six (6) classes of license, subject to availability as provided in this part:

(1) Class "A" retail licenses. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:
- A. Entitle the licensee to sell beer on the premises licensed in original containers for consumption off-premise in accordance with the Utah Alcoholic Beverage Control Act.
- B. This class of license is appropriate for grocery and convenience store~~-~~-type establishments.
- C. There is no limit on the number of this class of license that may be issued.

(2) Class "B" retail licenses. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:
- A. Entitle the licensee to sell a patron beer in original containers and/or wine served on-premise for consumption by a legal patron on-

premise in conjunction with the sale of food in accordance with the Alcoholic Beverage Control Act.

B. This class of license is appropriate for dine-in restaurant establishments.

C. There is no limit on the number of this class of license that may be issued.

(3) Class "C" retail license. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:

A. Entitle the licensee to sell draft beer for consumption on- or off-premises and to sell beer, wine, and/or alcohol in accordance with the Alcoholic Beverage Control Act.

B. This class of license is appropriate for restaurant establishments that make specialty beer (micro-brewery with food service).

C. There is a maximum limit of three (3) licenses for this class available for issuance.

(4) Class "D" retail license. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:

A. Entitle the licensee to sell alcohol for consumption on-premises in accordance with the Alcoholic Beverage Control Act.

B. This class of license is appropriate for bars or clubs.

C. There is a maximum limit of three (3) licenses for this class available for issuance.

(5) Class "E" retail or wholesale license. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:

A. Entitle the licensee to manufacture, warehouse, store, and sell an alcoholic beverage for off-premise consumption in accordance with the Alcoholic Beverage Control Act.

B. This class of license is appropriate for beer manufacturing and beer distribution facilities.

C. There is no limit on the number of this class of license that may be issued.

(6) Class "F" temporary license. This license is issued by the licensing authority, subject to compliance with this Subsection, and shall:

A. Entitle the licensee to sell beer for on-premise consumption for a period of time not to exceed thirty (30) days. This class of license in non-renewable during a calendar year.
B. This class of license is appropriate for special events.
C. There is no limit on the number of this class of license that may be issued.

9-08-040 License Fee

In accordance with Utah Code ~~Annotated~~ §11-10-3, in addition to the general business license fee, an annual alcohol license fee is hereby imposed, as updated and adjusted from time to time in the Kanab City Consolidated Fee Schedule.

9-08-050 Licensing Requirements

The local authority shall only issue a license for the sale or distribution of alcohol based upon the license classifications authorized in this Section.

(1) **State requirements**. Applicant complies with the provisions of Utah Code ~~Annotated~~ §11-10-2, as amended.
(2) **License required**. It is unlawful for any person to engage in the business of selling an alcoholic beverage within the C~~c~~ity without first obtaining the licenses required by this Subsection.
(3) **Administration**. The licensing authority shall administer this subsection under the direction of the city ~~administrator~~manager.
(4) **Application and fee**. Any person seeking a license to sell an alcoholic beverage shall submit a written application to the City License Officer as provided for in this Section, which shall be accompanied by the appropriate application/license fee required. The application/license fee is not refundable in the event that the application is denied. However, the applicant is given thirty (30) days after notice from the city of a deficiency to cure a denied or defective application without the requirement of repayment of the application/license fee.

Section 9: BUSINESS LICENSES AND REGULATIONS

(5) **Information required**. All applications for a license to sell an alcoholic beverage shall be made in writing upon the form provided by the City Recorder. The application shall state:

A. The name of the person desiring a license to sell an alcoholic beverage.
B. The name of the business.
C. The location where business is to be conducted.
D. The names of all partners holding more than a twenty percent (20%) interest in the business.
E. The class of license sought.
F. Other information specified on the application as determined by the city administrator, or any other information required by ordinance or statute.

(6) **Review and approval**. An application that complies with this Section shall be issued by the City Recorder after review and approval by the licensing authority. An application that does not meet the requirements of this Section shall be denied by the licensing authority.

(7) **License owner**. A license for the sale of alcohol is issued in the name of the business operator or owner rather than the name of the business. In the event of a change of the business operator or ownership, a new application and license are required, along with the application fee.

(8) **Nontransferable**. Licenses issued under this Section are not transferable.

(9) **Renewal**. A license issued under this Subsection shall be renewed annually in conjunction with the renewal schedule for business licenses.

(10) **Display.** The holder of a license issued under this Subsection shall display in a conspicuous location the license issued by the licensing authority along with any license issued by the governing state agency for the sale of any alcoholic beverage.

(11) **Time limit on operation.** If a holder of a license issued under this Subsection fails to open or to conduct business within the jurisdiction of the local authority for a period of one (1) year after issuance of the license, then said license is void, and a new application and fee must be submitted and approved by the licensing authority.

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9-08-060 Inspection and Enforcement

The licensing official or enforcement official may conduct an inspection regarding any license issued under this Subsection to ~~assure~~ ensure compliance with applicable law. The holder of a license issued under this chapter, by accepting said license, irrevocably consents to allow the inspection and search of the licensed premises by any licensing officer and/or the enforcement officer for any alcoholic beverage or for any other goods illegally possessed or kept, or for any evidence of any alleged alcohol-related crime under investigation by law enforcement. The licensee further consents to the seizure of alcohol that exceeds ~~that~~ the classification limits set upon the license holder or alcohol-related property in violation of this Subsection.

9-08-070 Restrictions

The following restrictions in this section apply to all license classes and persons.

(1) **State law.** It is unlawful to sell alcohol in violation of the Utah Alcoholic Beverage Control Act, or its successor.
(2) **Compliance**. It is unlawful for an applicant or licensee to violate Utah Code Annotated §11-10-1, this Subsection, the municipal code, or any terms under which a license was issued.
(3) **Limits on hours**. It is unlawful for a person or any class of licensee to sell or otherwise furnish a patron or other person with an alcoholic beverage during the hours from one o'clock (1:00) A.M. to six o'clock (6:00) A.M.
(4) **Exceed license**. It is unlawful to sell an alcoholic beverage except in the manner for which he/she has been so licensed pursuant to the provisions of this Subsection.
(5) **Licensed premises**. It is unlawful for any licensee to sell an alcoholic beverage anywhere within the C~~c~~ity, except upon or within the premises licensed for such sale.

(6) **Advertising and promotions limitations**. It is unlawful to advertise the sale of an alcoholic beverage, except in full compliance with the Alcoholic Beverage Control Act and regulations duly made thereunder by the state. It is unlawful for any licensee to give away or offer a free lunch, free food, or similar promotion in connection with the sale of an alcoholic beverage.

(7) **Intoxicated person**. It is unlawful to sell an alcoholic beverage to a person who appears to be intoxicated by drugs or alcohol, or who is under the influence of any intoxicating beverage.

(8) **Underage**. It is unlawful to sell an alcoholic beverage to any person under the age of 21, or allow a person under the age of 21 years to sell the same.

(9) **Unlawful product**. It is unlawful for any licensee to purchase or acquire or allow to be kept upon the licensed premises any alcoholic beverage not lawfully acquired from a brewer or wholesaler licensed under the provisions of the Alcoholic Beverage Control Act, or as part of a duly approved micro-brewery. It is unlawful for any licensee to keep any liquor product on the licensed premises that exceeds the scope of the license class or violates the Alcoholic Beverage Control Act.

(10) **Access**. It is unlawful for any serving area, door, or entryway to be locked or barricaded in any way so as to interfere with the free entrance to the licensed premises by any enforcement officer at any time while the premises is occupied or open to the public. However, licensee may maintain upon the premises a locked storeroom for the keeping of goods and supplies used in the business.

(11) **Lookouts and warning devices**. It is unlawful for any person commonly known as a "A Lookout" to be stationed or maintained to give warning of ~~an~~ the approach of any enforcement officer. It is unlawful to maintain or operate any device ~~which~~ that is used or capable of being used to give a warning to persons of the approach of an enforcement officer.

(12) **Respondeat superior**. The licensee shall be responsible under this Subsection for all of the activities of his employees and hereunder, the licensee unconditionally guarantees to the C~~c~~ity that neither he/she nor his/her employees will violate the terms of this Subsection, and for breach of

such guarantee, the license may be revoked. It is unlawful for the owner or any licensee to:

A. Fail to maintain full control of the conduct of the business upon the licensed premises.
B. Fail to inform employees of the requirements of law relating to the sale of alcohol in the state of Utah.
C. Fail to maintain control of employees.

(13) **Adverse action**. It is unlawful for any person to sell an alcoholic beverage after the revocation or suspension of any license issued to said person.

(14) **Set-backs**. It is unlawful to operate a business where an alcoholic beverage is sold at retail for off-premise consumption within the set-back distance of a "community location" as defined in Utah Code ~~Annotated~~ §32B-1-102, according to the specified set-back distances for each class of license set forth in Utah Code ~~Annotated~~ §32B-1-202, or otherwise in state law, unless the establishment pre-existed this Subsection.

(15) **Restricted activities**. It is unlawful to sell or provide an alcoholic beverage at:

A. A dance or dance hall that is not classified or defined as a club.
B. On public property.
    i. Exception: Upon the approval and issuance of a special event permit and proper licensure from the C~~c~~ity pursuant to this Section, and the Department of Alcoholic Beverage Services, Alcoholic Beverage Services Commission, or other state agency, as required, the permittee may sell or provide alcoholic beverages on public property, subject to the conditions of the permit.
    ii. The exception of this subsection does not apply to city parks or within city buildings (i.e., they are considered restricted locations at which it is unlawful to sell or provide alcoholic beverages, notwithstanding the approval of a special event permit).
C. A sexually-oriented business.
D. A theater or cinema.

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9-08-080 Suspension and Revocation

In accordance with Utah Code Annotated §11-10-1(4), an enforcement officer may suspend or revoke a license issued under this Subsection as follows:

(1) **Suspension**. If a licensee has been issued a warning or citation for a violation of this Subsection and a second violation occurs within a one (1) year period, then the enforcement officer may suspend a license for up to thirty (30) days. In lieu of a suspension, the enforcement officer may issue a civil penalty not to exceed $1,000.00 for a violation of this ~~chapter~~Subsection, or a different fine amount as adjusted from time to time by the City's Consolidated Fee Schedule.

(2) **Revocation**. An enforcement officer may revoke a license issued under this Subsection if a license has another violation of this Subsection where a suspension has been made within a one (1) year period prior to the violation. Any revocation made under this Subsection shall continue for a period of one (1) year, after which an applicant may resubmit an application under this Subsection.

(3) **Educational requirement**. An enforcement officer may issue a suspension to any licensee for a violation of educational requirements set forth in Utah Code ~~Annotated~~ §32B-1-701, et seq. In lieu of suspension, and~~,~~ based upon the facts and circumstances, the enforcement officer may impose a fine of up to $250.00 for a violation of this part, or a different fine amount as adjusted from time to time by the City's Consolidated Fee Schedule.

(4) **Operational requirements**. It is cause for immediate revocation or suspension for a licensee who violates the operational requirements set forth in Title 32B of the Utah Code Annotated, depending upon the severity of a violation(s).

9-08-090 Appeals

Any person adversely affected by the decision of the C~~c~~ity's licensing authority or enforcement official, which decision was made within their role

of administering or interpreting one or more provisions of this Section, may, within the time period provided by this ordinance, appeal that decision to the appeal authority by alleging that there is an error in any order, requirement, decision, or determination made by the licensing authority or enforcement official in the administration or interpretation of this ordinance. The standard of review shall be limited to an examination of the underlying administrative record to determine only whether or not the decision issued by the licensing authority or enforcement official was arbitrary, capricious, or illegal.
All appeals shall be made as follows:

(1) **Time for written appeal**. Any person may appeal a decision made under this Subsection to the C~~c~~ity's appeal authority by filing a written appeal (i.e., "Notice of Appeal") with the City Clerk within ten (10) calendar days of any final adverse decision. The person filing the Notice of Appeal shall pay the appeal fee in accordance with the Kanab City Consolidated Fee Schedule.
(2) **Appeal authority.** The appeal authority shall be the same appeal officer designated, retained, or individually designated by the ~~c~~City for the purpose of hearing ~~land use~~ appeals, in accordance with Chapter 3~~2~~, Kanab City Land Use Ordinance, unless otherwise designated by resolution or ordinance.
(3) The appeal authority shall:
   A. Hear and decide all appeals under this chapter.
   B. Act in a quasi-judicial manner and serve as the final arbiter of issues involving the interpretation or application of applicable law.
   C. Exercise other powers and duties prescribed by law or assignment.
   D. Include as part of its decision written findings.
(4) **Appeal Process and Procedure**. The appeal process and procedure shall follow the provisions outlined in Chapter 3~~2~~ of the Kanab City Land Use Ordinance, except as modified herein or where provisions of that Ordinance only apply to land use issues.
(5) **Appeal generally**. No person may challenge in district court any decision of the C~~c~~ity or its enforcement officer(s) until that person has complied with the appeal procedure of this Subsection and has exhausted all administrative remedies pertaining to such appeal. No adversely affected party shall present a theory of relief in district court that was not first

presented to the appeal authority. Adversely affected parties are precluded from pursuing duplicate or successive appeals before the appeal authority as a condition of the adversely affected party's duty to exhaust administrative remedies.

9-08-100 Implementation

The Cc~~c~~ity ~~administrator~~ Manager or his/her designee may establish forms and rules of procedure consistent with this Subsection for the effective implementation of this Subsection.

9-08-110 Penalties

The following penalties apply and are not mutually exclusive:

(1) Civil. Each violation of this Subsection constitutes a civil fine not to exceed $1,000. Each day a violation continues constitutes a separate offense. The ~~c~~City may seek any civil remedy provided by law, including abatement and injunctive relief for a violation of this Subsection or for situations that constitute a public nuisance relating to alcoholic beverages.
(2) Criminal. Each violation of this Subsection is a class B misdemeanor.

9-09 Construction Permits

- 9-09-010 Violations
- 9-09-020 Permits and Inspections
- 9-09-030 Building Official
- 9-09-040 Review of building inspection

9-09-010 Violations

It shall be unlawful for any person, firm, or corporation, whether as owner, lessee, sublessee, or occupant, to erect, construct, enlarge, alter, repair, move, improve, remove, demolish, equip, use, occupy, or maintain any building or premises, or cause or permit the same to be done, contrary to

or in violation of any of the construction or fire codes adopted by State law or any order issued by the building official pursuant thereto.

A violation of this Subsection, if not otherwise noted herein or within State law, shall be a class B misdemeanor. In addition to criminal penalties, a violator may also be subject to civil penalties for each violation of this Subsection, not to exceed $1,000. Each day a violation continues constitutes a separate offense. The City may seek any civil remedy provided by law, including abatement and injunctive relief for a violation of this Subsection. The civil fine amounts may be updated or adjusted by the City's Consolidated Fee Schedule.

9-09-020 Permits and Inspections

It shall be unlawful for any person, firm or corporation to erect, construct, enlarge, alter, repair, move, improve, remove, convert, or demolish any building or structure, cause or allow the same to be done, without first obtaining a separate building permit for each such building or structure from the building official in the manner and according to the applicable conditions prescribed by State law regarding Construction and Fire codes.

9-09-030 Building Official

There is hereby created the position of building official, who shall also be known as the municipal building inspector.

9-09-040 Review of building inspection

(1) In accordance with Utah Code Section §15A-1-210, the City provides for review of an inspection conducted by the city's building inspector for a single-family residential building permit.

(2) Upon request by a person seeking a single-family residential building permit, a chief executive officer of the municipality or county issuing the single-family residential building permit, or the chief executive officer's designee, shall, with reasonable diligence, review an inspection described in

Subsection (1) to determine whether the inspection constitutes a fair administration of the State Construction Code.

(3) A review described in this section:

A. is separate and unrelated to an appeal under the International Residential Code;

B. may not be used to review a matter that may be brought by appeal under the International Residential Code;

C. may not result in the waiver or modification of an International Residential Code requirement or standard;

D. may not conflict with an appeal, or the result of an appeal, under the International Residential Code; and

E. does not prohibit a person from bringing an appeal under the International Residential Code.

(4) A person who seeks a review described in this section may not be prohibited by preclusion, estoppel, or otherwise from raising an issue or bringing a claim in an appeal under the International Residential Code on the grounds that the person raised the issue or brought the claim in the review described in this section.

(5) As used in this section, "International Residential Code" means the International Residential Code as adopted under the State Construction Code.

9-10 Offensive Businesses and Facilities

- Section 9-10-010 Commencement of Offensive Business
- Section 9-10-020 Issuance of Permits

Section 9-10-010 Commencement of Offensive Business

(1) No person shall commence or change the location of any offensive business or establishment in or within one mile of the limits of this municipality without first filing an application for a permit to do so with the recorder/clerk.

(2) Offensive businesses, within the meaning of this part, shall include but not be limited to, packing houses, dairies, tanneries, canneries, renderies, junk or salvage yards, bone factories, slaughterhouses, butcher

shops, soap factories, foundries, breweries, distilleries, livery stables, blacksmith shops, or any other enterprise or establishment which creates excessive odors, fumes, smoke gases, or noises.

(3) The application for a permit shall specify the location at which the business or establishment is to be operated and maintained or the new location to which it is to be moved. The application shall describe the type of activity which will be conducted and describe the manner in which the business or establishment shall eliminate, control, or modify the emission by the business of the undesirable odors, fumes, noises, and other noisome features and the manner in which it shall be screened from public view, if its appearance is offensive.

Section 9-10-020 Issuance of Permits

(1) The recorder/clerk shall cause a study to be made of the proposed business or relocation of any offensive business or establishment by the board of health and personnel engaged in the inspection of buildings and other facilities. A report and recommendation shall be made to the governing body. The governing body, after review, may grant the applicant an opportunity to be heard and present additional facts. Thereafter the governing body may:

A. Deny the application.
B. Recommend a modification thereof.
C. Grant a limited permit to enter into the business or make the change of location subject to the requirement that the business or facility conform to standards established by the governing body with reference to controlling the offensive features of the business.

(2) In the event a permit is granted, it shall be subject to revocation either upon failure of the operator or owner to conduct his business in the manner specified by the governing body at the time of the granting of the permit, or because a change of circumstances makes the continued operation or maintenance of the business or facility a public nuisance.

(3) The governing body shall have the power to revoke or modify the permission to operate and maintain the business in such a manner as it deems necessary for the public good.

9-11 Short-Term Rental Property

It is unlawful for any person to keep, conduct, operate, or maintain a "short-term rental property" as defined in section 4 of the Kanab Land Use Ordinance within the City without a business license. The following requirements are in addition to the requirements of this section, and apply to both residential and commercial short-term rental properties:

(1) License Not Transferable: A short-term residential rental property business license is not transferable between persons or structures. When an owner has more than one short-term rental, each dwelling unit must have its own business license. Any person holding such license shall give written notice within thirty (30) days to the business license official after having transferred or otherwise disposed of legal or equitable control of any short-term residential rental dwelling unit licensed under this article.

(2) Transient Room Tax: All short-term residential rental properties shall be subject to the collection of the municipality transient room tax as allowed under Utah code.

(3) The business license number shall be included, in plain view, on any booking website and at each property.

(4) Local Property Manager Required: All short-term residential rental properties shall designate a local property manager ~~that~~who resides within one (1) hour travel time of the property. The local property manager shall be available twenty-four (24) hours per day to respond to questions or concerns. Each short-term residential rental property shall have a clearly visible sign within the unit containing the following information: the name and phone number of the local property manager;~~,~~ and the maximum occupancy of the unit (*See*~~look to~~ Kanab City Land Use Ordinance, Chapter 4-6, for occupancy limits).

(5) Owner and Property Manager Responsible: The owner and property manager shall be jointly and severally liable for any violations of this article.

Section 9: BUSINESS LICENSES AND REGULATIONS

Any short-term rental ~~which~~ that is found in violation of this section or any other requirement of this ordinance may be subject to revocation of the short-term residential rental properties business license, as well as any other remedies outlined in this Business License section.

ORDINANCE NO. 10- -25 O

AN ORDINANCE AMENDING KANAB CITY GENERAL ORDINANCE CHAPTER 9, BUSINESS LICENSES AND REGULATIONS

WHEREAS, the City Council has found a need for clarification, modification, and certain additions to Section 9, Business Licenses and Regulations.

WHEREAS, the Kanab City Planning Commission held a public hearing during its regularly scheduled meeting on October 7th, 2025, to consider, among other things, amending the Kanab City General Ordinance Chapter 9, Business Licenses and Regulations.

WHEREAS, the Kanab City Council met during its regularly scheduled meeting on October 14th, 2025, to consider, among other things, amending the Kanab City General Ordinances, Section 9, Business Licenses and Regulations.

NOW, THEREFORE, BE IT ORDAINED by the Kanab City Council that the Kanab General Ordinance is hereby amended as reflected in the ___page(s) attached hereto.

Authorizing staff to make additional grammatical, formatting, and other non-substantive corrections.

All former ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance or the Code hereby adopted are hereby repealed. The provisions of this Ordinance shall be severable, and, if any provision thereof or any application of such provision is held invalid, it shall not affect any other provisions of this code or the application in a different circumstance.

This ordinance shall be effective upon the required posting.

PASSED AND ORDERED POSTED this____day of October, 2025.

KANAB CITY

_____
MAYOR

ATTEST:

_____
RECORDER

VOTING:

Boyd Corry	Yea ____ Nay ____
Peter Banks	Yea ____ Nay ____
Arlon Chamberlain	Yea ____ Nay ____
Scott Colson	Yea ____ Nay ____
Chris Heaton	Yea ____ Nay ____

POSTED the ___ day of _____, 2025, as certified by the Recorder: _____.

RECORDER

Mayor
T. Colten Johnson
City Manager
Kyler Ludwig
Treasurer
Danielle Ramsay

City Council
Arlon Chamberlain
Chris Heaton
Scott Colson
Boyd Corry
Peter Banks

Kanab City Council Staff Report

File Number 20251007.1

Date:	**October 10, 2025**
Meeting Date:	**October 14, 2025**
Agenda Item:	**Discuss, approve or deny a text amendment to the Land Use Ordinance, Chapter 17 Single Family Zones and Chapter 19 MH-KCR Zone and to the General Ordinance Section 13 Police and Public Offenses**

Attachments:

- **Exhibit A: Proposed Amendment(s) with Red Lines**

Summary:

A text amendment to update Land Use Ordinance Chapter 17 Single Family Zones and Chapter MH-KCR Zone adding dog boarding to the Land Use Chart. A text amendment to General Ordinances Section 13 adding parameters and requirements for dog boarding in residential zones.

Planning Commission Meeting:

Planning Commission held a public hearing on October 7, 2025. No public comment. Planning commission discussed the amendments to the ordinance. A suggestion from legal review was discussed and planning commission agreed to adding the amendment in (C)(8). There was also discussion on whether a requirement should be added regarding spay and neutering of the dogs that are being boarded. Planning Commission decided to leave that up to the business owner rather than a requirement of the ordinance. Planning commission made a positive recommendation with a unanimous vote.

Recommended Motion:

I make a motion to approve the amendments and adopt ordinance 10-XX-25 O for the ordinances identified in exhibit A of the staff report for 20251007.1

I make a motion to deny the amendments to the ordinances outlined in the staff report.

I make a motion to approve the amendments and adopt ordinance 10-XX-25 O for the ordinances identified in exhibit A of the staff report for 20251007.1 with the following amendments:

I move to continue the discussion to the following meeting:

Mayor
T. Colten Johnson
City Manager
Kyler Ludwig
Treasurer
Danielle Ramsay

KANAB
UTAH

City Council
Arlon Chamberlain
Chris Heaton
Scott Colson
Boyd Corry
Peter Banks

Exhibit A: Proposed Amendment with Red Lines

Kanab

Land Use Ordinance

Chapter 17 – Residential Zones

Section 17-1 Purpose

Section 17-2 Permitted and Conditional Uses

Section 17-3 Height Regulations

Section 17-4 Minimum Area, Width and Yard Requirements

Section 17-5 Modifying Regulations

Section 17-6 Reserved

Section 17-7 Supplementary Regulations

Section 17-8 Design Standards for A Two-Family Dwelling

Section 17-1 Purpose

Residential Zones (R-20, R-15, R-10, R-8): To provide and protect areas for low-density, one and two-family neighborhoods, while permitting the limited establishment of public and quasi-public uses which serve the requirements of families.

Section 17-2 Permitted and Conditional Uses

LAND USE CHART RESIDENTIAL	ZONES			
	R-20	R-15	R-10	R-8
Bed and breakfast	C	C	C	C
Cemetery	C	C	C	C
Child day care or nursery	C	C	C	C
Church	C	C	C	C
Dog Boarding[5]	P	P	P	P
Golf course	C	C	C	C
Guest house	P	P	P	P
Home occupation – light[3]	P	P	P	P
Home occupation – heavy[4]	C	C	C	C
Horticulture and gardening[1]	P	P	P	P
Household pets	P	P	P	P
Park or playground	C	C	C	C
Public buildings	C	C	C	C
Public utilities, essential services	C	C	C	C
School	C	C	C	C
Shed / garage[2]	P	P	P	P

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Adopted January 22, 2008; Revised July 16, 2024

Single family dwelling unit	P	P	P	P
Two family dwellings	P	P	P	P

[1] For personal use

[2] Refer to Section 17-5-2

[3] Home Occupation, light does not include dangerous or objectionable objects. See definitions in Section 1-6 and additional regulations in Section 4-28.

[4] Home Occupation, heavy potentially includes dangerous or objectionable objects. See definitions in Section 1-6 and additional regulations in Section 4-28.

[5] Refer to Section 13-200.04 of the General Ordinances for additional requirements regarding dog boarding.

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Section 17-3 Height Regulations

No building may exceed two and one-half (2½) stories or thirty-five (35) feet in height. No dwelling shall be less than one (1) story in height.

Section 17-4 Minimum Area, Width and Yard Requirements

			Yard Setbacks in Feet		
District	Area	Width	Front	Side	Rear
R-20	20,000 sq ft	120	25	10	10
R-15	15,000 sq ft	100	25	10	10
R-10	10,000 sq ft	80	25	10	10
R-8	8,000 sq ft	60	25	8	10

Section 17-5 Modifying Regulations

A. Side yards - On corner lots the side yard setback shall be the same as the front yard setback.

B. Accessory Buildings - See Chapter 4, Section 4-10

Section 17-6 Reserved

Section 17-7 Supplementary Regulations

Supplementary regulations are provided in Chapter 4 of this Ordinance.

Section 17-8 Design Standards for A Two-Family Dwelling

A two-family dwelling is one building with two residential units under a single continuous roof line. It may be constructed in the Residential Zones subject to compliance with the following standards. These standards are encouraged to promote a residential design which provides architectural interest for a two-family dwelling to blend harmoniously in R

zones.

1. Units located side by side are encouraged to be offset by at least 5 feet difference in their front setback, unless the units share an elevated common front porch with roof overhang, or similar design scheme to provide a front entry with greater architectural interest than plain, uncovered front entries on adjacent units. In addition to the primary exterior wall material, accent materials included such as stone, brick, or metal is encouraged to provide architectural character to the dwelling.
2. A two-family dwelling is encouraged to have an appearance similar to a large single-family home with varying roof lines, and building articulations with such things as decks, balconies, or other exterior features which provide design interest.
3. Except for the driveway area and walkways, the front yard setback area shall be landscaped. At the time of occupancy or within six months of occupancy, the front yard area shall be fully landscaped.
4. The minimum lot size for a two-family dwelling is 10,000 sq ft, and the minimum street frontage is 80 feet.
5. Land coverage of all buildings shall not exceed 50% of the lot or parcel acreage.
6. Each two-family dwelling shall have four (4) off-street parking spaces (2 per unit). Driveways to the garage and areas used for off-street parking shall be hard-surfaced with either concrete or asphalt.
7. Each unit in a two-family dwelling shall be independently connected to the city's culinary water and sewer system,
8. Prior to issuance of a building permit, all provisions for two-family dwellings shall be met through site plans submitted with the building permit application and the plan review building permit process.

Kanab

Land Use Ordinance

Chapter 19 – Kanab Creek Ranchos KCR-720 Zone

Section 19-1 Purpose
Section 19-2 Permitted and Conditional Uses
Section 19-3 Height Regulations
Section 19-4 Minimum Area, Width, and Yard Requirements
Section 19-5 Modifying Regulations
Section 19-6 Supplementary Regulations

Section 19-1 Purpose

To provide and protect areas of low-density, single-family neighborhoods of a rural character and to provide for zoning for the Kanab Creek Ranchos Subdivision.

Section 19-2 Permitted and Conditional Uses

LAND USE CHART KCR-720 HOMES	KCR ZONE
Bed and Breakfast Inn[5]	P
Cemetery	C
Day Care I	P
Day Care II	C
Church	C
Dog Boarding[6]	P
Golf course	P
Guest house	P
Home occupation - light[3]	P
Home occupation - heavy[4]	C
Horticulture and gardening[1]	P
Household pets	P
Park or playground	P
Public buildings	P
Public utilities, essential services	P
School	P
Shed / garage[2]	P
Single-family dwelling unit	P
Two-Family Dwelling	P

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Adopted January 22, 2008; Amended July 16, 2024

1 For personal Use
2 Refer to Section 19-5-B
3 Home Occupation-light does not include dangerous or objectionable objects. See definitions in Section 1-6 and additional regulations in Section 4-28.
4 Home Occupation-heavy potentially includes dangerous or objectionable objects. See definitions in Section 1-6 and additional regulations in Section 4-28.
5 Regulations in Section 4-22 shall apply to all Bed and Breakfast establishments
6 Refer to Section 13-200.04 of the General Ordinances for additional requirements regarding dog boarding.

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Section 19-3 Height Regulations

No building may exceed two and one-half (2½) stories or thirty-five (35) feet in height. No dwelling shall be less than one (1) story in height.

Section 19-4 Minimum Area, Width, and Yard Requirements

			Yard Setbacks in Feet		
District	Area	Width	Front	Side	Rear
KCR-720	13,000 sq ft	80	25	10	10

Section 19-5 Modifying Regulations

A. On corner lots, the side yard setback shall be the same as the front yard setback.

B. A detached private garage or accessory building see Chapter 4, Section 4-10.

C. All homes in the KCR-720 zone shall be on a permanent foundation.

D. Each dwelling shall have a minimum floor area of 720 square feet of floor space on the main floor, exclusive of garages.

E. The width of the dwelling shall not be less than fourteen feet (14) feet at the narrowest point of its first floor exclusive of any garages, bay windows, room additions or other similar appendages. The width shall be considered as the lesser of the two primary dimensions.

F. A basement shall not be considered as a first floor.

G. All manufactured homes shall be anchored to and supported by an approved method of the manufacture and based on the residential design standards found in Chapter 4 – Supplementary Guidelines of this ordinance..

H. A maximum of two units on single family residential zoned lot.

Section 19-6 Supplementary Regulations

Supplementary regulations are provided in Chapter 4 of this Ordinance.

Section 19-7 Design Standards for a Two-Family Dwelling

A two-family dwelling is one building with two residential units under a single continuous roof line. It may be constructed in the Residential Zones subject to compliance with the following standards. These standards are encouraged to promote a residential design which provides architectural interest for a two-family dwelling to blend harmoniously in MH-KCR zones. .

A. Units located side by side are encouraged to be offset by at least 5 feet difference in their front setback, unless the units share an elevated common front porch with roof overhang, or similar design scheme to provide a front entry with greater architectural interest the plain, uncovered front entries on adjacent units. In addition to the primary exterior wall material, accent materials included such as stone, brick, or metal is encouraged to provide architectural character to the swelling. The two-family dwelling must be of new construction.

B. A two-family dwelling is encouraged to have an appearance similar to a large single-family home with varying roof lines, and building articulations with such things as decks, balconies, or other exterior features which provide design interest.

C. Except for the driveway area and walkways, the front yard setback area shall be landscaped. At the time of occupancy, the front yard area shall be fully landscaped or the applicant for the Certificate of Occupancy shall post a financial guarantee (bond, cashier's check, etc) ensuring that front yard landscaping will be completed within 6 months of occupancy.

D. The minimum lot size for a two-family dwelling is 10,000 (13,000) sq.ft. and the minimum street frontage is 80 feet.

E. Land coverage of all buildings shall not exceed 50 % of the lot or parcel acreage.

F. Each two-family dwelling shall have four (4) off-street parking spaces (2 per unit). Driveways to the garage and areas used for off-street parking shall be hard-surfaced with either concrete or asphalt.

G. Each unit in a two-family dwelling shall be independently connected to the city's culinary water and sewer system.

H. Prior to issuance of a building permit, the Planning Commission shall review and approve the proposed exterior building elevations and design in order to promote neighborhood design compatibility in accordance with Chapter 9 Site Plan Review.

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-111	Police Department – Established
Section 13-114	Register of Arrest
Section 13-115	Property Taken From the Person Arrested - Triplicate Receipts
Section 13-116	Register of Property to Be Kept
Section 13-117	Stolen Property Disposition
Section 13-121	Jail-Governing Body to Provide
Section 13-125	Prisoners to Labor on Public Works
Section 13-200	Animal Control
Section 13-200.01.010	Definitions
Section 13-200.01.011	Purpose
Section 13-200.01.020	Premises Confining Animals and Fowl-Neat and Sanitary Condition Required.
Section 13-200.01.040	Disposal of Animals
Section 13-200.01.050	Leaving Animal in Vehicle
Section 13-200.01.060	Excessive Noise
Section 13-200.01.141	Revocation of License or Permits
Section 13-200.01.150	Interference with Officer
Section 13-200.01.120	Animal Bites
Section 13-200.01.130	Defecation and Urination
Section 13-200.01.070	Animals Running at Large
Section 13-200.01.080	Impound-Authority
Section 13-200.01.085	Impound Procedures
Section 13-200.01.160	Quarantine of Animals
Section 13-200.01.100	Detention of Animals
Section 13-200.03.010	Rabies Control
Section 13-200.03.020	Vaccination Required
Section 13-200.01.190	Female Cats in Heat/Season Running at Large
Section 13-200.01.200	Threatening Passers-By
Section 13-200.02.040	Female Dogs in Heat/Season Running at Large
Section 13-200.02.160	Dogs in Prohibited Areas
Section 13-200.02.170	Allowable Number of Dogs
Section 13-200.04	Kennels and Dog Boarding
Section 13-200.04.020	Permit Required
Section 13-200.04.030	Fees

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-200.04.050	Inspection
Section 13-200.04.060	Definitions - Exception for Puppies/Kittens
Section 13-200.02.010	Licensing
Section 13-200.02.020	Licensing and Fee Exemptions
Section 13-200.01.210	Penalties
Section 13-310	Adoption Criminal Code
Section 13-311	Off-Highway Vehicle Act
Section 13-312	Curfew-Minors-Exceptions
Section 13-312.1	Minor Daytime Curfew
Section 13-313	Responsibility o~~O~~f Parents, Etc.
Section 13-314	Discharge of Firearms
Section 13-315	Prohibition of Discharge of Fireworks or To Set on Fire Any Inflammable Material within Kanab City
Section 13-349	Sexually-oriented Businesses
Section 13-350	Purpose
Section 13-351	Definitions
Section 13-352	Classification
Section 13-353	License Required
Section 13-354	Issuance of License
Section 13-355	Fees
Section 13-356	Inspection
Section 13-357	Expiration of License
Section 13-358	Suspension
Section 13-359	Revocation
Section 13-360	Hearing-Denial, Revocation, and Suspension - Appeal
Section 13-361	Transfer of License
Section 13-362	Hours of Operation
Section 13-363	Exhibition of Sexually Explicit Films or Videos
Section 13-364	Loitering, Exterior Lighting, Visibility, and Monitoring Requirements
Section 13-365	Penalties and Enforcement
Section 13-366	Applicability of Section to Existing Businesses

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-368	Scienter Required to Prove Violation or Business Licensee Liability
Section 13-369	Effect of City Failure to Act
Section 13-370	Signs
Section 13-371	Location of business, Restrictions
Section 13-380	Prohibition of Certain Forms of Tobacco and Nicotine on City-Owned Properties

Section 13-111 Police Department – Established

There is hereby established a regularly constituted police force to be known as the police department, which shall consist of a chief of police and such other police officers as shall be employed by the municipality, and to operate pursuant to the powers and duties referred to in Utah Code 10-3-919.

Section 13-114 Register of Arrest

The chief of police shall provide and cause to be kept a register of arrests. Upon such register shall be entered a statement showing the date of such arrest, the name of the person arrested, the name of the arresting officer, the offense charged, and a description of any property found upon the person arrested.

Section 13-115 Property Taken From the Person Arrested - Triplicate Receipts

When money or other property is taken from a person arrested upon a charge of a public offense, the officer taking it must, at the time, issue ~~triplicate~~ a property receipt~~s therefore~~ to the person arrested specifying ~~particularly~~ the amount of money or kind of property taken. ~~One of the receipts he must deliver to the person arrested. Another he must forthwith file with the clerk of the court to which the complaint and other~~

~~papers in the case are required by law to be sent. The third receipt must be sent at once to the office of the police department.~~

Section 13-116 Register of Property to Be Kept

The chief of police must enter or cause to be entered in a suitable book or evidence log a description of every article of property alleged to be stolen or embezzled and seized~~brought into his office~~ or taken from the person ~~of the prisoner and must attach a number to each article and make a corresponding entry thereof~~.

Section 13-117 Stolen Property Disposition

It shall be the duty of the chief of police to keep all lost or stolen property that comes into the possession of the police department or any of its members. He shall make all reasonable efforts to discover the owners thereof.

Section 13-121 Jail- Governing Body May~~to~~ Provide

The governing body may contract with any person, county, municipality, or combination thereof for the purpose of providing suitable premises and facilities to be used by the municipality for incarceration.

Section 13-125 Prisoners to Labor on Public Works

Any person committed to jail or other place of incarceration as a punishment or in default of the payment of a fine, or fine and costs, may be required to work pursuant to jail policy for the C~~c~~ity at such labor as his or her strength will permit not exceeding eight hours in each working day; a judgment that the defendant pay a fine or a fine and costs may also direct that he be imprisoned until the amount thereof is satisfied, subject to the restrictions and limitation of federal or state law.

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-200 Animal Control

Section 13-200.01.010 Definitions

The following definitions shall apply for purposes of this title, unless it is plainly evident from the context that a different meaning is intended:

"Additional- Dog Household" means a residence that is allowed up to four dogs (including foster dogs) under the applicable license.

"Animal" means any live, vertebrate, domestic or wild animal.

"Animal at Large" means any animal, whether or not licensed, not under restraint.

"Animal Control Board" means the City Council, unless such role is otherwise delegated by the City Council to a different individual or group.

"Animal Control Officer" means any person designated by the State of Utah, a municipal government, or a humane society, as a law enforcement officer, or specifically as an animal control officer, being qualified under the laws of this state.

"Animal Shelter" means any facility operated by a humane society or political subdivision of the State of Utah, for the purpose of impounding or caring for animals held under the authority of this Section or state law.

"Animal under Restraint" means an animal on a leash or lead which is held by a person or attached to a stationary object or confined within a vehicle or confined upon the real property of the owner or custodian.

"Attack" means any biting, attempted biting, or other action by an animal that places a person or another animal in danger of imminent bodily harm. Actual physical contact shall not be required to constitute an attack. An attack may include jumping upon, chasing, nipping, or otherwise threatening.

Section 13: POLICE AND PUBLIC OFFENSES

"Bite" means an actual puncture, tear, or abrasion of the skin, inflicted by the teeth of an animal.

"Cat" means any member of the species felis catus.

"Custodian" means any person having the charge, care, custody, or control of an animal that he or she does not own.

"Dog" means any age canis lupus familaris of the domesticated types.

"Euthanize" means a humane killing of an animal.

"Foster Dog" means a dog licensed by a foster-dog entity.

"Foster- Dog Entity" means an entity with an agreement with Kanab City to license dogs fostered for less than one year by City residents. The agreement shall include terms related to required vaccinations, identification, and other items required by the City Council.

"Private Kennel" means any residential property where more than two dogs, or more than four dogs if the residence has an Additional-Dog Permit, or more than three cats, are raised, kept, or housed; or any residential premises wherein any person engages in the business of breeding, buying, letting for hire, training for a fee, or selling dogs or cats. A "private kennel" shall not include any residential property upon which a Community Cat program is in place in accordance with the provisions of the Utah Community Cat Act, and Community Cats shall be specifically excluded from the three--cat limitation as stated herein.

"Public Kennel" means any commercial premises where any dogs or cats are raised, kept, housed, or boarded; or any commercial premises wherein any person engages in the business of boarding, breeding, buying, letting for hire, training for a fee, or selling dogs or cats. A "public kennel" shall not include any commercial premises upon which a Community Cat program is in place in accordance with the provisions of the Utah Community Cat Act.

"Leash" or "Lead" means any chain, rope, or device used to restrain an animal.

Section 13: POLICE AND PUBLIC OFFENSES

"License" means a properly completed and validated license and rabies certificate issued by the City or other City-designated licensing agency.

"License Tag" means a piece of metal or other durable material inscribed with "{Kanab City"} and a number that has been issued by the City or other City-designated licensing agency.

"Licensed Animal" means an animal wearing its current license tag as required by this Section.

"Micro-chipping" means implanting an electronic animal identification device.

"Neutered" means having had the testicles removed; a castrated animal.

"Owner" means any person, partnership, or corporation owning, keeping, or harboring one or more animals. An animal shall be deemed to be harbored if it is fed or sheltered for three consecutive days or more. However, "owner" shall not include a Community Cat Caretaker as defined under the Utah Community Cat Act.

"Quarantine" means the isolation of an animal in a substantial enclosure so that the animal is not subject to contact with other animals or unauthorized persons.

"Spayed" means having had the ovaries and uterus removed or extirpated; an ovariohysterectomy.

"Veterinary Clinic" means any establishment maintained and operated by a licensed veterinarian for surgery, diagnosis, or treatment of diseases and injuries of animals.

"Vicious Animal" means an animal:

1. with a known propensity, tendency, or disposition to attack unprovoked, to cause injury to, or to otherwise endanger the safety of humans or other domestic animals;
2. that attacks a human being or other domestic animal without provocation; or
3. that is trained or used to fight or to attack humans.

"Wild Animal" means an animal commonly accepted as being "wild" and includes, but is not limited to, the following, no matter how domesticated they may be:

A. Alligators and crocodiles;

B. Bears (ursidae);

C. Cat family (felidae), except felis catus;

D. Coyotes, foxes and wolves;

E. porcupine (erchizontiade);

F. Nonhuman primates (hominidae);

G. Raccoon (prosynnidae);

H. Skunks;

I. venomous snakes or venomous lizards;

J. Weasels (mustelidae); and

K. Ferrets.

Section 13-200.01.011 Purpose

The City Council finds that to adequately protect the residents of the City of Kanab from dangerous or potentially dangerous animals, from rabid animals, or from animals causing a nuisance, it is necessary to provide a management and licensing structure, pound facilities, and care requirements for animals within the City limits. The City Council further finds that regulations are necessary to ensure humane treatment for all animals within the City limits. The purpose of this Section is to establish standards for the keeping of animals and fowl in a manner that will not endanger the health, peace, or safety of the residents of the City, and which will ensure that such animals and fowl are kept in clean and sanitary conditions and are not subject to suffering, cruelty, or abuse. The City Council further finds that Kanab is in a unique situation with ~~the~~ regard~~s~~ to sheltering animals.

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-200.01.020 Premises Confining Animals and Fowl-Neat and Sanitary Condition Required.

A. Wherever animals, including fowl and pigeons, may be tethered, corralled, confined and sheltered or fed, the premises shall be maintained in a neat and sanitary condition so that no nuisance due to unsightliness, odor, or pest breeding or harborage shall be caused by such animals or premises.

B. All barns or stables intended for or presently used to shelter livestock that are now erected and maintained or may be erected, constructed, altered, or repaired within the city shall conform to the requirements of the applicable zoning ordinance, the building code, and all other applicable laws of the city.

Section 13-200.01.040 Disposal of Animals

If an animal or fowl dies within the limits of this city, the owner of that animal or fowl must remove or bury the carcass within ten hours of its death. Except at designated landfills, it is unlawful to bury a non-domesticated animal within the City limits, including, but not limited to, a horse, cow, ox, pig, sheep, goat, ostrich, llama, emu, or wild animals.

Section 13-200.01.050 Leaving animal in vehicle

A. It shall be unlawful to leave or confine an animal in any unattended motor vehicle under conditions that endanger the health or well-being of an animal due to heat, cold, lack of adequate ventilation, ~~or~~ lack of food or water, or other circumstances that could reasonably be expected to cause suffering, disability, or death to the animal.

Section 13: POLICE AND PUBLIC OFFENSES

Section 13-200.01.060 Excessive Noise

A. It is a Class C misdemeanor for any person to possess or own an animal or fowl and to allow the animal or fowl to make a sound or combination of sounds that are frequent, repetitive, or continuous, and loud or raucous to the extent that the sound or sounds unreasonably disturbs or interferes with the peace, comfort or repose of another, including but not limited to barking, howling, braying, quacking and crowing.

B. It shall be prima facie evidence that the noise referred to in subsection A is frequent, repetitive, or continuous if it occurs:

   a. Between the hours of 10:01 p.m. and 7:00 a.m. and continuously for a period of five minutes or more, or intermittently for a period of fifteen minutes or more; or

   b. Between the hours of 7:01 a.m. and 10:00 p.m. and continuously for a period of fifteen minutes or more, or intermittently for a period of thirty minutes or more.

C. It shall be prima facie evidence that the noise referred to in subsection A is loud or raucous to the extent that it unreasonably disturbs or interferes with the peace, comfort, or repose of another if the sound can be heard anywhere on the property of another.

D. It shall be an affirmative defense under this section that the animal was intentionally provoked to make such noise; provided that enactment of this provision shall in no way abrogate any other provision under this code concerning animal noise.

E. In addition to any other penalty authorized by law, a person found guilty of this section shall pay a fine of not less than one hundred fifty dollars for the first occurrence, and a fine of not less than three hundred dollars for additional occurrences within a 12-month period. These recommended fine amounts may be updated from time to time in the City's Consolidated Fee Schedule.

Section 13-200.01.141 Revocation of License or Permits

Section 13: POLICE AND PUBLIC OFFENSES

A. The Chief of Police may revoke any permit or license of a person holding a permit or license if he or she does not comply with any part of Section 13-200, the regulation promulgated by said authorities, or any applicable law governing the protection and keeping of animals.

B. If a person's permit or license is revoked for any reason other than by court order, the person may appeal the revocation to the City's Appeal Authority, following the process and procedures outlined in the City's Land Use Ordinance, Chapter 3.~~to the animal control board by delivering a written notice of appeal to the City Office within 10 calendar days from the date of revocation. If a notice of appeal is properly made and delivered under Section B, the animal control board shall hold an administrative hearing within 10 calendar days of receiving the notice to determine the disposition of the appeal. The animal control board's decision shall be final.~~

C. Any person whose permit or license is revoked shall, within ten days thereafter if no appeal is made, or within 10 days after a written decision upholding the revocation by the ~~animal control board~~appeal authority, humanely dispose of the animals owned, kept, or harbored by such person under the permit or license, and no part of the permit or license fee shall be refunded.

D. It shall be a condition of the issuance of any permit or license that the licensing authorities, animal control officers, police officers, or humane officers~~,~~ shall be permitted to inspect all animals and the premises where animals are kept at any time. If permission for an inspection is refused, the permit or license of the refusing owner or keeper shall be revoked.

E. If the applicant has withheld or falsified any information on the application, the licensing authorities shall refuse to issue a permit or license.

F. No person who has been convicted of cruelty to animals shall be issued a permit or license to operate a commercial animal establishment or kennel.

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Section 13-200.01.150 Interference with Officer

A. It shall be unlawful for any person to interfere with, molest, hinder or prevent any police officer or animal control officer in the discharge of their duties as herein prescribed.

B. Any person who shall hinder, delay, interfere with or obstruct any police officer or animal control officer while engaged in capturing, securing, or taking to the animal shelter any animal or animals needing to be impounded~~, or who shall break open or in any manner directly or indirectly aid, counsel or advise the breaking open of any animal control vehicle or other vehicle used for the collecting of any such animals~~ shall be guilty of a class B misdemeanor.

Section 13-200.01.120 Animal Bites

A. It shall be unlawful for any animal to bite or attack any person or domestic animal. It is no defense that the animal is chained or confined if the chaining or confining is on public or private property where the public has access to be on such property. The owner or custodian of any animal is in violation of this section regardless of the precautions taken to prevent the bite or attack and regardless of the lack of knowledge of the offense at the time it occurs.

B. It is unlawful for any person to keep, own, harbor, or have the control of any vicious animal. It is prima facie evidence that an animal is vicious if it bites or attacks a person or domestic animal. Any police officer or animal control officer may apprehend such animal and may cause it to be impounded at the animal shelter.

Section 13-200.01.130 Defecation and Urination

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It is unlawful to allow an animal to defecate or urinate upon private property not owned by the person owning or in control of such animal. The owner or custodian of any animal shall be responsible for the removal of any defecation deposited by such animal on public property, recreation areas, or private property not owned by the person owning or in control of such animal.

Section 13-200.01.070 Animals Running at Large

A. It is unlawful for the owner or person having charge, care, custody, or control of any animal to allow such animal at any time to run at large. The owner or person charged with responsibility for an animal found running at large shall be strictly liable for any violation(s) committed by the animal, regardless of whether or not the person knows the animal is running at large.

B. However, dogs may be at large while participating in field trials and obedience classes organized and sanctioned by recognized dog clubs, while assisting their owner or trainer in legal hunting or in herding of livestock, while assisting a peace officer engaged in law enforcement duties, or while being trained for the above purposes so long as such dogs are under direct and effective sound or gesture control within sight of such individuals to assure that they do not violate any other provisions of law. Furthermore, Community Cats, as defined under the Utah Community Cat Act, shall not be considered at large under this provision, and the Community Cat Caretaker, as defined under the Utah Community Cat Act, shall not be subject to penalties under this provision.

C. In addition to any other penalty, there shall be a $35 pick-up fee for each animal apprehended under this provision. The recommended fee amount may be updated from time to time in the City's Consolidated Fee Schedule.

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Section 13-200.01.080 Impound-Authority

A. The animal control officer may apprehend and impound any animal found at large within the Ceity. Any person apprehending any animal running at large on his or her property may deliver the same to any animal control officer, which animal may then be impounded in the animal shelter.

B. Whenever an animal control officer shall have probable cause to believe that an animal has been abandoned, or is a vicious animal, or that the animal has been treated in any way that is in violation of any provision of Section 13-200 or Utah Code regarding Cruelty to Animals, the officer shall be authorized to immediately seize the animal and may impound the same in the animal shelter, in accordance with the Fourth Amendment.

C. In the enforcement of any provision of this Section, any police officer or animal control officer is authorized to enter the premises of any person to take possession of a fierce, dangerous, or vicious animal or animals running at large, when in fresh pursuit of such animal at the time the animal goes onto the private property.

D. A community cat released to the location where it was trapped in accordance with the Utah Community Cat Act shall not be considered abandoned.

E. Healthy community cats shall not be impounded. Stray, feral, or domesticated cats may be impounded if there is no Community Cat program actively in place in the community. A community cat released to the location where it was trapped in accordance with the Utah Community Cat Act shall not be considered abandoned.

Section 13-200.01.085 Impound Procedures

A. If an animal is summarily impounded without the knowledge of the owner or custodian, a notice that the animal has been impounded shall be given to the owner or custodian of the animal, if the same is

known, by handing the notice to the owner or custodian, attaching the notice to the door at the residence thereof, or mailing a notice to the last known address of the owner or custodian. Such notice triggers the minimum holding period described in (B) below.

B. An animal summarily impounded as provided in this section may be recovered by the owner complying with the regulations of the animal shelter. If, in a subsequent court proceeding, the animal is determined not to be abandoned, vicious, at large, or a nuisance, the animal shall be released to the owner or custodian without any charge. Unless subject to quarantine, any animal impounded at an animal shelter shall be held for a minimum five working days. If the animal is not claimed or adopted within the five days, it may be surrendered to an animal sanctuary/kennel, or, as a last resort, euthanized.

C. If there are safety concerns with releasing the animal, the City may continue holding the animal until an agreement has been reached between the owner/custodian and the City, or until a court order, pursuant to a hearing, makes findings, including whether the animal is vicious, and directs that the animal be 1) destroyed, 2) placed in a sanctuary, or 3) released to the custodian according to any court-imposed restrictions.

D. Healthy community cats that have been impounded may be immediately returned to the field near where the cat was found, released to a caregiver or the sanctuary, or adopted.

E. Any animal voluntarily relinquished to the animal control officer or an animal shelter by the owner or custodian thereof for destruction or other disposition need not be kept for the minimum holding period, but may be euthanized immediately.

F. Any law enforcement officer may humanely destroy any animal found suffering past recovery for any useful purpose. Before destroying the animal, the officer shall obtain the judgment ~~to the effect~~ of a veterinarian, or of two reputable citizens called by him to view the animal in his presence, or shall obtain consent to the destruction from the owner of the animal.

G. Any wild animal placed in the animal shelter may be disposed of immediately.

Section 13-200.01.160 Quarantine of Animals

A. Whenever any animal attacks or bites a person or domestic animal, the police department may impound and quarantine the animal for a period of ten days. The owner of an animal, upon learning that the animal bit or attacked a person or other domestic animal, shall immediately notify the police department. At the end of the ten-day quarantine period, the animal may be released from quarantine, upon a veterinarian's examination that such animal is free from rabies in accordance with Section 13-200.03.010 Rabies Control below. If the animal is not claimed or adopted within the ten days, it may be surrendered to an animal sanctuary/kennel, or, as a last resort, euthanized. The expenses incurred in the inspection of such animal shall be paid by the owner or person in control of such animal, in addition to any other fines or charges due. Such expenses shall be paid prior to the release of the animal. If the animal dies within the ten-day quarantine period, its brain shall be sent to the State Department of Health for examination for rabies.

B. If there are safety concerns with releasing the animal, the City may continue holding the animal until an agreement has been reached between the owner/custodian and the City, or until a court order, pursuant to a hearing, makes findings, including whether the animal is vicious, and directs that the animal be 1) destroyed, 2) placed in a sanctuary, or 3) released to the custodian according to any court-imposed restrictions.

Section 13-200.01.100 Detention of Animals

It is unlawful for any person to detain or hold the animal of another, without the owner's consent or knowledge, and without notifying the

animal control officer or law enforcement agency within twenty-~~—~~four hours.

Section 13-200.03.010 Rabies Control

A. A Report of Bites. A person bitten and the parents or guardians of a minor child bitten by a dog, cat, skunk, fox, bat, coyote, bobcat, or other animal known to constitute a serious threat of rabies shall notify the animal control officer immediately thereafter. Physicians treating such bites and other persons having ~~the~~ knowledge of such bites shall also be required to make such notification.

B. Report of Suspected Rabid Animals. Any person who observes or has knowledge of an animal that shows symptoms of rabies, or which acts in a manner that would lead to a reasonable suspicion that it may have rabies, shall notify the animal control officer and comply with appropriate laws and regulations regarding suspected cases of rabies as directed by the state or city-county health departments.

C. Isolation of Biting or Suspected Rabid Animals. Upon the reasonable order of the animal control or public health officer, a biting or suspected rabid animal shall be isolated, at the owner's expense if owned, in strict confinement under proper care and under the observation of a licensed veterinarian in an animal shelter or veterinary clinic in a manner approved by the animal control officer.

D. Examination of Head. Any biting or suspected rabid animal may be humanely euthanized immediately, and such animal's undamaged and properly packaged and properly refrigerated head shall be delivered promptly to an approved medical facility having the capability of performing tests to demonstrate the presence of rabies.

E. Release. Ten (10) days after the day of a bite by an animal, such animal may be released to its owner after a licensed veterinarian has examined that animal and, in his or her opinion, found it not to have had

rabies in a transmissttiable stage on the day of the bite. Non-immunized animals shall be vaccinated for rabies before release.

F. Animals Possibly Exposed to Rabies. Any animal of a species subject to rabies that has been bitten by a known rabid animal, or that has been in intimate contact with such an animal, shall be isolated, at the owner's expense if owned, in strict confinement in a place and manner approved by the animal control officer and observed by a licensed veterinarian for a period of six (6) months, or euthanized. Notwithstanding the foregoing, the following alternative is permitted in case of dogs and cats. If the dog or cat had been vaccinated against rabies at least thirty (30) days before the suspected exposure with a type of vaccine produced under U.S.D.A. license and within the time period approved by the state veterinarian, the dog or cat may be re-vaccinated and isolated in strict confinement in a place and manner approved by the animal control officer and observed by a licensed veterinarian for a period of thirty (30) days.

Section 13-200.03.020 Vaccination Required

A. Dog owners shall obtain a rabies vaccination for each dog they own, keep, harbor, or have custody of, within ten (10) days after it becomes three months of age, or within ten (10) days after obtaining any dog over three months of age. It shall be unlawful for any person or persons to own, keep, harbor, possess, or to have in his or her care, charge or custody, any dog three months of age or over unless such dog has a current and valid rabies vaccination administered by any duly qualified and licensed veterinarian, with a rabies vaccine approved by the State Department of Health for use in dogs. Such vaccination shall be repeated at intervals specified by the State Department of Health in order to maintain adequate immunity.

B. In addition to the current year's license, the vaccination tag shall be attached to or otherwise worn by the dog. It shall be unlawful for any person or persons to remove or cause to be removed the vaccination tag from any dog without the consent of the owner, keeper, or harborer thereof. The vaccination tag shall not be transferable from one dog to another.

Section 13-200.01.190 Female Cats in Heat/Season Running at Large

The owners or custodians of female cats shall cause such cats, when in heat/season, to be penned or enclosed in such a manner as to preclude other cats from attacking such female cat or from being attracted to such female cat. It shall be unlawful for the owner or custodian of any female cat to cause, permit, or allow such cat to be at large, or to enter upon a street or sidewalk while such female cat is in copulating heat/season, regardless of lack of knowledge of the offense at the time it occurs. If the female cat cannot be controlled by the owner in accordance with this section during the copulating heat/season, such cat may be impounded by the animal control officer.

Section 13-200.01.200 Threatening Passers-By

It shall be unlawful for any animal to threaten a passer-by by nipping, chasing, jumping upon, or attacking. The owner or custodian of such animal shall be guilty of a Class C misdemeanor.

Section 13-200.02.040 Female Dogs in Heat/Season Running at Large

The owners or custodians of female dogs shall cause such dogs, when in heat/season, to be penned or enclosed in such a manner as to preclude other dogs from attacking such female dog or from being attracted to such female dog. It shall be unlawful for the owner or custodian of any female dog to cause, permit, or allow such dog to be at large, or to enter

upon a street or sidewalk while such female dog is in copulating heat/season, regardless of lack of knowledge of the offense at the time it occurs. If the female dog cannot be controlled by the owner in accordance with this section during the copulating heat/season, such dog may be impounded by the animal control officer.

Section 13-200.02.160 Dogs in Prohibited Areas

A. It shall be unlawful for any person to take or to permit any dog, whether loose or on a leash or in arms, in or about any establishment or place of business where food or food products are sold or displayed, as required by Utah law; and it shall be unlawful for any person to allow any dog to enter in or be upon any public park, school, cemetery, or other City property where it is posted that no dogs are allowed.

B. An exception to this section shall be for any dog trained and used for physically handicapped persons, such as dogs for the blind or hearing impaired.

Section 13-200.02.170 Allowable Number of Dogs

A. Except as otherwise provided in this Section, no more than two (2) dogs ~~which~~ that are three (3) months of age or older shall be kept at any property at any time.

B. Additional—Dog Households, public and private kennels, or boarding homes/facilities, or any similar facilities that keep more animals than allowed by this section, are permitted within the City and exempt from this section only if licensed by the City and lawfully located pursuant to City Zoning Regulations.

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C. Additional-Dog-Household Permit:

1. A person may receive an Additional-Dog-Household Permit by meeting the following requirements:

a) All dogs within the household must meet the licensing requirements of Section 13-200.02.010;

b) All dogs within the household must be spayed or neutered;

c) The residence must have a fully fenced yard of at least 450 square feet capable of containing all dogs;

d) Dogs may not be chained or tethered to a fixed location outdoors at any time; and

e) An applicant must submit an application provided by the City agreeing to the terms of this provision, and must include as part of the application images of the required fence and fenced property.

f) If the applicant does not own the property, the property owner must co-sign the application.

2. Additional--Dog--Household Permits will be revoked for any of the following reasons:

a) Two or more ~~convictions~~ offenses within 12 months under Section 13-200.01.060 for excessive noise;

b) Two or more ~~convictions~~ offenses within 12 months under Section 13-200.01.070 for animals at large;

c) One or more ~~conviction~~ offenses under Section 13-200.01.050 for cruelty to animals;

d) One or more ~~conviction~~ offenses under Section 13-200.01.020 for failure to maintain premises in a neat and sanitary condition;

e) One or more ~~conviction~~ offenses for other serious dog-related offenses (greater than a Class C misdemeanor); ~~or~~

f) Failure to maintain the requirements of this section; or

g) A combination of two or more of the offenses listed above within a 12-month period (unless only one offense is required, as detailed above), or similar offenses of related or similar provisions in State law.

As it relates to the decision whether to revoke an Additional-Dog-Household permit or not, a criminal conviction(s) is not required to establish that an offense(s) has occurred, but merely the preponderance of evidence that the offense(s) occurred.

3. Additional-~~-~~Dog-~~-~~Household Permits are not transferable between applicants ~~n~~or properties.

Section 13-200.04 Kennels and Dog Boarding

Section 13-200.04.020 Permit or Licensure Required

A. Kennels:

1. Permit required. No person may operate or maintain a kennel without first obtaining a permit from Kanab City.
2. Application. All applications for permits to operate or maintain a kennel shall be submitted in writing upon printed forms provided for such purposes by the City. The application shall first be referred to the City animal control officer. Upon approval, the City shall issue the permit upon payment of the fee herein provided.

3. Before the permit can be issued, the following conditions concerning the location of the kennel must be met.

   a. A private kennel shall be located in a Residential Agricultural (RA) ~~District~~zone or Rural Residential (RR-1) zone, with a conditional use permit, and shall not exceed more than three (3) dogs per acre. The location where the dogs or cats are kept, raised, or housed must be 200 feet away from any neighboring house~~,~~ and must be 150 feet from any road.

   a. A public kennel shall be located in a permitted commercial district, with a conditional use permit.

B. Dog Boarding:

1. A business license is required to operate or maintain dog boarding in a residential zone as permitted in the Land Use Ordinances.

2. Boarding dogs in a permitted residential zone shall not exceed more than four (4) dogs per property, including any dogs that are owned by the tenant or property owner.

3. The location of any structure or enclosure (i.e., doghouse, dog run, etc.) where dogs are kept or housed must meet the setback requirements for the zone.

4. The residence must have a fully fenced yard of at least 450 square feet capable of containing all dogs.

5. Dogs may not be chained or tethered to a fixed location outdoors at any time.

6. If the applicant does not own the property, the property owner must co-sign the application.

[Both an Additional-Dog-Household permit and a business license may be required for maintaining and/or boarding three or four dogs; whereas, no Additional-Dog-Household permit is required if a person is only maintaining/boarding one or two dogs (i.e., just requiring a business license if the person plans to

do dog boarding, but maintain the total number of dogs at two or below).]

~~B.~~C. The following minimum standards shall be complied with to obtain and maintain a kennel permit and a business license for dog boarding.

1. Enclosure must be provided, which shall allow adequate protection against weather extremes. Floors of buildings, runs, and walls shall be of an appropriate material as required by the specific breed of animal, and also to permit proper cleaning and disinfecting.
2. Adequate ventilation shall be maintained and an appropriate temperature provided as required by the specific breed of animal housed therein.
3. Each animal shall have sufficient space to stand up, lie down, and turn around without touching the sides or tops of cages.
4. Runs shall provide an adequate exercise area and protection from the weather.
5. All animal quarters and runs are to be kept clean, dry, and in a sanitary condition.
6. The food shall be free of contamination, palatable, and of sufficient nutritive value as to meet the normal daily requirements for the condition and size of the animal.
7. Fresh water is to be available at all times. Water vessels shall be mounted or secured in a manner that prevents tipping and be of the removable type.
8. Permits and licensure will be revoked for any of the following reasons:

   a. Two or more ~~convictions~~offenses within 12 months under Section 13-200.01.060 for excessive noise;

b. Two or more ~~convictions~~offenses within 12 months under Section 13-200.01.070 for animals at large;

c. One or more ~~conviction~~offenses under Section 13-200.01.050 for cruelty to animals;

d. One or more ~~conviction~~offenses under Section 13-200.01.020 for failure to maintain premises in a neat and sanitary condition;

e. One or more ~~conviction~~offenses for other serious dog-related offenses (greater than a Class C misdemeanor); ~~or~~

f. Failure to maintain the requirements of this section; or

g. A combination of two or more of the offenses listed above within a 12-month period (unless only one offense is required, as detailed above), or similar offenses of related or similar provisions in State law.

As it relates to the decision whether to revoke a permit or license under this subsection, a criminal conviction(s) is not required to establish that an offense(s) has occurred, but merely the preponderance of evidence that the offense(s) occurred.

~~7.~~9. Permits and licensure are not transferable between applicants nor properties.

~~C.~~D. Holders of existing kennel permits ~~which~~ that do not meet the distance requirements ~~required~~ outlined in this Section shall be exempt from the distance requirements for their existing animals. As animals die, are sold, given away, or are otherwise removed from the property, they may not be replaced unless all of the conditions of this Section are met. The City shall have the power to revoke the kennel permit in the event that the permit holder is convicted of any other violation of the provisions of this title.

Section 13-200.04.030 Fees

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Any person conducting, operating, or maintaining a kennel shall pay to the City for the privilege of conducting, operating, or maintaining such kennel an annual permit fee, ~~which shall be in an amount established by City Council resolution~~detailed and updated in the City's Consolidated Fee Schedule.

Section 13-200.04.050 Inspection

It shall be the duty of the animal control officer or police officer to periodically inspect all registered kennels, to see that the provisions of this Section pertaining to the sanitation and care of such places are being observed.

Section 13-200.04. 060 Definitions - Exception for Puppies-Kittens

A. Kennel as defined in §13-200.01.010 shall be applicable to this Section.

B. This Section shall not apply to the birth of puppies or kittens in a situation which is not an intentional commercial breeding business, so long as the total number of dogs or cats is reduced to the allowable number per the definition of Kennel.

Section 13-200.02.010 Licensing

A person owning a dog within the City limits shall license the dog pursuant to the following provisions:

A. Licensing, Fees, and Registration.

1. It is unlawful for any person to own, keep, or harbor a dog over the age of three months within the limits of this City without licensing the dog with Kanab City and paying to the City an annual registration fee, as outlined and updated in the City's Consolidated Fee Schedule.

2. A late fee shall be imposed unless a new license is acquired before the expiration of the current license. Licenses for the following year may be purchased within ninety (30) days before the expiration date.

3. All licenses and late fees required by this Section shall be in the amounts established by City Council resolution.

4. It shall be the duty of the animal control officer, his or her designee, to license any dog upon a qualified application of the owner or keeper and to issue a license receipt and metallic license tag on payment by the owner or keeper. Such license receipt and metallic license tag shall be valid and in force from the date issued until the expiration date.

5. The provisions of this section shall not apply to dogs whose owners are nonresidents temporarily within the City for thirty (30) days or less, nor to dogs brought into the City for the purpose of participating in any show or event.

B. Information Required for License. Before receiving a license receipt and metallic license tag, each owner must identify in the application for such a license, the name and address of the owner and the sex, breed, age, and color of each dog to be licensed. The owner must also present a certificate from a veterinarian stating that the dog has been vaccinated for the prevention of rabies. Such certificate must give the last date of vaccination and the number of the vaccination tag used by the veterinarian at the time of vaccination. It is unlawful for the owner to misrepresent the age of any dog for the purpose of avoiding the payment of the license required by this Section.

C. Collar-Tag Attachment. It shall be the duty of the owner or keeper of any dog so licensed to provide a suitable collar for such dog to wear and to attach thereto the metallic license tag having a number corresponding with the certificate of registry inscribed thereon. All dogs not so licensed and collared as prescribed by this Section may be impounded by the animal control officer or any police officer or other designated official of the city.

D. Removal of Collar and License Tag. It is unlawful for any person other than the owner to remove (1) the collar from any dog to which a collar has been attached, (2) the metallic license tag herein required, or (3) to remove said metallic license tag from the collar to which it has been attached.

E. The owner of any dog of license age, except exempt dogs below, shall make application for a permit and obtain a permit tag for such dog within ten (10) days after acquisition or age attainment.

Section 13-200.02.020 Licensing and Fee Exemptions

The provisions of §13-200.02.010.(A)(1) shall not apply to:

1. Seeing eye dogs properly trained to assist blind persons, if such dogs are actually being used by blind persons to assist them in moving from place to place.
2. Hearing dogs properly trained to assist deaf persons if such dogs are actually used by deaf persons to aid them in responding to an auditory stimulus.
3. Dogs specifically trained to assist officials of governmental agencies in the performance of their duties and which are owned by such agencies.
4. Nothing in this section shall be construed to exempt any dog from having a current rabies vaccination.

Section 13-200.01.210 Penalties

Unless otherwise specifically provided, every person whose animal violates any provision of this Section is guilty of a Class C misdemeanor. In addition to any other penalty authorized by law and unless otherwise specified, a person found guilty of violating Section 13 shall pay a fine of at least one hundred and fifty dollars for the first occurrence and at least three hundred dollars for each additional occurrence within a 12--month

period. These recommended fine amounts may be updated from time to time in the City's Consolidated Fee Schedule.

Section 13-310 Adoption Criminal Code

A. ADOPTION OF CRIMINAL AND TRAFFIC CODE - The provisions of the Utah State Code, Titles 13, 23 (including the applicable sections of the Utah Administrative Code, enacted by the Utah Department of Wildlife), 24, 26, 30, 31A, 32B, 41, 53, 53A, 53B, 54, 58, 59, 63, 65A, 72, 73, 76, 77, 78, and the Federal Motor Carrier Safety Regulations (the specific sections adopted by Utah Code, Title 72), any of which as may hereafter be amended from time to time, which define offenses which are Class A, B, or C Misdemeanors, or Infractions, and definitions, procedural, or supporting sections as contained in the Utah Criminal and Traffic Code are hereby approved and adopted as the Criminal and Traffic Code of this municipality, as may be modified by ordinances of this municipality.

B. Penalties: Each criminal or traffic offense outlined or adopted herein shall be of the same misdemeanor or infraction offense level as outlined in Utah State Code, Utah Administrative Code, and the Federal Motor Carrier Safety Regulations, unless otherwise specified herein. The fine or bail amount for each offense shall be the same as that outlined in Utah State Code or the current version of the Utah Uniform Fine/Bail Schedule, unless otherwise specified herein.

Section 13-311 Off-Highway Vehicle Act

A. Adoption of Off-Highway Vehicle Act. Section 22 of Title 41 of the Utah Code ~~Annotated 1953,~~ shall constitute the Kanab City Ordinance as to the rules and regulations governing off-highway vehicle (hereinafter OHV), and the same shall be construed to make them applicable as City ordinances.

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B. Designation of OHV routes. The following streets within the City of Kanab are designated as permissible routes for the use of off-highway vehicles, subject to all other rules and regulations outlined in this Section. While on city streets, any operator who is under 16 years of age must be under the direct visual supervision (as defined in Utah Code 41-22-30) of an adult who is at least 18 years of age.

C. Speed Limits. The maximum speed for off-highway vehicles shall be 25 miles per hour or as posted (for general motor vehicular traffic), whichever is the most restrictive. The operation of off-highway vehicles shall otherwise be in accordance with all applicable motor vehicle laws and regulations. The violation of this provision shall be punishable consistent with speed violations for general motor vehicles.

1. The following described roadways are hereby designed for off-highway vehicle (OHV) use in conformance with all applicable laws, ordinances, and regulations of the State of Utah and the City of Kanab.

West Side of Kanab

- 300 West to Highway 89 North.
- 300 North - from 300 West to 200 East.
- 200 West - from 300 North to 200 South.
- 200 South to 100 West (1 block).
- South on 100 West to 400 South (2 blocks).
- 300 South - West to Powell Drive.
- South on Powell Drive to the Utah / Arizona State Line.
- 100 West to 300 East.

East Side of Kanab

- 300 North down 200 East to 100 North.
- East on 100 North to 300 East (1 block).
- Down 300 East to 400 South.
- West on 400 South to 175 East.

- 175 East to 650 South.
- 650 South to 2100 South on State Road 11.
- 2100 South to 2500 South on 175 East.
- 175 East to 400 East on 2500 South.
- 2500 South to 2900 South on 400 East.
- 550 East to 1000 East on 2900 South.

Highway 89

- From 300 East on Highway 89 to 900 East.
- South on 900 East to Chinle Drive.
- East on Chinle Drive (old highway 89) to the junction of Highway 89 (6 miles).

The use of the above-designated routes by OHV shall be exclusively for the purpose of accessing approved trails or roadways on state and federal lands outside City limits.

2. Operation of off-highway vehicles on streets or roadways within Kanab City other than those designated above shall be authorized, but only to access the closest designated route described above or by operators who are then registered as participants of an organized OHV event, which event has previously obtained the necessary permit or authorization from Kanab City. The violation of this section shall be punishable as an infraction.

Section 13-312 Curfew-Minors-Exceptions

It is hereby made unlawful for persons of or below the following ages to remain upon the streets, alleys or public places or vacant lots of the municipality between the hours set forth below, unless such person is accompanied by a parent, guardian, or other person with legal custody of such persons necessitates, in which event such person or persons shall obtain a permit from the Chief of Police. Where a permit is required, such permit shall be kept with the person.

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Ages	Curfew Hours
14 and below	10:00 p.m. to 5:00 a.m.
15 to 18	10:00 p.m. to 5:00 a.m. for every curfew period thatwhich immediately precedes a school day.
	12:00 Midnight to 5:00 a.m. for curfew periods not preceding a school day.

A school day shall be any day that Kanab High School is in session during the regular school year.

Section 13-313 Responsibility Of Parents, Etc.

The parents, guardians, or persons with the legal charge or custody of any person subject to section 13-312 shall not permit such person or persons to remain upon any street, alley, vacant lot, or public place, except when a permit as is therein authorized has been issued.

Section 13-312.1 Minors Daytime Curfew

A. **Minors Subject to Compulsory or Alternative Compulsory Education – Daytime**. It is unlawful for any minor subject to compulsory or alternative compulsory education to loiter or remain in any public place, any restricted dwelling, or any unsupervised place within the Kanab City limits during the normal school hours for the school said minor is required to attend.

B. **Parents, Guardians, and Teachers – Daytime**. It is unlawful for any parent, guardian, teacher, or other person having legal care and custody of any minor subject to this chapter to permit or allow,

whether willfully or by exercise of insufficient control, any such minor to remain or loiter in any public place or in any other restricted place, except as provided in this chapter.

C. **Defenses.** It shall be a defense to a violation of this chapter that at the time the minor was in violation of Section A or B above, the minor was:

1. A minor 14 years or older, emancipated by marriage.
2. Accompanied by the minor's parent, guardian, or other adult person having care, custody, or supervision of said minor.
3. In a motor vehicle involved in interstate travel.
4. On an errand at the direction of the minor's parent or guardian, without detour or stop.
5. Acting in response to an emergency.
6. Going to, or returning from, a medical or dental appointment.
7. Permitted to leave the school campus for lunch or any school-approved activity.
8. Attending, or without any detour or stop, was going to, or returning from, a school-approved, recreational, or educational activity, supervised by adults, and sponsored by the local school district, another school district, or any civic, religious, or other government organization.
9. Going to, or returning directly from, a compulsory alternative education program.
10. Going to, or returning directly from, the minor's place of school-approved employment.
11. Granted an exemption for "home schooling" as prescribed by the local board of education.

12. Otherwise granted an exemption to compulsory education by the local board of education, under Utah Code Section 53A-11-102, or any successor provision.

D. **Enforcement Procedures**. Before taking any enforcement action under the provisions of this section, a Peace Officer shall ask said minor's age and reason for being in the public place or other restricted place. The Peace Officer shall not take enforcement action under this section if the Peace Officer has reasonable cause to believe that any defense under subsection (C) of this section applies.

1. Upon any violation, the Peace Officer may take the minor into temporary custody and/or issue a citation to the minor. If the Peace Officer takes the minor into temporary custody, the Peace Officer, without unreasonable delay, shall:

   a. Transport the minor to the school from which the minor is absent, releasing the minor to the principal or other designated school official; or

   b. Release the minor to any individual who has been designated by the local school board to receive and return the minor to school; or

   c. Transport and release the minor to a receiving center established and designated by the local school board.

2. If the minor refuses to return to school or go to the receiving center, or the Peace Officer is unable to otherwise release the minor to the appropriate school official or designated receiving center, the Peace Officer may release the minor to the minor's parent or guardian, and shall notify the appropriate school officials of the violation. If a parent or guardian cannot be reached or is unable to accept custody, the minor shall be referred to the Division of Child and Family Services, in the manner required under state law.

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3. If cited, the minor shall appear, along with a parent or guardian, in the applicable youth court or in Juvenile Court as directed in the citation.

4. A parent or guardian shall not be cited for a violation unless the minor in question was previously cited for a violation of this section and the parent or guardian was warned or advised by a Peace Officer, school official, receiving center, or court official of such violation.

E. **Penalty.** A violation of this section shall be a Class C misdemeanor. In Juvenile or Justice Court, a person adjudicated in violation of this section shall receive a minimum fine of $50.00 for an initial violation. A person adjudicated in subsequent violations of this section shall receive a minimum fine of $100.00. The minimum fine is not intended to be a limitation of any other penalty, probation, community service requirement, or other fine which may be imposed by the applicable court. These recommended fine amounts may be updated from time to time in the City's Consolidated Fee Schedule.

Section 13-314 Discharge of Firearms

It shall be a class B misdemeanor for any person to discharge within the city of Kanab any kind of firearm unless a permit is issued by the Chief of Police; provided that this section shall not be construed to prohibit any officer of the law from discharging a firearm in the performance of his duty nor any citizen from discharging a firearm when lawfully defending person or property.

Section 13-315 Prohibition of Discharge of Fireworks or To Set On Fire Any Inflammable Material within Kanab City

A. Excepting those provisions in Utah Code § 53-7-225, and in accordance with Utah Code § 53-7-22, it shall be unlawful to possess, discharge, sell, or offer for sale~~ell~~ –Class C Fireworks within Kanab

City– without first having obtained a Fireworks permit from the City Fire Department or other authorized agents.

B. It shall be unlawful to throw, deposit, or discard upon any public road, highway, park, recreation area, or other public or private land, or waterway any lighted material.

C. It is hereby declared that this ordinance is necessary for the immediate safety of the Citizens of Kanab City and shall take effect immediately upon publication and shall remain in effect until further notice.

Section 13-349 Sexually-oriented Businesses

Section 13-350 Purpose

The purpose of this Section is to regulate sexually-oriented businesses in order to promote the health, safety, morals, and general welfare of the citizens of the City, and to establish reasonable and uniform regulations to prevent deleterious secondary effects of sexually-oriented businesses within the City. The provisions of this Section have neither the purpose nor effect of imposing a limitation or restriction on the content of or reasonable access to any communicative materials, including sexually-oriented materials. Similarly, it is neither the intent nor effect of this Section to restrict or deny access by adults to sexually-oriented materials protected by the First Amendment, or to deny access by the distributors and exhibitors of sexually-oriented entertainment to their intended market. Neither is it the intent nor effect of this Section to condone or legitimize the distribution of obscene or indecent material.

Section 13-351 Definitions

For purposes of this Section, the following words and phrases shall have the meanings set forth below unless a different meaning is clearly indicated by the context.

"Adult bookstore" or "adult video store" means a commercial establishment which, as one of its principal purposes, offers for sale oriental for any form of consideration any one (1) or more of the following: books, magazines, periodicals or other printed matter, photographs, films, motion pictures, video cassettes, compact discs, digital video discs, slides or simulated display, or other visual representations which are characterized by their emphasis upon the display of specified sexual activities or specified anatomical areas. For the purpose of this definition, "principal purpose" means the commercial establishment:

A. has a substantial portion of its displayed merchandise which consists of said items, or

B. has a substantial portion of the wholesale value of its displayed merchandise which consists of said items, or

C. has a substantial portion of the retail value of its displayed merchandise which consists of said items, or

D. derives a substantial portion of its revenues from the sale or rental, for any form of consideration, of said items, or

E. maintains a substantial section of its interior business space for the sale or rental or said items; or

F. regularly features said items, and prohibits access by minors, because of age, to the premises, and advertises itself as offering "adult" or "xxx" or "x-rated" or "erotic" or "sexual" or "sensual" or "pornographic" material on signage visible from a public right of way; or

G. maintains an adult arcade, which means any place to which the public is permitted or invited wherein coin-operated or slug-operated or electronically, electrically, or mechanically controlled still or motion picture machines, projectors, or other image-producing devices are regularly maintained to show images to five (5) or fewer persons per machine at any one time, and where the images so displayed are

characterized by their emphasis upon matter exhibiting specified sexual activities or specified anatomical areas.

"Adult cabaret" means a nightclub, bar, juice bar, restaurant, bottle club, or other commercial establishment, whether or not alcoholic beverages are served, which regularly features persons who appear nude and/or semi-nude.

"Adult motel" means a motel, hotel, or similar commercial establishment which:

A. offers accommodations to the public for any form of consideration; provides customers with closed-circuit television transmissions, films, motion pictures, video cassettes, other photographic reproductions, or live performances which are characterized by the display or simulated display of specified sexual activities or specified anatomical areas and which advertises the availability of such material by means of a sign visible from a public right-of-way, or by means of any on-or-off premises advertising, including but not limited to, newspapers, magazines, pamphlets or leaflets, radio or television; or

B. offers a sleeping room for rent for a period of time that is less then ten (10) hours; or

C. allows a tenant or occupant of a sleeping room to sub rent the room for a period of time that is less then ten (10) hours.

D. "Adult motion picture theater" means a commercial establishment where films, motion pictures, videocassettes, slides, or similar photographic reproductions which are characterized by their emphasis upon the display or simulated display of specified sexual activities or specified anatomical areas are regularly shown to more than five (5) persons for any form of consideration.

"Characterized by" means describing the essential character or quality of an item. As applied in this Section, no business shall be classified as a sexually-oriented business solely by virtue of showing, selling, or renting materials rated "NC-17" or "R" by the Motion Picture Association of America.

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"City" means the City of Kanab, Utah.

"Customer" means a patron of a business as defined in this Section.

"Employ," "employee," and "employment" describe and pertain to any person who performs any service on the premises of a business, on a full-time, part-time, or contract basis, whether or not the person is denominated an employee, independent contractor, agent, or otherwise. Employee does not include a person exclusively on the premises for repair or maintenance of the premises or for the delivery of goods to the premises.

"Establish" and "establishment" means any of the following:

A. the opening or commencement of any sexually-oriented business as a new business;

B. the conversion of an existing business, whether or not a sexually-oriented business, to any sexually-oriented business; or

C. the addition of any sexually-oriented business to any other existing sexually-oriented business.

"Hearing Officer" means an attorney with an independent practice and not a full-time employee of Kanab City, licensed to practice law in the state of Utah.

"Influential interest" means any of the following:

A. the actual power to operate a sexually-oriented business or control the operation, management, or policies of a sexually-oriented business or legal entity which operates a sexually-oriented business.

B. ownership of a financial interest of twenty (20) percent or more of a business or of any class of voting securities of a business, or

C. holding an office (e.g., president, vice president, secretary, treasurer, managing member, managing director, etc.) in a legal entity which operates a sexually-oriented business.

"Licensee" means a person in whose name a license to operate a sexually-oriented business has been issued, as well as the individual or individuals listed as an applicant on the application for a sexually-oriented business license. In the case of an employee, "licensee" means the person in whose name a sexually-oriented business employee license has been issued.

"Municipal Council" means the Municipal Council of the City of Kanab, Utah.

"Nudity" or "state of nudity" means the showing of the human male or female genitals, pubic area, vulva, anus, or anal cleft or cleavage with less than a fully opaque covering, or the showing of the female breast with less than a fully opaque covering of part of the nipple and areola.

"Operate" or "cause to operate" means to cause to function or to put or keep in a state of doing business.

"Operator" means any person on the premises of a sexually-oriented business who causes the business to function or who puts or keeps in operation the business or who is authorized to manage the business or exercise overall operational control of the business premises. A person may operate or cause to be operated a sexually-oriented business, whether or not that person is an owner, part--owner, or licensee of the business.

"Person" means an individual, proprietorship, partnership, corporation, association, or other legal entity.

"Premises" means the real property upon which a sexually-oriented business is located, and all appurtenances thereto and buildings thereon, including, but not limited to, the sexually-oriented business, the grounds, private walkways, and parking lots and/or parking garages adjacent thereto, under the ownership, control, or supervision of the licensee, as described in an application for a business license pursuant to Section 13-353 of this Section.

"Regularly" means the consistent and repeated doing of the act so described.

"Semi-nude" or "state of semi-nudity" means the showing or the simulated showing of a female breast with less than a fully opaque covering below a horizontal line across the top of the areola and extending across the width of the breast at that point, or the showing of the male or female buttocks. This definition includes the lower portion of the human female breast, but shall not include any portion of the cleavage of the human female breasts exhibited by a dress, blouse, shirt, leotard, or similar wearing apparel, provided the areola is not exposed in whole or in part.

"Semi-nude model studio" means a place where persons regularly appear in a state of semi-nudity for money or any form of consideration in order to be observed, sketched, drawn, painted, sculptured, photographed, or similarly depicted by other persons. This definition does not apply to any place where persons appearing in a state of semi-nudity do so in a modeling class operated:

A. by a college, junior college, or university supported entirely or partly by taxation;

B. by a private college or university which maintains and operates educational programs in which credits are transferable to college, junior college, or university supported entirely or partly by taxation; or:

"Sexual device" means any three-dimensional object designed or marketed for stimulation of the male or female human genital organ or anus or for sadomasochistic use or abuse of oneself or others, and shall include devices such as dildos, vibrators, penis pumps, and physical representations of the human genital organs. Nothing in this definition shall be construed to include any device primarily intended for protection against sexually transmitted diseases or for preventing pregnancy.

"Sexual device shop" means a commercial establishment that regularly features sexual devices. Nothing in this definition shall be construed to include any pharmacy, drug store, medical clinic, or any establishment primarily dedicated to providing medical or healthcare products or services, nor shall this definition be construed to include commercial

establishments ~~which~~ that do not restrict access to any portion of their premises by reason of age.

"Sexual encounter center" means a business or commercial enterprise that, as one of its principal business purposes, purports to offer for any form of consideration, physical contact in the form of wrestling or tumbling when one (1) or more of the persons is semi-nude.

"Sexually-oriented business" means an adult bookstore or adult video store, an adult cabaret, an adult motel, an adult motion picture theater, a seminude model studio, a sexual device shop, or a sexual encounter center.

"Simulated showing or simulated display" means the utilization of a device or covering, exposed to view, that realistically appears to be any part of a specified anatomical area.

"Specified anatomical area" means and includes:

A. less than completely and opaquely covered human genitals, pubic region, anus, anal cleft, buttock, and female breast below a point immediately above the top of the areola; and

B. human male genitals in a discernibly turgid state, even if completely and opaquely covered.

"Specified criminal activity" means:

A. any of the following specified crimes for which less than five (5) years elapsed since the date of conviction or the date of release from confinement for the conviction, whichever is the later date:

   1. dissemination or distribution of obscenity or pornographic material;

   2. distribution of a controlled substance;

   3. engaging in organized criminal activity relating to a sexually-oriented business;

   4. indecency with a child, including:

(a) unlawful sexual activity with a minor,

(b) sexual abuse of a minor, and

(c) lewdness involving a child;

5. indecent exposure or lewdness;

6. molestation of a child, including:

(a) rape of a child,

(b) object rape of a child,

(c) sodomy on a child;

(d) sexual abuse of a child, and

(e) aggravated sexual abuse of a child;

7. sexual exploitation of a minor;

8. prostitution or promotion of prostitution, including:

(a) patronizing a prostitute,

(b) aiding prostitution

(c) exploiting prostitution, and

(d) aggravated exploitation of prostitution;

9. rape, including,

(a) object rape,

(b) forcible sodomy, and

(c) forcible sexual abuse;

10. sale, distribution or display of harmful material to a minor, including:

a. indecent public displays, and

a. dealing in harmful material to a minor;

11. sexual assault or aggravated sexual assault;

12. sexual performance by a child;

13. criminal attempt, conspiracy, or solicitation to commit any of the foregoing offenses; or

14. any offense in another jurisdiction that, had the predicate act(s) been committed in Utah, would constitute any of the foregoing offenses; or

B. any attempt, solicitation, or conspiracy to commit one (1) of the foregoing offenses.

"Specified sexual activity" means any of the following:

A. actual or simulated intercourse, oral copulation, masturbation or sodomy; or

B. actual or simulated excretory functions as a part of or in connection with any of the activities described in (I) above.

"Substantial" means at least thirty-five (35) percent of the item(s) or word(s) so modified.

"Transfer of ownership or control" of a sexually-oriented business means any of the following:

1. the sale, lease, or sublease of the business;

2. the transfer of securities which constitute an influential interest in the business, whether by sale, exchange, or similar means; or

3. the establishment of a trust, gift, or other similar legal device which transfers ownership of control of the business, except for transfer by bequest or other operation of law upon the death of the person possessing the ownership or control.

"Viewing room" means the room, booth, or area where a customer of a sexually-oriented business would ordinarily be positioned while watching a film, videocassette, or other video reproduction.

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Section 13-352 Classification

The classifications for sexually-oriented businesses shall be as follows:

A. adult bookstore or adult video store;

B. adult cabaret;

C. adult motel;

D. adult motion picture theater;

E. semi-nude model studio;

F. sexual device shop; or

G. sexual encounter center.

Section 13-353 License Required

A. It shall be unlawful for any person to operate a sexually-oriented business in Kanab City without a valid sexually-oriented business license.

B. It shall be unlawful for any person to be an employee, as defined in this Section, of a sexually-oriented business in Kanab City without a valid sexually-oriented business employee license.

C. An applicant for a sexually-oriented business license or a sexually-oriented business employee license shall file in person at the Kanab City business license office a complete application. The application shall be signed as required by subsection (E) herein and shall be notarized. An application shall be considered complete when it contains, for each person required to sign the application, the information and/or items required in subsections (a) through (g) below, accompanied by the appropriate fee identified in Section 13-355 of this Section.

1. Tthe applicant's full true name and other names used by the applicant in the preceding five (5) years;

2. Ccurrent business address or another mailing address of the applicant;

3. Wwritten proof of age, in the form of a driver's license or a copy of a birth certificate accompanied by a picture identification document issued by a government agency;

4. Iif the application is for a sexually-oriented business license, the business name, location, legal description, mailing address and phone number of the sexually-oriented business;

5. if the application is for a sexually-oriented business license, the name and business address of the statutory agent or other agent authorized to receive service of process;

6. Aa statement of whether an applicant has been convicted of or has pled guilty or nolo contendere to a specified criminal activity as defined in Section 13-351 of this Section, and if so, each specified criminal activity involved, including the date, place and jurisdiction of each as well as the dates of conviction and release from confinement, where applicable; and

7. Aa statement of whether any sexually-oriented business in which an applicant has had an influential interest, has, in the previous five (5) years (and at a time during which the applicant had the influential interest):

   a. been declared by a court of law to be a nuisance; or

   b. been subject to a court order of closure or padlocking.

D. The information provided pursuant to subsections (a) through (g) of this subsection shall be supplemented in writing by certified mail, return receipt requested, to the City Manager within ten (10) working days of a change of circumstances ~~which~~ that renders the information originally submitted false or incomplete.

E. An application for a sexually-oriented business license shall be accompanied by a legal description of the property where the business is located and a sketch or diagram showing the

configuration of the premises, including a statement of total floor space occupied by the business. The sketch or diagram need not be professionally prepared but shall be drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six (6) inches. Applicants who are required to comply with Subsections 13-363 and 13-367 of this Section shall submit a diagram indicating that the interior configuration meets the requirements of those sections.

F. If a person who wishes to operate a sexually-oriented business is an individual, the person shall sign the application for a license as the applicant. If a person who wishes to operate a sexually-oriented business is other than an individual, each person with an influential interest in the business shall sign the application for a license as the applicant. Each applicant shall be qualified under Section 13-354 and each applicant shall be considered a licensee if a license is granted.

G. The information provided by an applicant in connection with an application for a license under this Section shall be maintained by the office of the City Manager on a confidential basis, and such information may be disclosed only as may be required by law or court order, and only to the extent required~~,~~ by law or court order.

Section 13-354 Issuance of License

A. Upon the filing of a complete application under Subsection (C) of this Section for a sexually-oriented business license, the City Manager shall immediately issue a temporary license to the applicant, which temporary license shall expire upon a final decision of the City to deny or grant a business license. Within twenty (20) days of the filing date of a complete sexually-oriented business license application, the City Manager shall issue a business license to the applicant or issue to the applicant a letter of intent to deny the application. The City Manager shall issue a license unless:

1. Aan applicant is less than eighteen (18) years of age;
2. Aan applicant has failed to provide information required by Section 13-353 of this Section for the issuance of a license or has falsely answered a question or request for information on the application form;
3. tThe license application fee required by Section 13-355 of this Section has not been paid;
4. tThe sexually-oriented business does not comply with the interior configuration requirements of this Section, or does not comply with the interior configuration requirements of this Section, or does not comply with local requirements set forth in this Section, Kanab City codeordinances;
5. Aany sexually-oriented business in which the applicant has had an influential interest, has in the previous five (5) years (and at a time during which the applicant had the influential interest):
   (a) been declared by a court of law to be a nuisance; or
   (b) been subject to an order of closure or padlocking; or
6. aAn applicant has been convicted of or pleaded guilty or nolo contendere to a specified criminal activity as defined in this Section.

B. Upon the filing of a complete application under Subsection 13-353 (3) of this Section for a sexually-oriented business employee license, the City Manager shall immediately issue a temporary license to the applicant, which temporary license shall expire upon the final decision of the City to deny or grant a business license. Within twenty (20) days of the filing date of the filing date of a complete sexually-oriented business employee license application, the City Manager shall issue a business employee license to the applicant or issue to the applicant a letter of intent to deny the application. The City Manager shall issue a license unless:

1. tThe applicant is less than eighteen (18) years of age;

2. ~~t~~The applicant has failed to provide information as required by Section 13-353 of this Section for issuance of a license or has falsely answered a question or request for information on the application form;~~:~~

3. T~~t~~he license application fee required by Section 13-355 of this Section has not been paid;

4. ~~a~~Any sexually-oriented business in which the applicant has had an influential interest, has in the previous five (5) years (and at a time during which the applicant had the influential interest):

   a. been declared by a court of law to be a nuisance; or

   b. been subject to an order of closure or padlocking, or

5. T~~t~~he applicant has been convicted of or pleaded guilty or nolo contendere to a specified criminal activity as defined in this Section.

C. The license, if granted, shall state on its face the name of the person or persons to whom it is granted, the number of the license issued to the licensee(s), the expiration date, and, if the license is for a sexually-oriented business, the address of the sexually-oriented business. The sexually-oriented business license shall be posted in a conspicuous place at or near the entrance to the sexually-oriented business so that it may be read at any time. A sexually-oriented business employee shall keep the employee's license on his or her person or on the premises where the licensee is then working or performing.

Section 13-355 Fees

The initial license and annual renewal fees for sexually-oriented business licenses and sexually-oriented business employee licenses shall be as follows:

A. one hundred dollars ($100) for the initial fee for a sexually-oriented business license and fifty dollars ($50) for annual renewal. These fees will be in addition to the general business license fees; and

B. fifty dollars ($50) for the initial sexually-oriented business employee license and twenty-five dollars ($25) for annual renewal.

These recommended fine amounts may be updated from time to time in the City's Consolidated Fee Schedule.

Section 13-356 Inspection

A. A sexually-oriented business and any sexually-oriented business employee shall permit the City Manager and his or her agents to inspect, from time to time on an occasional basis, the portions of the sexually-oriented business premises where customers are permitted, for the purpose of ensuring compliance with applicable requirements of this Section, during those times when the sexually-oriented business is occupied by customers or is open to the public. This section shall be narrowly construed by the City to authorize reasonable inspections of the licensed premises pursuant to this Section, but not to authorize a harassing or excessive pattern of inspections.

B. The provisions of this section do not apply to areas of an adult motel which are currently being rented by a customer for use as a permanent or temporary habitation.

Section 13-357 Expiration of License

A. Except for a temporary license or as otherwise provided in this section, the term of a license shall be as provided in Section 9-02, Kanab City Code, unless suspended or revoked.

B. A license may be renewed only by submitting an application as provided in Section 13-350.040 and paying the fee required by Section 13-359 of this Section.

C. Application for renewal of a license should be made at least ninety (90) days before the expiration date pursuant to the procedures set forth in Section 13-353 of this Section. When made less than ninety (90) days before the expiration date, the expiration of the license shall not be affected.

Section 13-358 Suspension

A. If a sexually-oriented business licensee knowingly violates or knowingly allows an employee to violate the provisions of this Section, the City Manager shall issue a letter to the employee indicating the City's intent to suspend the employee's sexually-oriented business employee license for a period of up to thirty (30) days.

Section 13-359 Revocation

A. The City Manager shall issue a letter of intent to revoke a sexually-oriented business license or a sexually-oriented business employee license, as applicable, if the licensee knowingly violates a provision of this Section or has knowingly allowed an employee to violate a provision of this Section and the licensee's license has been suspended within the previous twelve (12) month period.

B. The City Manager shall issue a letter of intent to revoke a sexually-oriented business license or a sexually-oriented business employee license, as applicable, if:

1. Tthe licensee has knowingly given false information in the application for the sexually-oriented business license;
2. Tthe licensee has knowingly or recklessly engaged in or allowed possession, use, or sale of controlled substances or alcoholic beverages on the premises;
3. Tthe licensee has knowingly or recklessly engaged in or allowed prostitution on the premises; or

4. Tthe licensee has knowingly or recklessly engaged in or allowed any specified sexual activity to occur in or on the licensed premises.

C. The fact that any relevant conviction is being appealed shall have no effect on the revocation of a license, provided that, if any conviction which serves as a basis of a license revocation is overturned or reversed on appeal, such conviction shall be treated as null and of no effect for revocation purposes.

D. When, after the notice and hearing procedure described in Section 13-360 of this Section, a license is revoked, such revocation shall continue for one (1) year and the licensee shall not be issued a sexually-oriented business license or sexually-oriented business employee license for one (1) year from the date revocation becomes effective.

Section 13-360 Hearing-Denial, Revocation, and Suspension -Appeal.

A. When the City Manager issues a written notice of intent to deny, suspend, or revoke a license, the City Manager shall immediately send such notice, which shall include the specific grounds under this Section for such action, to the applicant or licensee (respondent) by personal delivery or certified mail. The notice shall be directed to the most current business address or other mailing address on file with the Kanab City business license office for the respondent. The notice shall specify a date, not less than ten (10) days nor more than twenty (20) days after the date the notice is issued, unless exigent circumstances require scheduling the hearing at a different time, on which ~~a hearing officer~~Appeal Authority shall conduct a hearing on the City Manager's intent to deny, suspend, or revoke the license.

1. At the hearing, the respondent shall have the opportunity to present all of respondent's arguments and to be represented by counsel, present evidence and witnesses on his or her behalf, and cross-examine any of the City Manager's witnesses. The City

Manager shall also be represented by counsel, and shall bear the burden of proving the grounds for denying, suspending, or revoking the license. The hearing shall take no longer than two (2) consecutive days, unless extended at the request of the respondent to meet the requirements of due process and proper administration of justice. The ~~hearing officer~~City's Appeal Authority shall issue a written decision, including specific reasons for the decision pursuant to this Section, to the respondent within five (5) days after concluding the hearing.

2. If a decision is to deny, suspend, or revoke a license, the decision shall not become effective until the thirty (30) days after the decision is rendered. The decision shall include a statement advising the respondent of the right to appeal such decision to a court of competent jurisdiction.

   (a) If the ~~hearing officer's~~ decision of the City's Appeal Officer finds that no grounds exist for denial, suspension, or revocation of the license, the hearing officer shall, contemporaneously with the issuance of the decision, order the City Manager to immediately withdraw the intent to deny, suspend, or revoke the license and to notify the respondent in writing by certified mail of such action.

   (b) If the respondent is not yet licensed, the City Manager shall contemporaneously therewith issue the license to the applicant.

B. If any court action challenging the City Manager's or ~~hearing officer's~~Appeal Authority's decision is initiated, the City Attorney shall prepare and transmit to the court a transcript of the hearing within ten (10) days after receiving written notice of the filing of the court action. The City shall consent to expedite briefing and/or disposition of the action, shall comply with any expedited schedule set by the court, and shall facilitate prompt judicial review of the proceedings.

C. The following shall apply to any sexually-oriented business that is in operation as of the effective date of this Section:

1. Upon the filing of any court action to appeal, challenge, restrain, or otherwise enjoin the City's enforcement of the denial, suspension, or revocation, the City shall immediately issue the respondent a provisional license.
2. The provisional license shall allow the respondent to continue operation of the sexually-oriented business or to continue employment as a sexually-oriented business employee and shall expire upon the court's entry of judgment on the respondent's appeal or other action to restrain or otherwise enjoin the City's enforcement.

Section 13-361 Transfer of License

A licensee shall not transfer his or her license to another person, nor shall a licensee operate a sexually-oriented business under the authority of a license at any place other than the address designated on the license.

Section 13-362 Hours of Operation

No sexually-oriented business shall be or remain open for business between 10:00 p.m. and 8:00 a.m. on any day.

Section 13-363 Exhibition of Sexually Explicit Films or Videos

A. A person who operates or causes to be operated a sexually-oriented business, other than an adult motel, which exhibits on the premises in a viewing room of less than three hundred fifty (350) square feet of floor space, a film, video cassette, or other video reproduction characterized by an emphasis on the display of specified sexual activities or specified anatomical areas shall comply with the following requirements.

1. Each application for a sexually-oriented business license shall contain a diagram of the premises showing the location of each

restroom, operator station, viewing room, overhead lighting fixture, video camera, and monitor installed for monitoring purposes and shall designate those portions of the premises where customers will not be permitted.

(a) Restrooms shall not contain video reproduction equipment.

(b) The diagram shall also designate the place where the license will be conspicuously posted, if granted.

(c) A professionally prepared diagram in the nature of an architectural drawing shall not be required; however, the top of each diagram shall be oriented to the north or to some designated street or object and shall be drawn to a designated scale or with marked dimensions sufficient to show the various internal dimensions of all areas of the interior of the premises to an accuracy of plus or minus six (6) inches. The City Manager may waive the foregoing diagram for renewal applications if the applicant presents a previously submitted diagram and certifies that the configuration of the premises has not been altered since it was prepared.

2. It shall be the duty of the operator, and of any employee present on the premises, to ensure no customer is permitted access to any area of the premises which has been designated as an area in which customers will not be permitted in the application filed pursuant to Subsection (A.1) of this section.

3. The interior premises shall be equipped with overhead lighting fixtures of sufficient intensity to illuminate every place where customers are permitted access at an illumination of not less than five (5) foot candles as measured at the floor level. The operator and any employee present on the premises shall have the duty to ensure the illumination described above is maintained at all times when the premises are occupied by customers or open for business.

4. The operator and any employee present on the premises shall have the duty to ensure no sexual activity occurs in or on the licensed premises.

5. The operator shall have the duty to post conspicuous signs in well-lighted entry areas of the business stating all of the following:

   (a) occupancy of viewing rooms is limited to one (1) person;

   (b) sexual activity on the premises is prohibited;

   (c) making of openings between viewing rooms is prohibited;

   (d) violators will be required to leave the premises; and

   (e) violations of Subparagraphs (a), (b), (c) of this paragraph (5) are unlawful.

6. The operator shall have the duty to enforce the regulations set forth in Subsections (5.a) through (5.e) above.

7. The interior of the premises shall be configured to provide an unobstructed view from an operator's station of every area of the premises, including the interior of each viewing room, but excluding restrooms, to which any customer is permitted access for any purpose.

   (a) An operator's station shall not exceed thirty-two (32) square feet of floor area.

   (b) If the premises have two (2) or more operator's stations designated, then the interior of the premises shall be configured to provide an unobstructed view of each area of the premises to which any customer is permitted access for any purpose from at leaste one (1) of the operator stations. The view required in this subsection shall be by direct line of sight from an operator's station..

   (c) The operator and any employees present on the premises shall have the duty to ensure the view area specified in this

subsection remains unobstructed by any door, curtain, wall, merchandise, display rack, or other material or enclosure at all times when a customer is present on the premises.

B. It shall be unlawful for a person having a duty under this section to knowingly fail to fulfill that duty.

Section 13-364 Loitering, Exterior Lighting, Visibility, and Monitoring Requirements

A. The operator of a sexually-oriented business shall have the duty to:

1. Ppost conspicuous signs stating that no loitering is permitted on the premises;
2. Ddesignate one (1) or more employees to monitor the activities of persons on the premises by visually inspecting the premises at least once every ninety (90) minutes or inspecting the premises by use of video cameras and monitors; and
3. Pprovide lighting of the exterior portion of the premises to provide for visual inspection or video monitoring to prohibit loitering. If used, video cameras and monitors shall operate continuously whenever the premises are open for business. Such monitors shall be installed within an operator's station.

B. It shall be unlawful for a person having a duty under this section to knowingly fail to fulfill that duty.

C. No sexually-oriented business licensee or other person shall erect a fence, wall, or other barrier that ~~which~~ prevents any portion of a parking lot for employees or customers of the business from being visible from a public right of way.

Section 13-365 Penalties and Enforcement

A. A person who knowingly violates, disobeys, omits, neglects, or refuses to comply with or resists the enforcement of any of the

provisions of this Section shall be guilty of a Class "B" misdemeanor. Each day a violation is committed, or permitted to continue, shall constitute a separate offense and shall be fined as such.

B. The City Attorney is hereby authorized to institute civil proceedings necessary for the enforcement of this Section to prosecute, restrain, or correct violations hereof. Such proceedings, including injunction, shall be brought in the name of the City.

C. Nothing in this section and no action taken hereunder shall:

1. Pprohibit a criminal or administrative proceeding as may be authorized by other provisions of this Section, the Kanab City Code, or other law, or

2. Eexempt any person violating this Section, the Kanab City Code, or other law from a penalty ~~which~~ that may be incurred.

Section 13-366 Applicability of Section to Existing Businesses

A. It is unlawful for a sexually-oriented business to knowingly violate the following regulations or to knowingly allow an employee or any other person to violate the following regulations.

1. It shall be a violation of this Section for a customer, employee, or any other person to knowingly or intentionally, in a sexually-oriented business, appear in a state of nudity, regardless of whether such public nudity is expressive in nature.

2. It shall be a violation of this Section for a person to knowingly or intentionally, in a sexually-oriented business, appear in a semi-nude condition unless the person is an employee who, while semi-nude, remains at least six (6) feet from any customer and on a stage at least eighteen (18) inches from the floor in a room of at least one thousand (1,000) square feet.

3. It shall be a violation of this Section for any employee who regularly appears semi-nude in a sexually-oriented business to

knowingly or intentionally touch a customer or the clothing of a customer on the premises of a sexually-oriented business.

4. It shall be a violation of this Section for any person to sell, use, or consume alcoholic beverages on the premises of a sexually-oriented business.

B. (2) A sign, in a form prescribed by the City Manager, summarizing the provisions of Subsections (1), (2), (3), and (4) of this section shall be posted near the entrance of a sexually-oriented business in a location where it is clearly visible to customers upon entry.

Section 13-368 Scienter Required to Prove Violation or Business Licensee Liability

This Section does not impose strict liability. Unless a culpable mental state is otherwise specified herein, a showing of a knowing or reckless mental state is necessary to establish a violation of a provision of this Section. Notwithstanding anything to the contrary, for the purposes of this Section, an act by an employee that constitutes grounds for suspension or revocation of that employee's license shall be imputed to the sexually-oriented business licensee for purposes of finding a violation of this Section, or for purposes of license denial, suspension, or revocation, only if an officer, director, or general partner, or a person who managed, supervised, or controlled the operation of the business premises, knowingly or recklessly allowed such act to occur on the premises. It shall be a defense to liability that the person to whom liability is imputed was powerless to prevent the act.

Section 13-369 Effect of City Failure to Act

In the event a City official is required to act or do a thing pursuant to this Section within a prescribed time, and fails to act or do such thing within the time prescribed, said failure shall not prevent the exercise of constitutional rights of an applicant or licensee. If the act required of the

Section 13: POLICE AND PUBLIC OFFENSES

City official under this Section is not completed in the time prescribed, including approval of condition(s) necessary for approval by the City of an applicant's or licensee's application for a sexually-oriented business license or a sexually-oriented business employee's license (including a renewal), the license shall be deemed granted and the business or employee shall be allowed to commence operations or employment the day after the deadline for the City's action has passed.

A. If a provision of this ordinance conflicts with a provision of a previously adopted ordinance, this ordinance shall prevail.

B. This ordinance and its various sections, clauses, and paragraphs are hereby declared to be severable. If any word, phrase, sentence, part, section, subsection, or other portion of this Section, or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, such word, phrase, sentence, part, section, subsection, or other portion, or the proscribed application thereof, shall be severable and the remaining provisions of this section, in full force and effect. The Municipal Council declares that no invalid or proscribed provision or application was an inducement to this Section, and that it would have enacted this subsection regardless of the invalid or proscribed provision or application.

C. The Municipal Council hereby directs that the official copy of the Kanab City Code be updated to reflect the provisions enacted by this ordinance.

Section 13-370 Signs

Notwithstanding anything contrary contained~~,~~ in ~~Section~~ Chapter 7, Sign Regulations, of the Kanab City ~~Uniform Zoning~~Land Use Ordinance, the more restrictive requirements for signs shall prevail. Signs for sexually-oriented businesses shall be limited as follows:

A. No more than one exterior sign shall be allowed.

B. No sign shall be allowed to exceed eighteen (18) square feet.

C. No animation shall be permitted on or around any sign or on the exterior walls or roof of such premises.

D. No descriptive art or designs depicting any activity related to or inferring the nature of the business shall be allowed on any sign. Said sign shall contain alphanumeric copy only.

E. Only flat wall signs and/or awning signs shall be permitted.

F. Painted wall advertising shall not be allowed.

G. Other than the signs specifically allowed by this Section, sexually oriented businesses shall not attach, construct, or allow to be attached or constructed, any temporary signs, banners, lights, or other device designed to draw attention to the business location.

Section 13-371 Location of business, Restrictions

Except as provided in this Section, no building, structure, or land shall be used for the establishment or operation of a sexually-oriented business. A person commits an offense if the person operates, or causes to be operated, a sexually-oriented business in violation of this Section.

A. Sexually-oriented businesses shall only be permitted in the areas zones (M-2).

B.

1. No sexually-oriented business shall be located within 1000 feet of:

(a) a church, synagogue, mosque, temple, or building which is used primarily for religious worship and related religious activities;

(b) a public or private educational facility, including but not limited to child day-care facilities, nursery schools, pre-schools, kindergartens, elementary schools, private schools,

intermediate schools, junior high schools, middle schools, high schools, vocational schools, secondary schools, continuation schools, special education schools, junior colleges, and universities. Schools include the school grounds, but ~~does~~ do not include facilities used primarily for another purpose and only incidentally to schools;

(c) a public park or recreational area which has been designated for park or recreational activities including, but not limited to, a park, playground, nature trails, swimming pool, reservoir, athletic field, basketball or tennis courts, pedestrian/bicycle paths, wilderness areas, or other similar public land within the City which is under the control, operation, or management of the City Park and recreation authorities;

(d) an entertainment business which is oriented primarily towards children or family entertainment;

2. No sexually~~-~~-oriented business shall be located within 600 feet of:

(a) a boundary of a residential district as defined in the Kanab City ~~Zoning~~ Land Use Ordinance; or

(b) the property line of a lot devoted to a residential use as defined in the Kanab City Zoning Ordinance.~~;~~

C. A person commits a misdemeanor if that person causes or permits the operation, establishment, substantial enlargement, or transfer of ownership or control of a sexually-oriented business within one thousand feet (1000') of another sexually oriented business.

D. For the purpose of this Section, measurements shall be made in a straight line, without regard to the intervening structures or objects from the nearest portion of the building or structure used as part of the premises where a sexually-oriented business is conducted, to the nearest property line of the premises of a use~~d~~ listed in Subsection (B). The p~~P~~resence of a City, County, or other political subdivision

boundary shall be irrelevant for purposes of calculating and applying the distance requirements of this Section.

E. For the purpose of this Section, the distance between any two sexually-oriented businesses shall be measured in a straight line, without regard to the intervening structures or objects or political boundaries, from the closed exterior wall of the structure in which each business is located.

Section 13-380 Prohibition of Certain Forms of Tobacco and Nicotine on City-Owned Properties

This section is intended to protect the health and welfare of the public by prohibiting smoking in City parks, recreation areas and facilities, and trails.

A. Definitions: Terminology used in this section is used as defined in the Utah Indoor Clean Air Act, found in Utah Code, Title 26, Chapter 38, and also those definitions found in Utah Code § 76-10-101 (2022), or their subsequent amendments. Additionally, the following words and terms shall have the meanings ascribed to them in this section:

PARKS, TRAILS, AND RECREATION FACILITIES: City-owned real property which has been designated for park or recreational activities, including, but not limited to, a park, airports, playground, skate park, nature trails, swimming pool, baseball diamonds, athletic fields, basketball courts, tennis courts, pedestrian paths, bicycle paths, public squares, parking lots and open space on City property, wilderness areas, or similar City-owned land which is under the control, operation, or management of the city. Parks, trails, and recreation facilities also include~~s~~ Jackson Flat Reservoir.

B. Smoking, ~~and~~ Tobacco, and Nicotine Use Prohibited in Parks, Trails, and Recreation Facilities:

1. Prohibitions: The use of tobacco products, electronic cigarette products, or nicotine products are hereby prohibited in parks, trails, and recreation facilities within Kanab City.

2. Posting of Signs: "No tobacco use" signs, "No smoking" signs, or the international "no tobacco use" symbol (consisting of a pictorial representation of a burning cigarette enclosed in a red circle with a red bar across it) may be posted at vehicle and pedestrian entrances to city-owned property. The absence of a sign on or near city-owned property does not signify tobacco products are allowed; the absence of a sign does not remove any liability otherwise imposed by this section.

C. Penalty: A violation of this ordinance is a Class "C" Misdemeanor, with a recommended fine of one hundred dollars ($25.00) for a first offense, and a recommended fine of two hundred dollars ($50.00) for a subsequent offense within two years of a prior conviction. These recommended fine amounts may be updated from time to time in the City's Consolidated Fee Schedule.

ORDINANCE NO. 10- -25 O

AN ORDINANCE AMENDING CHAPTER 13 OF THE LAND USE ORDINANCE
Police and Public Offenses

WHEREAS, the Kanab City Planning Commission held a public hearing during its regularly scheduled meeting on October 7th, 2025, after which it reviewed, discussed, and then recommended to the Kanab City Council changes to the Land Use Ordinance, Chapter 13, Police and Public Offenses with a purpose to discuss and amend dog boarding parameters and requirements for residential areas;

WHEREAS, the Kanab City Council held a regularly scheduled meeting on October 14th, 2025, and thereafter considered, among other things, amending the Kanab City Land Use Ordinance, Chapter 13, as recommended by the Planning Commission, to discuss amending the dog boarding parameters and requirements for residential areas,

NOW, THEREFORE, BE IT ORDAINED by the Kanab City Council that the Kanab City Land Use Ordinance is hereby amended as reflected in the___page(s) attached hereto.

Authorizing staff to make additional grammatical, formatting, and other non-substantive corrections.

All former ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance or the Code hereby adopted are hereby repealed. The provisions of this Ordinance shall be severable, and, if any provision thereof or any application of such provision is held invalid, it shall not affect any other provisions of this code or the application in a different circumstance.

This ordinance shall be effective upon the required posting.

PASSED AND ORDERED POSTED this__day of September, 2025.

KANAB CITY

_____
MAYOR

ATTEST:

_____
RECORDER

VOTING:

Boyd Corry	Yea ____ Nay ____
Peter Banks	Yea ____ Nay ____
Arlon Chamberlain	Yea ____ Nay ____
Scott Colson	Yea ____ Nay ____
Chris Heaton	Yea ____ Nay ____

POSTED the ___ day of _____, 2025, as certified by the Recorder: _____.

RECORDER

Mayor
T. Colten Johnson
City Manager
Kyler Ludwig
Treasurer
Danielle Ramsay

City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

Kanab City Council Staff Report
File # PLANZONE25-002

Date:	**October 10, 2025**
Meeting Date:	**October 14, 2025**
Agenda Item:	**PUBLIC HEARING to discuss approve or deny a zone change to City Council from R-1-8 [Single Family Zone] to RM [Multi-Family Residential] for parcel K-45-9**
Subject Property Address:	**322 E 200 S**
Property Owner:	**Joshua Beazer**
Applicant Agent:	**Iron Rock Engineer**
General Plan Designation:	**Medium Density Residential/High Density Residential**
Parcel #:	**K-45-9**

Attachments:
Exhibit A: Subject/Vicinity Property
Exhibit B: Site Plan

Summary:
Property Owner, Josh Beazer, is requesting a zone change to rezone parcel K-45-9 from R-1-8 (Single Family Zone) to a RM (Multi-Family Residential). The property owner would like to change the use of the building to have the option of platting the two-family dwelling.

Site Description:
The subject property is approximately 0.25-acres. The parcel has an existing two-family dwelling unit. Surrounding zoning designations and the density designations are as follows:

North	South	East	West
Single-Family R-1-8 Medium Density Residential (MDR) / High Density Residential (HDR)	Single-Family R-1-8 Medium Density Residential (MDR) / High Density Residential (HDR)	Single-Family R-1-8 Medium Density Residential (MDR) / High Density Residential (HDR)	Single-Family R-1-8 Medium Density Residential (MDR) / High Density Residential (HDR)

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Kanab City Land Use Ordinance, General Plan and Zoning Map Analysis:

Zoning designations and zone changes are regulated by the Kanab City Land Use Ordinance, Chapter 15 – Establishment of Zoning Districts regulates zoning designations within Kanab City. Section 15-7 Transitioning and Maintaining Balance, states:

> *It is the objective of the City to encourage and provide for proper transition and compatibility between zones and intensity of uses, which should be regulated by the City Land Use Code, the General Plan, Future Land Use Map and the Kanab City Annexation Policy Plan. The City also seeks to maintain a healthy balance and mix of land uses within the community, representing the atmosphere of existing development. Areas for growth have been planned with a balance for all uses, including agriculture, residential, commercial and industrial uses, as demonstrated in the Kanab City General Plan and Future Land Use Map. Future decisions regarding land use and zoning in Kanab should be guided by this map.*
>
> *The City promotes orderly growth, with an emphasis for new developments to occur in the core community areas first. Rezoning of adjacent undeveloped property should be compatible with developed property.*

Planning Commission Meeting:

Planning Commission held a public hearing on October 7, 2025. There were no comments from the public. Planning Commission made a positive recommendation for the zone change to RM, the vote was unanimous.

Findings:

1. The application was initiated by the owner.
2. The property is zoned as R-1-8 and approximately 0.25-acres.
3. The City Council is the decision-making authority for a zoning application. The Council may adopt or reject the request as it deems appropriate or may assign a different zoning designation.
4. Assigning an RM zone is consistent with the Kanab City Future Land Use Map that shows the area designated as MDR/HDR.
5. The requested zone of RM is not consistent with the adjacent/surrounding properties.

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Peter Banks

Suggested Motion(s):

I make a motion to approve the zone change for Parcel K-45-9 to RM based on the findings and conditions outlined in Staff Report PLANZONE 25-002 and to adopt ordinance 10-xx-25 O.

I make a motion to deny the zone change request for Parcel K-45-9.

I make a motion to change the zone change for Parcel K-45-9 to and to adopt ordinance 10-XX-25 O based on the following .

Mayor
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City Manager
Kyler Ludwig
Treasurer
Danielle Ramsay

City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

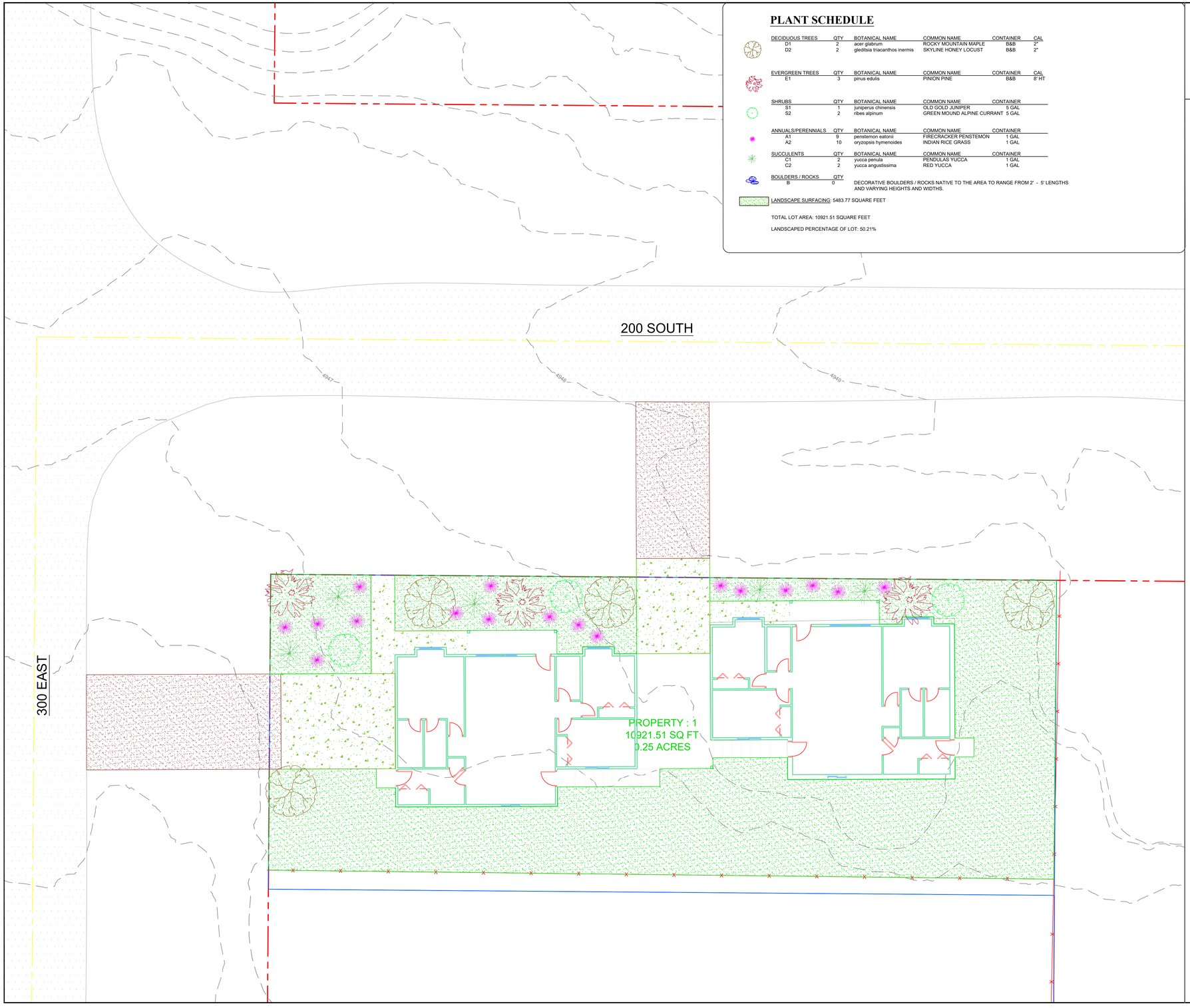
Exhibit A: Subject Property


K-11-13A
K-11-1A
K-11-2
K-11-2A
K-11-1
K-12-9
K-12-15
142
163
K-12-5A
K-12-1
K-12-8
K-12-6
K-12-4
K-12-7
231
K-12-5
269
K-12-3
275
K-12-2
295
K-71-10
K-71-8
349
K-71-7
369
K-71-6
Fenway Dr
K-71-1
K-71-2
K-71-3
K-71-4
K-71-5
K-4-13-ANNEX
K-4-18-ANNEX
K-4-8-ANNEX
K-4-8A-ANNEX
445
K-4-9B-ANNEX
K-44-3
191
K-44-2A
K-44-2
K-44-1
385
K-4-9-ANNEX
191
K-4-9B-1-ANNEX
200 S
K-2-12
K-2-11
K-2-10
K-2-13
K-2-1B
K-2-1A
K-2-3
K-2-2
K-2-1
K-1-8
K-1-9
K-1-7
K-1-10
K-1-15
K-1-11
K-1-12
K-1-13
K-1-5
K-1-1B1
227
K-292-2
K-292-1
295
200 E
300 E
400 E
K-45-9
22
340
K-45-10
360
K-45-11
K-45-13
386
K-45-8
K-45-7
171
K-4-7A-ANNEX
K-45-4
K-45-6
355
K-45-1
K-45-5
K-45-2
373
K-4-7-ANNEX
373
300 S
89
300
164
K-B-11-9
206
344
K-B-13-1
K-B-13-6
329
406
418

Mayor
T. Colten Johnson
City Manager
Kyler Ludwig
Treasurer
Danielle Ramsay

City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

Exhibit B: Site Plan



PLANT SCHEDULE

DECIDUOUS TREES	QTY	BOTANICAL NAME	COMMON NAME	CONTAINER	CAL
D1	2	acer glabrum	ROCKY MOUNTAIN MAPLE	B&B	2"
D2	2	gleditsia triacanthos inermis	SKYLINE HONEY LOCUST	B&B	2"

EVERGREEN TREES	QTY	BOTANICAL NAME	COMMON NAME	CONTAINER	CAL
E1	3	pinus edulis	PINION PINE	B&B	8' HT

SHRUBS	QTY	BOTANICAL NAME	COMMON NAME	CONTAINER
S1	1	juniperus chinensis	OLD GOLD JUNIPER	5 GAL
S2	2	ribes alpinum	GREEN MOUND ALPINE CURRANT	5 GAL

ANNUALS/PERENNIALS	QTY	BOTANICAL NAME	COMMON NAME	CONTAINER
A1	9	penstemon eatonii	FIRECRACKER PENSTEMON	1 GAL
A2	10	oryzopsis hymenoides	INDIAN RICE GRASS	1 GAL

SUCCULENTS	QTY	BOTANICAL NAME	COMMON NAME	CONTAINER
C1	2	yucca penula	PENDULAS YUCCA	1 GAL
C2	2	yucca angustissima	RED YUCCA	1 GAL

BOULDERS / ROCKS	QTY	
B	0	DECORATIVE BOULDERS / ROCKS NATIVE TO THE AREA TO RANGE FROM 2' - 5' LENGTHS AND VARYING HEIGHTS AND WIDTHS.

LANDSCAPE SURFACING: 5483.77 SQUARE FEET

TOTAL LOT AREA: 10921.51 SQUARE FEET

LANDSCAPED PERCENTAGE OF LOT: 50.21%

10 0 10
SCALE IN FEET
SCALE 1" = 10'

IRON ROCK
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BROWN TURD REMODEL

LANDSCAPE PLAN

322 E 200 S
KANAB, UT 84741

INITIAL SUBMITTAL:	1/30/2023
REV#:	DESCRIPTION:
DATE:	

NOT FOR CONSTRUCTION

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DRAWN BY: RLB
SCALE: 1"=10'
SHEET:

L100

ORDINANCE NO. 10- -25 O

AN ORDINANCE APPROVING A ZONE CHANGE FOR THE PARCEL IDENTIFIED AS K-45-9 FROM R-1-8 TO RM

WHEREAS, pursuant to Utah Code § 10-9a-501, and Kanab City Land Use Ordinance, Chapter 1, Section 17, the City Council is authorized on its own motion or pursuant to an application, to amend and assign zoning district boundaries, after receiving a recommendation from the Kanab City Planning Commission;

WHEREAS, applicant Josh Beazer submitted an application for a zone change of the parcel it's property located at 322 East 200 South, in Kanab, and identified as parcel K-45-9 in the records of the Kane County Recorder's Office, requesting it be changed from Single Family (R-1-8) to Multi-Family (RM);

WHEREAS, after proper notice was provided, the Kanab City Planning Commission held a public hearing on October 7th, 2025, and gave a unanimous recommendation to the City Council in favor of a zone change from R-1-8 to RM; and

WHEREAS, the City Council met during its regularly scheduled and properly noticed meeting on October 14, 2025, held a regularly scheduled meeting and received input from the applicant/applicant's representative and City staff, and reviewed and discussed the Kanab City Planning Commission's recommendation and the zoning options for the parcel.

NOW, THEREFORE, BE IT ORDAINED by the Kanab City Council that 322 East 200 South, the parcel identified by the Kane County Recorder as parcel K-45-9, is hereby assigned the zone of Multi-Family (RM), a zone under the Kanab City Land Use Ordinance;

FURTHERMORE:

All former ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance or of the Code hereby adopted are hereby repealed.

The provisions of this Ordinance shall be severable, and, if any provision thereof or any application of such provision is held invalid, it shall not affect any other provisions of this code or the application in a different circumstance.

This Ordinance shall be effective once properly posted.

City staff is authorized to make other grammatical corrections and format changes deemed appropriate.

[*Signatures on the next page*.]

PASSED AND ORDERED POSTED this____day of November, 2025.

KANAB CITY

_____
MAYOR

ATTEST:

_____
RECORDER

VOTING:

Boyd Corry	Yea ____ Nay ____	ABSENT
Peter Banks	Yea _X__ Nay ____	
Arlon Chamberlain	Yea _X__ Nay ____	
Scott Colson	Yea _X__ Nay ____	
Chris Heaton	Yea ____ Nay ____	ABSENT

POSTED the ___ day of _____, 2025, as certified by the Recorder: _____.
RECORDER

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Approval of Letter Supporting EMS Provider Designation
PREPARED BY: City Manager, Kyler Ludwig

Background:

The Utah State Legislature passed Senate Bill 215, which requires counties and municipalities to select emergency medical services (EMS) providers through a transparent, competitive process. The law replaced the previous "certificate of need" model with one based on Request for Proposals (RFP), encouraging clear performance standards and accountability.

Kane County, in collaboration with Kanab City, developed and issued an EMS Request for Proposals (RFP) to identify a provider for both 911 EMS services and interfacility transports. The City of Kanab participated in both drafting and reviewing the RFP and proposals alongside the County.

Following this process, Kane County Hospital (Kane County Human Resources Special Services District) was selected as the preferred provider within Kanab City Limits. The hospital has an established presence in the region and is currently supported by Kanab City Fire Department personnel on many EMS calls. This collaborative model has proven effective in maintaining rapid response and continuity of care.

The City Council must approve this selection in writing which would allow the Hospital to renew their state license to provide services in Kanab City. The City through our fire department staffs these calls under the medical direction provided by Kane County Hospital.

Analysis:

Legal:

Approved as to form

Financial:

Recommendations/Actions: It is recommended the City Council:

Authorize a letter of support selecting Kane County Hospital for 911 EMS and Transports within Kanab City.

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

October 14, 2025

Subject: EMS Provider Designation

Dear Kane County Commissioners,

Pursuant to Utah Senate Bill 215 (2025), and in accordance with the procedures outlined in Utah Code §11-48-103, the Kanab City Council formally designates Kane County Hospital, operating as the Kane County Human Resources Special Services District, as the official provider of 911 Emergency Medical Services (EMS), and Ground Ambulance Interfacility Transport Services within Kanab City limits.

Kanab City actively participated in the development, issuance, and evaluation of the county-wide EMS Request for Proposals (RFP). The RFP was conducted as a collaborative procurement among Kane County and its municipalities, consistent with the statutory requirement to conduct a competitive sealed proposal process under state code.

Kane County Hospital is hereby designated as the provider with first right to both 911 EMS and interfacility transport services within Kanab City. The provider's proposal was evaluated based on cost, quality, access, and operational capacity, and met the required service benchmarks and public safety goals for the region.

In addition, Kanab City designates Cedar Mountain Special Service District as an alternate EMS and interfacility transport provider, to be used in the event the primary provider is unavailable, or as part of a mutually agreed-upon backup arrangement consistent with interlocal agreements and Utah Code.

Kanab City serves as a key partner in delivering emergency medical services and supports this designation for licensing, contracting, and compliance purposes. Please include this documentation in the County's administrative record and provide the required notice to the Utah Bureau of Emergency Medical Services.
Sincerely,

Colten Johnson

Mayor, Kanab City

Request for Proposals (RFP)
Emergency Medical Services (EMS) for Kane County, Utah

Introduction

Kane County, Utah, is seeking proposals from qualified firms to provide Emergency Medical Services (EMS) throughout the county. The purpose of this RFP is to secure reliable, professional, and sustainable EMS coverage that ensures the health and safety of residents and visitors.

In addition to 911 emergency response, the selected provider will also be responsible for ground ambulance interfacility transports within Kanab, specifically from Kane County Hospital and the Kane County Clinic. These services must ensure timely and safe patient transfers between facilities. The County will honor the statutory first right of the incumbent 911 provider to continue interfacility transports, as required under Utah SB 215

Service Areas / Zones

The service area will be divided into two zones, illustrated in the attached map:

• Zone 1: Greater Kane County Area
Includes incorporated municipalities (Kanab, Orderville, Glendale, Big Water) and unincorporated areas outside of the Cedar Mountain region.

• Zone 2: Cedar Mountain Area
Includes the high-mountain communities, subdivisions, and recreational areas generally referred to as the Cedar Mountain region. Also includes the incorporated municipality of Alton

Proposers may submit to serve one or both zones, but preference will be given to firms that demonstrate the ability to coordinate across zones and ensure countywide EMS consistency.

Cost, Quality, and Access Goals •

Cost Goals

- Deliver EMS coverage that is financially sustainable for both the County and the provider.
- Maximize use of available state/federal funding, grants, and partnerships.
- Provide transparent billing practices for patients and payers.
- Minimize unnecessary costs to residents while ensuring continuity of service.

- Quality Goals
- Meet or exceed state and national EMS response standards.
- Employ well-trained, licensed, and certified personnel.
- Demonstrate strong quality assurance/quality improvement programs.
- Track and report key performance metrics (response times, patient outcomes, etc.).
- Ensure patient safety through proper protocols, continuing education, and risk management.

- Access Goals
- Provide 24/7 EMS coverage across all of Kane County, including remote areas.
- Ensure equitable response times for both zones, recognizing rural access challenges.
- Maintain sufficient vehicles, equipment, and facilities to serve seasonal population spikes.

Scope of Services

The selected provider(s) will be expected to:

- Provide EMS coverage in the designated zone(s) in alignment with Kane County's Cost, Quality, and Access goals.
- Maintain or contract trained and certified EMS personnel in compliance with state and federal requirements.
- Ensure timely response times and adequate staffing levels.
- Operate and maintain necessary equipment, vehicles, and facilities.
- Coordinate with local hospitals, fire departments, dispatch services, and emergency management agencies.
- Submit quarterly performance and financial reports to Kane County and included Municipalities, including cost, quality, and access benchmarks.

Proposal Requirements

Proposals must include, at a minimum:

1. Organizational structure.
2. Proof of licensure and certification to provide EMS services in Utah.
3. Proposed staffing plan and qualifications of key personnel.
4. Experience providing EMS services in rural areas, particularly in Utah.
5. Proposed budget and fee schedule with a clear explanation of cost structure.
6. Explanation of how the firm will meet Kane County's Cost, Quality, and Access Goals.
7. Complete attached Provider Proposal Summary

Evaluation Criteria

Proposals will be evaluated on the following criteria:

- Qualifications and experience of firm (20 points)
- Ability to provide adequate staffing and resources (20 points)
- Cost-effectiveness and financial sustainability (20 points)
- Commitment to Quality goals (20 points)
- Commitment to Access goals (20 points)

Bonus Points: Proposers will receive 10 additional points if they can demonstrate that they have provided EMS services in a 5th class county in Utah for more than five (5) years.

Timeline

- RFP Release Date: 09/18/2025
- Proposal Submission Deadline: 10/09/2025 by 5:00 pm
- Anticipated Award Date: 10/14/2025
- Contract Start Date: 01/01/2026

Submission Instructions

Proposals must be submitted electronically in PDF format or in hard copy to:

Kane County Commission
76 North Main Street Kanab, UT 84741
Email: tglover@kane.utah.gov

Late submissions will not be considered.

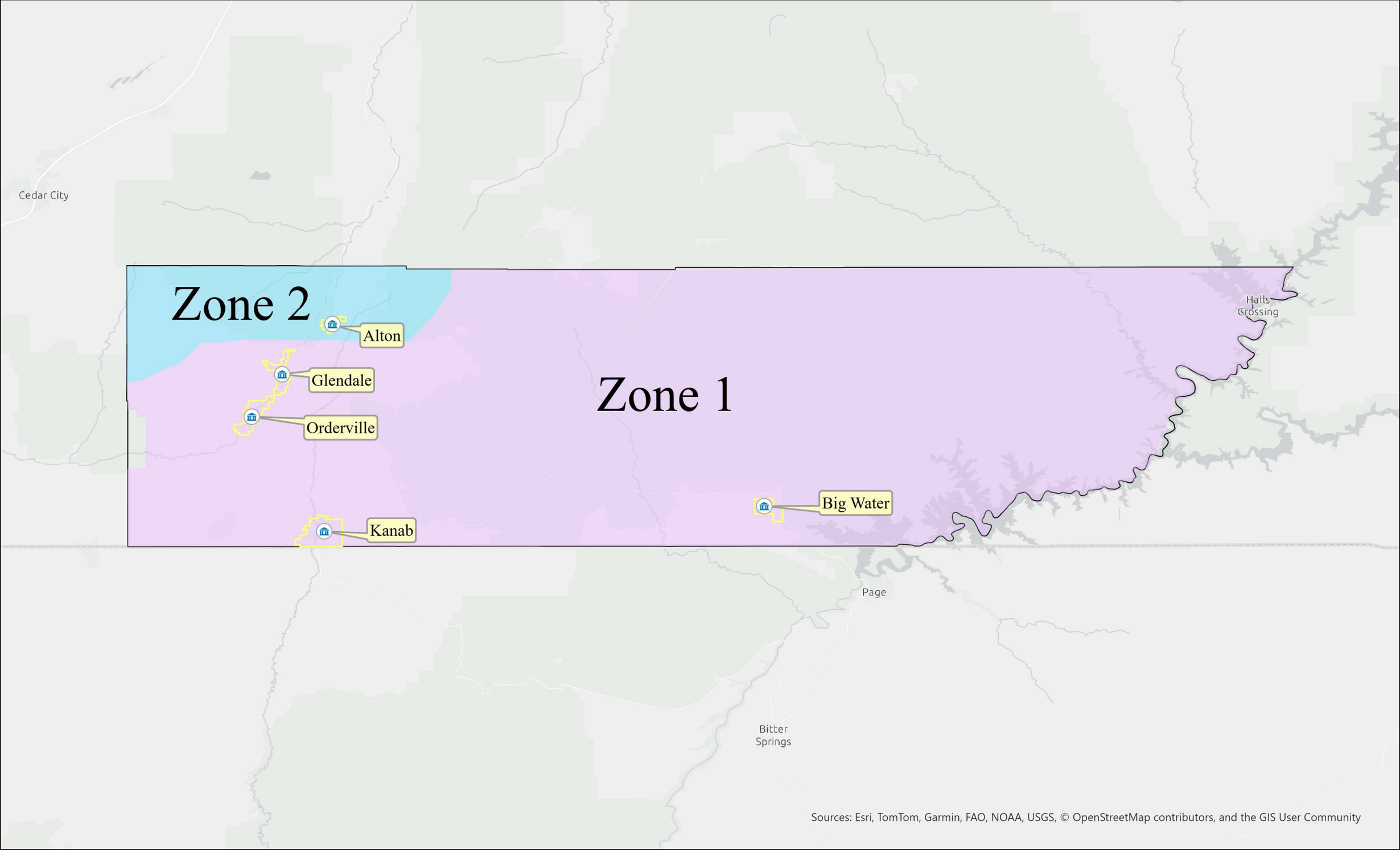
Terms and Conditions

- Kane County reserves the right to reject any or all proposals.
- The County may negotiate terms, conditions, and pricing with the selected provider(s).
- Contracts will be awarded for an initial term of [insert years], with potential extensions subject to performance.

Compliance with Utah SB 215

In accordance with Utah Senate Bill 215 (2025), Kane County affirms the following:

- Authority & Contracting: As provided by Utah Code §11-48-103 (amended by SB 215), Kane County may contract with licensed providers to deliver both 911 EMS and ground ambulance interfacility transport services.
- Incumbent First Right: Upon expiration of the current provider's license term, the County will offer the incumbent 911 ambulance provider the first right to continue interfacility transport services. If declined, the County will invite competitive sealed proposals to select a provider.
- Review Cycle & RFP Frequency: The County shall perform a formal provider review at minimum every four years, in a public setting, consistent with SB 215. The County will issue RFPs for EMS services accordingly.
- Bureau's Role: The Bureau of Emergency Medical Services will only verify that applicants meet licensing requirements. The Bureau will not play a role in provider selection but retains jurisdiction for disciplinary actions and investigations.


Zone 2
Zone 1
Alton
Glendale
Orderville
Kanab
Big Water
Cedar City
Halls Crossing
Page
Bitter Springs
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Kane County EMS Provider Proposal Summary

This standardized form must accompany all EMS proposals submitted to Kane County. It enables a side-by-side comparison of provider qualifications, financial stability, service structure, and compliance with Kane County's EMS RFP goals.

1. Provider Overview

Provider Name	Kane County Human Resource Special Service District d/b/a Kane County Hospital
Primary Contact	Name: Ben Armstrong Title: EMS Director Phone: (435) 644-4140 Email: barmstrong@KaneCountyHospitalUT.gov
Service Area Proposed	☑ Zone 1 ☐ Zone 2
Type of Service Proposed	☑ 911 EMS ☑ Interfacility Transport
Level of Service	☑ EMT ☑ AEMT ☑ Paramedic
Years Providing EMS in Utah	Kane County Hospital has held a Utah EMS license for more than 25 years.
Utah EMS License Number	1301
Business Type	☐ Private ☐ Nonprofit ☑ Government
Medical Director/ Medical Control	Name: Todd Clever Affiliation: International Medical Direction Contact: (855) 362-4367

2. Key Personnel & Organizational Structure

Operations Manager Name & Contact Please Attach Resume	Name: Ben Armstrong Contact: (435) 644-4140 % Time Assigned to Kane County: 100
Organizational Structure/Chart and Qualifications of Key Staff	☑ Organizational Chart Attached ☑ Resume of Key Personnel Attached

Backup Staffing Strategy (if primary EMS services are unavailable)	Kane County Hospital EMS maintains EMS mutual aid agreements with Cedar Mountain Fire Department and Garfield County Ambulance.

3. EMS Experience and References

List two to three references of EMS services being provided, preferably in rural communities within Utah or neighboring states.

Agency/Client	Location	Years Served	Reference Name & Contact
Cedar Mountain Service District	Duck Creek Village, UT	2.5	Forrest Barnard, Fire Chief (435) 233-8804 Forrest.Barnard@CedarMountainServiceDistrict.gov
Kane County	Greater Kane County, UT	More than 25	Kane County Commission (Gwen Brown, Patty Kubeja, Celeste Meyeres) (435) 644-4901
Kanab FD	Kanab, UT	More than 25	Brett Pierson, Fire Chief (435) 819-0555 bpierson@kanab.utah.gov

4. EMS Activity & Revenue Summary by Jurisdiction

Please provide a detailed summary of EMS responses and associated revenue for each jurisdiction within Kane County, using data from the most recent 12-month period available. In addition, include documentation or summary data for EMS responses performed outside of Kane County within that same time frame.

Jurisdiction (note: our record system does not track scene location by municipal boundaries, only by information tied to scene ZIP code)	Number of EMS Calls	Billed Revenue within the Jurisdiction	Estimated Response Time (average)	Number of Interfacility Transports	Number of FTEs	Number of Fleet Vehicles
Alton	4	$3,052	24.60 min	0	0	0
Big Water	90	$92,400	25.34 min	0	0	2

Glendale	8	$12,107	6.87 min	0	0	0
Kanab	618	$1,400,280	7.18 min	160	0	4
Kane County Unincorporated	20	$15,058	18.78 min	0	0	0
Orderville	56	$38,938	12.56 min	0	3.6	1
Outside Kane County	365	$1,497,823	17.68 min	148	0	0

5. Operational Strategy & Service Delivery

Provide your Operational Strategy for Maintaining the Proposed Level of EMS Service.	Include Responses on: ☑ Overlapping or Simultaneous Calls ☑ Seasonal Surges (e.g. Events, Tourism) ☑ Large-Scale Incidents or Disasters
List Base Locations and Provide a Description of Deployment Model	☑ Attached
Description of Fleet Vehicles and Maintenance Schedule	☑ Attached

6. Financial Information

Agency Line-Item EMS Operating Budget (Last 2 Years)	☑ Attached
Most Recent Audit	☑ Attached
Detailed Fee Schedule	☑ Attached
Actual Billed vs Collected Amounts for the Past 12 months of EMS Services	Billed: $3,059,658 Collected: $1,393,466

7. Public Funding, Interlocal Agreements, and Tax Support

State or Federal Grants Received (Last 3 years)	2025: $110,131 2024: $116,437 2023: $103,227
Interlocal/Contracts with Government Entities Including Mutual Aid, Certificates of Necessity, and Permission to respond within jurisdictions.	☑ Attached
Would future tax support be required to maintain levels?	☑ Yes (If yes please attach an explanation) ☐ No

8. Risk Coverage

Liability Insurance Coverage (Attach Cert)	☑ Attached
Worker's Comp Insurance (Attach Cert)	☑ Attached

9. Community Commitments & Provider Declarations

Willing to Share Quarterly Reports	☑ Yes ☐ No
Willing to Participate in Community Safety Events or Education	☑ Yes ☐ No
Willing to Train Jointly with Local Fire, Police, and Sheriff Agencies	☑ Yes ☐ No
Willing to Provide Standby Support at Community Events.	☑ Yes (fees may be associated, dependent upon event type) ☐ No
Authorized Representative I hereby certify that the information provided in this proposal is true, complete, and accurate to the best of my knowledge. I further affirm that I am authorized to submit this proposal on behalf of the organization listed.	Name: Ben Armstrong Date: October 8, 2025 Title: EMS Director Signature: 

Supplemental Information

5. Operational Strategy & Service Delivery

Our operational strategy for maintaining the proposed level of service relies on our ability to leverage our existing partnerships with Kanab FD and Big Water FD. These partnerships consist of MOUs related to the shared use of operational personnel in exchange for cost sharing. In addition, we maintain a group of paid EMS volunteers who are able to augment our staff as needed. We also maintain mutual aid agreements with neighboring EMS agencies including Cedar Mountain FD and Garfield County Ambulance. The ability to flex these resources as needed has been proven in times of significant demand, such as mass casualty incidents, seasonal surges, and overlapping calls.

We have resources deployed at:

Kanab FD (2 ambulances)

Big Water FD (2 ambulances)

Orderville FD (1 ambulance)

Kane County Hospital (2-3 ambulances)

Through our in-house resources and our partnerships, we are able to deploy a minimum of 60 scheduled unit-hours per day. (one unit-hour is defined as a 60-minute period with an ambulance licensed, staffed, equipped, and suitable for response to an emergency request) We are also able to augment and

supplement our staffing through the utilization of paid volunteer EMS providers.

Our EMS fleet consists of six Type-1 ambulances and two Type-2 ambulances. Additionally, we have one administrative vehicle capable of deploying additional resources as needed. All fleet vehicles are equipped with appropriate radio communications units to maintain contact with Dispatch and other first responder entities. All ambulances are also appropriately permitted & inspected by the UT Bureau of EMS. Vehicle maintenance is performed according to the OEM recommendations.

6. Financial Information

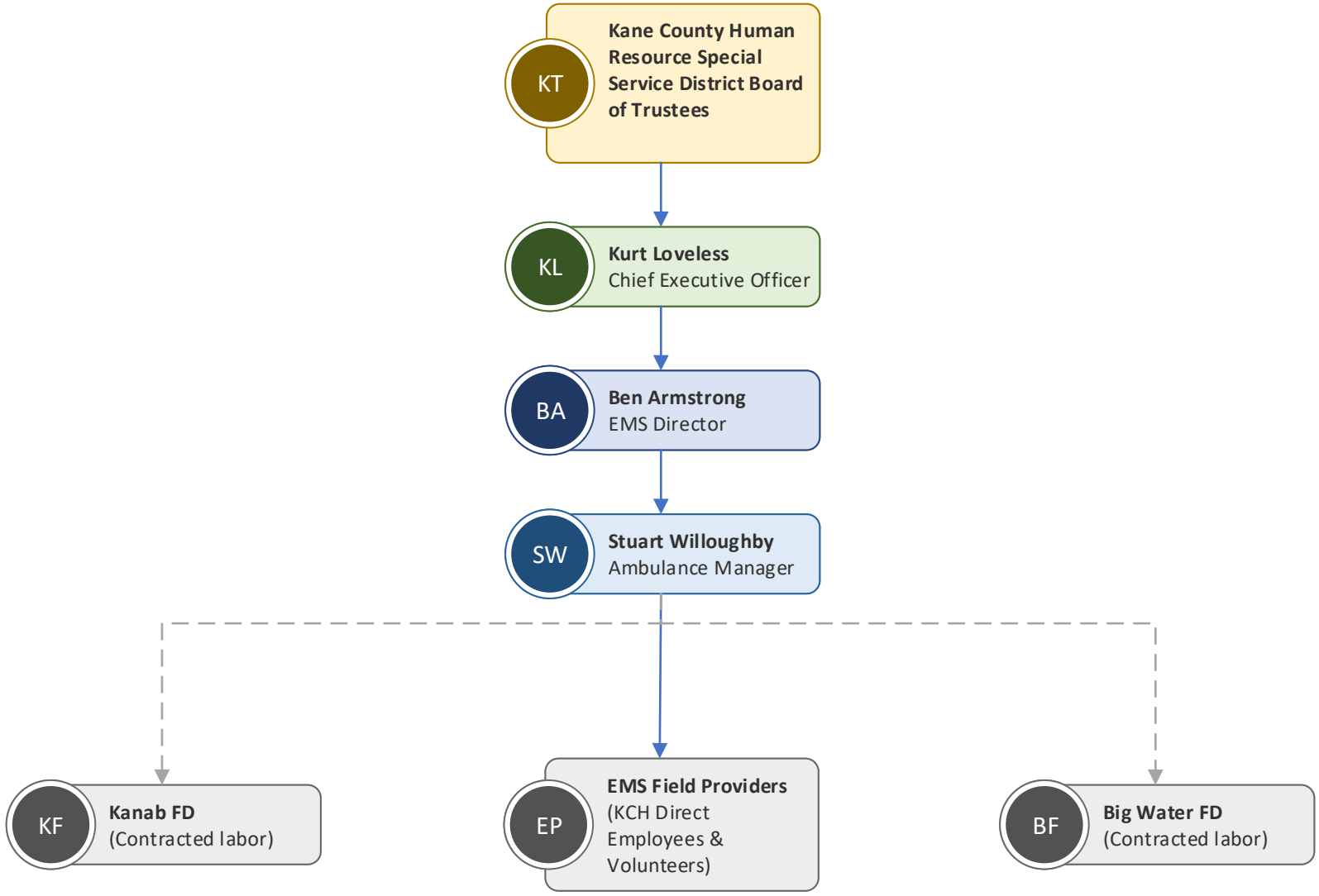
Our fee schedule is that which has been outlined in Utah Administrative Rule R911-8 and Utah Code Title 53, Chapter 2d, Part 5, Section 503.

7. Public Funding, Interlocal Agreements, and Tax Support

Future tax support may likely be required to maintain levels of service and coverage because from a purely economic perspective, rural EMS can not be sustained wholly on operational revenue. The reasons for this are beyond the scope of this response, however suffice to say that it is a consistent trend across the industry. That being said, Kane County Hospital has not historically collected a property tax, mill levy, or lot fee for the funding of EMS. We do benefit from the Rural Healthcare Sales Tax, which is paid primarily by tourists and other non-local

persons. We believe this is in line with patient demographic trends which have shown that in recent years approximately 50% of EMS patients do not live within Kane County.

Kane County Human Resource Special Service District d/b/a Kane County Hospital
-Organizational Chart-



STATE OF UTAH

Utah Department of Health and Human Services
Office of Emergency Medical Services and Preparedness

Emergency Medical Service License

Issued to

Kane County Ambulance

License Number 1301L

This confirms that Kane County Ambulance meets the required regulatory standards contained in Utah Code 26-8a and Utah Administrative Code R426 and is licensed to provide the following services:

- **Paramedic Ground Ambulance Transport**
- **Paramedic Ground Ambulance Interfacility Transport**
- **Paramedic Non-Transport**

Date of Issue: September 9, 2022
Date of Expiration: August 31, 2026

C. Dean Penovich

C. Dean Penovich, Director
Office of Emergency Medical Services & Preparedness

Tracy S. Gruber (Aug 27, 2022 16:03 MDT)

Tracy Gruber, Executive Director
Utah Department of Health and Human Services

This license authority is contingent upon compliance with all regulation and standards and may be revoked for cause in accordance with Utah Code 26-8a.

License is not transferable

MEMORANDUM OF UNDERSTANDING between

Kane County Human Resource Special Service District
and
Big Water Municipal Corporation

This Memorandum of Understanding is made on January 01, 2025 by and between Kane County Human Resource Special Service District, DBA as Kane County Hospital, herein referred to as "KCH" and the Big Water Municipal Corporation including Big Water Fire and Rescue Department, herein referred to as "Town" and "BWFR" respectively. KCH, the Town, and BWFR are individually referred to as a "party" and collectively referred to as the "Parties".

1. PURPOSE & SCOPE

The purpose of this MOU is to provide emergency and non-emergency ground ambulance services within the licensed and/or designated response areas of KCH within Kane County, Utah.

2. BACKGROUND

KCH holds EMS License number 1301, duly issued by the Utah Bureau of Emergency Medical Services, which regulates the provision of ground ambulance services within Kane County, Utah.

3. OBLIGATIONS OF THE PARTIES

The Parties acknowledge that no contractual relationship is created between them by this Memorandum. The Parties have no authority, express or implied, to bind the other to any agreements, settlements, liability, or understanding whatsoever, and shall not perform any such acts, except as expressly set forth herein, or as separately set forth in a written agreement.

4. LIABILITY

Each Party shall indemnify and hold harmless the other Party, including its officers, directors, and employees, from and against any and all claims, damages, judgements, and actions including, but not limited to: the costs, expenses, and reasonable legal fees incurred in defending such claims, damages, judgements, and actions, arising by reason of the negligent or willful acts or omissions of the indemnifying Party, its officers, directors, or employees under this Memorandum.

5. BWFR AND TOWN RESPONSIBILITIES UNDER THIS MOU

- Town agrees to provide an indoor, secure, climate-controlled (sufficient to ensure the storage of medications consistent with KCH policy) storage area for the KCH ambulance(s) in the BWFR Station at no charge to KCH.

- This storage area shall also be inclusive of appropriate utilities (such as "shoreline" electrical power) to ensure the KCH ambulance(s) is/are response-ready at all times.

- BWFR shall ensure sufficient minimum staffing to provide 24 scheduled "unit hours" of Advanced Life Support ambulance coverage per day, every day.
  - One "unit hour" is defined as a 60-minute period in which the ambulance is appropriately staffed, licensed, equipped, and available to respond to requests for service.
  - "Advanced Life Support ambulance coverage" is defined as a minimum staffing combination of one Advanced Emergency Medical Technician and one Emergency Medical Technician (Basic), appropriately licensed and credentialed by the Utah Bureau of Emergency Medical Services, and authorized to practice by the KCH Emergency Medical Services (EMS) Medical Director.
- BWFR shall respond to all requests for ground ambulance service within the designated response area and assigned to them by the Kane County Sheriff's Office Emergency Dispatch. This includes requests for mutual aid, as resources allow.
  - "Designated response area" is defined as the geographic area of Kane County in which BWFR is designated by the Kane County Sheriff's Office Emergency Dispatch as the closest responding agency. The boundaries of this area will be determined collaboratively by the BWFR Chief, KCH EMS Director, and a representative from the Kane County Sheriff's Office Emergency Dispatch.
- BWFR shall ensure that all EMS personnel operating under this Memorandum are appropriately trained, licensed, and authorized to practice by the KCH EMS Medical Director. Such training also includes (but is not limited to) annual patient privacy, harassment prevention, and corporate compliance topics as provided by KCH.
- BWFR and Town shall ensure compliance with all applicable local, state, and federal laws and regulations regarding patient privacy, including but not limited to the Health Insurance Portability and Accountability Act of 1996, the Utah Consumer Privacy Act, and the Health Information Technology for Economic and Clinical Health.
- BWFR and Town acknowledge that KCH maintains sole ownership, custody, and/or administrative control over any and all medical records (including patient care reports) or other protected health information (PHI) or potentially identifiable information (PII) obtained, produced, or created in the course of executing the terms of this Memorandum, in accordance with all applicable local, state, and federal laws and regulations regarding patient privacy.
- BWFR shall ensure that all EMS personnel operating under this Memorandum comply with any and all applicable KCH policies and procedures, irrespective of any direct or indirect employment relationship with KCH.

6. KCH RESPONSIBILITIES UNDER THIS MOU

- KCH will provide the ambulance(s), equipment, supplies, medication, and the restocking of these items on the ambulance(s) stationed at the BWFR station.

- KCH shall be responsible for the licensing, fuel and maintenance costs of the KCH ambulance(s) stationed at the BWFR station.
- KCH shall carry auto and liability insurance on the KCH ambulance(s) stationed at the BWFR station.
- KCH will pay BWFR a flat rate of $12,500 per month, to a total of $150,000 per calendar year to support the wage and salary expenses of the BWFR employees operating under the terms of this Memorandum.
- In addition to the above amount, KCH will pay BWFR a per-call stipend of $500 for each billable and medically necessary patient encounter which occurs under the terms of this Memorandum.
    - "Billable" is defined as: A patient encounter which is medically necessary, appropriately documented, and submitted with adequate information for claim submission as determined by the KCH Business Office ambulance billing staff.
    - "Medically necessary" is defined as: The condition of the patient is such at the time of service that transport by any other means is contraindicated.
- KCH will provide or make available continuing education and training for EMS personnel. This education and training may consist of live instruction, self-paced/self-directed asynchronous online content, sponsored conference or seminar attendance (specific events will be determined at the discretion of KCH), and other educational activities or offerings determined suitable by the KCH EMS Director.

7. **IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN PARTIES THAT:**

- This document shall be reviewed no less than every two years from the signature date.
- The rates to be paid by KCH to BWFR for services performed under this Memorandum will be reviewed no less than annually, and may be changed by using an amendment to this contract upon agreement by the Parties.
- This Memorandum may be terminated at any time upon written mutual consent of the Parties.
- This Memorandum may be terminated by either Party without cause by giving written notice to the other Party of not less than ninety (90) days.

IN WITNESS WHEREOF, this Memorandum has been entered into on the day and year first written above.

David Schmuker

Mayor, Big Water Town

Date 4-16-2025

Kurt R. Loveless

CEO, Kane County Hospital

Date 4-16-2025

MEMORANDUM OF UNDERSTANDING between

Kane County Human Resource Special Service District
and
Cedar Mountain Service District

This Memorandum of Understanding is made on October 1, 2024 by and between Kane County Human Resource Special Service District, d/b/a Kane County Hospital, herein referred to as KCH and the Cedar Mountain Service District, herein referred to as CMSD. KCH and CMSD are individually referred to as a "party" and collectively referred to as the "Parties".

I. PURPOSE & SCOPE

The purpose of this MOU is to provide financial assistance to CMSD in exchange for cooperative response and coverage for the area of Kane County commonly referred to as Long Valley, (Orderville and Glendale townships and surrounding area) for emergency medical response and transportation. The KCH Board of Trustees has set a limit of $120,000 per twelve-month period for this assistance.

II. BACKGROUND

KCH holds the ambulance response and transport license for Kane County through the Utah Bureau of Emergency Medical Services. In recent years, the license was modified to grant CMSD a license to cover the Northwest portion of the County including areas outside the boundaries of the CMSD. The Kane County Commissioners have been working with KCH and CMSD to provide coverage to the Valley, East Zion, and other remote areas of the County. Both KCH and CMSD recognize that KCH is in a better position to provide coverage to these areas given the staffing needs and the budget allocations. KCH and CMSD will work collaboratively, to provide the best coverage possible by the two organizations.

III. OBLIGATIONS OF THE PARTIES

The Parties acknowledge that no contractual relationship is created between them by this Memorandum. The Parties have no authority, express or implied, to bind the other to any agreements, settlements, liability or understanding whatsoever, and shall not perform any such acts, except as expressly set forth herein, or as separately set forth in a written agreement.

IV. LIABILITY

Each party shall indemnify and hold harmless the other party, including its officers, directors, and employees, from and against any and all claims, damages, judgements, and actions including, but not limited to, the costs, expenses and reasonable legal fees incurred in defending such claims, damages, judgements and action, arising by reason of the negligent or willful acts or omissions of the indemnifying party, its officers, directors, or employees under this Memorandum.

V. CMSD RESPONSIBILITIES UNDER THIS MOU

- CMSD shall have an appropriately licensed ambulance available and staffed with a minimum of one Advanced Emergency Medical Technician and one Basic Emergency Medical Technician,

certified by the Bureau of Emergency Medical Services, available to respond to emergency calls within the Valley as the primary responders from 8:00 PM to 8:00 AM.

- CMSD will respond to all emergency medical calls within their jurisdictional boundaries and south to Lydia's Canyon on Hwy 89. CMSD will also respond to the designated areas within the County per the recently updated response area map as approved by the Bureau of Emergency Medical Services as collectively redrawn by CMSD, KCH, and the City of Kanab Fire Chief.

VII. KCH RESPONSIBILITIES UNDER THIS MOU

- KCH will provide monthly financial assistance to CMSD in the amount of $10,000 per month from October 1, 2024 to September 30, 2025 not to exceed the $120,000 limit as set by the KCH Board of Trustees in their regularly scheduled board meeting held on November 7, 2023.
- KCH will place an ambulance in Orderville and provide staffing from 8:00 AM to 8:00 PM.
- KCH shall be responsible for licensing and maintenance costs of the KCH ambulance.

VIII. IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT:

- This Memorandum shall be subject to revision or recission in the event of a creation of a county-wide fire protection district, or similar substantive change to the status of either party's respective special service district.
- This Memorandum shall expire September 30, 2025. Any further memorandums will be negotiated without reliance upon this memorandum.

IN WITNESS WHEREOF, this Memorandum has been entered into on the day and year first written above.

Zach Hascall

Zach Hascall

District Clerk - CMSD

Date Oct 8 2024

Kurt R. Loveless

Kurt R. Loveless

CEO - Kane County Hospital

Date 5-8-2025

Forrest Barnard

Forrest Barnard

Fire Chief – CMSD

Date Oct 8 2024

FIRST AMENDMENT TO THE INTERLOCAL AGREEMENT FOR EMERGENCY MEDICAL SERVICES

THIS AMENDMENT to the INTERLOCAL AGREEMENT FOR EMERGENCY MEDICAL SERVICES (hereinafter "First Amendment") is made, entered into, and effective this 1st day of January, 2024, by and between Kanab City, a municipal corporation, 26 N. 100 E., Kanab, Utah 84741, hereinafter referred to as the "City," and the Kane County Human Resource Special Service District, d.b.a. the Kane County Hospital, a special service district established under the laws of the State of Utah, 355 N. Main St., Kanab, Utah 84741, hereinafter referred to interchangeably as "KCH" or "Hospital." City and KCH may be referred to individually as a "party" or collectively as "parties."

RECITALS

WHEREAS, the parties previously entered into an Interlocal Agreement for Emergency Medical Services ("Agreement"), which Agreement was entered into and effective as of January 3, 2023;

WHEREAS, the Agreement outlined specific recitals and terms which the parties desire to incorporate herein, including any and all statutorily required provisions, as if fully set forth herein, except where modified by the terms of this First Amendment;

WHEREAS, the parties desire to amend and supplement the Agreement by entering into this First Amendment; and

WHEREAS, the parties desire to adjust the compensation outlined in the Agreement, in which KCH will provide additional compensation to City, to account for a full-time certified paramedic.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the adequacy of which is hereby acknowledged, the parties hereto agree to amend and supplement the Agreement by this First Amendment as follows:

AMENDMENT to AGREEMENT

1. Recitals and Prior Terms. The recitals included herein, as well as the recitals and terms included in the Interlocal Agreement for Emergency Medical Services, entered into as of January 3, 2023, are incorporated herein by reference, except where modified herein.
2. Effective Date and Duration. The provisions of this First Amendment shall be effective from January 1, 2024, and continue in effect for the remainder of the term of the Agreement. The

Agreement, with this First Amendment, is subject to renewal at that time by approval of the parties' respective legislative bodies.

3. Compensation. Numbered paragraph 6 of the Agreement is amended and replaced as follows: The KCH shall pay the City up to four hundred and sixty-five thousand dollars ($465,000.00) annually. However, during periods in which the City employs a full-time certified paramedic, the KCH will pay the City an additional fifteen thousand ($15,000) annually. The parties agree to annually discuss compensation to ensure payments align with adjustments in the Consumer Price Index. The City shall provide a quarterly invoice to the KCH for one-half (½) salary, wages, and benefits actually paid to its EMS personnel. Invoices shall be paid within thirty (30) days.
   a. The compensation amount shall be reviewed annually and increased based on the CPI index.
4. Entire Agreement. The Agreement and this First Amendment constitute the entire agreement between the parties pertaining to the subject matter contained in the Agreement and as amended by this First Amendment. All other prior and contemporaneous contracts, representations and understandings of the parties, oral or written, are superseded by and merged in the Agreement and this First Amendment thereto. No supplement, modification or amendment of this agreement shall be binding unless it is reduced to writing and executed by both parties.
5. Severability. If any section, clause, sentence or portion of this First Amendment is declared for any reason to be invalid or unenforceable, the invalidity or unenforceability of such portion shall not affect the validity of any of the remaining portions and the same shall be deemed to continue in full force and effect as if this First Amendment had been executed with the invalid portions eliminated.
6. Third Party Beneficiaries. There are no intended third-party beneficiaries to the Agreement or the First Amendment. It is expressly understood that enforcement of the terms and conditions of the Agreement and this First Amendment, and all rights of action relating to such enforcement, shall be strictly reserved to the parties, and nothing contained in the Agreement and this First Amendment shall give or allow any claim or right of action by any third person. It is the express intention of the parties that any person, other than the party who receives benefits under the Agreement and this First Amendment, shall be deemed an incidental beneficiary only.

7. Counterparts. This First Amendment may be executed in counterpart originals, all such counterparts constituting one complete executed document.
8. Other. A copy of this First Amendment shall be kept on file with the custodian of records for each party. Both parties agree to publish this agreement in accordance with Utah Code § 11-13-219.

(*The remainder of this page is left intentionally blank*)

SIGNATURES

IN WITNESS WHEREOF, the parties sign the foregoing First Amendment to the Interlocal Agreement for Emergency Medical Services through appropriate and authorized representatives on the date first noted above.

For the City:

ATTEST:

_____
Colten Johnson
Kanab City Mayor

_____
Celeste Cram
Kanab City Recorder

Approved as to Form:

_____
Kent Burggraaf
Kanab City Attorney

For the KCH:

_____
Kurt Loveless
Chief Executive Officer

Approved as to Form:

_____
Blaine Benard
Holland & Hart, LLP
Attorney for KCH

INTERLOCAL AGREEMENT FOR EMERGENCY MEDICAL SERVICES BETWEEN THE KANE COUNTY HUMAN RESOURCE SPECIAL SERVICE DISTRICT AND KANAB CITY

THIS AGREEMENT is made and entered into this 3rd day of January, 2023, by and between Kanab City, a municipal corporation, 26 N. 100 E., Kanab, Utah 84741, hereinafter referred to as the "City," and the Kane County Human Resource Special Service District, d.b.a. the Kane County Hospital, a special service district established under the laws of the State of Utah, 355 N. Main St., Kanab, Utah 84741, hereinafter referred to interchangeably as "KCH" or "Hospital." City and KCH may be referred to individually as a "party" or collectively as "parties."

RECITALS

WHEREAS, the *Utah Interlocal Cooperation Act,* Title 11, Chapter 13, and *Utah Emergency Medical Services System Act,* Title 26, Chapter 8a, Section 402, Utah Code Annotated, 1953, as amended, (the "Act"), and Utah Code § 10-1-202 permits local governmental units, including cities and special service districts, to make the most efficient use of their powers by enabling them to cooperate and contract with other public agencies on the basis of mutual advantage, to more efficiently provide governmental facilities, services and improvements to the general public;

WHEREAS, all parties are public agencies within the meaning of Section 11-13-103(19) of the Act;

WHEREAS, pursuant to § 11-13-202 of the Act, the parties are empowered to engage in joint or cooperative action; provide services that they are each authorized by statute to provide; to exchange services that they are each authorized by statute to provide; or to do anything else that they are each authorized by statute to do;

WHEREAS, this agreement does not: include an out-of-state public agency as a party; provide for either public agency to acquire or construct any new facility or improvement to real property; provide for the acquisition or transfer of title to any real property by either party; require either party to issue bonds; nor create an interlocal entity;

WHEREAS, the KCH and the City desire to more effectively and efficiently provide emergency medical services within their jurisdictional boundaries of the City and certain surrounding areas;

WHEREAS, the KCH owns, operates, and holds the license to provide ambulance and related emergency services within the jurisdictional boundaries that include the City; and holds the

transport license for a portion of Kane County through the Utah Bureau of Emergency Medical Services;

WHEREAS, the City and the KCH previously entered into an agreement to provide emergency medical services, dated October 22, 2021; and

WHEREAS, the parties desire to update memorialize their present intent and limited contractual relationship through this agreement, thereby revoking, amending, and replacing their prior agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the adequacy of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Recitals. The recitals are incorporated herein by reference.
2. No Interlocal Entity Created. This agreement shall not create an Interlocal Entity within the meaning of the Act.
3. Effective Date and Duration. This agreement shall be effective from January 1, 2023 and continue in effect for five (5) years from that date. This agreement is subject to renewal at that time by approval of the parties' respective legislative bodies.
4. Termination. This agreement may be terminated at any time by the City or the KCH by giving ninety (90) days written notice. In the event of termination:
   a. The City shall return to the KCH any equipment purchased by the KCH and utilized for the performance of this agreement;
   b. The City will provide a final invoice to the KCH for services rendered under this agreement, which invoice shall be paid within thirty (30) days; and
   c. The parties will work together in good faith to address any further matters that come about as a result of the termination of this agreement.
5. Authority to Bind. The parties shall have no authority, express or implied, to bind the other party to any other agreements, settlements, liability, or understanding whatsoever, and shall not perform any such acts except as expressly set forth herein, or as separately set forth in a written agreement.
6. Compensation. The KCH shall pay the City up to four hundred and fifty thousand dollars ($450,000.00) annually. The City shall provide a quarterly invoice to the KCH for one-half(½)

salary, wages, and benefits actually paid to its EMS personnel. Invoices shall be paid within thirty (30) days.

a. The compensation amount shall be reviewed annually and increased based on the CPI index.

7. KCH's Obligations.
   a. KCH will provide the ambulance, equipment, supplies, medication and the restocking of these items on the ambulance.
   b. KCH will employ on-call ambulance personnel.
   c. KCH will handle all of the billing and collections for the ambulance service and will retain all proceeds and payments received for ambulance services.
   d. KCH shall be responsible for licensing and maintenance costs of the KCH ambulance.
   e. KCH will carry auto and liability insurance on the KCH ambulance.
8. City's Obligations.
   a. City shall provide an indoor, secure storage area for the KCH ambulance in the City Fire Station at no charge to the KCH.
   b. City shall employ all full-time personnel to operate the ambulance and shall provide a minimum staffing to support an Advanced Life Support (ALS) ambulance, certified by the Bureau of Emergency Medical Services, on every emergency call where the KCH ambulance is used.
   c. City EMS employees will respond to all emergency medical calls within the jurisdictional boundaries of the City and KCH ambulance response area, as designated by the Utah Bureau of Emergency Medical Services. If the City needs additional ambulances in an emergency, an ambulance manned by on call volunteers will respond. The City shall have a written protocol or policy for calling for helicopter support, or comply with the KCH protocol, that will be utilized by the KCH ambulance stationed with the City.
   d. City and KCH shall ensure City EMS personnel are current on training requirements and maintain training records.
9. Reporting, Information Sharing, and Record Keeping. As necessary and requested by a party, the other parties shall comply with any reporting requests and requirements. The parties agree to maintain their books and records in such a manner that any funds received from another party will

be shown separately on the receiving party's books. The parties' respective records shall be maintained sufficiently to identify the use of funds for the purposes outlined in this agreement. Each party shall make their respective books and records available to the other party upon reasonable request at reasonable times.

10. Confidentiality ofInformation. Information and records obtained and/or prepared by a party under the requirements of this agreement shall be considered to be confidential and shall not be made available to any individual or organization by the KCH or the City without prior approval of the other party, except as required by GRAMA, through criminal discovery as governed by the Utah Rules of Criminal and Civil Procedure, or if necessary to comply with a court order.
11. Non-Assignability. The parties have entered into this agreement on the basis of the qualifications of the City and the licensure of the KCH, and based upon the particular nature of the services to be rendered by each party. Unless otherwise provided herein, neither party may assign any right or delegate any duty arising under this agreement.
12. Default. Failure by a party to perform any of the party's obligations under this agreement within a thirty (30) day period (the "Cure Period") after written notice thereof from the other party shall constitute a default ("Default") by such failing party under this agreement; provided, however, that if the failure cannot reasonably be cured within thirty (30) days, the Cure Period shall be extended for the time period reasonably required to cure such failure so long as the failing party commences its efforts to cure within the initial thirty (30) day period and thereafter diligently proceeds to complete the cure. Said notice shall specify the nature of the alleged Default and the manner in which said Default may be satisfactorily cured, if possible. Upon the occurrence of an uncured Default under this agreement, the non-defaulting party may institute legal proceedings to enforce the terms of this agreement or may terminate this agreement. If the Default is cured, then no Default shall exist and the noticing party shall take no further action.
13. Governmental Immunity, Liability, and Indemnification.
    a. Governmental Immunity. The parties are governmental entities under the Governmental Immunity Act of Utah, Utah Code§§ 630-7-101 et seq. (the "Immunity Act"). None of the parties waive any defenses or limits of liability available under the Immunity Act and other

applicable law. All parties maintain all privileges, immunities, and other rights granted by the Immunity Act and all other applicable law.

b. Liability and Indemnification. The Parties agree to be liable for their own negligent acts or omissions, or those of their authorized employees, officers, and agents while engaged in the performance of the obligations under this agreement, and none of the parties will have any liability whatsoever for any negligent act or omission of another party, its employees, officers, or agents. An individual party shall indemnify, defend, and hold harmless another party, its officers, employees and agents (the "Indemnified Parties") from and against any and all actual or threatened claims, losses, damages, injuries, debts, and liabilities of, to, or by third parties, including demands for repayment or penalties, however allegedly caused, resulting directly or indirectly from, or arising out of (i) the Party's breach of this agreement; (ii) any acts or omissions of or by the party, its agents, representatives, officers, employees, or subcontractors in connection with the performance of this agreement; or (iii) the party's use of public funds. The parties agree that their respective duty to defend and indemnify the Indemnified Parties under this agreement includes all reasonable attorney's fees, litigation and court costs, expert witness fees, and any sums expended by or assessed against a party for the defense of any claim or to satisfy any settlement, arbitration award, debt, penalty, or verdict paid or incurred on behalf of another party to this agreement. The parties agree that the requirements of this paragraph will survive the expiration or sooner termination of this agreement.

c. City acknowledges that the City employees do not become employees of the KCH under any theory of law when using the KCH's ambulance and equipment.

d. KCH acknowledges that the KCH employees and volunteers do not become employees of the City under any theory of law when fulfilling their obligations under this agreement.

14. Required Insurance Policies. All Parties to this agreement shall maintain insurance or self-insurance coverage sufficient to meet their respective obligations hereunder and consistent with applicable law.

15. Non-Funding Clause. The parties will work in good faith in acquiring the funds necessary to perform their respective obligations under this agreement. If funds sought are not appropriated and made available to one or more of the parties, through no fault of the party, then that party to

whom funds were not appropriated shall promptly notify the other party of such non-funding and of the resultant need to terminate this agreement. The termination of the agreement under this paragraph shall not be construed as a breach of this agreement or as an event of default under this agreement, and such termination under this paragraph will be without penalty and no right of action for damages or other relief will accrue to the benefit of one of the parties, its successors, or its assigns as to this agreement, or any portion thereof, which may terminate and become null and void.

16. Entire Contract. This agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in this agreement. Except as provided herein, all prior and contemporaneous contracts, representations and understandings of the parties, oral or written, are superseded by and merged in this agreement. No supplement, modification or amendment of this agreement shall be binding unless it reduced to writing and executed by both parties.
17. Severability. If any section, clause, sentence or portion of this agreement is declared for any reason to be invalid or unenforceable, the invalidity or unenforceability of such portion shall not affect the validity of any of the remaining portions and the same shall be deemed to continue in full force and effect as if this agreement had been executed with the invalid portions eliminated.
18. Third Party Beneficiaries. There are no intended third-party beneficiaries to this agreement. It is expressly understood that enforcement of the terms and conditions of this agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the parties, and nothing contained in this agreement shall give or allow any claim or right of action by any third person under this agreement. It is the express intention of the parties that any person, other than the party who receives benefits under this agreement, shall be deemed an incidental beneficiary only.
19. Choice of Law. This agreement shall be governed by and construed and enforced in accordance with the laws of the State of Utah
20. Waiver. No waiver of any of the provisions of this agreement shall operate as a waiver of any other provision regardless of any similarity that may exist between such provisions nor shall a waiver in one instance operate as a waiver in any future event. No waiver shall be binding on City or the KCH, unless executed in writing by the waiving party.

21. Notices. Any notices required to be made pursuant to this agreement shall be made by sending the notice to the appropriate party by way of the United States Postal service, or other common carrier, or by another method to which the parties have agreed, to the following:

Kanab City
Attn: City Manager
26N. lOOE.
Kanab, Utah 84741

Kane County Human Resource Special Service District
d.b.a. Kane County Hospital
Attn: Kurt Loveless, CEO
355 N. Main St.
Kanab, Utah 84741

22. Counterparts. This agreement may be executed in counterparts originals, all such counterparts constituting one complete executed document.
23. Other. A copy of this agreement shall be kept on file with the custodian of records for each party. Both parties agree to publish this agreement in accordance with Utah Code § 11-13-219.

(The remainder of this page is left intentionally blank)

SIGNATURES

IN WITNESS WHEREOF, the parties sign the foregoing Interlocal Agreement through appropriate and authorized representatives on the date first noted above.

For the City:

Colten Johnson
Kanab City Mayor

ATTEST:

Celeste Cram
Kanab City Recorder

Approved as to Form:

Kent Burggraaf
Kanab City Attorney

For KCH:

Kurt Loveless
Chief Executive Officer

MUTUAL AID AGREEMENT

This Mutual Aid Agreement is entered into this 1st day of October 2023, by and between Kane County Human Resource Special Service District d.b.a Kane County Hospital, a special service district established under the laws of the State of Utah, 355 N. Main Street., Kanab, UT 84741 ("KCH"), and Garfield County Ambulance, a political subdivision of the State of Utah, PO Box 418, Panguitch, UT 84759 ("GCA").

RECITALS

Kane County Hospital and Garfield County Ambulance hereby represent to each other:

A. KCH holds License No. 1301L from the Office of Emergency Medical Services & Preparedness of the Utah Department of Health & Human Services ("OEMSP") to provide ambulance response with Paramedic Ground Ambulance Transport, Paramedic Ground Ambulance Interfacility Transport, and Paramedic Non-Transport services within the geographic limits of its service area, as defined in KCH's License No. 1301L (hereinafter "Kane County's Service Area").

B. GCA holds License No. 0901L, pursuant to which it has the exclusive right to provide AEMT ground ambulance 911 response with transport services within the geographic limits of its service area, as defined in GCA's License No. 0901L (hereinafter "Garfield County's Service Area").

C. WHEREAS, the physical geography in Kane County creates areas more expediently served by GCA.

D. WHEREAS, GCA agrees to provide ground ambulance services to those areas of Kane County itemized herein.

E. WHEREAS, GCA owns and shall provide the necessary equipment to provide those ground ambulance services.

F. Kane County Hospital and Garfield County Ambulance now enter into this Mutual Aid Agreement to assure each other and OEMSP of their mutual commitment during the term of this Agreement to provide prompt, safe, competent and efficient ambulance transport services to the public in Kane County's Service Area and Garfield County's Service Area, in

accordance with the terms of this Agreement.

G. The terms of this Mutual Aid Agreement have been approved in their entirety by the respective governing bodies of Kane County Hospital and Garfield County Ambulance. This Mutual Aid Agreement is subject to and shall become effective only upon approval by OEMSP pursuant to the terms of Utah Code Ann. § 26-8a-402. Kane County Hospital and Garfield County Ambulance understand and agree that the parties' licenses identified above will incorporate this Mutual Aid Agreement by reference and will be conditioned on the parties' execution and continuing compliance with this Mutual Aid Agreement.

Agreement

Based on the foregoing recitals, KCH and GCA agree:

I) Definitions - The definitions below will govern the terms of this Mutual Aid Agreement. If, as the result of any legislative action or rulemaking, any of the following definitions becomes inconsistent with Utah law, the parties will promptly meet to negotiate in good faith such revisions in these definitions as may be necessary to comply with Utah law.

a) "OEMSP" means the Office of Emergency Medical Services & Preparedness of the Utah Department of Health & Human Services, or any successor agency of government of the State of Utah.

b) "911 Ambulance Services" means all ambulance responses that are initiated by 911 emergency calls (or equivalent) to the relevant dispatch service.

2) Initial Term and Subsequent Extension - The initial term of this Mutual Aid Agreement shall be coterminous with the term of KCH's license No. 1301L, as it may be extended by OEMSP, and shall expire on the same date that KCH's license expires, or on the date on which this Mutual Aid Agreement is terminated under paragraph 3 or 4, below. At the conclusion of its initial term, this Mutual Aid Agreement shall be automatically extended for another term coterminous with any extended terms of KCH's license unless either Kane County Hospital or Garfield County Ambulance provides the other with written notice, at least ninety (90) days before the end of the initial term of its desire for this Mutual Aid Agreement to terminate at the conclusion of the initial term.

3) Termination Without Cause - Either Kane County Hospital or Garfield County Ambulance may terminate this Mutual Aid Agreement at any time without cause on ninety (90) days' written notice to the other in accordance with paragraph 10, below.

4) Termination for Cause -This Mutual Aid Agreement may be terminated for cause as follows:

a) Subject to the opportunity to cure under subparagraph (d), below, either party may terminate this Mutual Aid Agreement for cause by delivering written notice to the other.

b) Cause justifying the termination of this Mutual Aid Agreement shall consist of any of the following: (i) the other party's repeated failure to comply with the terms of this Mutual Aid Agreement; (ii) revocation, expiration, abandonment, or other termination of the other party's licensure to provide any category of ambulance service required or permitted under this Mutual Aid Agreement; or (iii) the other party's financial insolvency.

c) Written notice of termination shall set forth in detail the cause of the termination.

d) Following receipt of written notice in accordance with subparagraph (c), above, the party receiving such notice shall have a period of thirty (30) days in which to cure the cause or causes set forth in the notice. Termination shall be effective upon the expiration of thirty (30) days following delivery of the written notice of termination, during which period the party receiving the notice shall have failed to cure the cause or causes of the termination.

e) In the event of a dispute between the parties as to whether cause exists for the termination of this Mutual Aid Agreement, the parties shall submit the dispute to binding arbitration before a single arbitrator jointly selected by the parties in Kane County, Utah.

5) Status of the Parties' Respective Licenses- Subject to the authority of OEMSP to revoke licenses pursuant to Utah Code Ann. § 26-8a-504, et seq., the parties agree:

a) GCA's License No. 0901L shall remain in full force and effect and may, subject to OEMSP's approval, be renewed during the initial term and any extended term(s) of this Mutual Aid Agreement. KCH will refrain from any action to limit or cause the revocation of GCA's license. KCH will not oppose and will take all steps reasonably necessary to support the renewal of GCA's license during the initial term and any extended term(s) of this Mutual Aid Agreement.

b) KCH's License No. 1301L shall remain in full force and effect and may, subject to OEMSP approval, be renewed during the initial term and any extended term(s) of this Mutual Aid Agreement. GCA will refrain from any action to limit or cause the revocation of KCH's license. GCA will not oppose and will take all steps reasonably necessary to support the renewal of KCH's license during the initial term and any extended term(s) of this Mutual Aid Agreement.

6) Responsibility for Ambulance Service as Between Kane County Hospital and Garfield County Ambulance -During the initial and any extended term(s) of this Mutual Aid Agreement:

a) KCH shall have primary responsibility to provide 911 Ambulance Services in the Kane County Service Area. GCA will direct all calls or requests it receives for 911 Ambulance Service in the Kane County Service Area to KCH. GCA shall provide 911 Ambulance Service in the Kane County Service Area only at

the request of KCH. It shall be a standing request from KCH to GCA that GCA respond to those areas of Kane County which are more expediently served by GCA due to geography and routes of access, including but not limited to the Grand Staircase-Escalante National Monument.

b) GCA shall have primary responsibility to provide 911 Ambulance Services in Garfield County's Service Area. KCH will direct all calls or requests it receives for 911 Ambulance Service in Garfield County's Service Area to GCA. KCH shall provide 911 Ambulance Service in Garfield County's Service Area only at the request of GCA.

c) Each party will take all steps necessary to include the other party in that party's back-up dispatch system so that the parties may provide 911 Ambulance Service back-up, as described in subparagraphs (6)(a)-(b).

d) KCH and GCA will each provide the other, upon request, with mutual aid, including such personnel, equipment, and services as are available to respond to any emergency in the service area of either, provided that such actions would not unreasonably diminish the responding party's capacity to provide 911 Ambulance Services in the jurisdiction in which it has primary responsibility to provide such service.

e) All such mutual aid shall be provided at no cost or expense to the party receiving it.

f) Each party recognizes that the other has entered into mutual aid agreements with other entities and each party agrees that nothing herein shall prevent the parties from acting in accordance with those agreements.

g) Nothing in this Mutual Aid Agreement shall limit the right of either party to transport a patient from outside its service area and, after waiting for the patient to receive the necessary care, returning that same patient to the pickup location outside its service area.

7) Dispute Resolution Procedure - In the event of a dispute between the parties as to

whether calls or requests for services are being directed to the proper party under paragraph 6, the parties agree to meet and confer in good faith in an attempt to resolve the dispute. Should this fail to resolve the dispute, the parties agree to submit the dispute to binding arbitration before a single arbitrator jointly selected by the parties in Kane County, Utah

8) Indemnification - Each of the parties to this Mutual Aid Agreement shall be solely responsible and liable for the wrongful and negligent acts or omissions committed by its agents, officials, or employees. Each party shall indemnify and hold the other party harmless from all costs, expenses, losses, and damages, including cost of defense, incurred as the result of the wrongful or negligent acts or omission of the other party relating to the performance of this Mutual Aid Agreement. Each party shall maintain insurance, or have an approved self-insurance program, to cover the negligent acts and omissions of its agents, officials, and employees rendering services covered by this Mutual Aid Agreement.

9) Worker Compensation - Each of the parties to this Mutual Aid Agreement shall be solely responsible for providing worker compensation benefits for its own officials, employees, and agents who provide services covered by this Mutual Aid Agreement.

10) Notice - Any notice required or permitted by this Mutual Aid Agreement shall be given in writing by email and/or U.S. Mail to the following:

For Kane County Hospital:	Kane County Hospital 355 North Main Street Kanab, Utah 84741
For GCA:	Garfield County Ambulance PO Box 418 Panguitch, Utah 84759

11) Integration and Amendment - This Mutual Aid Agreement constitutes the entire agreement between the parties on the subjects covered herein. The parties represent and acknowledge that they have not relied on any statements or promises of any kind other than those specifically set forth in the Recitals. This Mutual Aid Agreement may only be amended in writing signed by each party. If, as the result of legislative action or rulemaking, any of the provisions of this Mutual Aid Agreement becomes inconsistent with Utah law, the parties will promptly meet to negotiate in good faith such amendments as may be necessary to comply with Utah law.

12) Effective Date - This Agreement shall take effect on the date that OEMSP approves this Mutual Aid Agreement.

13) Choice of Law - The interpretation of this Mutual Aid Agreement and any dispute concerning its provisions shall be governed by the laws of the State of Utah.

14) Assignment - This Mutual Aid Agreement may not be assigned to any other person or entity without the written approval of the parties hereto. None of the benefits, obligations, or responsibilities set forth herein shall inure to any person or entity without the written consent of both parties.

IN WITNESS WHEREOF, the parties have caused this Mutual Aid Agreement to be executed on their behalf by the following duly authorized representatives as of the date first mentioned above.

KANE COUNTY HOSPITAL

By Kent R. Loveless

Its CEO

GARFIELD COUNTY AMBULANCE

By _____

Its _____

Natural	Allocation Basis Department Description	Direct Ambul 770	Direct Managers 770	Total Direct 770	all Totaled	Allocated
6000	General Salary	280,078	199,436	479,515	741,516	262,001
6100	Payroll Taxes	20,017	15,476	35,493	54,256	18,763
6199	Benefits	59,103	45,172	104,275	158,269	53,994
6220	Medical Pro Fees	12,000		12,000	12,181	181
6230	Non-Med Pro Fees	910,940		910,940	931,684	20,744
6240	Legal Fees	0		0	3,473	3,473
6250	Auditing Fees	0		0	9,244	9,244
6260	Consulting Fees	0		0	25,024	25,024
6263	Management Fees	0		0	4,568	4,568
6270	Coll Agency Fees	0		0	7,490	7,490
6300	Food	0		0	2	2
6301	Food-Vending	0		0	117	117
6330	Drugs	3,160		3,160	3,160	0
6335	Iv Solution	241		241	241	0
6400	Patient Chargeable	1,326		1,326	1,329	3
6410	Patient Non-Chargeable	20,745		20,745	21,062	317
6411	Oxygen & Gases	0		0	0	0
6412	Instruments	1,222		1,222	1,222	0
6419	Freight Supplies	237		237	237	0
6420	General Supplies	25,498		25,498	33,599	8,101
6422	Printed	0		0	6	6
6475	Postage Fedex	0		0	-5	-5
6470	Postage	38		38	1,754	1,716
6490	Minor Equipment	6,648		6,648	9,709	3,061
6510	Electricity	4,090		4,090	4,111	21
6520	Diesel	0		0	0	0
6530	Propane	2,950		2,950	2,950	0
6540	Water	462		462	462	0
6550	Refuse & Sewage	1,879		1,879	2,209	330
6570	Telephone	320		320	320	0
6600	R&M Bldg & Grounds	0		0	3,669	3,669
6610	R&M Equipment	1,058		1,058	4,376	3,318
6620	R&M Contracts	12,893		12,893	72,064	59,171
6630	R&M Auto	33,595		33,595	33,600	5
6700	Rental	0		0	2,164	2,164
6710	Cylinder Rental	347		347	347	0
6800	INS Other	0		0	21,870	21,870
6810	INS Property	0		0	6,480	6,480
6820	INS Auto	38,667		38,667	38,667	0
6830	INS Other	0		0	186	186
6910	Dues	20,748		20,748	50,436	29,688
6911	Assesment Fees	15,248		15,248	15,248	0
6915	Licenses	0		0	1,112	1,112
6920	Ed & Training	18,330		18,330	22,323	3,993
6921	Travel	15,532		15,532	18,371	2,839
6922	Travel-Meals	3,627		3,627	4,134	507
6923	Travel-Mileage	1,639		1,639	3,140	1,501
6930	Fuel/Oil	39,123		39,123	39,150	27
6931	Relocation	0		0	0	0
6932	Recruitment	0		0	160	160
6933	Physician Recruitment	0		0	4,182	4,182
6941	Bank Charges	0		0	10,731	10,731
6950	Advertising	0		0	3,094	3,094
6951	Ad Patient Info	0		0	0	0
6952	Ad Employ/Legal	0		0	694	694
8000	Depreciation-Report Deprec	358,041		358,041	358,041	0
		1,909,800	260,084	2,169,885	2,744,427	574,542

WCF Mutual Insurance Company
100 W Towne Ridge Pkwy
Sandy, UT 84070
385 351-8000

Workers Compensation and Employers Liability Insurance Policy

NCCI Co Number: **19933** | INFORMATION PAGE | Policy Number: **1788811**

1. INSURED/MAILING ADDRESS:

Kane County Human Resource Special Service District
355 N Main St
Kanab, UT 84741-3260
(435) 644-4157

Other workplaces not shown above: See Schedule WC 200 A
Other named insured (if applicable):

Entity Type: **Corporation**
Renewal of Policy No: **1788811**
F.E.I.N. 870467930
NCCI Risk Id 430190601
UT Unemployment Id 125308

2. POLICY PERIOD: From 10/01/2025 to 10/01/2026 at 12:01am at the Insured's mailing address

3. COVERAGE:

A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the state listed here:

UT

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in item 3.A. The limits of our liability under Part Two are:

Bodily Injury by Accident	**$1,000,000**	**Each Accident**
Bodily Injury by Disease	**$1,000,000**	**Policy Limit**
Bodily Injury by Disease	**$1,000,000**	**Each Employee**

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

None

D. This policy includes these endorsements and schedules:

See Schedule WC 200 C

4. PREMIUM:

The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rates Per $100 of Remuneration	Estimated Annual Premium
See Schedule WC 200 D				
			Expense Constant Total Estimated Annual Cost:	**$200.00** **$31,561.00**

Minimum Premium: **$719.00 Utah**
Deposit Premium:

If indicated below, interim adjustments of premium shall be made:
____ Semi-annually; ____Quarterly; ____Monthly

PRODUCER:
Arthur J Gallagher Risk Mgmt Svcs LLC
6967 SOUTH RIVER GATE DR #200
SALT LAKE CITY , UT 84047
(801) 924-1400

Countersigned By

WC000001A

Issue Date: 08/12/2025 | Issuing Office: Sandy, Utah

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/26/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 4622 Pennsylvania Avenue Suite 920 Kansas City MO 64112	**CONTACT NAME:** Carolynn Locke **PHONE (A/C, No, Ext):** 816-395-8532 **FAX (A/C, No):** 816-467-5532 **E-MAIL ADDRESS:** carolynn_locke@ajg.com
INSURED KANECOU-01 Kane County Human Resource Special Service District 355 North Main Street Kanab UT 84741	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** UMIA Insurance, Inc. / 36676 **INSURER B :** **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 1806075325 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:			UHF004819	6/3/2025	6/3/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Med Exp (Agg)	$ 1,000,000 $ $ 10,000 $ 1,000,000 $ 3,000,000 $ 1,000,000 $ 30,000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $ $
	[ ] **UMBRELLA LIAB** [ ] OCCUR [ ] **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					[ ] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A	Hospital Medical Prof Liab			UHF004819	6/3/2025	6/3/2026	Each Medical Incident Aggregate	$1,000,000 $3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Claims-Made Retro Date: 6/1/1997

The following: Martin Larsen DO is covered while working on behalf of the named insured

CERTIFICATE HOLDER	CANCELLATION
For Coverage Verification	**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.** **AUTHORIZED REPRESENTATIVE**

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Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: City Flag
PREPARED BY: City Manager, Kyler Ludwig

Background:

Kanab City has received community interest in displaying flags on public properties during special events such as local sports events, parades, and festivals. However, state regulations mandate that any flag flown on public grounds must be officially adopted by the governing body.

Mayor Colten Johnson collaborated with community members to develop a simple yet meaningful flag design of a red background featuring a white "K." The specific K used was inspired by historic photographs of 1926 Kanab High School Basketball Team (State Champions) and reflects the longstanding cultural identity of the community. The design also pays tribute to the iconic "K" on K-Hill, set against the red rock backdrop that defines the Kanab landscape.

Analysis:

The adoption of an official city flag offers several benefits to the community. Primarily, it ensures legal compliance with Utah's requirements regarding the display of flags on government-owned properties. Beyond compliance, the flag serves as a unifying symbol of Kanab's identity, fostering civic pride and reinforcing a shared connection to the city's heritage and landscape. Official recognition would enable the flag's use at municipal buildings, parks, and public right-of-ways, particularly during community celebrations, sports victories, civic observances, and other appropriate occasions.

Legal:

Financial:

Recommendations/Actions: It is recommended the City Council:

Approve resolution _____, a resolution formally approving the design of the Kanab City Flag and authorizing its display on public property in accordance with State Law.

RESOLUTION NO. 10- -25 R

A RESOLUTION ADOPTING AN OFFICIAL FLAG FOR KANAB CITY AND AUTHORIZING ITS USE FOR COMMUNITY DISPLAY

WHEREAS, Naming and adopting an official flag reinforces Kanab's civic identity and provides a unifying emblem for residents, visitors, and future generations;

WHEREAS, Establishing an official flag ensures consistency, dignity, and compliance with Utah law governing the display of flags on public property;

WHEREAS, Visual symbols like the City flag express Kanab's character, connecting its history and landscape to the people who call it home;

WHEREAS, Evoking designs from the past including the 1926 State Basketball Champion teams jerseys the flag honors generations of Kanab;

WHEREAS, Representing both the City's red-rock surroundings and iconic K-hill;

WHEREAS, By adopting the flag, the City Council affirms a unified standard for civic display and strengthens the City's identity;

WHEREAS, Local pride and participation are encouraged through authorized use of the flag at community events, facilities, and public right-of-ways;

WHEREAS, Under this Resolution, the Mayor and City staff are empowered to implement the adoption and display of the flag on City property and in City facilities; and

WHEREAS, Effective adoption of the Kanab City flag provides a lasting emblem of unity, heritage, and forward-looking confidence;

NOW, THEREFORE, BE IT RESOLVED, the Kanab City Council hereby approves and adopts an official City flag, attached hereto;

The Mayor and City staff are authorized to take all steps necessary to effectuate this resolution. City staff is authorized to make grammatical, formatting, and other non-substantive modifications deemed appropriate.

All former Resolutions or parts thereof conflicting or inconsistent with the provisions of this Resolution or of the Code hereby adopted are hereby repealed. The provisions of this Resolution shall be severable, and, if any provision thereof or any application of such provision is held invalid, it shall not affect any other provisions of this code or the application in a different circumstance.

This Resolution shall be effective upon passage and posting as provided by law.

[*Signatures on the next page*.]

PASSED AND RESOLVED this _____ day of October, 2025.

KANAB CITY

_____
MAYOR

ATTEST:

_____
RECORDER

VOTING:

Arlon Chamberlain	Yea ____ Nay ____
Scott Colson	Yea ____ Nay ____
Chris Heaton	Yea ____ Nay ____
Boyd Corry	Yea ____ Nay ____
Peter Banks	Yea ____ Nay ____




K
K
K
K
K
K
K

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

NOTICE OF MEETING
OF THE
KANAB CITY COUNCIL

Notice is hereby given that the Kanab City Council will hold a special council meeting on the **21th day of October 2025**, in the City Council chambers at the Kanab City Office, **26 N 100 E, Kanab, Utah**. The Council Business Meeting will convene at **6:30pm**. The agenda will be as follows:

BUSINESS MEETING

1) **CALL TO ORDER AND ROLL CALL**

2) **PUBLIC COMMENT PERIOD:** Members of the public are invited to address the Council. Participants are asked to keep their comments to 3 minutes and follow the rules of civility outlined in Kanab Ordinance 3-601.

3) **CONSENT ITEMS:**
No consent items for consideration.

4) **BOARD COMMISSION, COMMITTEE APPOINTMENTS:**
No appointments proposed.

5) **PRESENTATIONS:**
No presentations scheduled.

6) **PUBLIC HEARING ITEMS:**
A) Public Hearing, discussion, and consideration of an ordinance creating the Hidden Canyon Public Infrastructure District, approving governing documents for the District, and establishing a Board of Trustees (Jim Guthrie- 6 year term, Juli Graham- 4 year term, Jared Grahm- 6 year term).

7) **ACTION ITEMS READY FOR VOTE:**
No additional action items.

8) **ITEMS FOR DISCUSSION:**
No discussions items.

9) **REVIEW AND DISCUSSION OF FUTURE MEETINGS:**
No updates prepared.

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 21, 2025
TO: Mayor and City Council
SUBJECT: Hidden Canyon PID
PREPARED BY: City Manager, Kyler Ludwig

Background:

The City of Kanab has received a petition for the creation of a Public Infrastructure District (PID) for the Hidden Canyon development, located on the east side of Kanab, north of U.S. Highway 89. The proposal seeks approval to form a PID under Utah Code Title 17D, Chapter 4, known as the Public Infrastructure District Act, which authorizes limited-purpose governmental entities to finance public infrastructure through assessments levied on property within a defined district.

Hidden Canyon's Development Agreement with the City was approved on August 27, 2024. The agreement included plans of development for:

- Approximately 705 residential units (356 single-family, 269 multifamily)
- An 80-room hotel
- 7+ acres of commercial storage

The developer—Jim Guthrie, in coordination with JJJ Development, Inc.—has obtained 100% written consent from all property owners and registered voters within the proposed district boundaries, satisfying the legal requirements for PID formation under Utah law.

Analysis:

A Public Infrastructure District (PID) is a special-purpose local government entity formed to finance infrastructure improvements within a defined area. PIDs are governed by state statute and function independently from the municipality in which they are located.

Key Attributes of a PID:

- Independent Governance: A PID is legally and financially separate from the City. It is governed by a Board of Trustees and operates as its own public entity.

- No City Liability: Bonds issued by a PID are not backed by the City's full faith and credit, do not appear on the City's balance sheet, and pose no financial risk to the City.
- Financing Tool: PIDs finance infrastructure through the issuance of bonds repaid by special assessments levied on benefited lots. These assessments are prepaid by the developer before lots are sold, minimizing long-term obligations for homeowners.

If approved, the Hidden Canyon PID would be authorized to issue up to $45 million in special assessment bonds The proposed governance structure includes a three-member Board of Trustees, to be appointed by the City:

- Jim Guthrie – 6-year term
- Juli Graham – 4-year term
- Jared Graham – 6-year term

All nominees have submitted the required conflict of interest disclosure forms, in compliance with state law and City policy.

The Hidden Canyon Development Agreement expressly anticipates the formation of a PID and outlines the following provisions:

- Permitted Use: The Developer may utilize a PID to fund oversized or extended public improvements that benefit not only the development, but also future adjacent growth.
- City Discretion: The City retains full legislative discretion in approving or denying the formation of a PID and is under no obligation to approve one.
- Reimbursement Mechanisms: If a PID is formed and completes eligible infrastructure improvements, the PID may qualify for impact fee credits, as determined by the City Engineer and aligned with the City's Capital Facilities Plan.

Legal:

The governing documents have been created with assistance from Gilmore & Bell and reviewed by Kanab's legal counsel.

Financial:

The PID is a self-financing entity. The City does not guarantee or assume any responsibility for the repayment of PID-issued bonds.

Recommendations/Actions: It is recommended the City Council:

Approve Resolution _____ R A Resolution providing for the creation of the Hidden Canyon Public Infrastructure District and approving a governing document and interlocal agreement; Approving the appointment of a board of trustees, authorizing other documents in connection therewith, and related matters.

NOTICE OF PUBLIC HEARING REGARDING THE CREATION OF A PUBLIC INFRASTRUCTURE DISTRICT BY KANAB CITY, UTAH

October 7, 2025

This notice is furnished to you by the City Council (the "Council") of Kanab City, Utah (the "City") to provide notice of a public hearing to be held by the Council on **October 21, 2025 at or after 6:30 P.M.** The public hearing is regarding the proposed creation of Hidden Canyon Public Infrastructure District (the "Proposed District") and to allow for public input on (i) whether the requested service (described below) is needed in the area of the applicable Proposed District, (ii) whether the service should be provided by the City or the Proposed District, and (iii) all other matters relating to the Proposed District.

Because consent to the creation of the Proposed District and waiver of the protest period has been obtained from all property owners and registered voters within the boundaries of the Proposed District, pursuant to Section 17D-4-201 of the Utah Code, the City may adopt a resolution creating the Proposed District immediately after holding the public hearing described herein or on any date thereafter. **Any withdrawal of consent to creation or protest of the creation of the Proposed District by an affected property owner must be submitted to the City prior to the public hearing described herein.**

Meeting Information:

Held By: The City Council of Kanab City, Utah
Date and Time: October 21, 2025 at or after 6:30 P.M.
Location:
Kanab City Council Chambers
26 North 100 East
Kanab, UT 84741

Proposed District Boundaries:

The legal description and map for the Proposed District is attached as **Appendix A**. In addition, it is anticipated that the Proposed District would be authorized to adjust their boundaries through withdrawal of properties, so long as such properties are within the proposed inclusion area, as shown on the map attached as **Appendix B** and certain requirements as established in a governing document have been met.

Summary of Proposed Resolutions:

The proposed resolutions regarding the creation of the Proposed District contain consideration of approval of the following items:

- Creation of the Proposed District with the initial boundaries as described herein
- Approval of the withdrawal from the boundaries of the Proposed District of any area within the proposed inclusion area of the Proposed District without additional approvals or hearings of the City, subject to the conditions of the Governing Document
- Establishment of a Board of Trustees for the District, comprised as follows:
    - Trustee 1 – Jim Guthrie, for an initial 6-year term;
    - Trustee 2 – Juli Grahm, for an initial 4-year term;
    - Trustee 3 – Jared Grahm, for an initial 6-year term
- Authorization for execution by the City of the Notice of Boundary Action and Final Entity Plat
- Approval of a Governing Document and Interlocal Agreement for the Proposed District:
    - A proposed aggregate debt limit for the Proposed District of $45,000,000.00
    - Permitting the Proposed District to issue debt repayable from special assessments, and other revenues of the District

Proposed Service:

Hidden Canyon Public Infrastructure District is proposed to be created for the purpose of financing the construction of public infrastructure relating to the Hidden Canyon Development (the "Project"), as permitted under the Special District Act, Title 17B, Chapter 1, Utah Code Annotated 1953 and the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953.

Sincerely,

The City Council of Kanab City, Utah

APPENDIX A

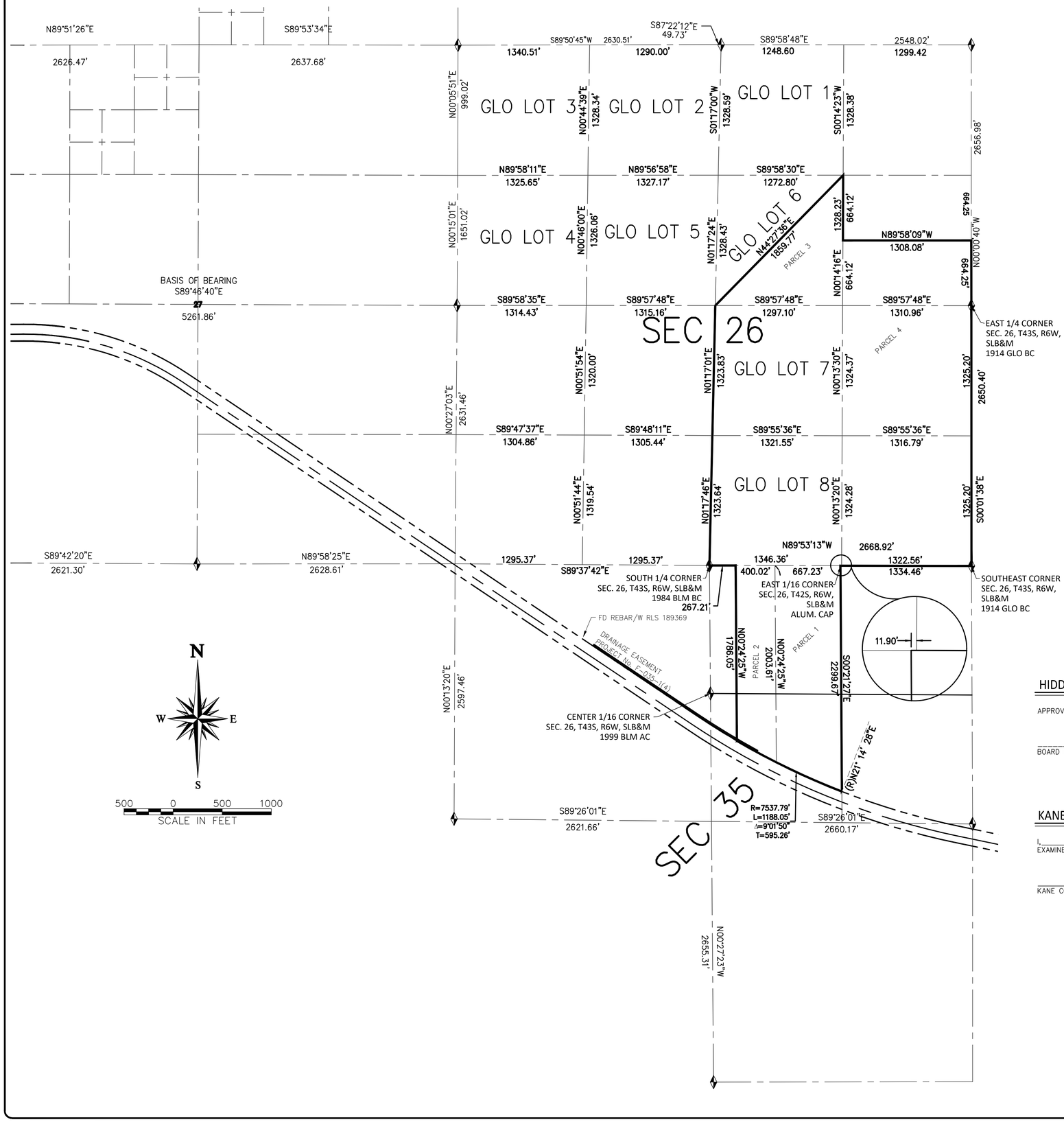
PROPOSED DISTRICT BOUNDARIES

Legal Description (Initial District Boundaries)

BEGINNING AT THE SOUTH 1/4 (QUARTER) CORNER OF SECTION 26' TOWNSHIP 43 SOUTH, RANGE 6 WEST SALT LAKE BASE AND MERIDIAN: THENCE N01°17'46"E 1323.64 FEET; THENCE N01°17'01" E 1323.83 FEET TO THE CENTER OF SECTION 25; THENCE N44°27'36" E 1859.77; THENCE S00°14'16" W 664.12 FEET; THENCE N89°58'09"W 1308.08 FEET TO THE EAST SECTION LINE OF SECTION 26; THENCE S00°00'40"E 664.25 FEET TO THE EAST 1/4 (QUARTER) CORNER OF SECTION 26; THENCE S00°01'38"E 2650.40 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 26; THENCE N89°53'13"W 1334.46 FEET TO THE EAST 1/16 CORNER OF SECTION 26; THENCE S00°21'27"E 2299.67 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY OF HIGHWAY 89 AND A POINT OF CURVATURE WITH A 7537.79 FOOT RADIUS CURVE TO THE RIGHT (RADIUS BEARS N21°14'28"E); THENCE 1188.05 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 9°01'50"; THENCE N00°24'25"W 1786.05 FEET; THENCE N89°53'13"W 267.21 TO THE POINT OF BEGINNING.

APPENDIX B

Initial District Boundary Map



FINAL LOCAL ENTITY PLAT
FOR
HIDDEN CANYON INFRASTRUCTURE FINANCING DISTRICT
LOCATED IN THE NW 1/4 OF SECTION 35 AND THE WEST HALF OF SECTION 26, TOWNSHIP 42 SOUTH, RANGE 16 WEST, SALT LAKE BASE & MERIDIAN, KANAB, KANE COUNTY, UTAH

SURVEYOR'S CERTIFICATE

I, MICHAEL W. PURDY, PROFESSIONAL UTAH LAND SURVEYOR NUMBER 334571, HOLD A LICENCE IN ACCORDANCE WITH TITLE 58, CHAPTER 22, PROFESSIONAL ENGINEERS AND LAND SURVEYORS LICENSING ACT. HEREBY CERTIFY THAT THIS MAP REPRESENTS A SURVEY MADE UNDER MY DIRECTION OF FINAL LOCAL ENTITY PLAT FOR HIDDEN CANYON INFRASTRUCTURE FINANCING DISTRICT, A RESIDENTIAL SUBDIVISION LOCATED IN KANAB, CANE COUNTY, UTAH, IN ACCORDANCE WITH SECTION 17-23-17. MONUMENTS WILL BE PLACED AS REPRESENTED ON THIS PLAT. THE LEGAL DESCRIPTION AND PLAT ARE TRUE AND CORRECT. I FURTHER CERTIFY THAT THE SURVEYED PROPERTY CONFORMS TO CURRENT KANAB CITY ZONING ORDINANCE.

MICHAEL W. PURDY R.L.S. #334571

PROFESSIONAL LAND SURVEYOR No. 334571 MICHAEL W. PURDY STATE OF UTAH 10/07/2025

BOUNDARY DESCRIPTION

BEGINNING AT THE SOUTH 1/4 (QUARTER) CORNER OF SECTION 26' TOWNSHIP 43 SOUTH, RANGE 6 WEST SALT LAKE BASE AND MERIDIAN:

THENCE N01°17'46"E 1323.64 FEET; THENCE N01°17'01" E 1323.83 FEET TO THE CENTER OF SECTION 25; THENCE N44°27'36" E 1859.77; THENCE S00°14'16" W 664.12 FEET; THENCE N89°58'09"W 1308.08 FEET TO THE EAST SECTION LINE OF SECTION 26; THENCE S00°00'40"E 664.25 FEET TO THE EAST 1/4 (QUARTER) CORNER OF SECTION 26; THENCE S00°01'38"E 2650.40 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 26; THENCE N89°53'13"W 1334.46 FEET TO THE EAST 1/16 CORNER OF SECTION 26; THENCE S00°21'27"E 2299.67 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY OF HIGHWAY 89 AND A POINT OF CURVATURE WITH A 7537.79 FOOT RADIUS CURVE TO THE RIGHT (RADIUS BEARS N21°14'28"E); THENCE 1188.05 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 9°01'50"; THENCE N00°24'25"W 1786.05 FEET; THENCE N89°53'13"W 267.21 TO THE POINT OF BEGINNING.

CONTAINS 250.60 acres

NARRATIVE

THE PURPOSE OF THIS SURVEY IS TO ESTABLISH THE BOUNDARY OF THE PROPERTY DESCRIBED ON THE GROUND AND CALCULATE AN ACCURATE AREA FOR THE SALE OF THE PROPERTY.
THE BASIS OF BEARING FOR THIS PROJECT IS S89°46'40"E BETWEEN THE WEST AND EAST QUARTER CORNERS OF SECTION 27, T43S, R6W, SLB&M

LEGEND

- PROPERTY LINE
- ADJACENT PROPERTY
- SECTION LINE
- CENTERLINE
- SECTION CORNER
- SECTION CORNER LOCATION - NO MONUMENT
- EXISTING CLASS I MONUMENT (RING & LID)
- SET BCE PK NAIL AND WASHER OR AS NOTED
- FOUND REBAR AND CAP AS NOTED

HIDDEN CANYON INFRASTRUCTURE FINANCING DISTRICT BOARD OF TRUSTEES

APPROVED THIS _____ DAY OF _____, 20___, BY THE HIDDEN CANYON INFRASTRUCTURE FINANCING DISTRICT BOARD OF TRUSTEES.

_____
BOARD MEMBER

KANE COUNTY SURVEYOR APPROVAL

I,_____, KANE COUNTY SURVEYOR, DO HEREBY CERTIFY THAT THIS PLAT WAS EXAMINED AND ACCEPTED BY ME THIS THE ____ DAY OF _____, 2025.

_____
KANE COUNTY SURVEYOR

ACKNOWLEDGEMENT

STATE OF UTAH)
S.S.
COUNTY OF KANE)

ON THIS _____ DAY OF _____, 20___, PERSONALLY APPEARED BEFORE ME, _____,JIM GUTHRIE. PROVED ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO IN THIS DOCUMENT, AND ACKNOWLEDGED THAT THEY EXECUTED THE SAME.

NOTARY PUBLIC FULL NAME: _____
COMMISSION NUMBER: _____
MY COMMISSION EXPIRES: _____
A NOTARY PUBLIC COMMISSIONED IN UTAH

NO STAMP REQUIRED
UTAH CODE 46-1-16(6)

_____
NOTARY PUBLIC (SIGNATURE)

REVISIONS

NO.	DESCRIPTION	DATE	BY

BROWN CONSULTING ENGINEERS, P.C.
CIVIL ENGINEERING-LAND SURVEYING-LAND PLANNING
736 S 900 E SUITE B 105
ST. GEORGE, UTAH 84790
(435) 628-4700

FINAL LOCAL ENTITY PLAT
FOR
HIDDEN CANYON SUBDIVISION PHASE 1-16
LOCATED IN THE NW 1/4, SEC 35, AND THE W 1/2 SEC 26
T42S, R16W, S.L.B.&M. KANAB, UTAH

CHECKED BY : SK
DRAWN BY : SWB
DATE : 10/7/25
JOB NO. : 21-43
SCALE : 1"=500'
SHEET NO. : FLEP

GOVERNING DOCUMENT
FOR

HIDDEN CANYON PUBLIC INFRASTRUCTURE DISTRICT

KANAB, UTAH

Prepared

by

Gilmore & Bell, P.C.
15 West South Temple, Suite 1400
Salt Lake City, Utah 84101

[____], 2025

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I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, and, except as may otherwise be provided for by State or local law or this Governing Document, its activities are subject to review by the City only insofar as they may deviate in a material matter from the requirements of the Governing Document. It is intended that the District will provide a part or all of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements. The District is not being created to provide any ongoing operations and maintenance services.

B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project. Formation of the District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economic manner possible.

C. Objective of the City Regarding District's Governing Document.

The City's objective in approving the Governing Document for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt to be issued by the District. All Debt is expected to be repaid by Assessments and other legally available revenues of the District. Debt which is issued within these parameters and, as further described in the Financial Plan, will ensure there are no ongoing tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Governing Document is intended to establish a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only through an interlocal agreement with the City or other relevant public entity with written consent of the City.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a determination that adequate provision has been made for the payment of all Debt.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments collected on District properties. It is the intent of this Governing Document that no property taxes are levied by the District for the repayment of Debt. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District.

II. DEFINITIONS

In this Governing Document, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Approved Development Plan: means a Preliminary Development Plan, Development Agreement, or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development for property within the District Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time. An infrastructure plan approved by the City Manager or Planning Director shall constitute an Approved Development Plan for purposes of Section V.A.8. For purposes of this Governing Document, the Master Development Agreement (with PID) [_____], 2025, shall constitute an Approved Development Plan.

Assessment: means (i) the levy of an assessment secured by a lien on property within a District to pay for the costs of Public Improvements benefitting such property or (2) an assessment by a District levied on private property within such District to cover the costs of an energy efficient upgrade, a renewable energy system, or an electric vehicle charging infrastructure, each as may be levied pursuant to the Assessment Act.

Assessment Act: means collectively, (i) Title 11, Chapter 42, Utah Code as may be amended from time to time and (ii) the C-PACE Act.

Board: means the board of trustees of the District.

Bond, Bonds or Debt: means bonds or other obligations, including loans of any property owner, for the payment of which the District has promised to collect Assessments or other legally available revenues.

City: means Kanab, Utah.

City Code: means the City Code of Kanab, Utah.

City Council: means the City Council of the City.

C-PACE Act: means title 11, Chapter 42a of the Utah Code, as amended from time to time.

C-PACE Bonds: means bonds, loans, notes, or other structures and obligations of the District issued pursuant to the C-PACE Act, including refunding C-PACE Bonds.

C-PACE Assessments: means assessments levied under the C-PACE Act.

District: means the Hidden Canyon Public Infrastructure District.

District Act: means the Special District Act and the PID Act.

District Area: means the property within the Initial District Boundary Map.

End User: means any owner, or tenant of any owner, of any improvement within the District, who is intended to become the ultimate user of such improvement. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an End User. The business entity that constructs homes or commercial structures is not an End User.

Fees: means any fee imposed by the District for administrative services provided by the District.

Financial Plan: means the Financial Plan described in Section VIII which describes (i) the potential means whereby the Public Improvements may be financed; (ii) how the Debt is expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Governing Document: means this Governing Document for the District approved by the City Council.

Governing Document Amendment: means an amendment to the Governing Document approved by the City Council in accordance with the City's ordinance and the applicable state law and approved by the Board in accordance with applicable state law.

Initial District Boundaries: means the boundaries of the area described in the Initial District Boundary Map and as particularly described in **Exhibit A-1**.

Initial District Boundary Map: means the map attached hereto as **Exhibit B**, describing the District's initial boundaries.

Residential Homeowner: means the owner of residential property intended for owner occupation.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

Municipal Advisor: means a consultant that: (i) advises Utah governmental entities on matters relating to the issuance of securities by Utah governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Project: means the development or property commonly referred to as the Hidden Canyon Development.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time and any successor statute thereto.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the District Act to serve the future property owners and inhabitants of the District Area as determined by the Board, and includes Public Infrastructure and Improvements as defined in the PID Act.

Regional Improvements: means Public Improvements and facilities that benefit the District Area and which are to be financed pursuant to Section VII below.

State: means the State of Utah.

Trustee: means a member of the Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

III. BOUNDARIES

The area of the Initial District Boundaries includes approximately 257 acres. A legal description of the Initial District Boundaries is attached hereto as **Exhibit A**. A map of the Initial District Boundaries is attached hereto as **Exhibit B**. It is anticipated that the District's boundaries may change from time to time as it undergoes withdrawals pursuant to Section 17D-4-201, Utah Code, subject to Article V below.

IV. PROPOSED LAND USE

The District Area consists of mostly undeveloped land. The 2024 estimated assessed valuation of the District Area within the Initial District Boundaries was $896,456. This valuation is solely for purposes of this Governing Document, and at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan.

Approval of this Governing Document by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of units or the total site/floor area of commercial, residential, or industrial buildings identified in this Governing Document or any of the exhibits attached thereto, unless the same is separately approved by the City in accordance with the City Code.

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES

A. Powers of the District and Governing Document Amendment.

The District shall have the power and authority to provide the Public Improvements within and without the boundaries of the District as such power and authority is described in the District Act and other applicable statutes, common law and the Constitution, subject to any limitations set forth herein.

1. Improvements.

(a) The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. The District shall dedicate the Public Improvements to the City or other appropriate public entity or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code. The District shall be authorized, but not obligated, to own, operate and maintain Public Improvements not otherwise required to be dedicated to the City or other public entity.

(b) Provision, ownership, and maintenance of such Public Improvements will be as provided by the Approved Development Plan, including relating to the pavilion, parking structures, and trails.

2. Reserved.

3. Construction Standards Limitation. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. Public Improvements shall be subject to the ordinary inspection and approval procedures of the City and other governmental entities having proper jurisdiction.

4. Procurement. The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, the Districts may acquire completed or partially completed improvements for fair market value as reasonably determined by a engineer that such District employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the improvements.

5. Privately Placed Debt Limitation. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of a Municipal Advisor substantially as follows:

> We are [I am] a Municipal Advisor within the meaning of the District's Governing Document.
>
> We [I] certify that (1) the net effective interest rate to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

6. Withdrawal.

(a) The City, approval of this Governing Document, has consented to the withdrawal of any area within the District Boundaries from the District. Such area may only

be withdrawn upon the District obtaining any consents required under the PID Act and the passage of a resolution of the Board approving such withdrawal.

(b) Any withdrawal shall be in accordance with the requirements of the PID Act.

(c) Upon any withdrawal, the District shall provide the City a description of the revised District Boundaries.

(d) Withdrawal of any area in accordance with V.A.6(a) and (b) shall not constitute an amendment of this Governing Document.

7. Reserved.

8. Initial Debt Limitation. On or before the effective date of approval by the City of an Approved Development Plan, the District shall not: (a) issue any Debt; nor (b) impose a mill levy for the payment of Debt by direct imposition or by transfer of funds from the operating fund to the Debt service funds; nor (c) impose and collect any Assessments used for the purpose of repayment of Debt.

9. Total Debt Issuance Limitation. The District shall not issue Assessment Debt in excess of an aggregate amount of [_____] Dollars ($[_____]). This amount excludes any portion of bonds issued to refund a prior issuance of Assessment debt by the District. In addition, any C-PACE Bonds do not count against the foregoing limitation and there is no limit to the amount of C-PACE Bonds the District may issue so long as such issuances are in accordance with the provisions of the applicable Assessment Act.

10. Bankruptcy Limitation. All of the limitations contained in the Governing Document, including, but not limited to, those pertaining to the Maximum Bond Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17D-4-201(5), Utah Code. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Governing Document Amendment; and

(b) Are, together with all other requirements of Utah law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Bond Term, shall be deemed a material modification of this Governing Document and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Governing Document Amendment.

11. Governing Document Amendment Requirement.

(a) This Governing Document has been designed with sufficient flexibility to enable the District to provide required facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material modifications to this Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

(b) Subject to the limitations and exceptions contained herein, this Governing Document may be amended by passage of a resolutions of the City Council and the District Board approving such amendment.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, as specified application materials relating to the District and as may be further defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the District Area and is approximately [_____ Dollars ($_____)].

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and/or any other applicable public entity. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

VI. THE BOARD OF TRUSTEES

A. Board Composition. The Board shall be composed of three Trustees who shall be appointed by the City Council pursuant to the PID Act. Trustees 1, 2, and 3 shall be at large seats. Trustee terms shall be staggered with initial terms as follows: Trustees 1 and 3 shall serve an initial term of six (6) years; Trustee 2 shall serve an initial term of four (4) years. In accordance with the PID Act, appointed Trustees shall not be required to be residents of the District.

(a) The respective board seats for the Board shall transition from appointed to elected seats according to the following milestones:

(i) Trustee 1. Trustee 1 shall transition to an elected seat upon the earlier to occur of [_____] Registered Voters within the District, or January 1, 20[__].

(ii) Trustee 2. Trustee 2 shall transition to an elected seat upon [__] Registered Voters within the District.

(iii) Trustee 3. Trustee 3 shall not transition to an elected seat, and shall continue to be appointed by owners of commercial property within the District as provided in B below.

(b) Registered Voters: For purposes of this Section VI "Registered Voters" shall mean registered voters whose "principal place of residence," as that term is defined under Utah Code Section 20A-2-105(1)(a), as may be amended, is in the District.

B. Reelection and Reappointment. Upon the expiration of a Trustee's respective term, any seat which has not transitioned to an elected seat shall be appointed by the City Council pursuant to the PID Act. In the event that no qualified candidate files to be considered for appointment or files a declaration of candidacy for a seat, such seat may be filled pursuant to the Special District Act and in accordance with the Special District Act. Any owner of land constituting more than 50% of the commercial taxable value within a District shall be entitled to nominate for appointment Trustee 3 of the Board, otherwise the City Council may choose Trustee 3 from nominations of any owners of non-permanent residential property within the District.

C. Vacancy. Any vacancy on the Board shall be filled pursuant to the Special District Act and in accordance with the PID Act.

D. Compensation. Unless otherwise permitted by the PID Act, only Trustees who are residents of the District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.

E. Conflicts of Interest. Trustees shall disclose all conflicts of interest. Any Trustee who discloses such conflicts in accordance with 17D-4-202 and 67-16-9, Utah Code, shall be entitled to vote on such matters.

VII. REGIONAL IMPROVEMENTS

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provisions of the Regional Improvements.

VIII. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from their revenues and by and through the proceeds of Debt to be issued by the District. In addition, the District shall be permitted to finance the prepayment of impact fees for the Project. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay within the Maximum Bond Term from revenues derived from the Fees, Assessments and other legally available revenues. All Debt shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All Bonds and other Debt issued by the District may be payable from any and all legally available revenues of the District, including Assessments. The District is not permitted to impose any ad valorem property taxes. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess Fees, penalties or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time.

B. Applicable Debt Requirements.

Debt, when issued, will comply with all relevant requirements of this Governing Document, State law and Federal law as then applicable to the issuance of public securities.

C. Prepayment of Assessments.

All Assessments (other than Assessments under the C-PACE Act) imposed by the District on a parcel anticipated to be owned by a Residential Homeowner shall be payable at or before conveyance to a Residential Homeowner with respect to such parcel. Any Assessments issued under the C-PACE Act may be repayable in accordance with the provisions of such act. Assessments on property which is not intended for Residential Homeowner occupation and C-PACE Assessments may be repayable in accordance with the provisions of such act, and no prepayment requirements shall apply.

D. Maximum Bond Term.

Each Bond issued by the District shall mature within thirty-one (31) years from the date of issuance of such Bond (the "Maximum Bond Term").

E. Debt Repayment Sources.

The District may impose Assessments as a primary source of revenue for repayment of debt service, at rates to be determined by each District. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess Assessments, penalties, or charges, including as provided in Section 17D-4-304, Utah Code, as amended from time to time. The District may not impose a mill levy on taxable property within its boundaries.

The District shall not be permitted to charge an End User the costs of any portion of a Public Improvement for which such End User has already paid or is presently obligated to pay through any combination of Assessments or impact fees. This provision shall not prohibit the

division of costs between Assessments or impact fees, but is intended to prevent double charging of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

> By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District.

Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Governing Document shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

G. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Governing Document. Approval of this Governing Document shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Governing Document be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, are anticipated to be [One Hundred Thousand Dollars ($100,000)], which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed. The first year's operating budget is estimated to be approximately [Fifty Thousand Dollars ($50,000)] which is anticipated to be derived from property taxes and other revenues.

I. Bond and Disclosure Counsel; Municipal Advisor.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel and Municipal Advisor with respect to District Bonds to ensure proper issuance and compliance with this Governing Document. Accordingly, absent written consent of the City, the District agrees to utilize Gilmore & Bell, P.C. as bond and

disclosure counsel and Zions Public Finance, Inc. as Municipal Advisor with respect to District Bonds as permitted by law.

IX. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Manager's Office no later than 210 days following the end of the District's fiscal year.

B. Reporting of Significant Events.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of last day of the prior fiscal year, if changed;

2. List of current interlocal agreements, if changed (to be delivered to the City upon request);

3. Names and terms of Board members and officers and progress towards milestones required for transition to elected Board;

4. District office contact information, if changed;

5. Rules and regulations of the District regarding bidding, conflict of interest, contracting, and other governance matters, if changed;

6. A summary of any litigation which involves the District Public Improvements as of the last day of the prior fiscal year, if any;

7. Status of the District's construction of the Public Improvements as of December 31 of the prior year and listing all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of the last day of the prior fiscal year;

8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;

9. Official statements of current outstanding bonded indebtedness, if not previously provided to the City;

10. Current year budget including a description of the Public Improvements to be constructed in such year;

11. Financial statements of the District for the most recent completed fiscal year (such statements shall be audited if required by bond documents or statute);

12. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and

13. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continue beyond a ninety (90) day period.

X. DISSOLUTION

Upon an independent determination of the District Board that the purposes for which the District was created have been accomplished, the District shall file petitions for dissolution, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to State statutes and disbursed of all assets of the District.

XI. DISCLOSURE TO PURCHASERS

Within thirty (30) days of the Office of the Lieutenant Governor of the State of Utah issuing a certificate of creation, the Board shall record a notice with the recorder of Kane County. Such notice shall (a) contain a description of the boundaries of the District, (b) state that a copy of this Governing Document is on file at the office of the City, (c) state that the District may finance and repay infrastructure and other improvements through the imposition of Assessments and (d) state that the District is not permitted to levy property taxes. Such notice shall further be filed with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, commercial or residential developers, and commercial or residential lessors, as applicable, disclose to End Users all of the information in the first paragraph of this XI. Such disclosures shall be contained on a separate-colored page of the applicable closing or lease documents and shall require a signature of such end user acknowledging the foregoing.

XII. ENFORCEMENT

IN ACCORDANCE WITH SECTION 17D-4-201(5) OF THE UTAH CODE, THE CITY MAY IMPOSE LIMITATIONS ON THE POWERS OF THE DISTRICT THROUGH THIS GOVERNING DOCUMENT. THE CITY SHALL HAVE THE RIGHT TO ENFORCE ANY OF THE PROVISIONS, LIMITATIONS, OR RESTRICTIONS IN THIS GOVERNING DOCUMENT AGAINST THE DISTRICT, THROUGH ANY AND ALL LEGAL OR EQUITABLE MEANS AVAILABLE TO THE CITY, INCLUDING, BUT NOT LIMITED TO, INJUNCTIVE RELIEF.

EXHIBIT A

Legal Description of the Initial District Boundaries

PID Legal Description:
[INSERT LEGAL DESCRIPTION]

EXHIBIT B

Initial District Boundary Map

[INSERT MAP]

DISCLOSURE OF SUBSTANTIAL BUSINESS

Pursuant to Sections 17D-4-202 and 67-16-7 of the Utah Code, I hereby disclose my interest in [DEVELOPER ENTITIES] relating to my appointment to the Board of Trustees of Hidden Canyon Public Infrastructure District (the "District"). The nature and value of my interest is listed below:

[DEVELOPER ENTITIES] [NATURE AND VALUE OF INTEREST – I.E. TITLE, % OWNERSHIP, ESTIMATED VALUE OF THAT INTEREST]

I further certify that I am (i) an owner of land or an agent or officer of an owner of land within the District and (ii) a registered voter at my primary residence.

[NAME] Jared Chase Graham

Jared Chase Graham

STATE OF Utah)

ss:

COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 6th day of October, 2025, by [NAME].

NOTARY PUBLIC

Residing at: Washington, Ut

My Commission Expires:

9/27/2029

KIEL LAMBSON
Notary Public - State of Utah
Comm. No. 745167
My Commission Expires on
Sep 27, 2029

DISCLOSURE OF SUBSTANTIAL BUSINESS

Pursuant to Sections 17D-4-202 and 67-16-7 of the Utah Code, I hereby disclose my interest in [DEVELOPER ENTITIES] relating to my appointment to the Board of Trustees of Hidden Canyon Public Infrastructure District (the "District"). The nature and value of my interest is listed below:

[DEVELOPER ENTITIES] [NATURE AND VALUE OF INTEREST – I.E. TITLE, % OWNERSHIP, ESTIMATED VALUE OF THAT INTEREST]

I further certify that I am (i) an owner of land or an agent or officer of an owner of land within the District and (ii) a registered voter at my primary residence.

[NAME] Jim Guthrie

Jim Guthrie 10-6-25

STATE OF _____)

ss:

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2024, by [NAME].

SEE ATTACHED NOTARY CERTIFICATE

SEE ATTACHED NOTARY CERTIFICATE

_____

NOTARY PUBLIC

Residing at: _____

My Commission Expires:

_____

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of RIVERSIDE

On 10/06/2025 before me, MEHARDEEP SINGH SETHI-NOTARY PUBLIC,
(Here insert name and title of the officer)

personally appeared JIMMY GUTHRIE,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

MEHARDEEP SINGH SETHI
Notary Public - California
Riverside County
Commission # 2395558
My Comm. Expires Mar 2, 2026

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

DISCLOSURE OF SUBSTANTIAL BUSINESS
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages ____ Document Date ____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual(s)
- ☐ Corporate Officer
  (Title)
- ☐ Partner(s)
- ☐ Attorney-in-Fact
- ☑ Trustee(s)
- ☐ Other

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they,~~ is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - Indicate title or type of attached document, number of pages and date.
  - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

DISCLOSURE OF SUBSTANTIAL BUSINESS

Pursuant to Sections 17D-4-202 and 67-16-7 of the Utah Code, I hereby disclose my interest in [DEVELOPER ENTITIES] relating to my appointment to the Board of Trustees of Hidden Canyon Public Infrastructure District (the "District"). The nature and value of my interest is listed below:

[DEVELOPER ENTITIES] [NATURE AND VALUE OF INTEREST – I.E. TITLE, % OWNERSHIP, ESTIMATED VALUE OF THAT INTEREST]

I further certify that I am (i) an owner of land or an agent or officer of an owner of land within the District and (ii) a registered voter at my primary residence.

[NAME] JULI RENEE GRAHAM

Juli Renee Graham

STATE OF Utah)

ss:

COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 6th day of October, 2025, by [NAME].

NOTARY PUBLIC

Residing at: Washington, Ut

My Commission Expires:

9/27/2029

KIEL LAMBSON
Notary Public - State of Utah
Comm. No. 745167
My Commission Expires on
Sep 27, 2029

ORDINANCE NO. 8-2-24 O

AN ORDINANCE APPROVING
THE HIDDEN CANYON DEVELOPMENT AGREEMENT AND
SYSTEM IMPROVEMENTS REIMBURSEMENT AGREEMENT
[Pertaining to parcels K-15-1-ANNEX and K-14-15-ANNEX]

WHEREAS, Jim Guthrie owns approximately 257.37 acres of real property located within City limits, with parcel/tax ID numbers of K-15-1-ANNEX and K-14-15-ANNEX, identified as the Hidden Canyon Subdivision "Property" or Development Property," which he now desires to develop in cooperation with JJJ Development, Inc (collectively the "Developer").

WHEREAS, the Property was previously zoned with a Planned Development Overlay ("PD") and, therefore, is required to have a development agreement, pursuant to Kanab City Land Use Ordinance, Chapter 23.

WHEREAS, to develop the Property, the Developer has certain obligations to install infrastructure and System Improvements to specified standards sufficient to meet the Development Property's needs.

WHEREAS, as part of the development activities, the City desires to have the Developer upsize or oversize certain infrastructure beyond the infrastructure required to meet the needs of the Development Property, including future development and growth.

WHEREAS, Utah law allows for reimbursement for public infrastructure improvements and system improvements through various reimbursement methods, including pioneering agreements and impact fee credits, and the City and the Developer anticipate utilizing multiple methods for reimbursing the Developer for certain public infrastructure and system improvements.

WHEREAS, over several years the City and Developer have negotiated the terms for reimbursement as well as other aspects of the Hidden Canyon Planned Development, and the terms upon which an agreement has been met have been memorialized in the Hidden Canyon Development Agreement and System Improvements Reimbursement Agreement (i.e., one agreement encapsulating both agreements; referred to hereinafter as "Agreement").

WHEREAS, on March 19 and July 2, 2024, the Kanab City Planning Commission held two separate and duly noticed public hearings to consider the Agreement, and any public comments, and thereafter made recommendations to the Kanab City Council pertaining thereto.

WHEREAS, on March 26 and July 16, 2024, having received the Planning Commission's recommendations, the Kanab City Council met during its duly noticed meetings, considered the Agreement with any modifications, and considered the input of City staff, the public input (if any), and the Planning Commission, and discussed the Agreement.

WHEREAS, on August 27, 2024, the Kanab City Council again discussed and reviewed the Agreement,

with certain changes and additions, pursuant to the input from the prior meetings.

WHEREAS, the City, acting pursuant to its authority under Utah Code § 10-9a-101, et seq. and its ordinances, resolutions, and regulations and in furtherance of its land use policies and goals, has made certain determinations with respect to the proposed Hidden Canyon Planned Development, and, in the exercise of its legislative discretion, has elected to approve the Agreement, attached hereto, because it promotes the orderly and appropriate development of the Property, and will provide public facilities, amenities, and other benefits for the better welfare of the community and in connection with a proposed development.

NOW, THEREFORE, BE IT ORDAINED by the Kanab City Council, adopting, and approving the Agreement attached hereto, and thereby authorizing the signing and recordation of the same.

The Mayor and City staff are authorized to take all steps necessary to effectuate this ordinance.

A fully executed copy of the Agreement shall be provided to the Developer for their consideration, execution, and recording. A recorded copy shall be provided to and maintained by the City Recorder.

The provisions of this Ordinance shall be severable, and, if any provision thereof or any application of such provision is held invalid, it shall not affect any other provisions of this Ordinance or the application in a different circumstance.

This Ordinance shall be effective upon passage.

PASSED AND ORDAINED this August 27, 2024.

KANAB CITY

MAYOR

ATTEST:

RECORDER

KANAB CITY CORPORATE SEAL

VOTING:

Arlon Chamberlain	Yea X Nay ____
Boyd Corry	Yea X Nay ____
Peter Banks	Yea X Nay ____
Scott Colson	Yea X Nay ____
Chris Heaton	Yea X Nay ____

When Recorded Return to:
Kanab City
26 North 100 East
Kanab, UT 84741

Tax ID#s: K-15-1-ANNEX
K-14-15-ANNEX

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HIDDEN CANYON DEVELOPMENT AGREEMENT
AND
SYSTEM IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS HIDDEN CANYON DEVELOPMENT AGREEMENT AND SYSTEM IMPROVEMENTS REIMBURSEMENT AGREEMENT (herein "**Agreement**") is entered into this 27th day of August, 2024, by and between Jim Guthrie and his assigns, (herein "**Guthrie**"), owner of record for parcels K-15-1-ANNEX and K-14-15-ANNEX (the "Property"), and JJJ Development, Inc., a Utah corporation (herein "**JJJ Development**") (Mr. Guthrie and JJJ Development, Inc. herein collectively referred to as the "**Developer**"), and Kanab City, a municipal corporation and political subdivision of the State of Utah (herein "**City**"). This Agreement is intended, in part, to replace a previously approved but not fully executed development agreement between the Developer and the City. The Developer and the City are collectively referred to herein as "**Parties**," and each may be referred to individually as "**Party**."

RECITALS

WHEREAS, the City is a political subdivision of the State of Utah.

WHEREAS, Guthrie owns approximately 257.37 acres of real property located within City limits, with parcel/tax ID numbers of K-15-1-ANNEX and K-14-15-ANNEX, which is more fully described in Exhibit "A," identified as the "Hidden Canyon Subdivision" and portions of which may be hereafter interchangeably referenced as "Property", "Development Property," "Planned Community," and "Hidden Canyon".

WHEREAS, the Property is zoned with a Planned Development Overlay ("PD") established by the City.

WHEREAS, the Developer is proposing to develop the Property into a commercial (hotel and storage units), multi-family residential, and single-family residential units; the single-family residential portion of the development will be a gated retirement community designed for ownership by individuals over 55 years of age while the remainder of the commercial and residential development shall be open to all ages ("Development").

WHEREAS, development of the property shall occur over a several-year period, with marketing during development as well as thereafter, by applying to the City for development approvals, the issuance of required permits, and other items as more fully described hereafter.

WHEREAS, the proposed development of the Property will include approximately seven hundred and five (705) residential units, consisting of 356 single-family units, 269 multifamily units, an 80-unit commercial hotel, and 7.07 acres of commercial storage units, requiring additional infrastructure and public services.

WHEREAS, the City is willing to enter into this Agreement because the proposed development contains an upscale residential senior community, high-scale residential apartments, provides various commercial services, improves or develops City roads, contributes to the overall infrastructure and improvements of the City for future growth, and promotes economic development, all of which will be advanced by the Developer through the formation of a PID and/or other private financial resources.

WHEREAS, Developer will install all utilities, provide paved hard surface roads from the public street to the Development, and provide the Development with all public utility facilities including but not limited to curb, gutter and sidewalk, streets, power, water, and public sewer systems, in accordance with the applicable law and design standards, which infrastructure may be funded in whole or in part by the Developer, a Public Infrastructure District ("PID"), and/or other statutorily permitted infrastructure district, if one is approved and created. [Where "Public Infrastructure District" or "PID" is referenced herein, any statutorily permitted infrastructure district is also intended.]

WHEREAS, upon completion, dedication, and acceptance of the infrastructure, the City is willing to provide the necessary public services to the Development Property, upon certain conditions as outlined in City ordinances and in accordance with the terms included herein.

WHEREAS, as a condition of development approval, Developer is required to construct and install certain "Public Improvements" and "System Improvements," including future public facilities identified in and included as part of the City's Capital Facilities Plan(s), each as defined by Section 7-801 of the Kanab City General Ordinances and in Utah Code, Title 11, collectively referred to as "System Improvements;" however, System Improvements do not include "Development Property Improvements" or "Project Improvements" as that term is used in State Code and the City's ordinances. [The term "Capital Facilities Plan(s)" as used throughout this Agreement, includes those plans for future capital facility improvements anticipated and included in the various Impact Fee Facilities Plan & Analysis, adopted by Kanab City in 2018, revised and re-adopted in April 2024.]

WHEREAS, the proposed Planned Community will require approximately (1) an 810,150 gallon water storage tank, (2) require at least an 8-inch water line transitioned to a 12-inch water line at the Development Property boundary to connect the existing water infrastructure to the water storage tank, and (3) require at least an 8-inch water line to serve the needs of the Planned Community.

WHEREAS, Developer has certain obligations to install infrastructure and System Improvements to specified standards sufficient to meet the Development Property's needs.

WHEREAS, as part of the development activities, the City desires to have Developer upsize or oversize certain infrastructure as required by the City, beyond the infrastructure described previously.

WHEREAS, specific oversized System Improvements covered by this Agreement are outlined in Exhibit B, attached hereto and incorporated by reference, and are included in the City's Capital Facilities

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Plan(s). Specifically, the Developer is required to have engineered, constructed, and dedicated to the City a water storage tank and related infrastructure, based on specific criteria.

WHEREAS, the Parties have acknowledged that (a) a one (1) million-gallon water storage reservoir ("water tank"), in lieu of a 810,150 gallon water tank, (b) a 12-inch transmission and distribution pipeline, in lieu of the initial 8-inch pipeline from the existing City water infrastructure to the Development Property property line, and also specifically extending from the water tank to the road identified as "Road A" in the Master Plan attached hereto as Exhibit C, running the length of "Road A" south to Highway 89 (the other distribution lines to service the Development Property remaining as 8-inch lines, as required by the development), and (c) other water-related infrastructure specifically related to the oversizing aspect of (a) and (b), described in Exhibit B (collectively, "Eligible Public Improvements"), are necessary for future development of the Development Property and future developments adjacent thereto, which currently do not exist.

WHEREAS, the Parties agree that the oversizing/upsizing of the System Improvements that are the subject of this Agreement are reasonably anticipated to serve future development, both within and without the Hidden Canyon Subdivision.

WHEREAS, Utah Code § 11-36a-101, et seq., the Impact Fee Act, allows for municipalities to either reimburse or credit developers for Public Improvements and System Improvements through their impact fee enactment.

WHEREAS, General Ordinances of Kanab City establish the parameters for the construction of Public Improvements, for reimbursement for oversizing Public Improvements, and for collecting and calculating impact fees, and state, in part:

> Where public improvements are installed which are intended to extend, expand or improve the City's public improvements beyond the public improvements required to service or benefit the subdivision or development activity proposed by the developer, the City in its discretion may enter into a written reimbursement agreement with the developer who installs the public improvement.
> *Kanab City General Ordinances* § 7-803.
>
> Any developer seeking to commence development activity prior to the City's commitment to participate in a Development Property or to provide the required system improvements may construct all of the Development Property and system improvements and may, with the approval and at the discretion of the City Council, enter into a written system improvements reimbursement agreement with the City for the repayment of the actual, reasonable cost of the system improvements installed by receiving credits toward development impact fees or reimbursement from current or future impact fees as determined by the City Council.
> *Kanab City General Ordinances* § 7-804
>
> In consideration for the construction and installation by the developer of system improvements which are required by the City as a condition of approving the development activity, the City Council may in its sole discretion grant developer a credit against applicable impact fees assessed on development within developer's Development Property as determined by the City after receiving the recommendations of the City Engineer. No credits will be granted for Development Property improvements.

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Kanab City General Ordinances §7-806.

No interest shall be paid on any reimbursement amounts. The City will not have any obligation to make reimbursements to the developer for systems improvements until the designated impact fees are actually received by the City.
Kanab City General Ordinances §7-807.

WHEREAS, Kanab City's Water Impact Fee Facilities Plan (Capital Facilities Plan for Water, adopted in 2024), outlines: "A new water tank will be installed in Hidden Canyon. This will be connected to an existing pipeline near 700 E and U.S. 89. It will also be connected to an existing line with a PRV valve approximately 1.4 miles east of 100 E. The project also includes a booster pump to get water up to the tank." It further outlines: "It is projected that the first new 1 MG tank should be constructed in 2026 and 2032. The 2026 tank will be located near the east City boundary with a 12-inch pipeline connected to the nearest 12-inch water main." *See* pages 3, 14, and 18-20; *and see*, Appendix A, Maps 1 & 7, identifying the approximate and adjacent area of the Hidden Canyon Subdivision for the location of a future 1-million-gallon water tank); *see also*, "Engineer's Opinion of Cost" for the Project "Kanab East Hidden Canyon." [These referenced pages and portions of the appendices of the Kanab City Water Impact Fee Facilities Plan (adopted 2024) are incorporated herein by reference.]

WHEREAS, the Developer and the City agree that the Developer will connect the Public Infrastructure to the waterline currently servicing the Quality Inn property. The Developer will not use the existing 8-inch waterline extending east from the Quality Inn property. The Developer will install a new 12-inch waterline adjacent to the existing 8-inch waterline and extend it the full distance to the 1-million gallon storage tank. The Developer shall be entitled to applicable impact fee credits for the difference in the actual, reasonable cost of installing a 12-inch waterline as compared to the cost of installing an 8-inch waterline from the point of connection to the Development Property boundary line.

WHEREAS, Developer will also construct and install a return 12-inch waterline from the water storage tank to the road identified as "Road A" in the Master Plan, attached hereto as Exhibit C, and thence along Road A to the areas of the Development Property, from which 8-inch waterlines may be utilized if sufficient to service the Development Activity, for which approved designs and standards require it for the Planned Development itself, and the 12-inch waterline continuing and extending along Road A back to the Highway 89, as further explained in Exhibit B. If it can be shown that the Development Property infrastructure only requires an 8" line from the water storage tank to the road identified as "Road A" in the Master Plan, attached hereto as Exhibit C, and thence along Road A to the areas of the Development Property, Developer shall be entitled to applicable impact fee credits for the difference in the actual, reasonable cost of installing a 12-inch waterline as compared to the cost of installing an 8-inch waterline.

WHEREAS, the Developer or a subsequently formed PID or statutory infrastructure district, if approved, will be reimbursed by way of receiving a credit towards applicable impact fees for the portion of the actual, reasonable costs for materials and installation of said Public Improvements attributable to the upsizing/oversizing, and the extension of Public Improvements beyond what is necessary for the Hidden Canyon Planned Development, dependent upon whether the Developer or PID has incurred the expense for installation of the oversized/upsized improvements, as set forth hereafter.

WHEREAS, the Developer or a subsequently formed PID or statutory infrastructure district, if approved, will front costs for extending and upsizing portions of Public Infrastructure, as outlined in Exhibit

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B, including the return water line and the water tank, from which the actual, reasonable costs shall be reimbursed (1) by City, through impact fee credits, or (2) by any private party or entity of an adjacent development which connects to the oversized return water line (i.e., from the water tank to US-89; the cost of reimbursement to be determined and paid in accordance with their pro-rata share of the actual, reasonable costs of the oversized portion of the water infrastructure, (including the water storage tank), to which the third-party connects. Notwithstanding, upon payment by a private party or the City, the Developer shall only be reimbursed up to the full actual, reasonable costs of the oversized portion of the infrastructure paid by Developer.

WHEREAS, the City will provide Developer with an impact fee credit for an equivalent amount of funds paid by Developer for the actual upsizing costs expended by the Developer for expanding the Water Storage Tank to one (1) million-gallon water storage reservoir ("water tank"), in lieu of a 810,150 gallon water tank, and for upsizing a mandatory 8" line to a 12-inch transmission and distribution pipeline, as specified. The impact fee credit balance shall be calculated at the time the infrastructure is approved and accepted in writing by the City, the running balance of which shall be usable towards applicable impact fees at the time the corresponding impact fee is assessed (i.e., at or just before each building permit is granted).

WHEREAS, the Parties have had the opportunity and have utilized the help and advice of legal counsel in the negotiating, drafting, and reviewing of this Agreement.

WHEREAS, on March 19 and July 2, 2024, the Kanab City Planning Commission held two separate and duly noticed public hearings to consider this Agreement, and any public comments, and thereafter made recommendations to the Kanab City Council pertaining thereto.

WHEREAS, on March 26 and July 16, 2024, having received the Planning Commission's recommendations, the Kanab City Council met during its duly noticed meetings, considered this Agreement with any modifications, and considered the input of City staff, the public input (if any), and the Planning Commission, and discussed the Agreement. At the meeting held on March 26, 2024, the City Council tabled the issue, with the Agreement of the Developer, to be brought forth for further consideration at a later date. At the meeting held on July 16, 2024, consideration of the Agreement was postponed to August 27, 2024.

WHEREAS, on August 27, 2024, the Kanab City Council again discussed and reviewed this Agreement, with the changes and additions made by City staff and the Developer, pursuant to the input from the prior meetings.

WHEREAS, the City, acting pursuant to its authority under Utah Code § 10-9a-101, *et seq*. and its ordinances, resolutions, and regulations and in furtherance of its land use policies and goals, has made certain determinations with respect to the proposed Planned Community, and, in the exercise of its legislative discretion, has elected to approve this Agreement because it promotes the orderly and appropriate development of property, and will provide public facilities, amenities, and other benefits for the better welfare of the community and in connection with a proposed development.

NOW THEREFORE, in consideration of the goals and policies of the City, which include the appropriate and coordinated development of property within the City, and after consideration by the various services which the Developer will provide, and in accordance with provisions, terms, or conditions of the

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City and the Developer as more fully set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties now agree to the following terms and conditions:

AGREEMENT

1. Recitals. The Recitals above are hereby incorporated by reference and expressly made a part of this Agreement. Capitalized terms used herein shall have the meaning given them in this Agreement and if not otherwise defined herein, or within State Code or the City's ordinances, shall have the plain and ordinary meaning within the context they appear.

2. Definitions.

"**Agreement**" means and refers to this "Hidden Canyon Development Agreement and System Improvements Reimbursement Agreement" between the Developer and the City with respect to the Planned Community.

"**Developer**" means and refers to JJJ Development, Inc. and Jim Guthrie, the initial owner of the Planned Community, who is anticipated to create the Planning Areas and reserves the right to convey the same, through sale or otherwise, to the Secondary Developers. This definition extends to successors and assigns of Developer, provided such successors and assigns acquire all of the rights to the master development of the Planned Community, which are currently held by the Developer and agree to become subject to the obligations of this Agreement.

"**Development Property**" or "**Property**" means and refers to the parcels of real property located in Kanab City, Kane County, State of Utah, upon which any development to be constructed on the Property pursuant to the Hidden Canyon Development Property Plan, as depicted in Exhibit C, and this Agreement, with the associated intended uses and all the other aspects approved as part of this Agreement, as also contained in Exhibit B attached hereto, and identified as parcel/tax ID numbers K-15-1-ANNEX and K-14-15-ANNEX, which is more particularly described in Exhibit "A".

"**Hidden Canyon Development Property Plan**" ("Plans") are those Plans presented by the Developer in Exhibit C ("Description and Plans") and once approved by the City, setting forth some of the specifications required for the development of the Property and System Improvements, as generally outlined in Exhibits B and C. The Plans referenced, mean, or include the specific description and Master Plans attached as Exhibit C and do not include items not attached hereto. The Master Plans in Exhibit C are not yet approved development plans or applications, notwithstanding their reference or inclusion herein.

"**Impact Fee Credits**" means and refers to credits for applicable impact fees granted by the City pursuant to this Agreement. An impact fee credit is measured as a dollar-for-dollar balance of the reasonable, actual costs of the Developer (or funding entity or individual, if not the Developer—e.g., an infrastructure district) for the agreed upon oversized infrastructure approved and accepted by the City, the balance being calculated at the time the infrastructure is approved and accepted in writing, in accordance with this Agreement and the parameters outlined within state law and the City's ordinances. The running total of the impact fee credit balance shall be usable towards applicable impact fees at the time the corresponding impact fee is assessed (i.e., at or just before each building permit is granted), thereby decreasing the running impact fee credit balance as used.

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"**Master Association**" means and refers to an association that shall be created by the Developer consisting of the Developer and/or some or all of the private owners of lots and parcels, including those privately retained open spaces, in the Planned Community which will have the responsibility of enforcing the Master Declaration. "Sub-associations" or "neighborhood associations" may also be created with respect to the distinct Planning Areas and/or Secondary Phases of the Planned Community and shall be subject to the Master Association. A Master Association, sub-association, or neighborhood association may commonly and legally be referred to as a "homeowners association."

"**Master Declaration**" means and refers to a declaration of covenants, conditions, and restrictions for the residential and commercial portions of the Planned Community, which shall be created by the Developer and recorded in the Kane County Recorder's Office with respect to the entire Planned Community. The Master Declaration shall set forth the rights and obligations of the Developer, the Secondary Developers, the Master Association, and the individual owners in the Planned Community with respect to one another, and may establish a lien for the collection of assessments and serve other purposes common to declarations in similar development properties/homeowners associations. Other "sub-declarations" may also be recorded with respect to the distinct Planning Areas and/or Secondary Phases of the Planned Community, but all shall be subject to the Master Declaration.

"**Planned Community**" or "Planned Development" means and refers to the Development Property known as "Hidden Canyon," anticipated to be developed upon the Development Property.

"**Public Infrastructure**" or "**Public Improvements**" (or at times referenced as "Infrastructure") means and refers to interchangeably the installation of standard utilities necessarily required to service the Property, as used and defined in Utah Code and Kanab City ordinances, including water and sewer (which shall be installed within a dedicated Public Utility Easement) as well as roads, sidewalks, curbs and gutters and such other improvements to develop the Property as set forth herein, and also in part in the Plans, indicated as intended to be dedicated to the City, or otherwise noted and included in Exhibit B & C.

"**Public Infrastructure District**" or "**PID**" shall have the same meaning as defined in Utah Code, Title 17D, Chapter 4, *et seq.* [Where "Public Infrastructure District" or "PID" is referenced herein, any statutorily permitted infrastructure district is also intended.]

3. Property to be Bound - Development Property. The legal description of the Property to be bound by this Agreement, i.e., the Development Property, is set forth in Exhibit "A" hereto and incorporated with this reference. No additional property may be added to the Development Property for the purposes of this Agreement except by written amendment to this Agreement executed and approved by Developer and City.

4. Acknowledgments.

a. The City acknowledges the Developer is relying on the execution and continuing validity of this Agreement, and the City's performance of its obligations herein.

b. The City further acknowledges that development of the Development Property may be contingent upon the Developer obtaining approval of a PID, which is subject to further legislative action.

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c. The Developer acknowledges that the City will be making a decision regarding the formation of a PID at a later date, upon submission of a complete application, requisite documents, and corresponding fee.

d. The Developer acknowledges that this Agreement will not bind the City to the approval and formation of a PID and that if the formation of a PID is denied, the Developer may need to take additional steps not contemplated under this Agreement to facilitate the development of the Property, which decisions may or may not be legislative in nature (e.g., application to amend this Agreement; application to re-zone a portion or all of the Property).

e. The Developer will directly (or through a PID) expend substantial funds in the development of the Property and, in reliance upon this Agreement, will continue to expend additional funds. Notwithstanding this acknowledgment, the Developer foregoes any right or remedy, both in law and equity, to seek damages for the same.

f. The Developer acknowledges that the City is relying on the Hidden Canyons Development Property Plan, as included in Exhibit C, and the execution and continuing validity of this Agreement, and the Developer's performance of its obligations under this Agreement, in continuing to perform the obligations of the Developer herein.

g. The City has expended substantial time, resources, and funds in connection with the proposed development of the Property and, in reliance of this Agreement, and the City will continue to expend additional time, resources, and funds for the same. Notwithstanding this acknowledgment, the City foregoes any right or remedy, both in law and equity, to seek damages for the same.

h. The Parties desire that the City has reasonable certainty concerning the manner in which the Property will be developed, and that the Developer will have reasonable certainty in proceeding with development of the Property. The Developer shall comply with the terms and conditions of the Plans in Exhibit C and of this Agreement, and the City authorizes Developer to develop the Property as set forth in the Plan, included in Exhibit C, and this Agreement.

i. Notwithstanding the foregoing, the Parties jointly acknowledge that nothing herein will bind the City to any future legislative action, decision, or appropriation, and that any future administrative decision (i.e., approval or denial) shall be made in accordance with the terms of this Agreement, local ordinance, and state law.

j. The Developer (i.e., Guthrie and JJJ Development, Inc., individually and collectively) acknowledge and affirm that they have been advised by the City and Guthrie's and JJJ Development's legal counsel, orally and in writing (including as outlined through this Agreement), of any and all rights "under clearly established state law" to which they are entitled but are conceding and giving up by entering into this Agreement, as demonstrated/repeated more explicitly hereafter, and will therefore be estopped from a future related claim, including claims brought under Utah Code §10-9a-532(2)(c) (i.e., claim of undisclosed or unknown right forfeited through this Agreement). [If a term of this

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written agreement could be interpreted or constructed to abridge the rights of the Developer, or seen in a light less favorable to the Developer, it should be considered as notice of a possible if not an outright concession or abridgment of the Developer's "clearly established" statutory right(s).]

k. The Developer (i.e., Guthrie and JJJ Development, Inc., individually and collectively) acknowledge that this Agreement is not a condition for development of the Property; however, a development agreement is a requirement for planned developments under Kanab City's ordinances. The Developer acknowledges there are other avenues for developing the Property without entering into this Agreement.

5. Prior Development Agreement. The Developer having presented, and the City Council having previously considered and approved a version of a Development Agreement related to the Hidden Canyon Planned Development (in September of 2021), but the document having failed to be fully executed and recorded; the Parties now agree to the following terms included, as previously considered and otherwise amended herein:

a. City Facilities and Landscape Improvements. The City will permit and cooperate in the Developer's efforts to improve existing City facilities including water, drainage, and sewer systems. In addition, the City will permit and cooperate in the Developer's efforts to enhance and improve landscaping features on any City-owned property within the Planned Community. To the extent reserved by the Developer, the Developer will dedicate to the City, when appropriate, such easements in locations acceptable to the Developer as shall be reasonably necessary to accommodate the City's utility system to service these areas. More specifically, a public utility easement shall be granted to the City for water and sewer, as well as to Garkane Power for electrical utilities.

b. Model Homes and Sales Center. The Developer and/or Secondary Developers may construct model home complexes and sales centers in one or more Planning Areas. Construction Plans for model home complexes and sales centers shall be reviewed and approved by the City and Master Association for code compliance upon requesting a building permit to assure that all structures comply with building code requirements.

c. Exceptions to City Ordinance. In accordance with Section 23-7 of the Kanab City Land Use Ordinance, the City agrees to allow the Development Property to deviate from the City Standards and Ordinances in the following ways:
   i. allow for lots for single family dwellings to be as small as 5,000 sq. ft.;
   ii. allow for frontage of lots for single family dwellings to be as short as 52 feet wide;
   iii. for lots intended for single family dwellings, allow for front setbacks to be as short as 20 feet, side setbacks to be as short as 5 feet, and rear setbacks to be as short as 10 feet; and
   iv. allow for private roads, including back of sidewalk and curb, to be as narrow as 40 feet wide (26' pavement, 2.5' gutter on each side, 4' sidewalk on each side and 6" between sidewalk and right-of-way line on each side of back of sidewalk for a total of 40'). Private roads are all roads located within the Master Plan (i.e., Exhibit C) servicing single family residential lots within the privacy gates, identified as Road A from north of Road B on, Road C, Road D, and Road E north of the turnaround

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to be constructed, north of the multi-family housing. All roads servicing the commercial storage, hotel, and multi-family residential are intended to be public roads as depicted in Exhibit "C", identified as Road A from Highway 89 to Road B, Road B, and Road E from Road B to the turnaround, just north of the multi-family residential housing; these roads shall be built in accordance with City design standards, except where modification is allowed herein, and dedicated as public roads, upon which the City will inspect and then accept the roads in writing if they are constructed as required. No parking will be permitted on any private roads, which shall be posted with signage restricting parking and enforced by the Master Association.

6. Developer's Responsibility. The Developer agrees to complete all of the onsite and offsite improvements as required under this Agreement and to develop the Property, which may be done by the Developer or through the creation of a Public Infrastructure District, in accordance with the Public Infrastructure District Act, Title 17D, Chapter 4 ("PID"), if creation is approved (after due consideration by the City upon receipt of a completed application, fee(s), and required documents), which will create a public entity in order to assist in the financing of public infrastructure for the purpose of creating and developing the Property.

7. Development Pursuant to Plan and Design Guidelines.

a. The Developer shall submit plans that will promote a sophisticated development, technology-wise, with various amenities as well as certain commercial services. The single-family residential gated community shall be restricted to senior housing for those 55 and older. The plans submitted shall generally depict the intended uses, lot lines, water and sewer system, various other utilities, drainage control facilities, major roads, and facilities that will be installed and constructed upon the Property, subject to minor modifications as necessary to facilitate construction. The City shall be notified of all minor modifications in advance of their implementation, upon receipt of which the City will determine if the minor modification(s) can proceed without further review, or if the minor modification(s) will require some form of administrative application, review, and approval.

b. The Developer may submit an application for the City's approval of minor modifications to the extent generally consistent with the Development Property, in accordance with the City's ordinances and standard procedure. Examples of such minor modifications shall include moving or adjusting lot lines or lot sizing, minor street realignments, adjusting open areas, so far as those modifications still meet with the substantive terms of this Agreement. Minor modifications shall be approved by the City's Land Use Coordinator/Building Official (acting, under the circumstances, as the City's Land Use Authority), in consultation with the Public Works Director and City Engineer, as deemed appropriate.

c. No material modifications to the Plans, as included in Exhibit C, shall be made after approval by the City without the City's written approval of such modification. Developer may submit an application for approval of material modifications to the Development Plans, included and incorporated into this Agreement (Exhibit C), from time to time as Developer may determine necessary or appropriate. For purposes of this Agreement, a

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material modification shall mean any modification beyond that considered minor, including, for example, modifications which (i) increases the total perimeter size (footprint) of building area to be constructed on the Property by more than ten (10) percent, (ii) substantially changes the exterior appearance of the Project, (iii) changes the functional design of the Project in such a way that materially affects traffic, drainage, or other design characteristics, or (iv) increasing or decreasing housing density. Material modifications that still generally fall within the terms and parameters outlined in this Agreement shall be approved by the City's Land Use Authority.

d. In the event of a dispute between the Developer and the City as to the meaning of "minor modification" or "material modification," no modification shall be made without express written approval by the City (i.e., may require amendment to this Agreement). Modifications shall be approved by the City if such proposed modifications are consistent with the City's then applicable rules and regulations for projects in the zone where the Property is located, and are otherwise consistent with the standard for approval set forth herein. Modifications that do not meet with the then applicable rules and regulations or the terms laid out in this Agreement, may require an amendment to this Agreement, subject to the City Council's approval (legislative).

e. The Developer shall not commence site preparation or construction of any infrastructure or improvement on the Property until such time as the required submitted plans have been approved by the City in accordance with the terms and conditions of this Agreement and the applicable City ordinances.

f. It is anticipated that the following general planning and construction of the development will occur through a series of steps or procedures described hereafter in three general phases. In addition, the actual development of lots and construction of homes will be completed through a phased development plan resulting in lots and homes being developed and constructed by the Developer in multiple phases as determined in the discretion of the Developer and approved by the City:

General Phase 1: The Parties, according to their respective obligations herein, will perform or work together to satisfy the following requirements:

i. Prepare preliminary planning.
ii. Take necessary measures for consideration of a PID or other financing opportunities.
iii. Complete applications for prospective tax relief for the PID which will be provided and distributed through the PID, subject to consideration and approval by the City.
iv. Complete engineering for development. The Developer shall prepare detailed construction plans, drawings, and specifications as part of the plans for the Developer's Public Improvements for each phase of the Development Property prior to each phase of development (each phase may be completed in no particular order of development), which Plans shall be subject to the City's reasonable approval. The Developer shall diligently pursue and obtain any and all necessary governmental approvals, permits, and the like as necessary and required for the development of each phase of the Development Property. The Developer agrees

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to provide the City with a copy of any and all relevant records and documents relating to the Developer's Public Improvements, as requested by the City.

v. Obtain soils testing.

vi. Prepare subdivision layout and apply to the City for subdivision approval for each phase, including submitting a final site plan, preliminary and final plat, site plan review, and engineered construction drawings as required by the City for review for approval for each phase by the City.

vii. Complete Landscaping Designs for infrastructure for each phase.

viii. Complete Sign Design and construction of signage, subject to the requisite review(s) and approval(s) for each phase.

ix. Subject to the requisite application(s), review(s), and approvals/permitting, and completion of required public infrastructure improvements (or posting with the City an improvement completion assurance as required under Utah Code § 10-9a-604.5 and Kanab City Subdivision Ord., Chapter 4, or as amended). Notwithstanding the foregoing, the Developer shall be permitted to proceed with Phase 1 at the Developer's election, as per the map included as Exhibit "C", including construction of commercial storage facilities prior to construction of the water storage tank, provided the Developer is able to meet minimum fire flow standards and complies with the City Design Standards and other applicable laws and regulations. The Developer may install a fire flow pump connected to the Development witha new 12" water line connecting from the existing City water line in close proximity to the Quality Inn and continuing therefrom to the Development Property or construct the water storage tank, but in either event must meet minimum fire flow standards and any other applicable standards. Other than the commercial storage facilities anticipated to be constructed, all other building permits shall be withheld until the water storage tank is constructed and accepted by the City unless the Developer has posted satisfactory improvement completion assurance (i.e., guarantee of improvement; bonding), which is still valid, to cover completion of the water storage tank.

General Phase 2: Perform the following requirements:

i. Apply for and complete construction of all necessary infrastructure for each phase which may include development/construction infrastructure outside of a particular phase being developed.

ii. The City shall cooperate reasonably in promptly processing all ***complete*** construction and development applications as Developer develops the Development Property in multiple phases, in accordance with the City's normal procedure and practices.

iii. If an application is considered incomplete, the City will communicate the same to the Developer, detailing the deficiency.

iv. If the City denies any complete application submitted by the Developer, the City shall provide notice to the Developer and, upon request of the Developer, a written record or recording related to the denial, if created.

v. Upon issuance of a denial, the City and the Developer shall meet within fifteen (15) business days (in-person, by phone, text, email, or virtually), or as soon thereafter as possible, of a denial of any application to attempt to resolve the issues specified in a denial of the application. This requirement to meet shall be

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considered waived if the meeting is not requested by the Developer, or the time limit for meeting shall be tolled if the request is not timely.

vi. The Parties will work together in good faith to resolve any denials of applications submitted by the Developer.

vii. Unresolved issues resulting from the City's denial of an application after a reasonable good-faith attempt to resolve the denial shall be subject to the administrative appeals process outlined in the City's Land Use Ordinance. The time frame for an appeal shall commence upon the date the denial is provided to the Developer. However, if the Developer requests the meeting outlined herein within fifteen (15) business days, then the commencement for the time limit for submitting an appeal will be tolled until the date upon which the meeting is scheduled, or thirty (30) calendar days after the denial, whichever date is earlier.

viii. Upon receiving approval of an application, the Developer shall work diligently towards completion of the Public Infrastructure within the time frame required under local ordinance (including any permitted extensions granted under the parameters allowed for in City ordinance).

ix. The improvements depicted in the Hidden Canyon Development Property Plan, as included in Exhibits B and C, and set forth in this section or elsewhere in this Agreement or attached exhibits, represent some but not all of the Public Infrastructure improvements to be completed by the Developer, or through a PID, if approved and created, on the Development Property, that are intended to service the Development Property. The Developer or the PID shall bring the major infrastructure from the perimeter of the Property internally to the boundary of each individual parcel. The Developer will address, install, construct, and dedicate any requisite offsite Public Infrastructure (i.e., infrastructure necessary to bring required Public Infrastructure to the perimeter of the Property).

x. Subject to the performance by the City of its obligations herein, the Developer or the PID, as applicable, shall cause improvements to be installed, constructed, and completed, in conformance with applicable governmental and City standards, policies, guidelines, and the Plans, including those specified in Exhibit B, as amended. The Developer will coordinate with City staff, including the Building Inspector, Land Use Coordinator, City Engineer, and Public Works Director, in constructing and installing Public Infrastructure, both within the Property boundaries and outside the Property boundaries/offsite.

xi. The Public Infrastructure may be installed and constructed in stages or phases as necessary to support the development of each parcel, subject to any applicable requirement to provide an improvement completion assurance (i.e., guarantee/bonding for the improvement). The Developer or the PID, if approved and created, shall be responsible for the costs to install, construct, and complete the Public Infrastructure. Some but not all of the required Public Infrastructure to be constructed is set forth in Exhibit "B" (specifically outlining portions of the water infrastructure required to be oversized).

xii. Ground prep lots including general sheet grade where the Developer determines necessary, and with issuance of any necessary permit upon application, and landscaping of surrounding streets and entrances.

xiii. At the time that the City receives the improvement completion assurances from the Developer, or a PID, if approved and created, and a subdivision plat is recorded,

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the Developer may request the issuance of building permits according to the City's ordinances and customary permitting process applicable to developers or builders.

xiv. The Developer may request certificates of occupancy for those structures issued building permits as long as the Developer is in compliance with this Agreement and City Ordinances, i.e., on the same grounds as applicable and granted to similarly situated developers/builders.

xv. Notwithstanding the foregoing, as outlined more fully subsequently herein, breach of this Agreement, including incomplete necessary Public Infrastructure, or failure of an aspect of constructed/installed Public Infrastructure, without a required completion or repair assurance bond, shall be grounds for the City to withhold issuance of a building permit(s) or certificate(s) of occupancy, until the breach/deficiency is cured—i.e., a sufficient bond for the Public Infrastructure or repair is submitted, or the necessary Public Infrastructure is constructed, repaired, and accepted/approved by the City.

General Phase 3: Perform the following requirements:

i. Market and sell lots with completed building infrastructure (a final plat having been approved and recorded); and

ii. The City shall duly consider complete applications submitted for conditional use permits for buildings being constructed for commercial purposes, if required.

g. The Developer agrees to proceed with each phase as it obtains sufficient funding through the PID, if approved and created, other financial resources, reimbursement by the City, and market demand as it determines appropriate to assure completion of the improvements by the Developer as set forth in this Agreement. All infrastructure shall be developed pursuant to the terms of this Agreement and the Development will conform with all of the designs and engineering standards, and improvements necessary or required in the City ordinances. Approval of this Agreement does not exempt the Developer from the other timelines outlined in City ordinances, unless specifically exempted or modified in this Agreement.

8. Additional Developer Responsibilities. As a condition of development, Developer shall install specified System Improvements on the Development Property, the oversized portion of which is summarized herein and in Exhibit "B", including the following:

a. A properly engineered oversized one (1) million-gallon water storage tank, upsized from an 810,150-gallon water storage tank;

b. An oversized water main line, from the 1-million-gallon water storage tank, extending to and then along "Road A" as identified in Exhibit C (Master Plan), to serve the Hidden Canyon Planned Development, upsized from 8-inch to 12-inch, with the lateral waterlines being 8-inch lines, or as otherwise required by the development activity; and

c. Then extending the 12-inch water main line coming from the 1-million-gallon water storage tank beyond the distance and locations required to service the Hidden Canyon Planned Development, extending it to a location specified by the City near or approximate to US-89.

d. An upsized 12-inch waterline connecting from the existing water infrastructure on or adjacent to the Quality Inn property, running parallel to and not replacing the existing 8-inch waterline, extending to the requisite booster pump(s) and then to the Development

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Property line, unless the booster pump(s) are installed at or after the waterline traverses Development Property line (a 12-inch waterline being required by the development activity from the booster pump connection or at the Development Property line to the water storage tank).

The Developer, through a PID, if approved and created, and private funding at the discretion of the Developer, shall bear the costs for design, construction, and installation and provide for the real property and easements required. All infrastructure shall be engineered, constructed, and then dedicated to the City, subject to review, approval, and acceptance by the City Engineer and Public Works Director (formal acceptance shall be in writing). Dedication of any Public Infrastructure to the City shall be free and clear of all liens and encumbrances by executing and delivering to the City such conveyance or dedication documents as the City may reasonably require (e.g., recordable deed or easement), subject, however, to any restrictions required through a PID, if approved and created.

The City will then reimburse (reimbursement further defined hereafter) a PID, if approved and created, or Developer, as applicable, for all proportional actual, reasonable costs directly associated with extending the 12-inch waterline described in Exhibit B and/or upsizing (1) the water tank and (2) upsizing the water main line from the water storage tank to the Hidden Canyon Planned Development itself, or the proportional actual, reasonable cost of upsizing of any other Public Infrastructure, if required by the City. This reimbursement shall include actual, reasonable costs associated directly with additional materials, construction, and labor costs expended and directly attributable to the upsized portion of the systems as more fully set forth hereafter in Sections that follow and in Exhibit B. The oversizing-related reimbursement will only cover the difference between the actual, reasonable cost of the Public Infrastructure improvements with the oversizing as compared to the cost of the Public Infrastructure improvements without the oversizing. The Developer, or a PID if approved and created, will submit to the City the costs attributable to the required oversizing, which will be subject to the review and approval of the City Engineer, which approval will not be unreasonably withheld.

9. Public Infrastructure Improvements. The improvements set forth in the Developer's Plans, as shown in Exhibit "B" generally represent an overview of a portion of the Public Infrastructure water improvements required to be constructed, installed, and oversized by the Developer or a PID, if approved and created. This section is intended to obligate the Developer, or a subsequently approved and created PID, to bring other major and needed infrastructure to the perimeter of the Property and from the perimeter of the Property internally to the boundary of each individual parcel. Subject to the performance by the City of its obligations herein, the Developer or a PID, if approved and created, as applicable, shall cause improvements to be installed, constructed, and completed, in conformance with applicable governmental and City standards, policies, and guidelines, (the "**Developer's Public Improvements**"). The Developer's Public Improvements will be installed and constructed in stages or phases, which sequence of construction phases shall be at the discretion of the Developer, but shall be constructed as necessary to support the development of each phased Parcel, except or as otherwise required herein. The Developer or a PID, if approved and created, shall be responsible for the costs to install, construct, and complete the Developer's Public Improvements. The Developer's Public Improvements to be constructed within a dedicated public utility easements include:

A. Culinary Water and Culinary Distribution Systems. All pipes, valves, fittings, pressure reducing valve stations, air release valves, booster pump(s), and other distribution facilities within the Development Property for the purpose of distributing water to parcels in the

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Development Property from existing City sources, water tanks and distribution lines. Upon dedication of the water public improvements to the City, with the required dedication of the public utility easement, the City shall inspect the improvements, and, if they meet the required design standards, as approved by the Public Works Director, in consultation with the City Engineer, then the City shall accept the improvements in writing. After written acceptance by the City, the City shall be responsible to repair and maintain the same, in accordance with the City's standard practices and procedures for maintaining similar infrastructure throughout the City, subject to the use or applicability of any required warranty bond or other assurance in place.

B. Sewer Collection System. All pipes, manholes, clean-outs, some non-submersible lift stations, and other collection facilities within the Development Property for the purpose of collecting and transporting sanitary sewer from and within the parcels to the existing sanitary sewer connection points. Upon dedication of the sewer public improvements to the City, with the required dedication of the public utility easement(s), the City shall inspect the improvements, and, if they meet the required design standards, as approved by the Public Works Director, in consultation with the City Engineer, then the City shall accept the improvements in writing. After written acceptance by the City, the City shall be responsible to repair and maintain the same, in accordance with the City's standard practices and procedures for maintaining similar infrastructure throughout the City, subject to the use or applicability of any required warranty bond or other assurance in place.

C. Electrical Distribution System. The Developer agrees to provide and install all required electrical materials and equipment for installation from the point of the existing distribution system in order to provide electrical service to all parcels, lots, units, and amenity facilities within the Development Property. This shall include, but is not limited to, the Developer's obligation to provide conduit, cable (primary and secondary), switchgear, sectionalizers, switch basements, secondary boxes, services, and all other material and equipment required for construction of a complete electrical system. The City will cooperate with Developer, if and when necessary. The Developer shall coordinate with the City and Garkane Energy Cooperative, Inc. (the electric utility provider in Kanab) in relation to the layout for the required public improvements. The Developer shall provide and install the required electrical system per Garkane requirements and standards and in compliance with the City standards and ordinances (including the requirement for new lines to be installed underground). The Developer will provide easements and all associated documentation for the required transmission and distribution lines within the Development Property for electrical public improvements to connect to Garkane's existing distribution system. Upon dedication of the electrical public improvements, Garkane Power, not the City, shall be responsible to repair and maintain the same.

D. Street Lighting. Street lighting may be installed by the Developer and in such event, the Developer will follow the City's Outdoor Lighting Ordinance and coordinate the same with Garkane and Chapter 22 of Kanab's Land Use Ordinances. The Master or Owner Association shall be responsible for the funding of the upkeep, maintenance, repair, and utility costs of street lighting, unless the Developer establishes another method for funding these costs. The City shall not be responsible for ongoing upkeep, maintenance, repair, or utility costs associated with street lighting.

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E. Roadways. All roadways contained within the Property as shown on the Master Plan in Exhibit "C" will be constructed by Developer, unless otherwise stipulated by City or mutually constructed by Developer and City. Except as specifically noted in the Master Plan, all roadways accessing the Development Property are intended to be public roadways, shall be constructed to City standards, and upon completion of construction shall be dedicated to the City, subject to approval and acceptance by the City. The roads intended to be constructed and then dedicated as public streets are identified in Exhibit C as: (1) Road A from Highway 89 to Road B; (2) Road B; and (3) Road E from Road B to the turnaround, just north of the multi-family residential housing. These roads are intended to access the commercial storage, hotel, and multi-family residential housing. Roads intended to be dedicated as public streets shall be constructed to City standards, including width requirements. Upon dedication and acceptance, the City shall be responsible for the maintenance, repair, and replacement of all such roadways in accordance with the City's standard practices and procedures for maintaining similar infrastructure throughout the City, subject to the use or applicability of any required warranty bond or other assurance in place. Internal roads within the Development Property shall be private roads, specifically identified in Exhibit C as: (1) Road A from north of Road B on; (2) Road C; (3) Road D; and (4) Road E north of the turnaround to be constructed, north of the multi-family housing. The Master Association Declaration or a sub-association declaration/agreement shall address maintenance, repair, and replacement of all private roads. As roads are constructed in a phased approach, be they private or public roads, the Developer shall create a temporary paved cul-de-sac or hammer-head at the end of any dead-end roads for emergency turnaround and access. The temporary cul-de-sac or hammer-head must meet the requirements of this Agreement, State law, and local ordinance, subject to approval of the Fire Chief. The City shall be granted a public access easement over all private roads for the purpose of accessing, maintaining, repairing, or replacing any Public Infrastructure dedicated and accepted by the City.

A secondary emergency access shall be required and constructed by the Developer (unless another adjacent property owner constructs a secondary access first which services the Development Property) to a standard acceptable to the City's Fire Official and UDOT, and meeting the standards for emergency fire and emergency apparatus access. This secondary emergency access road shall be required and constructed in commencement of the phase in which the 200th dwelling unit is approved (accounting for any single-family homes, multi-family residential units, and hotel rooms), before building permits for dwelling units in that phase are approved.

F. Stormwater Drainage/Detention Basins. Stormwater flows generated by the development of the Property will be controlled and contained within onsite detention basins and stormwater infrastructure shall be constructed to address flows of a 100-year storm event, as established and agreed upon by the Developer and the City Public Works Director, in consultation with the City Engineer. All improvements, including pipe, inlet and outlet structures, manholes, and detention basins, will be constructed by the Developer. Upon completion, inspection, approval, and written acceptance of these facilities, the Developer will convey and/or dedicate these facilities, including the necessary property or public utility easements—*excluding* the detention basins—to the City, at which time the City will assume ownership and maintenance of these facilities, *excluding* the detention basins, in accordance with the City's standard practices and

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procedures for maintaining similar infrastructure throughout the City, subject to the use or applicability of any required warranty bond or other assurance in place. Upon completion and City-approval of the detention basins, the Developer, the Lot Owners, and the Master Owners Association shall retain or otherwise be responsible for the detention basins and any Low Impact Development features. The Master Association Declaration or a sub-association agreement shall address maintenance, repair, and related issues for all such privately retained improvements (e.g., the detention basins). The detention basins shall be subject to inspections by the City Public Works staff and City Engineer from time to time, for which access shall be granted. If the City provides written notice to the Maser Owners Association, or a subsequent applicable subordinate association, of the need to repair, maintain, or otherwise take necessary action in relation to the detention basins, and the Master Owners Association, or applicable subordinate association, does not take the necessary action within a reasonable time, then the City shall have the right to enter the area of the detention basins and perform the necessary work, thereafter billing the Master Owners Association/subordinate association. The billed amounts, if not paid within a reasonable time, shall act as a lien against the properties within the Master Owners Association or subordinate association, if applicable.

G. Financial Assurance. To the extent permissible under applicable State and City's vested laws, the City's Future Laws, or if applicable pursuant to this Agreement, the City agrees that this Agreement constitutes the written undertaking of Developer to cause the improvements which Developer is required to make under this Agreement to be installed, constructed and completed, subject however to privately available funding to Developer or the approval and establishment of a PID to provide the funding.

An improvement completion assurance, also referred to as an improvement guarantee or bonding, required under the normal City subdivision process shall be required of Developer or a subsequently created PID for each phase of development prior to or at the time each phase is commenced. However, when the construction of certain infrastructure is necessary for more than one phase (e.g., the water tank, sewer, or stormwater infrastructure upstream), then the improvement completion assurance shall be provided for the complete infrastructure required, in accordance with the City's ordinances—i.e., some required and necessary infrastructure may have to be constructed outside a specific phase to support the development of that phase, thereby requiring an improvement completion assurance for infrastructure outside the specific phase being developed.

Notwithstanding the foregoing, a subsequently created PID that undertakes the construction and installation of some or all of the Public Infrastructure pertaining to the Hidden Canyon Planned Development may work through any issues related to providing an improvement completion assurance with the City (however, this provision does not constitute a waiver of the requirements established and not waived or exempted for public entities under state law and local ordinance). In furtherance of the foregoing, the Developer or a subsequently approved and created PID may provide one or more surety bonds or agreements, as permitted by State law and the City's Subdivision Ordinance, to satisfy the undertakings set forth herein and any bonding (including without limitation any improvement guarantee bond(s), warranty bond(s), or restoration bond(s)) as may be required to complete the Public Infrastructure pertaining to the Development Property.

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The Developer shall not be required to proceed with development of the Development Property until a PID has been formed, approved and fully funded, unless Developer decides to proceed without a PID. [Developer may elect to proceed without a PID, in which case the Developer must comply with this Agreement, apply to have it amended, or apply for a zone change for the purpose of removing the Planned Development Overlay designation.] Approval of this provision does not exempt the Developer from the other timelines outlined in City ordinances, including those applicable to previously or subsequently approved site plans, permits, etc.

H. Dedication of Developer's Public Improvements. The Developer intends to dedicate, and the City intends to accept the dedication of certain approved and acceptable Developer's Public Improvements as summarized above. The Developer shall retain ownership of Developer's Public Improvements constructed for respective portions of the Development Property and shall remain solely responsible for all necessary maintenance, repairs, and replacements of Developer's Public Improvements prior to final acceptance thereof by the City. The Developer shall satisfy the obligation to dedicate the Public Improvements by causing: (i) the filing of a dedication plat; or (ii) the filing of a final subdivision plat including dedication.

Public Infrastructure/Developer's Public Improvements shall be constructed as required by State law, City ordinances, and City design standards. City acceptance of Public Infrastructure shall be subject to the written acceptance by the City's Public Works Director, after necessary inspections. Public Infrastructure/Developer's Public Improvements must be formally accepted in writing, which acceptance may be given in phases or at completion of some or all of the improvements are completed, after a final inspection. The Developer shall call for and receive an inspection of all Public Infrastructure/Developer's Public Improvements before burying or otherwise concealing any portion of the Public Infrastructure and before final connection to existing City infrastructure. Such inspections shall not necessarily constitute a final inspection. If pursuant to a final inspection, the City's Public Works Director requires repairs, corrections, or further measures to be taken in order for the Public Infrastructure to meet State law, local ordinance, City standards, and/or the terms of this Agreement, then the Developer shall call for another final inspection once the Developer believes the necessary measures are completed.

The City shall approve and accept dedication of any Developer's Public Improvements, in whole or in part, as necessary to support the phase of development as long as the Developer's Public Improvements meet the requirements of State law, local ordinance, the City's design standards, and this Agreement, and are inspected and formally accepted in writing by the City's Public Works Director. Thereafter, the City shall own, operate, and maintain the dedicated, approved, and accepted Developer's Public Improvements without further charge or cost to the Developer, in accordance with the City's standard practices and procedures for maintaining similar infrastructure throughout the City; provided, however, the Developer shall provide the requisite warranty, in a form and content required by the City's subdivision ordinance. To the extent not prohibited by law or contract, the Developer shall assign to the City any contractual warranty rights existing for such Developer's Public Improvements.

All Public Infrastructure shall be installed and constructed in accordance with the City Design Standards, or other applicable laws, regulations, and standards unless permissibly modified in this Agreement. After

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Public Infrastructure has been dedicated to the City and accepted in writing, when utility maintenance, repairs, or replacement of the dedicated and accepted Public Infrastructure is required and that maintenance, repair, and/or replacement impact the private roads of the Development Property (e.g., requiring closure, excavation, removal, etc.), the City will backfill and compact the road areas excavated by the City. Thereafter, the Master Association/HOA having responsibility/ownership of the private road(s) will be responsible for the remaining road repair (i.e., replacement of road base, asphalt/pavement, etc.), restoring the road to City standards or to the pre-repair standard and condition within a reasonable time.

10. Guarantee of Performance; Warranty. The Developer acknowledges and agrees that an improvement completion assurance is required for all of the Developer's Public Improvements within the Development Property. If the Developer desires to record any plat prior to the Developer's non-PID-funded Public Improvements being completed, the Developer will furnish to City an improvement completion assurance in accordance with City Code in an amount required by City, but not to exceed one hundred ten percent (110%) of the Developer's engineer's estimate price, subject to review and approval of the City Engineer, for faithful completion of the Developer's Public Improvements necessary or required for said plat. The Developer shall also provide improvement completion assurances and improvement warranties for public landscaping improvements as authorized under Utah Code, Title 10, Chapter 9a, and as outlined and required in Kanab City ordinances.

11. System Improvements, Extensions and Oversizing. The City shall reimburse the Developer for the difference in the actual, reasonable costs of material, labor, and installation directly associated with that portion paid by the Developer for oversizing System Improvements, as summarized infra and as outlined in Exhibit B, in the which the City requests oversizing of a water transmission lines and water storage tank over that which is required to meet the requirements of the development of the Property, and consistent with the policy of upsizing, after receiving the recommendations of the City Engineer. As required by Kanab City General Ordinance §§ 7-803 and 7-807, the amount for the oversized portion of the public improvements shall not exceed the actual, reasonable costs directly attributable to the oversizing portion of the infrastructure, as incurred in purchasing materials and installing the oversized portion of the public improvements and shall not include interest.

Upon being engineered and a sufficient cost analysis being performed, the City Engineer will determine and recommend to the City the actual, reasonable cost of oversizing the System Improvements (i.e., determine the difference between all costs of the System Improvements as necessary for the proposed Hidden Canyon Development and the overall cost including oversizing the System Improvements), for which the Developer will be eligible for reimbursement. The Developer may submit to the City Engineer documentation of actual costs/expenditures related to oversized System Improvements for consideration and/or subsequent revision of the City Engineer's calculation of the eligible reimbursement. If the Developer disagrees with the reimbursable amount calculated and recommended by the City Engineer, and ultimately decided upon by the City Manager, then the Developer may appeal the City Manager's decision through the administrative appeal process outlined in the Kanab City's Land Use Ordinance. The Developer may, at any time before the City Manager has made a final decision, submit an additional opinion of actual, reasonable costs and reimbursable amount from a third-party engineer to be considered by the City Manager. If the Developer needs additional time to acquire an additional opinion from a third-party engineer, then the Developer may request the City Manager withhold his/her final decision. The information and materials submitted to the City Manager may then be submitted by the Developer on appeal, if appealing the City Manager's final decision. The final written decision of the appeal authority is subject to judicial review.

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The reimbursable amount for oversizing/extending System Improvements shall be determined as a dollar amount, the balance of which shall be reimbursable dollar-for-dollar as outlined herein and not on a per connection-based credit. Nothing herein shall limit the City's right to pay the reimbursement balance in whole or in part from funds available to the City.

12. Impact Fee Credit as the Means for Payment/Reimbursements. The City shall reimburse either the Developer and/or a subsequently approved and created PID, as applicable, for the oversizing of System Improvements, based on the private or public entity that actually bears the oversizing costs (i.e., the entity that pays the difference in actual costs for oversizing System Improvements as set forth herein). The Developer or the PID will be responsible for the cost of the System Improvements upfront, including the cost of oversizing.

a. The form of the reimbursement, if the Developer bears the cost of oversizing the System Improvements, shall be a credit against subsequent applicable impact fees becoming due and payable at the time a completed building application(s) is submitted.

b. The form of the reimbursement, if a subsequently approved and created PID bears the cost of oversizing the System Improvements shall be through reimbursement from applicable impact fees due, actually collected by the City, and related to the development of the Property.

c. "Applicable impact fees" as used herein, from which a credit or reimbursement may be received, means those impact fees related to the Water Impact Fee Facilities Plan & Analysis, for oversizing water System Improvements; and those impact fees related to the Wastewater Impact Fee Facilities Plan & Analysis, if oversizing the sewer lines is subsequently required by the City (though not contemplated currently). Applicable impact fees, as used herein, does not include those fees related to Public Safety, Transportation, Recreation, or Stormwater.

d. Impact fees accrue and are assessed at the point in which a complete building permit application is received, payable prior to the issuance of the building permit. *See* Kanab City General Ordinance § 7-805. When an applicable impact fee is assessed, the Developer may request the applicable assessed impact fee be satisfied from the reimbursement balance for oversizing/extending the System Improvements (i.e., dollar-for-dollar), thereby reducing the reimbursement balance owned. Alternatively, a subsequently approved and created PID that paid for the oversizing/extending of System Improvements shall be entitled to reimbursement of the applicable impact fees collected, thereby reducing the reimbursement balance owned, dollar-for-dollar. Impact fees assessed shall be based on the effective impact fees adopted at the time a completed building permit application is submitted to the City.

e. The City will only approve impact fee credit/reimbursements for the actual, reasonable costs of any City-requested upsizing/oversizing or additional capacities or additional System Improvements not required for the Planned Development (i.e., required in anticipation of adjacent future growth outside the Hidden Canyon Planned Development), as outlined in this Agreement and summarized in Exhibit B. In addition to the required plans, the Developer shall submit the budget and actual costs for the System Improvements, with a detailed breakdown, for the purpose of calculating reimbursement and credit against impact fees for requested oversizing on a dollar-for-dollar basis.

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13. Reimbursement of Proportional Public Infrastructure/System Improvements Costs from Benefitted/Adjacent Property Owners/Developers (i.e., Pioneering).

a. *Pioneering Improvements*. As part of the Hidden Canyon Development, the Developer, or a subsequently approved and created PID, will fund the construction and installation of Public Infrastructure/System Improvements that meet the City's Design Standards and other applicable standards, including portions of Public Infrastructure that must be connected to the City's existing infrastructure, where designated, outside the Development Property. Certain Public Infrastructure, specifically the water infrastructure and the sewer infrastructure, shall require funding, construction, installation, and connection to the City's infrastructure outside the Development Property. These water and sewer improvements outside the Development Property are considered "Pioneering Improvements." The Pioneering Improvements, as used herein, include that portion of the water and sewer infrastructure that is necessary for the Hidden Canyon Development and does not include any portion of the infrastructure that is oversized at the request of the City—because, as it relates to reimbursement, the oversized portion of the infrastructure is anticipated to be reimbursed through impact fee credits as outlined elsewhere in this Agreement.

b. *Benefited Property*. In addition to serving the Hidden Canyon Development, these Pioneering Improvements may also be connected to and serve adjoining or directly adjacent properties and future developments. The Parties acknowledge that an adjacent property (referenced as a "Benefited Property") will benefit if the owner/developer connects to one or both Pioneering Improvements, if the Pioneering Improvements are installed before the development is undertaken on the Benefited Property.

i. If after completion, dedication, and written acceptance of the water and sewer Public Infrastructure—the Pioneering Improvements--an owner of a Benefited Property initiates a development, which development does or anticipates connecting to one or both of these Pioneering Improvements, then the funding individual or entity, be it the Developer or a subsequently approved and created PID, may seek reimbursement from that Benefited Property for the proportionate reasonable, actual costs of the Pioneering Infrastructure directly attributable as benefiting the Benefited Property—i.e., saving the Benefited Property from having to pay for the installation of a proportional portion of the Pioneering Improvements to serve its own needs. This use and benefit to a Benefited Property shall be determined based on calculated costs per linear foot of the Pioneering Infrastructure and proportional benefit to the Benefited Property, as explained below.

ii. The Parties acknowledged that Benefited Property(ies) only includes those undeveloped properties North of Highway 89, directly to the West of the Development Property up to the point of connection of the Pioneering Improvements to the existing City infrastructure, and to the East of the Development Property up to the current Kanab City limit. Potentially Benefited Property(ies) include the following parcels, currently identified in the records of the Kane County Recorder by parcel numbers/tax ID numbers, which may be modified or subdivided subsequently:

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1. K-15-ANNEX (approx. 75.09 acres);
2. K-15-2-ANNEX (approx.. 45.84 acres);
3. K-14-1-ANNEX (approx.. 40 acres);
4. K-14-14-ANNEX (approx. 40 acres);
5. K-14-2-ANNEX (approx. 344.7 acres); and
6. K-310-3, and those parcels recently subdivided therefrom, referenced as the Johnson Hills Minor Subdivision: K-310-4; K-310-5; K-310-6; K-310-7; and K-310-8. [K-310-3 through K-310-8 equaling approx. 77.71 acres]

iii. Because owners/developers of Benefited Property(ies) are not parties to this Agreement (i.e., there is no privity of contract), such owner or developer shall be provided notice of the provisions of this Agreement at or before the time in which development activity is commenced on Benefited Property. Such owner or developer shall be afforded an opportunity to be heard at a public hearing before the City. The Developer shall have the responsibility to review and determine the legal and proper method(s) for putting the current and future owners of potentially Benefited Property on notice and shall coordinate with the City in providing such notice. If an owner or developer of a potential Benefited Property(ies) rejects the obligation to pay the proportional share of the Pioneering Improvements Cost, then the City shall not permit the owner/developer to connect to the City's infrastructure by way of the Pioneering Improvements—i.e., that owner/developer will be required to pay for and establish its own necessary connection to the City's infrastructure through another manner, reviewed and acceptable to the City, other than by connecting to the Pioneering Improvements.

c. *Method of Calculating Reimbursement.* At the time that the Pioneering Improvements are complete, dedicated to the City with required utility and access easements, and the City has accepted the Pioneering Improvements in writing, the Developer, or a subsequently approved and created PID, shall submit to the City a breakdown of the actual costs of constructing, installing, and establishing the Pioneering Improvements ("Pioneering Improvement Cost"). The Pioneering Improvements Costs shall be subject to the review and approval of the City Engineer, who shall evaluate the submittal, request additional information if necessary, and determine if the Pioneering Improvements Cost represents the reasonable, actual costs of the Pioneering Improvements. A breakdown of the cost per linear foot shall be determined ("Cost Per Linear Foot"). The City shall then formally approve and notify the Developer or PID of the amount of Pioneering Improvement Cost and the Cost Per Linear Foot.

If and when an owner of Benefited Property seeks to develop a Benefited Property, the City shall require that owner, if and when it seeks the City's approval to develop or build, to pay the City the appropriate allocated Cost Per Linear Foot, based upon the length of the Benefited Property's proportional use—i.e., the length of the Pioneering Improvement from the point at which the Pioneering Improvement fronts or traverses the Benefited Property(ies) to the point at which the owner/developer of the Benefited Property connect thereto.

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The reimbursement amount may be adjusted based on intervening or other anticipated development on other Benefited Property(ies)—i.e., one Benefited Property shall not bear the burden of another potential Benefited Property adjacent thereto.

d. *Limitations.*

i. The Parties acknowledge that the City cannot guarantee an owner or developer of adjacent property will connect to the Pioneering Improvements. For example, the developer or owner may have a closer, more economical, or preferable option for providing water or sewer infrastructure to its property.

ii. The City does not guarantee collection from a Benefited Property owner/developer and is not required to bring a judicial action to enforce this Agreement against a Benefited Property (an owner/developer of Benefited Property, or adjacent property generally, are not a party or signer to this Agreement). In the event the City does not collect the reimbursement amount to which the Developer or PID is eligible, the City shall assign its rights to collect to the Developer or PID that funded the Pioneering Improvements, thereby permitting the Developer or PID to collect on and enforce its right to reimbursement.

iii. No reimbursement from the Benefited Property shall be due to the Developer or subsequently approved and created PID, pursuant to this Agreement, until:

1. The Pioneering Improvements have been fully installed, inspected, and formally accepted by the City in writing;
2. The Developer has submitted documentation evidencing the actual costs of the Pioneering Improvements;
3. Such reimbursement is determined to be the reasonable, actual costs of the Pioneering Improvements, excluding the costs attributable to any oversizing of the Public Infrastructure;
4. The reimbursement is required under the terms of this Agreement; and
5. The reimbursement payment meets the requirements and is otherwise permissible under existing laws.

iv. State law may impose a maximum term for eligible reimbursement under this provision; however, if not specified, this form of reimbursement shall be limited to ten (10) years from the date the reimbursement for Pioneering Improvements reasonable, actual costs accrue and are approved by the City, and no interest shall be paid on any Pioneer Improvements Cost, pursuant to the limitation imposed under Kanab City's General Ordinance.

v. This reimbursement method shall be for System Improvements and not for Project Improvements, as defined in this Agreement, except to the extent that the Project Improvements are extended from/to offsite, thereby creating additional or excess capacity beyond the proportionate share necessary to service the Hidden Canyon

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Planned Development. *See* Utah Code § 11-36a-102 (defining categories of improvements).

e. *Reimbursement Payments*. Upon collection of the allocated Cost Per Linear Foot applicable and as set forth herein, the City shall promptly pay the collected amount as a Reimbursement Payment to the Developer. Notwithstanding anything in this Agreement to the contrary, the City shall have no obligation to make any Reimbursement Payment to the Developer until the allocated costs are actually received by the City. The parties acknowledge, understand, and agree that:

i. The City is not directly responsible or liable for any Reimbursement Payment to the Developer, other than to account for and pay to the Developer the sums received, minus any applicable reasonable costs in administering this provision; and

ii. The City is not responsible in the event this Agreement is determined by an appropriate appeal authority or a court of competent jurisdiction to be unenforceable.

f. *Disputes*. Any dispute arising under this reimbursement provision must be appealed administratively, in accordance with the appeal provisions contained in the Kanab City Land Use Ordinance, which final decision may then be subject to judicial review.

g. *Separate Agreements*. If the law requires that a separate agreement be entered into for the purpose of enacting or enforcing this provision, the City shall work in good faith to enter into such agreement(s) with the necessary parties. This process may include appropriate notice and public hearing, as required. This provision shall not be interpreted as limiting the City's legislative decision-making authority.

14. No Duplicative Recoupment/Reimbursement of Costs. Notwithstanding anything in this Agreement to the contrary, the Developer nor any Secondary Developer, nor a PID, if subsequently approved and created, shall be entitled to recoup or be reimbursed for more than the total actual, reasonable costs attributable to the oversizing portion of the Public Infrastructure/System Improvements or the proportional allocated costs for Pioneering Improvements—i.e., no impact fee credits and no reimbursement through adjacent developments (i.e., pioneering reimbursement) shall be granted once the actual costs attributable to that portion of the oversizing of the System Improvements or applicable Pioneering Improvements have been realized through a method for reimbursement permitted herein.

a. Any form of reimbursement provided for herein shall comply with the applicable provisions of State law.

b. The Developer and the Secondary Developer(s), and/or a PID, if subsequently approved and created, shall not be entitled to duplicative reimbursement. The Initial Developer must clearly convey right to reimbursement/future credit against applicable impact fee(s) or entitlement to reimbursement for Pioneering Improvements to a Secondary Developer, clearly identifying the Pioneering Improvements and/or the oversized infrastructure to which the reimbursement or credit apply and the specific category of impact fees applicable

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for the oversized infrastructure, and provide written notice of the same to the City for the Secondary Developer(s) or assignee(s) to receive reimbursement as outlined herein.

c. The Initial Developer may convey all or portion of the right to be reimbursed to a Secondary Developer or assignee. The transferred right to reimbursement through impact fee credits or otherwise, may only be utilized in relation to the Hidden Canyon Planned Development or an adjacent developer that actual connects to the Pioneering Improvements for which reimbursement is contemplated herein.

d. The City shall notify the Developer within a reasonable time of receipt of payment of applicable fees paid by an owner/developer of a Benefited Property connecting to and planned utilization/benefit of the Pioneering Improvements.

The City reserves the right to pay or reimburse at any time the person or entity that funds the Public Infrastructure/System Improvements—the Developer or PID, if subsequently approved and created—some or all of the reimbursable costs provided for herein.

The City shall not be liable to the party, individual, or entity that finances the Public Infrastructure or System Improvements of the Hidden Canyon Planned Development, or the assigned recipient of a reimbursement benefit, for failure of the City to collect a reimbursement contemplated herein, due from a Benefited Property owner or developer, because of a legal inability of the City to collect the charge from the owner or developer of a Benefited Property.

Any form of reimbursement contemplated herein shall not exceed the estimated costs of the infrastructure, as included in the City's Capital Facilities Plans, unless the actual costs of the infrastructure as submitted and documented by the Developer or PID are determined to be reasonable by the City, with review and input from the City Engineer.

15. Public Infrastructure District. The City and Developer specifically agree and acknowledge that the Developer shall be entitled but not required to seek the creation of a PID permitted by Utah law, particularly Title 17D, Chapter 4, titled the Public Infrastructure District Act, (the "PID Act"), as determined by Developer, in order to implement and facilitate the financing, construction and operation of public infrastructure for the Planned Community. Subject to the provisions of the PID Act, and the City Council's legislative decision-making authority, the City and the Developer agree to continue cooperation in connection with the application, consideration of the formation, and operation of a PID in order to accommodate development circumstances, to fund, construct and/or provide public facilities and services set forth in this Agreement or otherwise required in connection with the development of the Planned Community, including but not limited to streets, water, sewer, and drainage, within or otherwise serving all or a portion of the Planned Community. The City agrees that it will exercise any rights reserved to the City under the PID Act in connection with the establishment or operation of a PID for the Planned Community in accordance with the requirements of the PID Act, or any portion thereof. The City agrees that any obligation set forth in this Agreement for the financing and construction of public improvements that are required to serve the Planned Community, which are anticipated to be dedicated to the City by the Developer, a PID, if approved and created, or other limited purpose governmental entity may be undertaken, performed and completed by a PID, subject to the requirements of the PID Act and the approval of the City consistent therewith. Any PID created for the Planned Community, or any portion thereof, shall not create

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any financial liabilities for the City. This provision shall not be interpreted as binding the City to any future legislative decision, particularly in regard to whether a PID is created.

16. Approval Process for Development and Applications.

a. Phasing of Development and Applications. The City acknowledges that the Developer and its assigns may submit multiple applications from time to time to develop a portion of the Development Property. Approval processes for each development application shall be as provided in the City's vested laws at the time that a complete application(s) and required fee(s) is submitted, except as otherwise provided or modified in this Agreement. The Parties shall cooperate reasonably and promptly in proceeding with each development application, subject to review and proper public notification of any matters that must be brought before the City's Planning Commission, City Council, or another board or individual, whichever or whoever is the applicable and formally designated land use authority.

b. If the City denies any Development Application, it shall provide notice to the Developer and, upon the Developer's request, provide any written decision, record, or recording related to the decision. Upon request of the Developer, the City and the Developer shall meet within fifteen (15) business days (in-person, by phone, text, email, or virtually) or as soon thereafter as possible, to review the denial and attempt to resolve the issues specified in the denial. If a dispute remains, related to the denial, the Developer may appeal the decision in accordance with the administrative appeal process as outlined in Kanab City's Land Use Ordinance. The time period for submitting an appeal will start at the time the land use decision was made, but may be tolled if the Developer requests a meeting with the City, until the date on which the meeting occurs. However, if no meeting occurs, there shall be no tolling of the time period for submitting an appeal.

c. Non-City Agency Reviews. If any aspect or a portion of a Development Application is governed exclusively by a Non-City Agency, requires any form of certification, or necessitates an independent technical analysis (such as a threatened species evaluation) for approval of any application, then the Developer shall timely notify the City of any such submittals and promptly provide the City with a copy of the requested submissions. The City may only grant final approval for any Development Application subject to compliance by the Developer with any conditions required for such Non-City Agency's approval, certification, or independent technical analysis, and shall not be responsible for any delays caused by a Non-City Agency. Under such circumstances, the Developer may apply/request a reasonable extension of time from the City, which request shall not be unreasonable withheld if such extension is allowed for and meets the requirements of the City's applicable ordinance.

17. Coordination with the City Public Works Director and City Engineer. Pursuant to Kanab City Ordinance, all System Improvements, including those being oversized, shall be coordinated with and approved by the City Public Works Director and City Engineer throughout the design and development phase. The Developer shall pay for the cost of the City Engineer to design certain elements of the System Improvements being oversized (i.e., the water tank). The Developer acknowledges that the City Engineer

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is not the Developer's engineer. Accordingly, the Developer will be required to employ and pay for its own engineer for matters not addressed by the City Engineer.

18. Assignment. This Agreement grants and vests in the Developer all rights, consistent with the Hidden Canyon Development Property Plan, as shown in Exhibit C, to develop the Development Property according to the Plans as provided in this Agreement, including incorporating all exhibits attached hereto, without alterations. The Parties intend that the rights granted to the Developer and the entitlements for the Development Property under this Agreement are agreed to with recognition of the application of the requirements of *Utah Code Ann.* § 10-9a-509 (2023). It is expressly understood by the City that the Developer may assign all or portion of its rights under this Agreement, provided such assignment conforms to the requirements of, and any and all assignees agree to be bound by the terms of this Agreement. However, the Developer must provide written notice of any and all such assignments.

19. Applicability of Federal and State Law and Kanab City Ordinances.

a. This Agreement shall be governed by the laws in the State of Utah and the Kanab City ordinances, except where modified herein.

b. All provisions of State Law and the City ordinances shall be applicable to the development of the Property, except to the extent this Agreement is more restrictive.

c. This Agreement does not exempt nor override any procedure, process, necessary approvals, design standards, provision of applicable State law, building code, fire code, or Kanab City ordinance (e.g., General, Land Use, and Subdivision) except where specifically outlined in this Agreement, and as permitted by law.

d. Developer shall be entitled to application of the relevant local ordinances, laws, and fees in effect at the time a complete application is submitted (i.e., the point at which the principle of vested laws is applicable), except as outlined or restricted herein.

e. Developer shall cause to be submitted the necessary application(s) with requisite supporting documentation and plans, preliminary and final if required, for administrative consideration and approval. For administrative applications, the City shall approve such application(s), site plan(s), plat(s), etc., if such items meet the standards and requirements outlined in applicable State Law and local ordinances, except where local ordinance is modified by this Agreement.

f. The Parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. The Parties further agree that if any provision of this Agreement becomes, in its performance, inconsistent with state or federal law or is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect. If the City's approval of the development of the Property is held invalid by a court of competent jurisdiction, this Agreement shall be null and void.

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20. Temporary Land Use Regulation/Moratorium. The Development Property and the rights and obligations of the Developer under this Agreement shall not be subject to any temporary land use regulation or moratorium enacted by the City, except upon a finding by the legislative body of a compelling, countervailing public interest, or if the area is unregulated, pursuant to *Utah Code Ann.* § 10-9a-504 (2022).

21. City Legislative Authority/Police Powers. Nothing in this Agreement shall limit the future exercise of the police powers of the City 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. This Agreement is not intended to bind a future governing body of the City to a specific legislative decision.

Notwithstanding the retained power of the City to enact such legislation under its police power, such legislation shall not modify the Developer's rights as set forth herein, unless facts and circumstances are present that meet the compelling, countervailing public interest exception to the vested rights doctrine as set forth in Western Land Equities, Inc., v. City of Logan, 617 P.2d 388 (Utah, 1988), or successor case law or statute. Any such proposed change affecting the Developer's rights shall be of general application to all development activity in the City. Unless the City declares an emergency, the 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 development of the Property.

22. Default.

a. Failure by a Party to perform any of the Party's obligations under this Agreement within a thirty (30) day period (the "Cure Period") after written notice thereof from the other Party shall constitute a default ("Default") by such failing Party under this Agreement; provided, however, that if the failure cannot reasonably be cured within thirty (30) days, the Cure Period shall be extended for the time period reasonably required to cure such failure so long as the failing Party commences its efforts to cure within the initial thirty (30) day period and thereafter diligently proceeds to complete the cure. Said notice shall specify the nature of the alleged Default and the manner in which said Default may be satisfactorily cured, if possible. Upon the occurrence of an uncured Default under this Agreement, the non-defaulting Party may seek a remedy as outlined in the Remedies provision of this Agreement.

b. The City shall have the additional following remedies in the case of default by the Developer:

i. Enforcement of Security. The right to draw on any security posted or provided in connection with the Planned Community and System Improvements, relating to remedying the particular default.

ii. Claim Reimbursement – Public Infrastructure. The right to demand repair or replacement of failed Public Infrastructure/System Improvements or for reimbursement from the Developer for costs of remedying a particular failure or default relating to the Public Infrastructure/System Improvements, in excess of any security posted or provided during the warranty period, or prior thereto.

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iii. Withholding Further Development Approvals. After meeting with the Developer without resolution of any default, the right to withhold all further reviews, approvals, licenses, building permits, certificates of occupancy, and/or other permits for the Developer, Secondary Developer, or for the development of the Property owned by the defaulting party.

c. During any period of default by the Developer or a Secondary Developer, the Developer or a Secondary Developer shall not receive reimbursement for oversized System Improvements until such default has been cured. If the Default is cured, then no Default shall exist and the noticing Party shall take no further action.

d. Any Default or inability to cure a Default caused by strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other similar causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to the period during which any such event prevented, delayed or stopped any required performance or effort to cure a Default.

e. These Default provisions shall not be interpreted as applying to administrative decisions made by the City in relation to submitted Development applications; which remedy must be sought through the administrative appeal process.

23. Remedies. Notwithstanding the foregoing provisions related to default, the following remedies shall apply:

a. The Parties to this Agreement recognize that the City has the right to enforce its rules, policies, regulations, ordinances, and the terms of this Agreement by seeking an injunction to compel compliance. In the event Developer violates the rules, policies, regulations, or ordinances of City or violates the terms of this Agreement, City may, without declaring a Default hereunder or electing to seek an injunction, and after thirty (30) days written notice to correct the violation (or such longer period as may be established in the discretion of City or a court of competent jurisdiction if Developer has used its reasonable best efforts to cure such violation within such thirty (30) days and is continuing to use its reasonable best efforts to cure such violation), take such actions as shall be deemed appropriate under law until such conditions have been rectified by the Developer. The City shall be free from any liability arising out of the exercise of its rights under this paragraph.

b. Any assertions of breach or default asserted by the Developer against the City shall be handled as a Land Use Appeal and addressed in accordance with the administrative appeal process outlined in Utah Code, Title 10, Part 7, and the Kanab City Land Use Ordinance, Chapter 3, and other applicable provisions of the Kanab City ordinances. All administrative process(es) and remedies must be exhausted prior to seeking judicial review of an appeal authority's final decision.

c. No Monetary Damages. The Parties acknowledge that the City would not have entered into this Agreement had it been exposed to monetary damage claims from the Developer for any breach thereof except as set forth herein. As such, and except as otherwise noted

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within the Agreement, the Parties agree that specific performance, as may be determined through the Kanab City administrative appeals process (the final decision of which is subject to review by a court of competent jurisdiction) is the only intended remedy for any breach of this Agreement by the City. Accordingly, the Parties waive all other remedies in law or equity, including monetary damages (e.g., actual, future, and speculative damages, including economic, special, consequential, punitive, or other monetary damages), except where otherwise noted in this Agreement.

d. Nothing in this Agreement shall be construed as eliminating nor intended to circumvent the requirement and applicability of the City's administrative appeal process, with the option for judicial review of any final decision resulting from an administrative appeal.

24. Governmental Immunity. The City is a governmental entity under the Governmental Immunity Act of Utah, Utah Code §§ 63G-7-101 et seq. (the "Immunity Act"). The City does not waive any defenses or limits of liability available under the Immunity Act and other applicable law. The City maintains all privileges, immunities, and other rights granted by the Immunity Act and all other applicable laws. Nothing in this Agreement should be interpreted as a waiver of the City's privileges, immunities, and other rights granted by the Immunity Act and all other applicable laws. [Were it so, the City would not be sufficiently induced to enter into this Agreement.]

25. Hold Harmless.

a. Developer agrees to and shall hold City, its officers, agents, employees, consultants, special counsel, and representatives harmless from liability for damages, just compensation restitution, or judicial or equitable relief which may arise from or are related to any activity connected with the development of the Property, including approval of the development and this Agreement; the direct or indirect operations of Developer or its contractors, subcontractors, agents, employees or other persons acting on its behalf which relate to the development of the Property; or which arises out of claims for personal injury, including health, and claims for property damage.

b. This hold harmless provision shall not be applicable to any claim arising by reason of the negligence or intentional tort actions of the City.

c. City shall give written notice of any claim, demand, action, or proceeding which is the subject of the Developer's hold harmless agreement as soon as practicable but not later than thirty (30) days after the assertion or commencement of the claim, demand, action, or proceeding. If any such notice is given, the Developer shall be entitled to participate in the defense of such claim. Each party agrees to cooperate with the other in the defense of any claim and to minimize duplicative costs and expenses.

26. Successors and Assigns.

a. Agreement to Run with the Land. This Agreement shall be recorded in the Office of the Kane County Recorder, shall be deemed to run with the Development Property, shall encumber the same, and shall be binding on and inure to the benefit of all successors and assigns of Developer in the ownership or development of any portion of the Development

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Property. When a phase of development is complete or ownership rights are transferred, the Master Owners Association, and/or an applicable subordinate association, and the individual property owners shall be bound to the terms of this Agreement, notwithstanding the expiration or termination of this Agreement. However, an amendment to this Agreement may be presented to the City for consideration by those associations or property owners bound hereunder.

b. Transfer. If the Property is transferred ("Transfer") to a third party ("Transferee"), the Developer and the Transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless prior to such Transfer (i) Developer provides to City a letter from Transferee acknowledging the existence of this Agreement and agreeing to be bound thereby. Said letter shall be signed by the Transferee, notarized, and delivered to the City prior to the Transfer. Upon execution of the letter described above, the Transferee shall be substituted as the Developer under this Agreement and the persons and/or entities executing this Agreement as Developer shall be released from any further obligations under this Agreement as to the transferred Property.

c. Individual Lot or Unit Sales. Notwithstanding the provisions of this section, a transfer by the Developer of a lot or condominium dwelling unit or commercial building located on the Property within a City approved and recorded plat shall not be deemed a Transfer as set forth above so long as the Developer's obligations with respect to such lot or dwelling unit have been completed, including the infrastructure necessary or required to service the lot or dwelling unit. In such event, the Developer shall be released from any further obligations under this Agreement pertaining to such lot or dwelling unit.

27. Term and Early Termination.

a. The "Effective Date" of this Agreement shall be the date upon which the Agreement is approved by the Kanab City Council.

b. Pursuant to Kanab City General Order § 7-808, the City's obligation to make reimbursements under the reimbursement provisions related to development by adjacent property owners/developers that connect to the oversized Public Infrastructure of Hidden Canyon (i.e., the "pioneering" provision) shall terminate after ten (10) years. The termination of the pioneering provision shall not affect the term for the remaining applicable provisions of this Agreement.

c. This Agreement shall expire twenty (20) years from the Effective Date of this Agreement ("Termination Date"), unless it is terminated earlier by (i) mutual consent, (ii) buildout, (iii) the Term is modified by written and recorded amendment to this Agreement, or (iv) upon termination as otherwise specified herein.

d. If as of that Termination Date (i) the Developer has not been declared to be in default as provided in this Agreement, or if any such declared default has been or is being cured as provided therein, and (ii) the Developer has continued to make meaningful substantial progress each year in developing the Property, then this Agreement shall be automatically extended until December 31, 2044.

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e. If the Developer has failed to make meaningful substantial progress in developing the Property for any given 2-year period, the City shall give written notice to the Developer of its intent to terminate the Agreement for non-performance. If an additional year passes thereafter without the Developer making any meaningful substantial progress in developing the Property (i.e., totaling a 3-year period of no meaningful substantial progress), then the City shall give written notice of the termination of this Agreement, upon which this Agreement will be considered null and void.

f. If the City has not taken/does not take the required affirmative steps to terminate this Agreement, outlined herein, then the mere passage of time and/or lack of meaningful substantial progress by the Developer shall not be sufficient for terminating the Agreement and the obligations of the Parties established by this Agreement shall remain—i.e., there is no automatic termination for non-performance.

g. "Meaningful substantial progress" as used herein shall include (i) submission and approval of one or more Development applications (e.g., building or grading permit, conditional use application/permit, or preliminary or final site plan or plat approval or amendment), (ii) completion and passage of three or more onsite inspections (e.g., relating to construction/installation of Public Infrastructure, inspection related to construction of commercial or residential units).

h. The provisions related to the term of this Agreement shall not be interpreted as modifying the City's ordinances in respect to other deadlines, timelines/time frames and expiration of any permit or approval issued by the City (e.g., a building permit shall terminate/expire as outlined in the City's ordinance; the Developer must commence construction under an approved site plan within 1-year, as determined by the City's ordinance, unless an extension is granted).

i. Upon termination of this Agreement, or if the Agreement becomes null and void, the Parties agree that the City or the Developer may record a declaration of the same against the Development Property, after giving notice to the other party of the intent to record the declaration and allowing ninety (90) days for the non-recording party to object., at which point the City may consider taking any other lawful action in relation to some or all of the Development Property not fully built out, including removing the Planned Development Overlay through a zone change.

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28. Notices. Any notices, requests, or demands required or desired to be given hereunder shall be in writing and shall be given using one of the following methods of delivery: personal delivery, registered or certified mail (in each case, return receipt requested and postage prepaid), nationally recognized overnight courier (with all fees prepaid), facsimile, or email. Notices shall be effective upon receipt. Any party giving a notice shall address the notice to the receiving party at the following address(es):

TO CITY:	Kanab City 26 North 100 East Kanab, UT 84741 ATTN: City Manager (435) 644-2534	TO DEVELOPER:	JJJ Development, Inc. 575 West Upper Alton Road Alton, UT 84710 ATTN: Jim Guthrie (951) 334-9003 jim@guthriecompanies.com

29. No Third-Party Beneficiary. This Agreement is made for the sole protection and benefit of the City and the Developer and their assigns. No other person shall have any right of action based upon any provision of this Agreement whether as third-party beneficiary or otherwise. The relationship between the City and the Developer arising out of this Agreement is one of independent contractor and not agency. It is specifically understood by the parties that: (i) all rights of action and enforcement of the terms and conditions of this Agreement shall be reserved to the City and the Developer; (ii) developing the Property is a private development; (iii) the City has no interest in or responsibilities for or duty to third parties concerning any improvements to the Property; and (iv) the Developer shall have the full power and exclusive control of the Property subject to the obligations of the Developer set forth in this Agreement.

30. Successors and Assigns. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

31. Severability. If any part or provision of this Agreement shall be adjudged unconstitutional, invalid or unenforceable by a court of competent jurisdiction such determination 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.

32. Waiver. No waiver of any of the provisions of this Agreement shall operate as a waiver of any other provision regardless of any similarity that may exist between such provisions nor shall a waiver in one instance operate as a waiver in any future event. No waiver shall be binding on the City or the Developer, unless executed in writing by the waiving party.

33. Reasonableness. Except as otherwise stated to the contrary in this Agreement, when the consent, approval, or agreement of the City and/or the Developer is required or contemplated under this Agreement, such consent, approval, or agreement shall not be unreasonably withheld, conditioned, or delayed; provided, this provision shall not bind the City with respect to its legislative actions.

34. Time of the Essence. Time shall be of the essence with respect to the duties imposed on the Parties under this Agreement. Unless a time limit is specified for the performance of such duties each party shall commence and perform its duties in a diligent manner in order to complete the same as soon as reasonably practicable.

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35. Annual Review. City may review progress pursuant to this Agreement at least once every twelve (12) months to determine if Developer has complied with the terms of this Agreement. If the City finds, on the basis of substantial evidence, that the Developer has failed to comply with the terms hereof, the City may declare the Developer to be in Default as provided herein. The City's failure to review at least annually the Developer's compliance with the terms and conditions of this Agreement shall not constitute or be asserted by any party as a Default under this Agreement by the Developer or the City.

36. Non-Liability of City Officials, Employees, Members, or Managers. No officer, representative, agent, or employee of the City shall be personally liable to the Developer or any of its successors or assigns in the event of any default or breach by the City or for any amount that may become due to the Developer or its successors or assigns for any obligation arising out of the terms of this Agreement. Similarly, no officer, member, manager, or representative, agent, or employee of the Developer shall be personally liable to the City or any of its successors or assigns in the event of any default or breach by the Developer or for any amount which may become due to the City or its successors or assigns for any obligation arising out of the terms of this Agreement.

37. Costs. In the event of any litigation between the parties arising out of or related to this Agreement, or planned development and the application of the City's ordinances or state law, the prevailing party shall not be entitled to an award of reasonable court costs, including reasonable attorney fees. In the event that a dispute over or relating to the terms of this Agreement is resolved short of a final contested decision by a court of competent jurisdiction, the Parties shall cover their or its own costs, including reasonable attorney fees, whether incurred in litigation or otherwise. The Parties agree that an advisory opinion rendered by a representative of the Utah Property Rights Ombudsman, while potentially helpful in reaching a resolution to a dispute between the Parties, shall not be considered grounds for awarding attorney fees, civil fines or penalties, nor consequential damages.

38. Authority to Execute Agreement. Each party hereto expressly warrants that it has the necessary authority to execute this Agreement on behalf of its governing board or board of directors that each signatory hereto has authority to execute this Agreement on behalf of the respective named party. The Parties agree to undertake such other acts and execute such other documents as may be reasonably necessary to affect the purpose and intent of this Agreement.

39. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of which when so executed shall constitute in the aggregate but one and the same document.

40. Headings and Interpretation. Paragraph headings contained herein are only for the convenience of the Parties. The substance and provisions hereof control without regard to the headings. This Agreement shall be construed so as to effectuate its public purpose of ensuring the Property is developed as set forth herein to protect health, safety, and welfare of the citizens of the City. The Parties acknowledge that this Agreement has been negotiated and prepared in an arms-length transaction and that all Parties have been deemed to have drafted this Agreement and this Agreement shall not be interpreted against any Party as the draftsman.

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41. The Parties each warrant and acknowledge that (i) they have read and understood the terms of this Agreement; (ii) they have had the opportunity to retain legal counsel of their choice throughout the negotiations that preceded the signing of this Agreement; and (iii) they have entered into this Agreement for reasons of their own and not based upon representations of any other party hereto.

42. Recordation. Within ten (10) business days of the Effective Date of this Agreement, it shall be recorded in its entirety at the Developer's expense in the Office of the Kane County Recorder. Each commitment and restriction on development set forth herein shall be a burden on the Development Property, shall be appurtenant to and for the benefit of the City and Developer and shall run with the land. A recorded copy of the Agreement shall be provided by the Developer to the City, in physical or digital format.

43. Entire Agreement. This Agreement represents the entire agreement between the parties related to the subject matter herein. All other agreements are merged into this Agreement, which cannot be modified except by the written consent of all parties. Any modification to this Agreement shall require the same notice(s) and public hearing required for the modification of a land use regulation.

43. Formation of PID or Other Infrastructure District. Prior to development of the Development Property, the Developer may apply to form and fund a PID, or another statutorily applicable infrastructure district, for purposes of funding some or all of the Public Improvements. If a PID or other infrastructure district is not approved or formed within a reasonable time, then it will be presumed that the Developer will proceed without a PID/infrastructure district in accordance with the Terms of this Agreement. However, the Developer or a subsequent owner of the development property may apply to the City for an amendment to or termination of this Agreement and/or for a rezoning of some or all of the development property. Upon application, the City Council, in accordance with the procedures in the City's ordinances, as applicable, will consider the application as a legislative land use decision.

IN WITNESS WHEREOF, the parties hereunder have executed this Agreement on the date first written above.

[*Signatures on the following page(s).*]

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KANAB CITY

Colten Johnson, Mayor

Attest:

City Recorder

Approved as to form:

City Attorney

STATE OF UTAH)
ss:
COUNTY OF KANE)

On the 3 day of September, 2024, personally appeared before me Colten Johnson, Kanab City Mayor, whose identity is personally known to or proved to me based on satisfactory evidence, and who, being by me duly sworn (or affirmed), did say that he did duly acknowledge to me that he executed the foregoing document.

Notary Public

CELESTE CRAM
Notary Public, State of Utah
Commission # 721614
My Commission Expires
November 22, 2025

[*Additional signatures on following page.*]

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JJJ DEVELOPMENT, INC.

Jim Guthrie, President

STATE OF UTAH)
ss:
COUNTY OF KANE)

On the 17 day of September, 2024 personally appeared before me Jim Guthrie, who being duly sworn and authorized did say that he is the President of JJJ Development, Inc. and Jim Guthrie indicated to me that said company executed the same.

Notary Public

CELESTE CRAM
Notary Public, State of Utah
Commission # 721614
My Commission Expires
November 22, 2025

PROPERTY OWNER

Jim Guthrie

STATE OF UTAH)
ss:
COUNTY OF KANE)

On the 17 day of September, 2024 personally appeared before me Jim Guthrie, who being sufficiently identified and duly sworn did executed the same.

Notary Public

CELESTE CRAM
Notary Public, State of Utah
Commission # 721614
My Commission Expires
November 22, 2025

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EXHIBIT A

LEGAL DESCRIPTION FOR

HIDDEN CANYON SUBDIVISION

PARCEL K-15-1-ANNEX:

PARCEL 1: THAT PORTION OF THE E ½ OF THE W ½ OF THE NE ¼ OF SECTION 35, TOWNSHIP 43 SOUTH, RANGE 6 WEST, SALT LAKE BASE & MERIDIAN LYING NORTHERLY OF US HIGHWAY 89 (CONTAINING 36.0 ACRES, MORE OR LESS).

PARCEL 2: THAT PORTION OF THE E 400 FEET OF THE W ½ OF THE W ½ OF THE NORTHEAST ¼ OF SECTION 35, TOWNSHIP 43 SOUTH, RANGE 6 WEST, SALT LAKE BASE & MERIDIAN LYING NORTHERLY OF US HIGHWAY 89 (CONTAINING 21.0 ACRES, MORE OR LESS).

PARCEL K-14-15-ANNEX:

ALL OF SECTIONAL LOTS 7 & 8; AND THE S ½ OF THE SE ¼ OF THE NORTHEAST ¼; AND THE E ½ OF THE SE ¼ OF SECTION 26, TOWNSHIP 43 SOUTH, RANGE 6 WEST, SALT LAKE BASE & MERIDIAN (CONTAINING 180.37 ACRES, MORE OR LESS).

ALSO: BEGINNING AT THE SW CORNER OF SECTIONAL LOT 6, SECTION 26, TOWNSHIP 43 SOUTH, RANGE 6 WEST, SALT LAKE BASE & MERIDIAN AND RUNNING THENCE E 1320.0 FEET MORE OR LESS ALONG THE LOT LINE TO THE SE CORNER OF SAID LOT 6; THENCE N 1320.0 FEET MORE OR LESS ALONG THE LOT LINE TO THE NE CORNER OF SAID LOT 6; THENCE SOUTHWESTERLY 1866.76 FEET MORE OF LESS TO THE POINT OF BEGINNING (CONTAINING 20 ACRES, MORE OR LESS).

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EXHIBIT B

Oversizing of System Improvements Required

Kanab City is working with the Developer to establish infrastructure to support the new Planned Development ("Hidden Canyon") on the north-east side of Kanab. To meet the culinary water demands, a new water storage tank must be built near the Planned Development. In accordance with Kanab City's Water Impact Fee Facilities Plan and Analysis (2024), the water storage tank will have a capacity of 1 million gallons and will be constructed from reinforced concrete. The Developer will provide all Civil Engineering at the tank site, including site grading, piping, and drainage. The Developer will pay for and utilize the services of the City Engineer (currently Civil Science), or another engineering firm approved by the City Engineer, to provide a design for the concrete water tank. A conceptual Engineer's Opinion of Cost indicates that the overall construction costs (not the difference for oversizing the infrastructure) associated with the tank will be approximately $1,340,000.00 (estimate as of April 11, 2022).

Based on the anticipated development of the Development Property, as outlined above, the Developer will pay for the City Engineer or an approved engineering firm to provide the services detailed by the City Engineer in its Work Task Order 2022-3, dated April 11, 2022, incorporated herein by reference. The cost for such services may be modified, as necessary or agreed upon by the Developer and the City Engineer.

Oversized/Upsized Infrastructure Required and Eligible for Reimbursement:
The following infrastructure is required to be oversized as a condition of development and in accordance with Kanab City's Water Impact Fee Facilities Plan & Analysis (2024), making the actual, reasonable costs for the oversized aspect of the infrastructure eligible for reimbursement:

1. The size of the water storage tank necessary to support the Hidden Canyon Planned Development must provide for the storage of approximately 810,150 gallons. This water storage tank must be increased and oversized to a 1-million-gallon water storage tank for the purpose of serving future adjacent development. The difference in actual, reasonable cost between installing a water storage tank for 810,150 gallons and a 1-million gallons shall be reimbursable by the City by the methods outlined below.
2. The existing pump station vault must be increased to accommodate the required booster pump(s) and equipment service clearances. The vault dimensions and any equipment service clearances shall be subject to inspection, approval, and written acceptance by the Kanab City Public Works Director, after coordination with the Developer and City Engineer.
3. The main distribution waterline connecting to the existing water infrastructure on or adjacent to the Quality Inn property, running parallel to the existing 8-inch line toward the Development Property and on to the 1-million-gallon water storage tank, then extending out from the 1-million-gallon water storage tank to the Hidden Canyon Planned Development (initially to "Road A" as identified on Exhibit C, and then along Road A) and extended beyond the Development Property, shall be eligible for reimbursement for actual, reasonable costs for three different aspects considered oversizing:
    a. The portion of the C-900 12-inch main tank fill waterline beginning from the connection to the existing waterline at or near the Quality Inn property, extending/proceeding parallel to the existing 8-inch waterline to the point at which the booster pump(s) station will be located at or just inside the Development Property Line. This portion of the waterline extending from the existing water infrastructure near the Quality Inn property extending to the Development Property line requires an 8-inch waterline to meet the needs of the

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Planned Development itself. Thus, the increase from 8-inch to 12-inch is considered oversized for reimbursement purposes. The portion of this main distribution water line as it extends out from the booster pump(s) required requires a 12-inch C-900 to meet the needs of the Planned Development (including for emergency pumping scenarios, to be able to pump the required fire flow). This second portion of 12-inch water line extending from the water booster pump(s) extending to the water storage tank is not considered oversized. For the first segment of this water transmission line, the difference between the actual, reasonable costs of the construction and installation of an 8-inch water line and the 12-inch waterline shall only be eligible for reimbursement by the City by the methods outlined below.

b. The portion of the main distribution water line beginning from the 1-million-gallon water storage tank and proceeding to the necessary parts of the Hidden Canyon Planned Development requires an 8-inch water line, using C-900 pipe, to meet the needs of the Planned Development itself and to allow for maintenance and servicing by the City, once dedicated and accepted. The portion of this main distribution waterline shall be increased and oversized from 8-inch to a 12-inch, using C-900 pipe, from the water storage tank to "Road A" as identified in the Master Plan (Exhibit C) and then along Road A until it reaches Highway 89, in order for the 1-million-gallon water storage tank to support future adjacent development beyond the Hidden Canyon Planned Development. This portion of the main distribution line, upsized from 8-inch to 12-inch C-900 pipe, shall be considered eligible for reimbursement. The difference between the actual, reasonable costs of the construction and installation of an 8-inch water line and the oversized 12-inch water line shall be eligible for reimbursement by the City by the methods outlined below. All other waterlines servicing the Development Property shall be sized according to the specifications required by the development activities and shall not be eligible for reimbursement.

c. This same 12-inch main distribution water line, outlined in (3)(b), shall be extended beyond the distance and locations necessary for the Hidden Canyon Planned Development, to a connection point designated and approved by the City, located at or near US-89 and the proposed Hidden Canyon entrance, for the purpose of allowing the 1-million-gallon water storage tank to serve additional adjacent future growth. The actual, reasonable costs for constructing and installing this portion of the 12-inch main distribution line, extending beyond what is necessary for the Hidden Canyon Planned Development itself, constituting an oversized and extended portion of the water line in its entirety, shall be eligible for reimbursement from the City by the methods outlined below. However, if applicable design standards require other water infrastructure or apparatus, such as looping the line, for the purpose and based on the needs of the Hidden Canyon Development itself, that portion of the infrastructure or apparatus shall not be considered reimbursable except as required to be oversized by the City.

4. The Developer, or a subsequently formed PID, if applicable, shall submit its total actual costs for constructing and installing the infrastructure outlined herein, and its calculation for the portion of those costs it has determined are attributable to the oversizing of the infrastructure. The City will then review the submittals and make a determination of the amount of reimbursable actual, reasonable costs, as permitted by ordinance.
5. If a disagreement arises relating to a formal decision made by City staff relating to the oversizing requirements and specifications, including the determination of the actual, reasonable cost thereof, then the decision of City staff may be appealed, pursuant to the Kanab City Land Use appeal

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requirements, process, and procedure outlined in the Kanab City Land Use Ordinance. Only a formal decision of City staff may be appealed, unless City staff fails to issue a formal decision when reasonable or required to do so. In the circumstances in which the appeal authority finds that City staff has failed to issue a reasonable or required decision, the appeal authority, if deemed appropriate, shall require the City staff to issue a decision as a precursor to going forward with the appeal. The final written decision of the appeal authority is subject to judicial review.

6. No additional oversized infrastructure is required by the City. In reviewing all other designs and planned infrastructure anticipated, approval of such designs shall be based on City standards based on what is required and necessary for the Hidden Canyon Planned Development. Any subsequent and additional oversizing requirements, if subsequently required and agreed upon by the Parties, shall require a new separate reimbursement agreement, or an agreed upon amendment to this Agreement.

Form of Reimbursement:

There are two permissible forms of reimbursement applicable to the Public Infrastructure and System Improvements outlined in this Agreement: (1) Reimbursement by granting of a dollar-for-dollar impact fee credit; and (2) reimbursement for proportional Pioneering Improvement Costs by Benefited Property(ies). The provisions related to Pioneering Improvements is outlined within the body of the Agreement. Some provisions related to reimbursement by the granting of impact fees credits is outlined within the body of the Agreement. Where the provisions of this exhibit differ from the provisions included within the body of the Agreement, the terms and provisions within the body of the Agreement shall be considered controlling.

The form and timing of reimbursement shall depend upon whether the Developer or the PID pays the actual, reasonable costs for oversizing the infrastructure or for Pioneering Improvements. The following criteria shall apply to the reimbursement of actual, reasonable costs of the oversized infrastructure:

1. If Developer pays for the actual, reasonable cost of oversizing all or part of the infrastructure outlined herein, then reimbursement will come in the form of dollar-for-dollar impact fee credit, which impact fee credit balance may be applied at the time that the water impact fee becomes due (i.e., upon submission of a complete building permit application).
2. If a subsequently formed PID pays the actual, reasonable cost for oversizing all or a part of the infrastructure outlined herein, making the PID the recipient of a dollar-for-dollar impact fee credit, then the PID will be reimbursed as follows:
    a. When the Developer, or a third-party, submit a complete building permit application(s) to build a structure(s) within the Hidden Canyon Planned Development, the applicant will be required to pay the applicable water impact fee;
    b. Within a reasonable time thereafter, the City will distribute the water impact fee collected to the PID, in accordance with this Agreement and state and local law, reducing the dollar-for-dollar impact fee credit balance accordingly.
3. The right to reimbursement for the actual, reasonable Pioneering Improvements Cost will also be permitted by the Developer, or a subsequently formed PID, if applicable, through recoupment of the proportional share of the actual, reasonable Pioneering Improvements Cost attributable to a Benefited Property(ies) owner(s) or developer(s), whose property and proposed development is adjacent to the Hidden Canyon Planned Development, when that adjacent Benefited Property owner or developer intends to and does connect to the Pioneering Improvements for the benefit of the Benefited Property. The City shall calculate and collect this form of reimbursement as outline din the body of the Agreement.

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4. Impact fee credits and the right to reimbursement may only be applied within the Hidden Canyon Planned Development. Any transfer of impact fee credits and the right to reimbursement must be in writing and shall incorporate the relevant terms of this Agreement to be valid. A fully executed copy of the written transfer agreement shall be provided to the City.
5. The Developer, or a subsequently formed PID, if applicable, will only be eligible for reimbursement of the total actual, reasonable costs paid for the oversized portion of the infrastructure, and may not recover more than what the individual or entity paid to install and construct the oversized infrastructure or Pioneering Improvements.
6. The City shall maintain records accounting for the dollar balance remaining for impact fee credits/the remaining reimbursable amount. The City shall maintain records for the reimbursement of Pioneering Improvements Cost.
7. If a disagreement arises relating to the form, timing, or method of reimbursement, based on a formal decision of City staff, then the decision of City staff may be appealed, pursuant to the land use appeal requirements, process, and procedure outlined in the Kanab City Land Use Ordinance. Only a formal decision of City staff may be appealed, unless City staff fails to issue a formal decision when reasonable or required to do so. In the circumstances in which the appeal authority finds that City staff has failed to issue a reasonable or required decision, the appeal authority, if deemed appropriate, shall require the City staff to issue a decision as a precursor to going forward with the appeal. The final written decision of the appeal authority is subject to judicial review.

Until fully designed and engineered, the full details and costs of (1) the oversized Public Infrastructure and System Improvements and (2) the Pioneering Improvements are not entirely known. The Parties shall work together in good faith in determining and agreeing upon the specifications and further details of the water storage tank and related water infrastructure, as well as the water and sewer infrastructure composing the Pioneering Improvements.

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EXHIBIT "C"

Hidden Canyon Development Property Plan

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APARTMENT BUILDING SUMMARY

APARTMENT BLDGS 3-5 & 8-11 EACH CONTAIN

(12) 1-BEDROOMS	x 8 BLDGS	= 96 UNITS
(12) 2-BEDROOMS	x 8 BLDGS	= 96 UNITS
(6) 3-BEDROOMS	x 8 BLDGS	= 48 UNITS
TOTAL UNITS PROVIDED		= 240 UNITS

APARTMENT BLDG #6 CONTAINS:

(12) 1-BEDROOMS	x 1 BLDG	= 12 UNITS
(12) 2-BEDROOMS	x 1 BLDG	= 12 UNITS
(5) 3-BEDROOMS	x 1 BLDG	= 5 UNITS
TOTAL UNITS PROVIDED		= 29 UNITS

APARTMENT UNIT MIX

1 BEDROOMS	= 108 UNITS
2 BEDROOMS	= 108 UNITS
3-BEDROOMS	= 53 UNITS
TOTAL UNITS PROVIDED	= 269 UNITS

PARKING REQUIRED

RESIDENTIAL

1 SPACE PER 1-BEDROOM UNIT 108 UNITS X 1 SPACE = 108 SPACES REQUIRED
2 SPACE PFR 2-BEDROOM UNIT 108 UNITS X 2 SPACES = 216 SPACES REQUIRED
2 SPACE PER 3-BEDROOM UNIT 53 UNITS X 2 SPACES = 106 SPACES REQUIRED

GUEST

1 SPACE / (5) 1-BEDROOM UNIT = 22 SPACES
1 SPACE / (10) 2 BEDROOM UNIT = 22 SPACES
1 SPACE / (10) 3 BEDROOM UNIT = 11 SPACES
LEASE OFFICE SPACE (2900 S.F.)
1 SPACE PER 250 SF = 12 SPACES
EXTENDED STAY UNITS
1 SPACE PER UNIT = 80 SPACES
TOTAL PARKING REQUIRED = 577 SPACES

PARKING PROVIDED

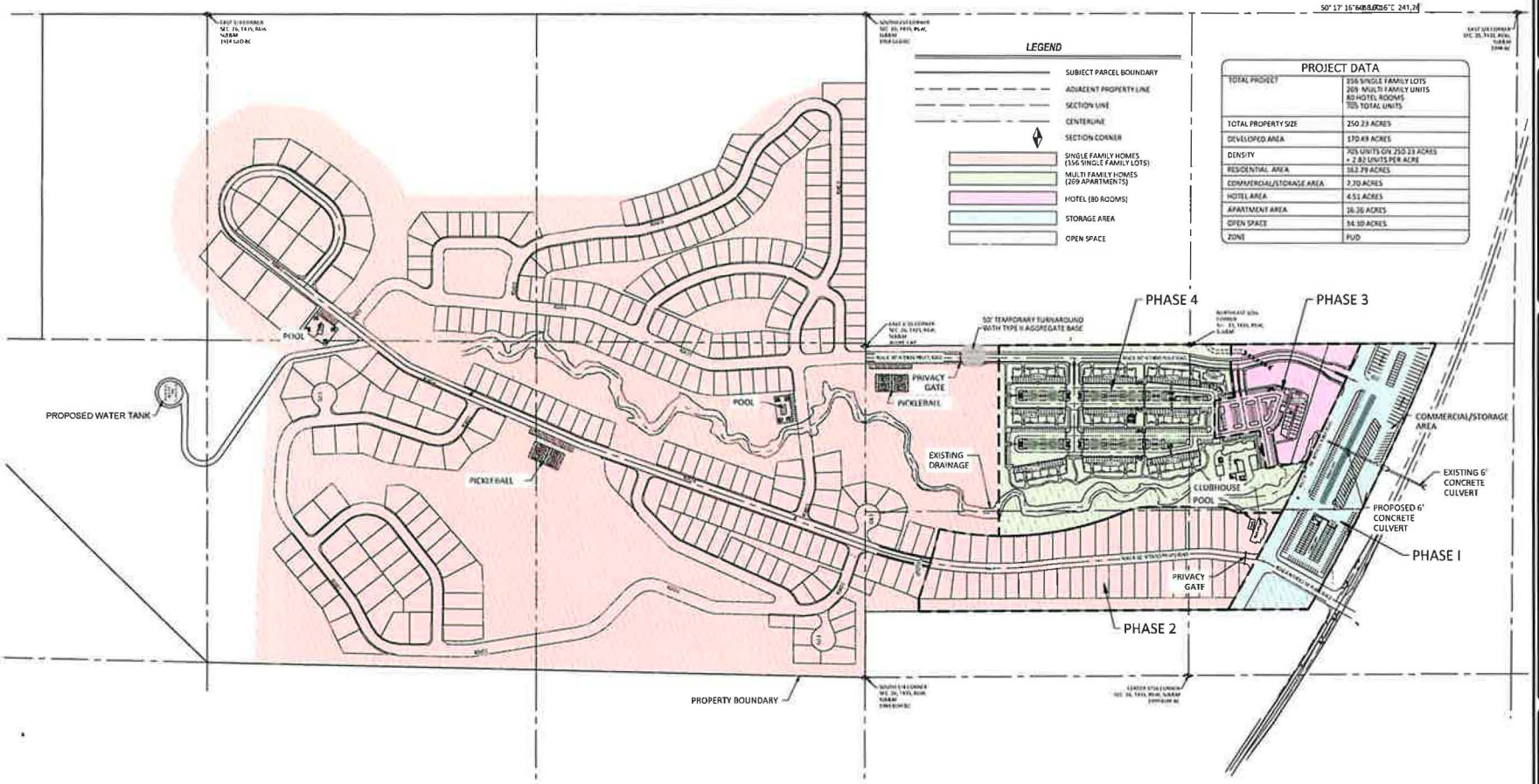
FUTURE RESIDENT SPACES	= 15 SPACES
FUTURE RESIDENT ACCESSIBLE SPACES	= 1 SPACE
EXTENDED STAY STANDARD SPACES	= 100 SPACES
EXTENDED STAY ACCESSIBLE SPACES	= 5 SPACES
GARAGES	= 162 SPACES
COVERED RESIDENT STANDARD SPACES	= 224 SPACES
UNCOVERED RESIDENT SPACES	= 118 SPACES
TOTAL PARKING PROVIDED	= 625 SPACES

STORAGE UNIT SUMMARY

10' X 10' UNITS	= 96 UNITS
10' X 20' UNITS	= 364 UNITS
12' X 29' UNITS	= 12 UNITS
RV STORAGE	= 27 SPACES
TRAILER STORAGE (11' X 35')	= 12 SPACES
TRAILER STORAGE (12' X 50')	= 25 SPACES

N

200 0 200 400
SCALE IN FEET



ENTRY NO. 00208505
09/17/2024 02:12:43 PM B: 0626 P: 0072
Agreements PAGE 45 / 48
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE $ 40.00 BY JIM GUTHRIE

MASTER PLAN
HIDDEN CANYON SUBDIVISION
LOCATED IN THE SECTIONS 26 AND 35, T 43 S, R 6 W, SLB&M
KANAB, UTAH

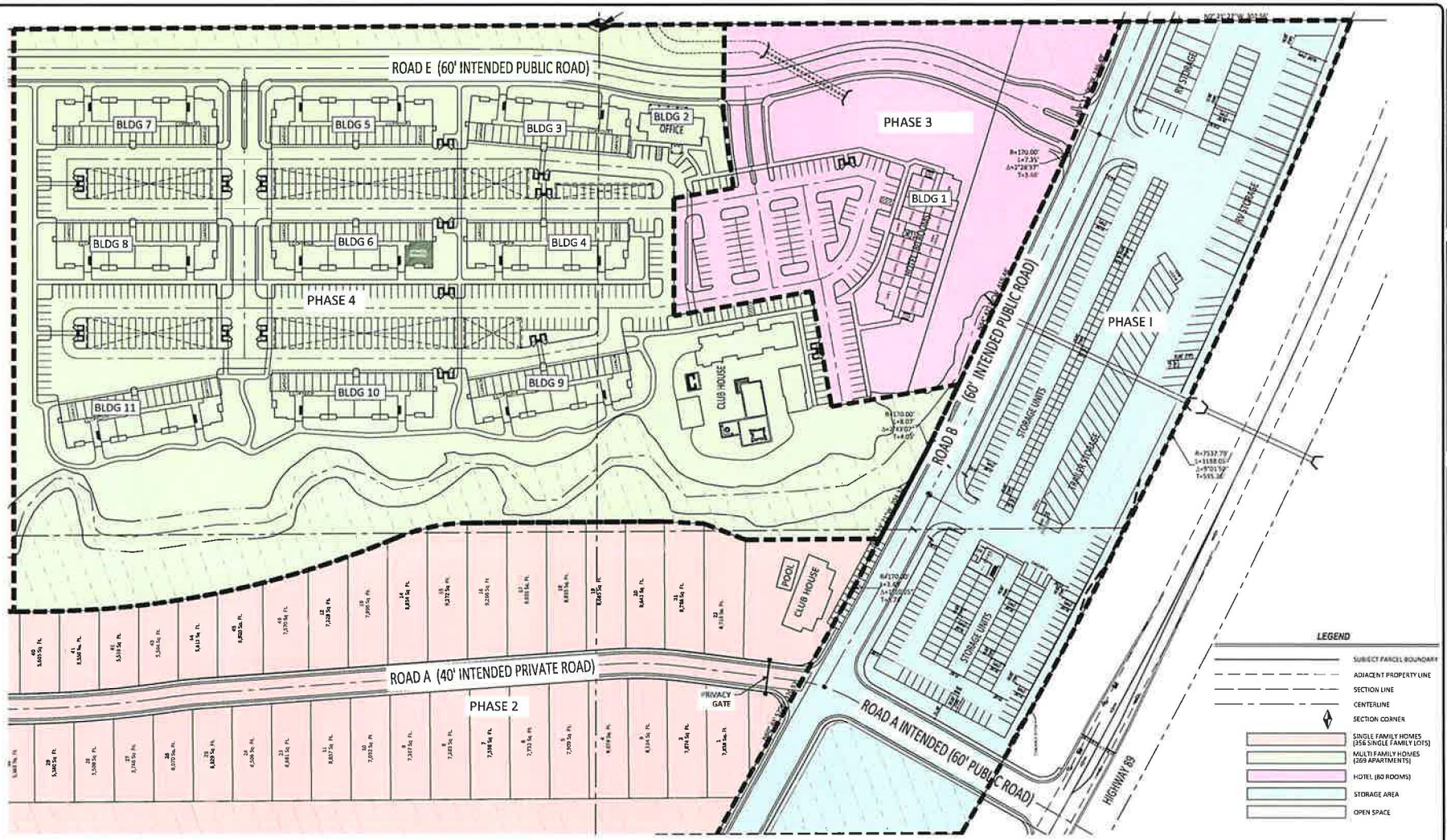
REVISIONS

NO.	DESCRIPTION	DATE	BY

BROWN CONSULTING ENGINEERS, P.C.
CIVIL ENGINEERING-LAND SURVEYING-LAND PLANNING
758 SOUTH 1100 EAST, SUITE B-205
ST. GEORGE, UTAH 84790
(435) 628-6500 FAX (435) 628-6723

MASTER PLAN
FOR
HIDDEN CANYON SUBDIVISION
LOCATED IN THE NW 1/4, SEC 35, AND THE W 1/2 SEC 26
~~T43S, R6W~~ T43S R6W, S.L.B.&M. KANAB, UTAH

CHECKED BY - BK
DRAWN BY - SMB
DATE - 7/02/24
JOB NO. - 21-43
SCALE - 1"=200'
SHEET NO. - 1 OF 4



APARTMENT BUILDING SUMMARY

APARTMENT BLDGS 3-5 & 8-11 EACH CONTAIN

(12) 1-BEDROOMS	x 8 BLDGS	= 96 UNITS
(12) 2-BEDROOMS	x 8 BLDGS	= 96 UNITS
(6) 3-BEDROOMS	x 8 BLDGS	= 48 UNITS
TOTAL UNITS PROVIDED		= 240 UNITS

APARTMENT BLDG #6 CONTAINS:

(12) 1-BEDROOMS	x 1 BLDG	= 12 UNITS
(12) 2-BEDROOMS	x 1 BLDG	= 12 UNITS
(5) 3-BEDROOMS	x 1 BLDG	= 5 UNITS
TOTAL UNITS PROVIDED		= 29 UNITS

APARTMENT UNIT MIX

1-BEDROOMS	= 108 UNITS
2-BEDROOMS	= 108 UNITS
3-BEDROOMS	= 53 UNITS
TOTAL UNITS PROVIDED	= 269 UNITS

PARKING REQUIRED

RESIDENTIAL

1 SPACE PER 1-BEDROOM UNIT	108 UNITS X 1 SPACE = 108 SPACES REQUIRED
2 SPACE PER 2-BEDROOM UNIT	108 UNITS X 2 SPACES = 216 SPACES REQUIRED
2 SPACE PER 3-BEDROOM UNIT	53 UNITS X 2 SPACES = 106 SPACES REQUIRED

GUEST

1 SPACE / (5) 1-BEDROOM UNIT	= 22 SPACES
1 SPACE / (10) 2-BEDROOM UNIT	= 22 SPACES
1 SPACE / (10) 3-BEDROOM UNIT	= 11 SPACES
LEASE OFFICE SPACE (2900 S.F.)	
1 SPACE PER 250 SF	= 12 SPACES
EXTENDED STAY UNITS	
1 SPACE PER UNIT	= 80 SPACES
TOTAL PARKING REQUIRED	= 577 SPACES

PARKING PROVIDED

FUTURE RESIDENT SPACES	= 15 SPACES
FUTURE RESIDENT ACCESSIBLE SPACES	= 1 SPACE
EXTENDED STAY STANDARD SPACES	= 100 SPACES
EXTENDED STAY ACCESSIBLE SPACES	= 5 SPACES
GARAGES	= 162 SPACES
COVERED RESIDENT STANDARD SPACES	= 224 SPACES
UNCOVERED RESIDENT SPACES	= 118 SPACES
TOTAL PARKING PROVIDED	= 625 SPACES

STORAGE UNIT SUMMARY

10' X 10' UNITS	= 96 UNITS
10' X 20' UNITS	= 164 UNITS
12' X 29' UNITS	= 12 UNITS
RV STORAGE	= 27 SPACES
TRAILER STORAGE(11' X 35')	= 12 SPACES
TRAILER STORAGE(12' X 50')	= 25 SPACES

PROJECT DATA

TOTAL PROJECT	356 SINGLE FAMILY LOTS 269 MULTI FAMILY UNITS 80 HOTEL ROOMS 705 TOTAL UNITS
TOTAL PROPERTY SIZE	250.23 ACRES
DEVELOPED AREA	170.49 ACRES
DENSITY	705 UNITS ON 250.23 ACRES = 2.82 UNITS PER ACRE
RESIDENTIAL AREA	162.79 ACRES
COMMERCIAL/STORAGE AREA	7.70 ACRES
HOTEL AREA	4.51 ACRES
APARTMENT AREA	36.26 ACRES
OPEN AREA	34.10 ACRES
ZONE	PUD

REVISIONS

NO.	DESCRIPTION	DATE	BY

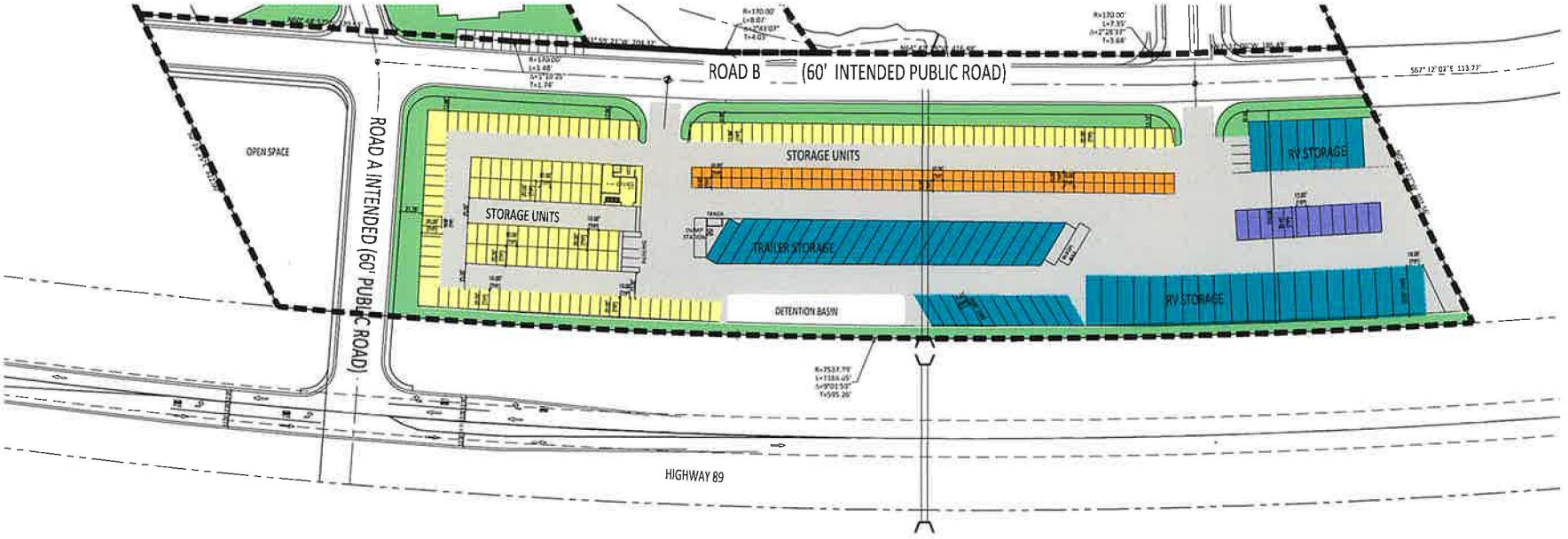
BROWN CONSULTING ENGINEERS, P.C.
CIVIL ENGINEERING-LAND SURVEYING-LAND PLANNING
758 SOUTH 850 EAST, SUITE 215
OREM, UTAH 84097
(435) 225-4700 FAX (435) 225-4725

MASTER PLAN
FOR
HIDDEN CANYON SUBDIVISION
LOCATED IN THE NW 1/4, SEC 35, AND THE W 1/2 SEC 26
T.43S., R.6W., S.L.B.&M. KANAB, UTAH

T43S R6W

CHECKED BY : SK
DRAWN BY : SMB
DATE : 7/02/24
JOB NO. : 21-43
SCALE : 1"=60'
SHEET NO. : 2 OF 4

ENTRY NO. 00208505
09/17/2024 02:12:43 PM B: 0626 P: 0073
Agreements PAGE 46 / 48
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE $ 40.00 BY JIM GUTHRIE



STORAGE UNIT SUMMARY	
STORAGE AREA	= 7.70 ACRES
10'X 10' UNITS	= 96 UNITS
10' X 20' UNITS	= 164 UNITS
12' X 29' UNITS	= 12 UNITS
RV STORAGE	= 27 SPACES
TRAILER STORAGE(11' X 35')	= 12 SPACES
TRAILER STORAGE(12' X 50')	= 25 SPACES

LEGEND

- SUBJECT PARCEL BOUNDARY
- ADJACENT PROPERTY LINE
- SECTION LINE
- CENTERLINE
- SECTION CORNER
- 10X10 UNITS
- 10X20 UNITS
- 12X29 UNITS
- RV STORAGE
- PAVEMENT
- LANDSCAPE

ENTRY NO. 00208505
09/17/2024 02:12:43 PM B: 0626 P: 0074
Agreements PAGE 47 / 48
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE $ 40.00 BY JIM GUTHRIE

NO.	DESCRIPTION	DATE	BY
	REVISIONS		

BROWN CONSULTING ENGINEERS, P.C.
CIVIL ENGINEERING-LAND SURVEYING-LAND PLANNING
750 SOUTH 100 EAST, SUITE 135
KANAB, UTAH 84741
(435) 628-4700 FAX (435) 628-4725

STORAGE UNITS MASTER PLAN

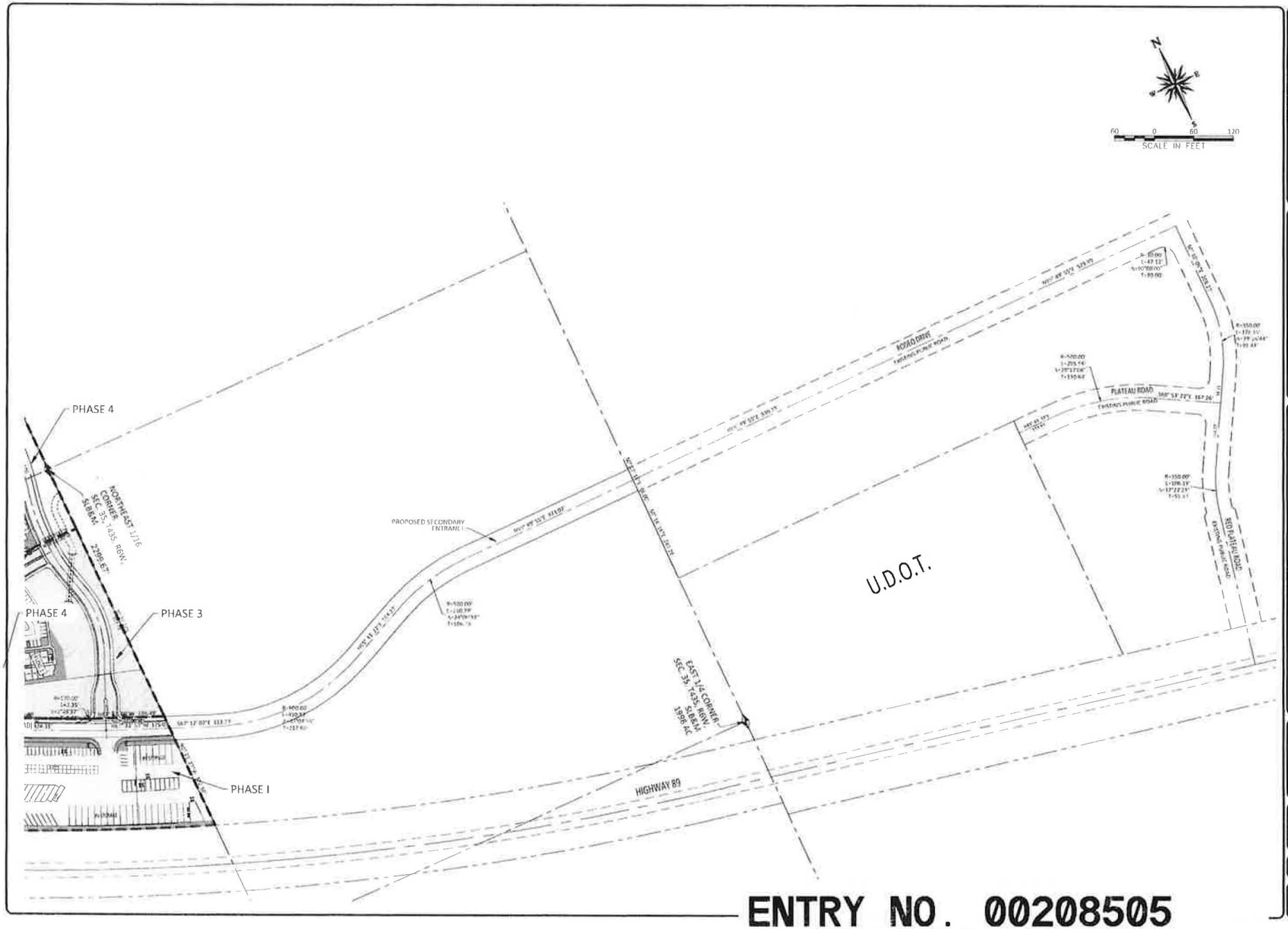
FOR

HIDDEN CANYON SUBDIVISION

LOCATED IN THE NW 1/4, SEC. 35, AND THE W 1/2 SEC 26
~~T36S~~ T43S, ~~R6W~~ R6W, S.L.B.&M. KANAB, UTAH

T43S R6W

CHECKED BY : GE	
DRAWN BY : BWB	
DATE : 7/12/24	
JOB NO. : 23-43	
SCALE :	1"=60'
SHEET NO. :	3 OF 4



PREVISIONS

NO	DESCRIPTION	DATE	BY

BROWN CONSULTING ENGINEERS, P.C.
CIVIL ENGINEERING-LAND SURVEYING-LAND PLANNING
700 SOUTH 100 EAST, SUITE 105
KANAB, UTAH 84741
(435) 628-4105 FAX (435) 628-4735

MASTER PLAN
SECONDARY ENTRANCE
FOR
HIDDEN CANYON SUBDIVISION
LOCATED IN THE NW 1/4, SEC 35, AND THE W 1/2 SEC 26
T43S R6W SLB&M S.L.B.&M. KANAB, UTAH

CHECKED BY - BC
DRAWN BY - BWB
DATE - 7/2/24
JOB NO - 21-43
SCALE: 1"=60'
SHEET NO: 4 OF 4

ENTRY NO. 00208505
09/17/2024 02:12:43 PM B: 0626 P: 0075
Agreements PAGE 48 / 48
VERJEAN CARUSO, KANE COUNTY RECORDER
FEE $ 40.00 BY JIM GUTHRIE

July 18, 2025

Kanab City
Attn: District Advisory Committee
26 North 100 East
Kanab, UT 84741

Re: Letter of Intent to Create a Public Infrastructure District to Facilitate Construction of Public Infrastructure in Relation to the Hidden Canyon Development.

INTRODUCTION

In accordance with the Public Infrastructure Act and the Local District Act (the "District Acts"), JJJ Development, Inc. (the "Applicant") submits the following letter of intent ("LOI") to Kanab City (the "City") for consideration of creation of a Public Infrastructure District (the "PID") to facilitate the construction of the Hidden Canyon development (the "Development"). It is the Applicant's understanding, in accordance with the City's PID policy and the District Acts, that this letter considers the following:

- This LOI represents an initial step in the creation of the PID, and that a positive recommendation from City staff represents an option for the applicant to submit governing documents that present district formation and operation in greater detail.
- A positive recommendation to move forward with governing documents does not represent a commitment by the City to approve the eventual formation of the PID.
- The City and applicant will consider this process as iterative and will work towards a solution that meets the City's and Applicant's needs.

OVERVIEW

This letter of intent is to be used by City staff (as determined by City Administration) to make a preliminary determination about the appropriateness of the proposed PID and must be submitted prior to, or in conjunction with, submittal of a draft Governing Document. The information in this letter may be utilized to advise the Mayor, City Council, and other policymakers about district matters. This letter represents the Applicant's request to be considered for a PID for funding public infrastructure needs.

It is the Applicant's understanding that the formation and use of the Public Infrastructure District tool is in accordance with the following key components of the District Acts and in accordance with prior discussions with the City:

- The City has the approving powers for PIDs, and will work with the Applicant in determining an appropriate use of funds, debt limit, and tax implications.
- The purpose of the PID tool is to provide for public infrastructure and increased amenities for commercial and residential developments.
- The PID tool is being considered to bridge a funding gap that otherwise would not permit the Development to move forward as planned unless development plans are altered.

- The PID contemplates financing with special assessments on the properties within the boundaries of the proposed district and does *not* contemplate the use of a property tax mill levy. It is the intention of the Developer to pay off any special assessment obligation associated with the PID at or prior to transfer of ownership to the end user (e.g., homeowners).
- The special assessment only affects property within the boundaries of the proposed district, and all property owners must approve the formation of the district.
- In accordance with the Hidden Canyon Development Agreement and System Improvements Reimbursement Agreement, the applicant has previously indicated its intent to petition the City to form a PID to help fund a portion of the public improvements necessary for the Development.
- All proceeds from the PID will be used for publicly owned infrastructure.
- The PID will allow for the issuance of bonds that are not the liability of the City. There is no impact to the City's credit rating, no recourse, and no requirement to backstop the bonds with additional revenue sources.

BENEFITS OF DISTRICT IN THIS DEVELOPMENT

The PID will allow for more efficient funding than otherwise available to provide for public infrastructure for the Development. Infrastructure costs have significantly increased in past years due to notable macroeconomic conditions, thereby resulting in development costs that question overall feasibility of all aspects of the Development. Accordingly, the use of the PID will help the Development (approximately 257 acres of vacant land in east Kanab just off Highway 89 to be developed into a desirable mixed-use master planned community) to be financially viable. The PID helps alleviate these constraints and thereby promotes timely buildout of the Development in alignment with the City's desires for the Development as defined in the Hidden Canyon Development Agreement. The Development is planned to include an upscale residential senior community; high-scale residential apartments; and commercial and retail space; which is expected to contribute to the overall infrastructure and improvements of the City for future growth and promote economic development including additional employment opportunities, property and sales tax benefits, in addition to much needed housing supply.

COMPLIANCE WITH CITY'S PID POLICY

The Applicant acknowledges that the City has adopted a PID Policy Statement that sets forth the requirements for the LOI. Specifically, Section 1 of the PID Policy Statement establishes the required contents for an LOI. This section addresses each of those requirements in turn.

1. **Description of District**

   The proposed PID is anticipated to be located on approximately 257 acres of unimproved real property located in east Kanab adjacent to Highway 89 on two existing parcels (Tax ID#s: K-14-15-Annex & K-15-1-Annex

2. **Description of Proposed Development**

The Applicant intends to construct 705 total residential units including 356 single family lots (55 and over homes), 269 multi-family units, 80 hotel rooms. Additionally, the Applicant intends to construct approximately 90,000 square feet of commercial storage.

3. **Summary of Needed Infrastructure, Services and Facilities**

a. Currently Expected Development Scenario.

The Applicant anticipates developing residential, commercial, retail, and open space within the boundaries of the PID. It is expected that, where applicable, the City and the landowners will enter into development agreements regarding the phasing, type, number, and intensity of uses within the boundaries. By doing so, the City and the landowners can work together to plan development of this area in a manner that is mutually beneficial.

b. Required Local and Regional Infrastructure and Facilities.

Development within the District requires substantial local and regional infrastructure. Specifically, the needed infrastructure to support these intended uses will include: sewer, water, water storage, electrical, public roads, internet.

The Applicant anticipates that all public improvements will be designed and constructed in accordance with the standards and specifications of the City and other controlling public entities having proper jurisdiction.

c. Regional and Local Infrastructure the Proposed District is to Provide.

The Applicant is requesting that the PID fund a portion of the required local and regional infrastructure (the scope and cost of which is set forth in greater detail in the attached Exhibit B).

d. Estimated Construction Costs for the Proposed District Improvements.

Estimated costs for the infrastructure improvements within the Development are constantly changing. As of the date of this LOI, estimated costs of infrastructure improvements are approximately $33 Million Dollars as more fully described in Exhibit B.

e. General Description of Phasing of Construction Based on Development Projections.

The development is intended to be built out in 16 phases over the course of roughly 10 years. Phasing of the project is more particularly shown in Exhibit C.

f. *Anticipated Maximum or Fixed Maximum Mill Levy Required to Meet Debt Service of the District.*

While the City's PID policy allows for PID applicants to request up to 10 mills, the Applicant *does not* anticipate requesting a mill levy for the proposed PID. The PID contemplates financing with special assessments on the properties within the boundaries of the proposed district. It is the intention of the Developer to pay off any special assessment obligation associated with the PID at transfer of ownership to the end user (e.g., homeowners).

g. *Analysis of proposed mill levies in light of outstanding debt and mill levies of other taxing entities affecting the area.*

Not applicable. No PID mill levy is being requested.

h. *Sample plan of finance depicting the possible sources and uses of funds for the District.*

See Exhibit D

i. *A summary overview of the differences between the proposed development with a Public Infrastructure District in place and the plan without a Public Infrastructure District.*

The PID enables access to public capital markets allowing the applicant to access low interest financing to fund the substantial upfront costs of public infrastructure improvements, which, in turn, reduces the construction timeline and enables the provision of enhanced community amenities not otherwise available. For example, rather than the Applicant having to wait to collect revenue upon sale of developed land to put in additional infrastructure, it will be able to provide all infrastructure up front, which in turn, reduces the impact to the community and its surrounding neighbors (i.e. no piecemeal construction improvements). The absence of PID financing would likely elongate the construction timeline or possibly render the project as contemplated infeasible. The PID, therefore, helps provide the timely delivery of a desirable mixed use community which is aligned with the currently approved development agreement for the Hidden Canyon project.

4. **Proposed timeline for District creation.**

Subject to the City's schedule, the applicant desires to create the Public Infrastructure District by August 31, 2025.

5. **Acknowledgement of property owner and registered voter consent requirements.**

All of the property owners within the boundaries of the proposed District are included in this LOI. By so signing, the property owners within the boundaries of the District consent to the submission of this LOI and further acknowledge that they must each sign a formal consent prior to a hearing for the governing documents that they consent to the issuance of debt in an amount sufficient for the proposed plan of financing for the District.

6. **Disclosure of any conflicts of interest between the applicant and the officers and employees of the City.**

   The applicant is presently unaware of any conflicts of interest existing between the Applicant and any employees or officers of the City.

7. **Copies of signed engagement letters.**

   The Applicant has engaged their own legal counsel and technical/financial consultants in the preparation of this LOI and other items related to the District. The Applicant also understands that the City may require review of this LOI and the governing documents through third parties. Accordingly, the Applicant agrees to pay for the City's costs in having such documents, related to this LOI and the District, reviewed by third parties.

Kindest Regards,
JJJ Development, Inc.

Jim Guthrie, Principal

EXHIBIT A

District Boundaries

Hidden Canyon Public Infrastructure District

The PID Boundary is anticipated the encompass the following two existing parcels.

Parcel Number K-14-15-ANNEX

ALL OF SECT'L LOTS 7 & 8; THE S/2SE/4NE/4; & THE E/2SE/4 OF SEC 26 T43S R6W SLB&M, CONT 180.37 AC, M/L.
ALSO: BEG AT THE SW COR OF SECT'L LOT 6 SEC 26 T43S R6W SLB&M & RUN TH E 1,320.0 FT, M/L, ALG THE LOT LINE TO THE SE COR OF SAID LOT 6; TH N 1,320.0 FT, M/L, ALG THE LOT LINE TO THE NE COR OF SAID LOT 6; TH SW'LY 1,866.76 FT, M/L, TO THE PT OF BEG. CONT 20 AC, M/L.

Parcel Number K-15-1-ANNEX

PARCEL 1: THAT PORTION OF THE E/2W/2NE/4 OF SEC 35 T43S R6W SLB&M LYING N'LY OF US HWY 89. CONT 36.0 AC, M/L.
PARCEL 2: THAT PORTION OF THE E 400.0 FT OF THE W/2W/2NE/4 OF SEC 35 T43S R6W SLB&M LYING N'LY US HWY 89. CONT 21.0 AC, M/L

EXHIBIT B

Estimated Construction Costs for the Proposed Improvements

Estimate of Probable Costs	
Grading	$11,181,620.08
Water	$6,502,497.43
Sewer	$3,263,676.50
Street Improvements	$8,291,173.01
Power	$2,852,376.40
Storm Drain	$1,112,808.63
	$33,204,152.05

Exhibit C

Preliminary Site Plan

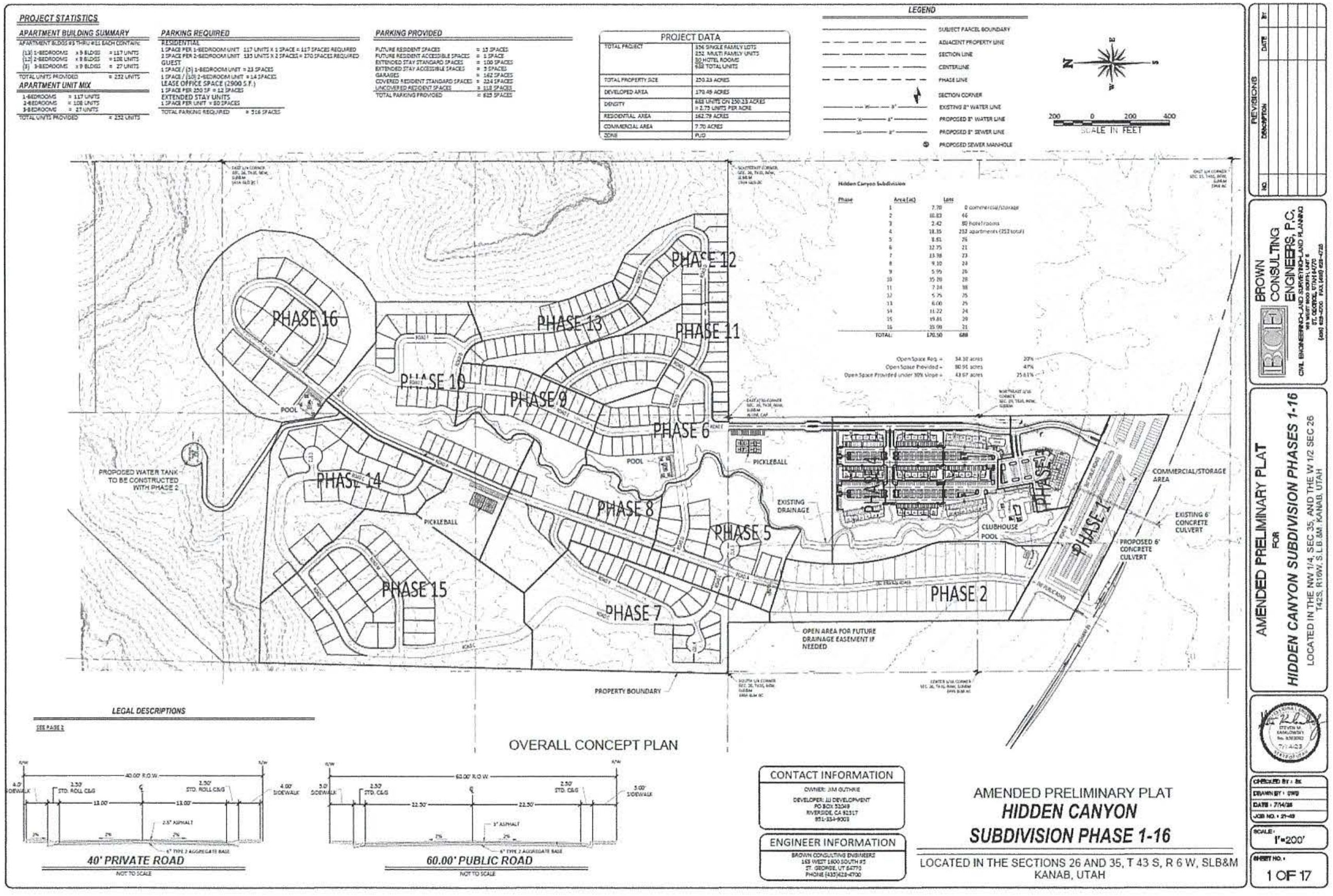


Exhibit D

Sample Plan of Finance

SOURCES AND USES OF FUNDS

HIDDEN CANYON PUBLIC INFRASTRUCTURE DISTRICT
KANE COUNTY, UTAH
ASSESSMENT LIEN REVENUE BONDS, SERIES 2025
$28.700M Par Amount
Non-Rated, 12/1/2054 Final Maturity

~~~

Dated Date	6/01/2025
Delivery Date	6/01/2025

Sources:

Bond Proceeds:	
Par Amount	28,700,000.00
	28,700,000.00

Uses:

Project Fund Deposits:		
Project Fund		20,183,000.00
Other Fund Deposits:		
Capitalized Interest Fund	5,381,250.00	
Debt Service Reserve	2,261,750.00	
		7,643,000.00
Cost of Issuance:		
Cost of Issuance		874,000.00
		28,700,000.00
~~~

NET DEBT SERVICE

HIDDEN CANYON PUBLIC INFRASTRUCTURE DISTRICT
KANE COUNTY, UTAH
ASSESSMENT LIEN REVENUE BONDS, SERIES 2025
$28.700M Par Amount
Non-Rated, 12/1/2054 Final Maturity

~~~

Period Ending	Principal	Interest	Total Debt Service	Debt Service Reserve	Capitalized Interest Fund	Net Debt Service
12/01/2025		896,875.00	896,875.00		896,875	
12/01/2026		1,793,750.00	1,793,750.00		1,793,750	
12/01/2027		1,793,750.00	1,793,750.00		1,793,750	
12/01/2028		1,793,750.00	1,793,750.00		896,875	896,875.00
12/01/2029	468,000	1,793,750.00	2,261,750.00			2,261,750.00
12/01/2030	497,000	1,764,500.00	2,261,500.00			2,261,500.00
12/01/2031	528,000	1,733,437.50	2,261,437.50			2,261,437.50
12/01/2032	561,000	1,700,437.50	2,261,437.50			2,261,437.50
12/01/2033	596,000	1,665,375.00	2,261,375.00			2,261,375.00
12/01/2034	633,000	1,628,125.00	2,261,125.00			2,261,125.00
12/01/2035	673,000	1,588,562.50	2,261,562.50			2,261,562.50
12/01/2036	715,000	1,546,500.00	2,261,500.00			2,261,500.00
12/01/2037	759,000	1,501,812.50	2,260,812.50			2,260,812.50
12/01/2038	807,000	1,454,375.00	2,261,375.00			2,261,375.00
12/01/2039	857,000	1,403,937.50	2,260,937.50			2,260,937.50
12/01/2040	911,000	1,350,375.00	2,261,375.00			2,261,375.00
12/01/2041	968,000	1,293,437.50	2,261,437.50			2,261,437.50
12/01/2042	1,028,000	1,232,937.50	2,260,937.50			2,260,937.50
12/01/2043	1,092,000	1,168,687.50	2,260,687.50			2,260,687.50
12/01/2044	1,161,000	1,100,437.50	2,261,437.50			2,261,437.50
12/01/2045	1,233,000	1,027,875.00	2,260,875.00			2,260,875.00
12/01/2046	1,310,000	950,812.50	2,260,812.50			2,260,812.50
12/01/2047	1,392,000	868,937.50	2,260,937.50			2,260,937.50
12/01/2048	1,479,000	781,937.50	2,260,937.50			2,260,937.50
12/01/2049	1,572,000	689,500.00	2,261,500.00			2,261,500.00
12/01/2050	1,670,000	591,250.00	2,261,250.00			2,261,250.00
12/01/2051	1,774,000	486,875.00	2,260,875.00			2,260,875.00
12/01/2052	1,885,000	376,000.00	2,261,000.00			2,261,000.00
12/01/2053	2,003,000	258,187.50	2,261,187.50			2,261,187.50
12/01/2054	2,128,000	133,000.00	2,261,000.00	2,261,750		-750.00
	28,700,000	36,369,187.50	65,069,187.50	2,261,750	5,381,250	57,426,187.50
~~~

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

August 5, 2025
JJJ Development, Inc.
Follow-up to Letter of Intent – Hidden Canyon Public Infrastructure District

Dear Jim Guthrie,

The District Advisory Committee (DAC) has completed its initial review of your July 18, 2025 Letter of Intent (LOI) for the creation of a Public Infrastructure District (PID) in support of the Hidden Canyon Development. To assist the DAC in preparing a thorough and informed recommendation to the Kanab City Council, we are requesting additional information and clarification in the following areas:

Detailed Cost Estimates
In Exhibit B of your LOI, you provided an estimate of probable costs for the proposed infrastructure. To better determine which costs may be tax-exempt and eligible for PID financing, we request:

- A more detailed breakdown of all cost categories listed in Exhibit B.
- Specific information on what is included in the grading costs and power costs.
- An indication of which items you believe qualify for tax-exempt financing under applicable statutes.

Developer Past Performance
To evaluate capacity and historical performance, please provide:

- Examples of similar projects completed by JJJ Development, including:
  - Location and scope.
  - Types of infrastructure constructed.
  - Financing structure used (including any public-private partnerships or special district financing).
  - Timeline from inception to completion.

Revenue Projections
To better understand the financial viability and absorption of the project, please provide:

- Projected sales and absorption rates by product type (e.g., single-family, multi-family, commercial, hotel).
- Detailed revenue estimates with pricing assumptions.
- Third-party or available market data supporting these projections.

Public Benefit Analysis
The DAC would like more clarity on how the PID will provide tangible public benefits. Please provide a comparison between the project with PID financing and the project without PID financing, addressing:

- Changes in timing and phasing of the development.
- Differences in infrastructure scope and quality.
- Amenities or enhancements enabled by PID funding.

The DAC's goal is to provide the City Council with a recommendation that is thorough, transparent, and supported by complete and accurate information. We value your cooperation in this process and look forward to collaborating with you to move the Hidden Canyon Development forward in a way that serves the interests of both the project and the Kanab community.

Sincerely,
Kyler Ludwig
Kanab City Manager
On behalf of the District Advisory Committee

August 27, 2025

Kanab City
Attn: District Advisory Committee
c/o: Kyler Ludwig
26 North 100 East
Kanab, UT 84741

Re: Response to questions from the District Advisory Committee (DAC) regarding the Letter of Intent (submitted on July 18, 2025) to Create a Public Infrastructure District to Facilitate Construction of Public Infrastructure in Relation to the Hidden Canyon Development.

Dear Kyler Ludwig,

On behalf of JJJ Development, Inc. (the Applicant) we appreciate the DAC's initial review of the Letter of Intent and Petition to create the Hidden Canyon Public Infrastructure District, originally submitted on July 18, 2025. Below, please find responses to the DAC's request for additional information.

Detailed Cost Estimates

A more detailed breakdown of costs initially provided in Exhibit B of the original LOI can be found in the below (see Exhibit A). As requested, the updated table provides a more detailed breakdown of all cost categories, specific information on what was included in the grading costs and power costs, and an indication of which items are anticipated to qualify for tax-exempt financing under applicable statutes.

Developer Past Performance

To help the DAC evaluate capacity and historical performance, a complete Resume of the Applicant has been furnished in Exhibit B.

Revenue Projections

To assist the DAC in understanding the financial viability and absorption of the project, a development summary with anticipated pricing assumptions has been provided in Exhibit C. Additionally, a third-party appraisal completed by Colliers of Phases 1, 2, 5, 8, and 14, which are anticipated to be included in the assessment area for the first bond issuance of the PID has been attached for reference. Please note that while the development summary provided includes all phases of the project (Phases 1-16), the District would anticipate financing the project over multiple series of bonds corresponding with the phasing of the project. The initial bond is expected to include Phases 1, 2, 5, 8, and 14 of the project, which is expected to include 122 single family lots and one commercial parcel designated for self-storage use.

Public Benefit Analysis

The PID is expected to more efficiently finance enhanced, tangible public benefits that are expected to serve the interests of both the project and the broader Kanab community. Such enhanced benefits include, but are not limited to, a one-million-gallon water tank (upsized from the 800,000-gallon water tank needed to serve the Hidden Canyon development), additional enhanced infrastructure (e.g., 12-inch transmission and distribution pipeline, in lieu of an 8-inch pipeline, and other water-related infrastructure with capacity to serve the Hidden Canyon development as well as other future developments adjacent thereto), within the broader Kanab community, as well as a frontage road built to the City's specifications. The absence of PID financing could delay the start of construction by a year or more, elongate the construction timeline, or possibly render the project as contemplated infeasible, as the Applicant would need to seek alternative forms of more expensive and less efficient debt or require substantial changes to the development plans as presently contemplated to reduce the upfront cost of infrastructure improvements.

Kindest Regards,

JJJ Development, Inc.

_____

Jim Guthrie, Principal

EXHIBIT A

Detailed Cost Estimates

*Hidden Canyon Phases 1-16 (All Phases)**

	Estimated Private	Estimated Public	Total
Grading			
Earthwork (992,209 cy cut, 1,470,498 fill)	$2,510,535.90	$2,510,535.90	$5,021,071.80
Overexcavation (17' Average)	$2,625,000.00	$2,625,000.00	$5,250,000.00
Water			
8" C900 Water Line		$620,087.92	$620,087.92
1" Water Line to storage building, wash bay, and dump station		$9,408.00	$9,408.00
Water Service to lots (3/4")		$511,940.00	$511,940.00
Water Service to Amenities (3/4")		$9,150.00	$9,150.00
8" Gate Valve		$171,000.00	$171,000.00
12" C900 Water Line		$956,823.30	$956,823.30
Fire Hydrant		$312,352.00	$312,352.00
12" Gate Valve		$78,060.00	$78,060.00
12" Pressure Reducing Valve		$34,378.00	$34,378.00
8" Pressure Reducing Valve		$16,855.00	$16,855.00
8" Air/Vac Valve		$6,528.00	$6,528.00
Raise/Lower Valve (with concrete collar)		$86,400.00	$86,400.00
Booster Pump Vault Upgrade		$100,000.00	$100,000.00
Booster Pump (400 HP)		$60,000.00	$60,000.00
1 Million Gallon Concrete Water Tank		$3,000,000.00	$3,000,000.00
Sewer			
8" SDR-35 Sewer Line		$992,418.81	$992,418.81
60" Manhole		$873,796.00	$873,796.00
4" Sewer Lateral to lots		$635,450.00	$635,450.00
4" Sewer Lateral to Amenities		$9,050.00	$9,050.00
6" SDR-35 Sewer Line		$16,326.56	$16,326.56
2" PE pressure sewer line		$7,743.00	$7,743.00
4" PE Pressure sewer line		$14,022.50	$14,022.50
Lift Station (30 hp) complete		$100,000.00	$100,000.00
Lift Station (15 hp) complete		$50,000.00	$50,000.00
Lift Station (5hp) complete		$45,000.00	$45,000.00
Adjust Manhole rim w/ Concrete Collar		$254,100.00	$254,100.00
Street Improvements			
3" Asphalt over 6" type II Aggregate Base		$2,921,508.20	$2,921,508.20
4" thick conc. sidewalk		$1,310,161.50	$1,310,161.50
30" roll type curb & gutter		$2,856,280.00	$2,856,280.00
6' Cross Gutter		$245,791.00	$245,791.00
7" asphalt over 6" type II AB over 18" borrow (hwy 89)		$187,478.12	$187,478.12
Paint striping/markings (highway 89)		$9,782.50	$9,782.50
Traffic Control - HWY 89 Turn Lane		$75,000.00	$75,000.00
Survey / Machine Control Model - HWY 89 Turn Lane		$10,000.00	$10,000.00
Storm Drain			
Curb Inlet (4x4 box) less than 8' deep		$181,434.00	$181,434.00
18" HDPE Storm Drain pipe		$102,339.04	$102,339.04
24" HDPE Storm Drain pipe		$2,642.50	$2,642.50
48" RCP Storm Drain pipe		$80,400.00	$80,400.00
72" RCP Storm Drain pipe		$149,254.20	$149,254.20
Conc. Headwall structure (8' tall)		$30,720.00	$30,720.00
Detention Basin (less than 10,000 cu. ft.)		$139,400.00	$139,400.00
24" Rip Rap (48" thick)		$336,000.00	$336,000.00
Telephone			
Connections	$544,500.00		$544,500.00
Cable TV			
Connections	$544,500.00		$544,500.00
Power			
Single Family lots	$1,887,600.00		$1,887,600.00
Apartment units	$672,500.00		$672,500.00
Commercial Lot	$60,000.00		$60,000.00
MISC.			
Street Monuments (Class 1)	$9,750.00		$9,750.00
Street/Stop Sign	$24,000.00		$24,000.00

**Notes: Cost shown above are preliminary estimates; actual costs are subject to change. The above estimates have been provided by Brown Consulting Engineers (BCE) based in St. George, UT. Actual publicly eligible infrastructure costs to be financed by the PID would be determined by a third-party District engineer.*

EXHIBIT B

Developer Past Performance

JIM D. GUTHRIE

1002 E Chinle Drive
Kanab, UT 84741
P O Box 239 Kanab, UT 84741
951-334-9003
Jim@GuthrieCompanies.com

RESUME

Mr. Jim D. Guthrie is a successful, seasoned real estate, development and construction professional with more than 50 years of experience. His expertise is in acquiring land for development, seeing it through the design, approval and permitting processes and building out high quality, sought-after single and multi-family residential projects as well as light industrial/office projects on time and under budget. His extraordinary vision, knowledge, tireless energy, creativity and passion have provided him with all he needs to take on developments that others would not attempt. Jim lives and works by the words of Carl Sandburg, "Nothing happens…but first a dream".

EDUCATION

Bachelor of Science in Biology	1966
Loma Linda University (La Sierra University), Riverside, CA	

LICENSES

General Contractors License – UT # 12180079-5501	Exp 11/2025
General Contractors License - #942377	2010
General Contractors License - #292209	1974-2009
Real Estate Brokers License - #00342292	1968-2018

PROFESSIONAL EXPERIENCE

AFG Development, LLC – Member	2013 - present
Gasification Technologies, LLC – Managing Member	2016 - present
Guthrie-Richter, LLC – Managing Member	2000 - present
J & D Cattle Company, LLC – Managing Member	2004 - present
JDG, LLC – Managing Member	1999 - present
J D Guthrie, LLC – Managing Member	1999 - present
JJJ Development, Inc. – President	2019 - present
JJJ Management, LLC – Managing Member	2019 - present
Viresco Energy, LLC - Managing Member	2004 - 2018
Jim Guthrie Construction, Inc. - President	1995 - 2009
Guthrie Company - Partner	1980 - 1995
Jim Guthrie Construction - Principal	1970 - 1980
Canyon Crest Homes - Sales Manager / Broker	1966 – 1969
JJJ Construction, LLC – Managing Member	2010 – 2021
Lincoln Marble, LLC – Managing Member	2014 - 2022

PROFESSIONAL AND COMMUNITY ORGANIZATIONS

Victoria Club Membership Committee - Chair	2002 - 2003
Law Enforcement Appreciation Committee - Member	1994 - 1997
Greater Riverside Area Urban League - President's Council	1994 - 1995
March Joint Powers Authority Technical Advisory Committee Infrastructure Subcommittee	1994 - 1995
Transportation NOW (a Riverside Transit Agency committee) Chairman	1993 - 1998
Inland Empire National Bank - Member, Board of Advisors	1993 - 1996
Silver Eagles - Board of Directors	1992 - 2002
City of Riverside Downtown Task Force- Executive Board Member	1992 - 1994
Riverside County Law Enforcement Museum - Board of Directors	1990 - 1996
Parkview Community Hospital - Mini Grand Prix Chairman	1993
California Inland Empire Council Boy Scouts of America Distinguished Citizen Awards Dinner – President	1992
Riverside Downtown Association - General Plan Steering Committee President	1992
Transportation Now Coalition - Chairman	1992 - 1998
Law Enforcement Appreciation Dinner - Chairman	1995 - 1996
Boy Scouts of America - Executive Board Member	1996 - 1997
Member Riverside City & County Task Force – Magnolia Ave Transportation Corridor	1995 - 1996
Board Member of New Trac (91 Freeway Toll Road) Public Non-Profit Corporation	1997 - 1999
Recipient of "Tranny Award" from Cal Trans	1995 - 1996

PROJECT EXPERIENCE

– All projects were completed in the City of Riverside or County of Riverside unless otherwise noted

CONSTRUCTION

Custom, Semi-Custom Spec Homes, & Remodel

- Twin Lakes Spec Homes (8) (Completed in 1974)
- Mockingbird Spec Homes (10) (Completed in 1979)
- Old Bridge Custom Spec Homes (4) (Completed in 1981)
- Solar Terra Underground Home (Completed in 1981)
- Saddle Creek Custom Spec Homes (2) (Completed in 1976)

- Beall Residence – Remodel (Completed in 1985)
- Northbridge Rental – Remodel (Completed in 1982)
- Graham Residence (Completed in 1990)
- Gonzalez Residence – Remodel/Addition (Completed in 1985)
- Childress Residence – Granny Flat (Completed in 1982)
- Matuga Residence – Kitchen/Bath Remodel (Completed in 1982)
- Bermuda Dunes Spec Homes (Completed in 1985)
- 4 X Guthrie Custom Homes – 2 @ Eagle Crest & 2 @ Lochmoor (Completed in 1999)
- Eagle Crest Estates – 1 Semi-Custom Spec Home (Completed in 2001)
- 13 Semi-Custom Spec Homes Sycamore Canyon Estates (Completed in 2011)
- 9 Semi-Custom Spec Homes – Vista de Victoria (Completed in 2007)

- 14 Semi Custom Homes – Hidden Canyon (Completed in 2007)
- Custom Ranch Home – 6,000 sq ft – Alton, UT (Completed in 2007)
- Elk Ridge Spec Home – 2,800 sq ft – Alton, UT (Completed in 2017)
- Custom Ranch Home – 2,700 sq ft – Alton, UT (Completed in 2024)
- Victoria Park Residence – 2,500 sq ft – Remodel (Completed in 2019)

Apartments / Condominiums:

- Bunker Hills Apartments (Completed in 1973) 54 Units
- Palm Garden Apartments (Completed in 1974) 22 Units
- Ranch Apartments I & II (Completed in 1973) 57 Units
- Canyon Creek Apartments/ Condominiums (Completed in 1981) 416 Units
- Crown Point Apartments (Completed in 1987) 69 Units

Office / Industrial:

- Brockton Professional Building (Completed in 1987) 16,000 sq ft
- Springbrook Center Industrial Park (Completed in 2001) 43 Acres
- Sunnymead Dental Office (Completed in 1998) 4,500 sq ft
- First American Title Company Remodel, Riverside (Completed in 2003)
- Riverside Dental Group, Office Remodel, Riverside (Completed in 2004)
- Springbrook Partners II Warehouse (Completed in 1997) 37,189 sq ft
- Dental Associates of Riverside (Completed in 1998) 10,604 sq ft
- First American Title Company Exterior Remodel (Completed in 1995) 45,000 sq ft
- Flowerloft (Completed in 1992) 3,000 sq ft
- First American Title Company Interior Remodel (Completed in 1994) 17,000 sq ft
- Simple Simon Restaurant (Completed in 1993) 4,000 sq ft
- Ross Landis/Pau – Tenant Improvement/Seismic (Completed in 1994) 9,500 sq ft
- Garner Road Warehouse (Completed in 1996) 45,000 sq ft
- Garner Road Warehouse (Completed in 1998) 60,000 sq ft
- 555 N. Main - Industrial (Completed in 1999) 20,000 sq ft
- 4200 Garner Road – Industrial (Completed in 2001) 37,000 sq ft
- AT&T Double Switch Building (Completed in mid 90's) 42,000 sq ft
- 1401 Research Park office (Completed in 2001) 24,000 sq ft
- 1451 Research Park office (Completed in 2001) sq ft
- 4225 Garner Road Office/Warehouse (Completed in 2001) 22,500 sq ft
- Office-SBC (Completed in 2011) 24,000 sq ft
- Office Bldg (Completed in 2011) 20,000 sq ft
- Industrial 48,652 sq ft
- 1501 Research Park - Office Bldg (Completed in 2015) 30,000 sq ft
- 1201 Research Park - University Research Park (Completed in 2015) 20,000 sq ft
- Sycamore Industrial Park -7 Commercial Buildings (Completed in 2011) 19,391-37,189 sq ft
- 585 Technology Ct - Office Bldg (Completed in 2015) 13,500 sq ft
- Eliminator Boat – Showroom 24312 Daytona Cv/Perris (Completed in 2009) 90,000 sq ft

- Eliminator RV/Boat Storage - 24194 Daytona Cv/Perris (Completed in 2009) 276, 996 sq ft
- 7 Commercial/Indus Bldgs - 21366-21478 Harvill/Perris (Completed in 2009) 7,800-24,800 sq ft
- 585 Technology Court First 5 – Office Build-out (Completed in 2015) 10,000 sq ft
- 1201 Research Park - Co of Riverside Tenant Improvement (Completed in 2015) 6,000 sq ft
- Shop and Apartment Alton, UT (Completed in 2023) 6,500 sq ft

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Other/Developments:

- 35 Acre – Mixed Use Dev; 25% ownership — Approved 6.4.2021
  - The Exchange
    - 482 Apartments (Built by Others)
    - 49,000 sq ft Retail
    - 2 Hotels
    - 1 Full-Service Station
      - ✓ EIR – 100% complete
      - ✓ Land closed escrow
      - ✓ All plans submitted
- 22.34 Acre – 750 Marlborough
  - 346,000 sq ft Tilt Up Warehouse — Approved 6.28.2019
- 1002 E. Chinle, Kanab, UT — Income Property
- 118 W. Hanley, Coeur d'Alene, ID — Income Property
- 444 S. Main Street, Cedar City, UT — Income Property
- 2 Acre – Hamilton Ford Offramp — Cedar City, UT
  - Additional 3.56 Acres with Joint Venture
- 1401 & 1451 Research Park Drive — Income Property
- Lake Powell Ford, Page, AZ — Income Property
- 6800 Acre – Mineral Rights/Logging, Harland, KY — Income Property
- 1400 Acre – Alton, UT — Working Cattle Ranch
- 24 lot subdivision - Filed — Riverside, CA
- 14 Lot Subdivision - Filed — Riverside, CA
- 52 Acre – Freeway Exit, Cedar City, UT — Approved/Not Yet Developed
  - Cedar Trails
    - 156 Units Multi-Family
    - 49 Units Single-Family
    - 18.70 Acres Commercially Zoned

- 250 Acre – Kanab Subdivision, Kanab, UT — Approved/Not Yet Developed
  - Hidden Canyon
    - 269 Units Multi-Family
    - 356 Units Single-Family
    - 80 Rooms Hotel
    - Roughly 90,000 sq ft Storage
- 70 Acre – Subdivision, Alton, UT — Approved/Not Yet Developed
  - Cedars at Alton
    - 68 Units Single-Family

EXHIBIT C

Revenue Projections

HIDDEN CANYON PUBLIC INFRASTRUCTURE DISTRICT #1, UTAH
Development Summary

	Residential [1]													
Unit/Product Type	**SF 55+ (1495 Sqft V2)**	**SF 55+ (1495 Sqft V3)**	**SF 55+ (1495 Sqft V1)**	**SF 55+ (1721 Sqft V1)**	**SF 55+ (1721 Sqft V2)**	**SF 55+ (1721 Sqft V3)**	**SF 55+ (1976 Sqft V1)**	**SF 55+ (1976 Sqft V2)**	**SF 55+ (1976 Sqft V3)**	**2700 - 4000 Sqft Custom Lots**	**MF 1-Bedroom 750 sf**	**MF 2 Bedroom 940 SF**	**MF 3 Bedroom 1100 sf**	**Total Residential**
Value Per Unit	**$478,400**	**$478,400**	**$478,400**	**$516,300**	**$516,300**	**$516,300**	**$592,800**	**$592,800**	**$592,800**	**$1,000,000**	**$205,000**	**$205,000**	**$205,000**	
2025														-
2026														-
2027	1	1	1	3	3	3	3	3	3	8	21	21	10	81
2028	2	2	2	4	4	4	4	4	4	9	22	22	11	94
2029	1	2	2	4	4	4	4	4	4	9	22	22	11	93
2030	2	1	1	4	4	4	4	4	4	9	22	22	11	92
2031	1	2	2	4	4	4	4	4	4	9	21	21	10	90
2032	2	1	1	4	4	4	4	4	4	9				37
2033	1	2	2	4	4	4	4	4	4	9				38
2034	1	1	1	4	4	4	4	4	4	8				35
2035	1	1	1	3	4	4	4	4	4	8				34
2036	1	1	1	3	3	4	3	3	4	8				31
Total Units	13	14	14	37	38	39	38	38	39	86	108	108	53	625
Gross Potential Revenue	6,219,200	6,697,600	6,697,600	19,103,100	19,619,400	20,135,700	22,526,400	22,526,400	23,119,200	86,000,000	22,140,000	22,140,000	10,865,000	287,789,600

[1] These units qualify for Primary home exepmtion

HIDDEN CANYON PUBLIC INFRASTRUCTURE DISTRICT #1, UTAH
Development Summary

	Commercial							Hotel	
Unit/Product Type	Commercial Storage 10 x 10 units	Commercial Storage 10 x 20 units	Commercial Storage 12 x 29 units	RV Storage (16 x 50)	Trailer Storage (12 x 35)	Trailer Storage (12 x 50)	Total Commercial	Hotel 1	Total Hotel
Value Per Unit	$70	$70	$70	$70	$70	$70		$120,000	
2025		-		-	-	-	-		-
2026							-		-
2027	3,200	10,934	1,392	7,200	1,680	5,000	29,406	80	80
2028	3,200	10,933	1,392	7,200	1,680	5,000	29,405	-	-
2029	3,200	10,933	1,932	7,200	1,680	5,000	29,945	-	-
2030	-	-		-	-	-	-	-	-
2031	-	-		-	-	-	-	-	-
2032	-	-		-	-	-	-	-	-
2033	-	-		-	-	-	-	-	-
2034	-	-		-	-	-	-	-	-
2035	-	-		-	-	-	-	-	-
2036	-	-		-	-	-	-	-	-
Total Units	9,600	32,800	4,716	21,600	5,040	15,000	88,756	80	80

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

September 22, 2025
JJJ Development, Inc.
Follow-up to Letter of Intent – Hidden Canyon Public Infrastructure District

Dear Jim Guthrie,

The District Advisory Board (DAB) has completed its review of the petition (received July 22, 2025) and supporting materials (requested August 8, 2025 and received August 27, 2025) related to the proposed Hidden Canyon Public Infrastructure District. Based on our analysis and discussion, we are pleased to provide a positive recommendation for the creation of the Hidden Canyon PID.

We believe the proposed PID structure appropriately places the costs of infrastructure on the developer, rather than on Kanab City or its future residents, by using special assessments within the district. The PID will also provide important oversized improvements, including a one-million-gallon water tank (exceeding the 800,000-gallon capacity needed for the development) and the capacity within transmission line to serve the eastern portion of the City's incorporated limits. While we would not support any approach that shifts these costs onto future residents through additional taxes, we see this financing tool as a valuable way to strengthen Kanab's public water and sewer infrastructure.

With this recommendation, the developer may now move forward with the next stage by paying the required fees set forth in the City's PID Policy. Payment of these fees will initiate the process of preparing draft governing documents in coordination with the City's financial and legal advisors.

The District Advisory Board looks forward to continuing to work with you as this project progresses and to ensuring it provides long-term benefits to the Kanab community.

Sincerely,
Kyler Ludwig
Kanab City Manager
On behalf of the District Advisory Committee

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Airport CIP
PREPARED BY: City Manager, Kyler Ludwig

Background:

The Federal Aviation Administration (FAA) requires Kanab City to maintain a current Capital Improvement Plan (CIP) for the Kanab Municipal Airport as a condition for receiving annual federal entitlement and discretionary grant funds.

The City Council last reviewed and approved the Airport CIP on November 12, 2024

City staff and Woolpert (the City's airport engineering consultant) are currently meeting to finalize project sequencing and cost estimates prior to a scheduled coordination meeting with the FAA.

Analysis:

The Municipal Airport is currently seeing several major projects underway. These include ongoing construction and rehabilitation efforts funded primarily through FAA and State grants, with a small local match from the City.

Projects in progress	Cost Estimate	City's Costs
Apron Expansion *	$2,263,158	$56,579
East Taxi Lanes*	$311,111	$31,111
Rehabilitate AVGAS Tank	$94,444	$9,444
Jet A Fuel Tank	$382,105	$9,553
PAPI Replacement	$157,895	$3,947

*Paving will likely be put off until Spring of 2026

Funding for most projects follows the standard FAA structure, with the federal government covering 90–95% of costs, the State of Utah contributing around 2.5–4.7%, and Kanab City

providing a local match of roughly 2.5–4.7%. Based on these ratios, Kanab City's total share averages around $65,000 per year on average. The next major project at the airport will be pavement preservation through a state grant, estimated at $444,444, with the City's share expected to be $44,444.

Legal:

Financial:

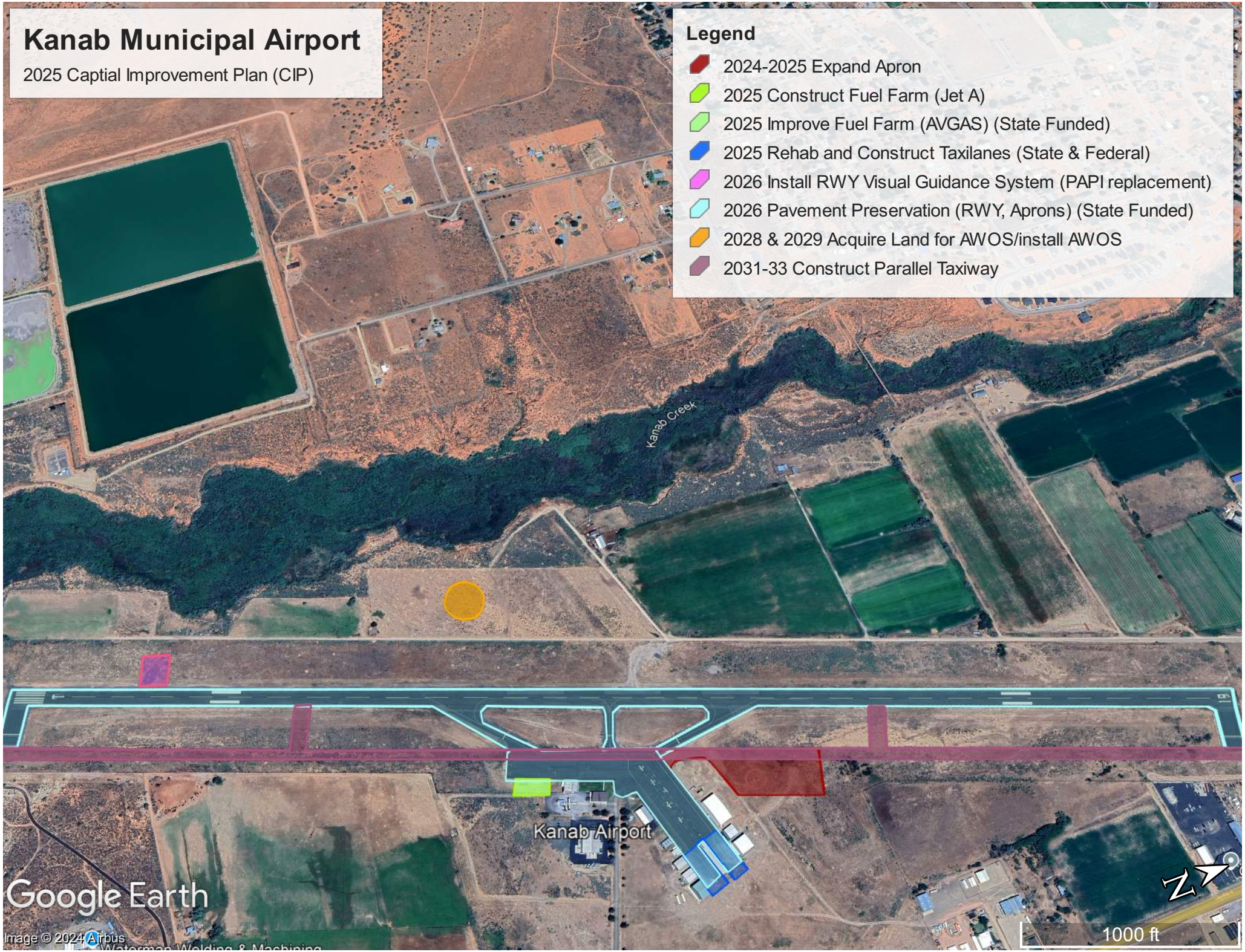
Recommendations/Actions: It is recommended the City Council:

Approve the Airport CIP and authorize staff to work with the FAA and UDOT to pursue the grant funding proposed.

KANAB MUNICIPAL AIRPORT
CAPITAL IMPROVEMENT PLAN
KANAB, UT - OCTOBER 2024

YEAR	DESCRIPTION	TOTAL ESTIMATED PROJECT COST 2025 DOLLARS	FUNDING SOURCES					NEPA DOCUMENT
			FEDERAL (90.63% - 95.0%)			LOCAL(2.50%-4.685%)	STATE (2.50% - 4.685%)	
			ENTITLEMENT (NPE)	STATE APPORTIONMENT / DISCRETIONARY	BIL (AIG)			
2025	Expand Apron - Phase II (Construction)	$ 2,263,158	$ 150,000	$ 2,000,000		$ 56,579	$ 56,579	CATEX
	Reconstruct East Taxilanes	$ 311,111				$ 31,111	$ 280,000	
	Improve Fuel Farm (Reposition/Rehabilitate AVGAS tank)	$ 94,444				$ 9,444	$ 85,000	
	Construct/Improve Fuel Farm (install Jet A tank system) (Phase II Construct)**	$ 382,105			$ 363,000	$ 9,553	$ 9,553	
2025		**$ 3,050,819**	**$ 150,000**	**$ 2,000,000**	**$ 363,000**	**$ 106,687**	**$ 431,132**	
2026	Pavement Preservation (RWY and Aprons)	$ 444,444				$ 44,444	$ 400,000	
	Install RW Visual Guidance System (replace RW 1 PAPI)	$ 157,895	$ 150,000			$ 3,947	$ 3,947	CATEX
	**Reimburse KNB for 2024 Fuel Farm project w/BIL AIG funds	$ 147,368			$ 140,000	$ 3,684	$ 3,684	
2026		**$ 749,708**	**$ 150,000**	**$ -**	**$ 140,000**	**$ 52,076**	**$ 407,632**	
2027	Carryover NPE to 2028							
2027		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
2028	Acquire Land for Development (Relocate AWOS III)	$ 82,754	$ 75,000			$ 3,877	$ 3,877	EA
	Acquire Easement for Development (Relocate AWOS III)	$ 82,754	$ 75,000			$ 3,877	$ 3,877	EA
2028		**$ 165,508**	**$ 150,000**	**$ -**	**$ -**	**$ 7,754**	**$ 7,754**	
2029	Install Weather Reporting Equipment (Replace/Relocate AWOS III)	$ 386,186	$ 300,000	$ 50,000		$ 18,093	$ 18,093	CATEX
2029		**$ 386,186**	**$ 300,000**	**$ 50,000**	**$ -**	**$ 18,093**	**$ 18,093**	
	SUBTOTAL 2025 - 2029 (5 -Years)	**$ 4,352,220**	**$ 750,000**	**$ 2,050,000**	**$ 503,000**	**$ 184,610**	**$ 864,610**	
2030	Carryover NPE to 2031							
2030		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
2031	Construct parallel TW A - Phase I (design)	$ 496,524	$ 300,000	$ 150,000		$ 23,262	$ 23,262	CATEX
2031		**$ 496,524**	**$ 300,000**	**$ 150,000**	**$ -**	**$ 23,262**	**$ 23,262**	
2032	Construct parallel TW A (north) - Phase II (construction)	$ 2,648,130	$ 150,000	$ 2,250,000		$ 124,065	$ 124,065	CATEX (2031)
	Pavement Preservation	$ 388,889				$ 38,889	$ 350,000	
2032		**$ 3,037,019**	**$ 150,000**	**$ 2,250,000**	**$ -**	**$ 162,954**	**$ 474,065**	
2033	Construct parallel TW A (south) - Phase III (construction)	$ 2,648,130	$ 150,000	$ 2,250,000		$ 124,065	$ 124,065	CATEX (2031)
	Pavement Preservation	$ 222,222				$ 22,222	$ 200,000	
2033		**$ 2,870,352**	**$ 150,000**	**$ 2,250,000**	**$ -**	**$ 146,287**	**$ 324,065**	
	SUBTOTAL 2030 - 2033 (5 -Years)	**$ 6,403,895**	**$ 600,000**	**$ 4,650,000**	**$ -**	**$ 332,503**	**$ 821,392**	

** BIL AIG funds to be used to reimburse sponsor for funds fronted for the construction of the fuel farm


Kanab Municipal Airport
2025 Captial Improvement Plan (CIP)
Legend
2024-2025 Expand Apron
2025 Construct Fuel Farm (Jet A)
2025 Improve Fuel Farm (AVGAS) (State Funded)
2025 Rehab and Construct Taxilanes (State & Federal)
2026 Install RWY Visual Guidance System (PAPI replacement)
2026 Pavement Preservation (RWY, Aprons) (State Funded)
2028 & 2029 Acquire Land for AWOS/install AWOS
2031-33 Construct Parallel Taxiway
Kanab Creek
Kanab Airport
Google Earth
Image © 2024 Airbus
1000 ft

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

KANAB
UTAH

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: City Goals
PREPARED BY: City Manager, Kyler Ludwig

Background:

As part of Kanab City's ongoing commitment to improve operations, service delivery, and long-term planning, staff have developed a set of organizational goals for Fiscal Year 2026. These goals are intended to guide City departments in their efforts, align with community values, and support high-quality municipal governance.

This item is informational in nature and is intended to give the Council an overview of proposed strategic focus areas.

Analysis:

These goals were developed collaboratively with input from department heads and staff, building on similar priorities adopted and implemented during FY2025. They serve as a foundation for departmental planning, with each department aligning its specific objectives to these broader priorities. Individual employees are also encouraged to align their annual performance goals with both City-wide and departmental objectives to ensure a unified direction across the organization.

The goals are organized into five strategic priority areas:

1. Improve the Kanab Resident Experience
2. Promote Public Safety and Well-Being
3. Ensure Policy and Operational Consistency
4. Strengthen Community Engagement
5. Manage City Funds Responsibly

Legal:

Financial:

Recommendations/Actions: It is recommended the City Council:

Receive the report and discuss the FY2026 City Goals.

Mayor
Colten Johnson
City Council
Arlon Chamberlain
Scott Colson
Chris Heaton
Boyd Corry
Peter Banks

City Manager
Kyler Ludwig
City Attorney
Kent Burggraaf
City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

Kanab City Goals: FY2026

1. Improve the Kanab Resident Experience

- Train all city employees on best practices for customer service to ensure positive and efficient interactions with residents.
- Invest in the maintenance and improvement of parks, recreational facilities, and public areas to enhance the quality of life for residents.
- Simplify processes for residents, such as permit applications, utility payments, and public service requests, by leveraging technology and reducing bureaucracy.
- Regularly use meetings and interactions to gather feedback from residents and make adjustments based on their input.

2. Promote Public Safety and Well-Being

- Ensure that police, fire, and emergency medical services are fully equipped and staffed to respond quickly and effectively to emergencies.
- Implement community education programs focused on safety, including fire prevention, crime prevention, and disaster preparedness.
- Invest in infrastructure upgrades that improve both safety and accessibility, including roads, water, sewer, and public buildings.
- Establish a safety culture among City staff and volunteers.

3. Ensure Policy and Operational Consistency

- Develop and implement standardized procedures across all departments to ensure consistency in policy application and enforcement.
- Provide ongoing training for all employees on current policies and procedures to ensure everyone is up-to-date and consistent in their application.
- Regularly review and update City policies to reflect changing laws and community needs, with updates communicated promptly to staff and residents.

4. Strengthen Community Engagement

- Organize community events and build partnerships that strengthen belonging, connection, and resident participation.
- Strengthen internal communication so all employees can confidently engage with residents.
- Utilize multiple communication channels, including social media, newsletters, and the city's website, to keep residents informed and engaged.
- Make city decisions, budgets, and planning processes more transparent by regularly publishing updates and holding open meetings.

5. Manage City Funds Responsibly

- Publish the City's budget and financial reports in a format that is easily understandable by residents, ensuring transparency and accountability.
- Identify and implement cost-saving measures across departments without compromising the quality of services.
- Actively pursue grants and alternative funding opportunities to supplement the city's budget and reduce the financial burden on residents.

Mayor
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UTAH

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City Recorder
Celeste Cram
City Treasurer
Danielle Ramsay

DATE: October 14, 2025
TO: Mayor and City Council
SUBJECT: Property Sale Discussion (3-6-32-3)
PREPARED BY: City Manager, Kyler Ludwig

Background:

In March 2025, the Kanab City Council held preliminary discussions regarding the potential disposition of a portion of a five-acre City-owned parcel near Heaton Drive, originally acquired from SITLA. This property is currently in the process of being annexed into City limits.

A neighboring property owner has proposed a trade involving a portion of this land; while the concept has been discussed, no formal agreement has been reached. Additionally, other parties have expressed interest in the property, which may require the City to consider a competitive bid process.

Analysis:

A formal trade proposal has been submitted by the neighboring property owners, along with an appraisal valuing a 2.5-acre portion of City-owned land at $20,000. City staff has concerns that the appraisal may undervalue the property, citing the use of out-of-area comparables that may not accurately reflect local market conditions.

The property in question is still undergoing the annexation process, and City staff is continuing to work with engineers to finalize legal descriptions and complete the necessary documentation.

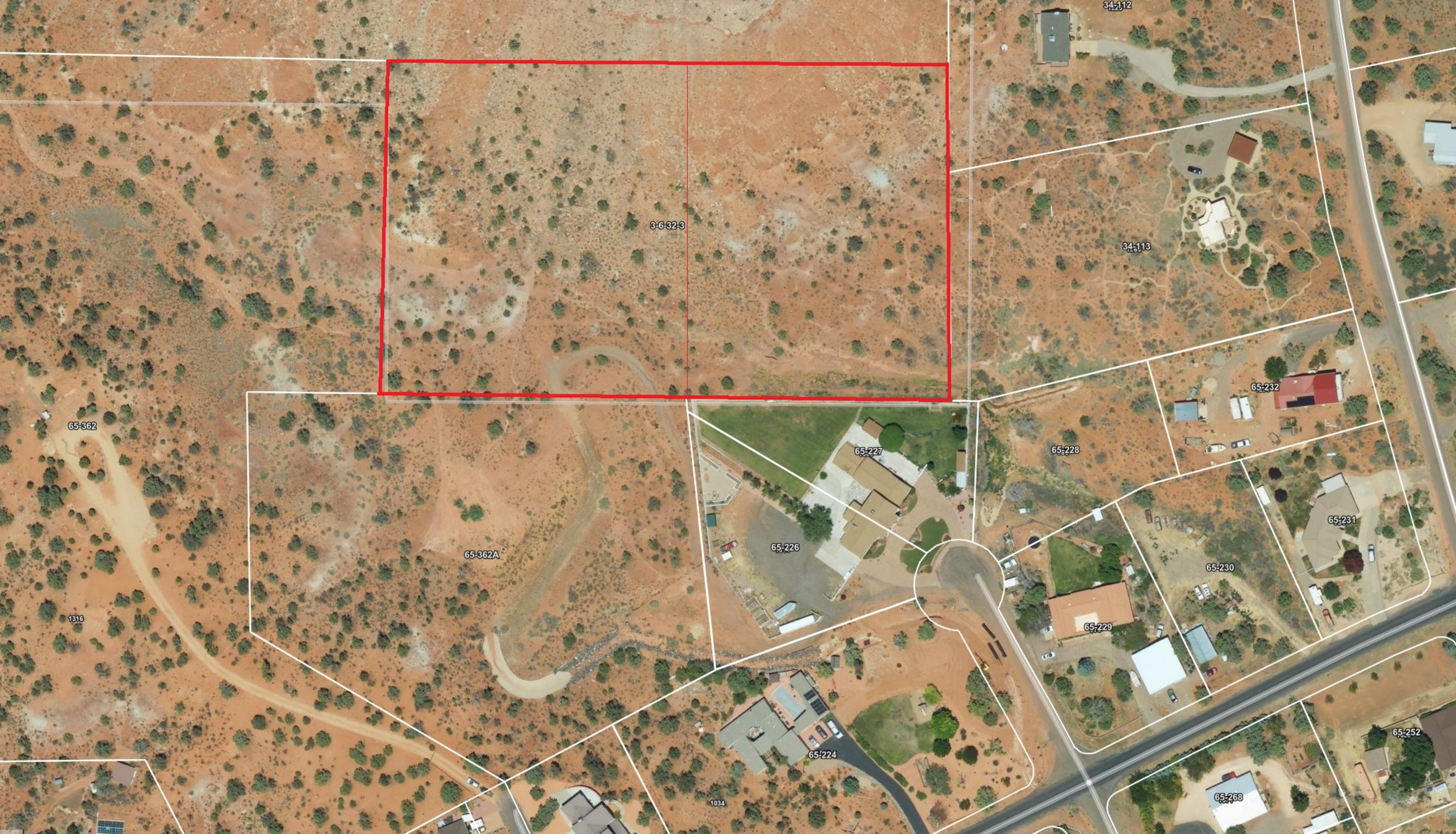
Depending on the direction of the discussion, the City Council may consider entering a closed session to review the legal and financial implications of the proposed transaction.

Legal:

Financial:

Recommendations/Actions: It is recommended the City Council:

Hold a strategy session to discuss the City-owned real property


3-6-32-3
34-112
34-113
65-232
65-227
65-228
65-231
65-230
65-229
65-226
65-362
65-362A
1316
65-224
1034
65-268
65-252

File No. 25blomquist

APPRAISAL OF



VACANT LOT

LOCATED AT:

Vacant Lot- Kanab Creek Ranchos
Kanab, UT 84741

CLIENT:

Kevin & Kresta Blomquist
1306 S Heaton Dr
Kanab, UT, 84741

AS OF:

February 5, 2025

BY:

Jodi S Petersen
Red Desert Appraisal, Inc.

File No. 25blomquist

02/10/2025

Kevin & Kresta Blomquist
1306 S Heaton Dr
Kanab, UT, 84741

File Number: 25blomquist

To Whom it May Concern:

In accordance with your request, I have appraised the real property at:

Vacant Lot- Kanab Creek Ranchos
Kanab, UT 84741

The purpose of this appraisal is to develop an opinion of the defined value of the subject property, as vacant. The property rights appraised are the fee simple interest in the site.

In my opinion, the defined value of the property as of February 5, 2025 is:

$20,000
Twenty Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions, final opinion of value, descriptive photographs, assignment conditions and appropriate certifications.

Jodi S Petersen
Red Desert Appraisal, Inc.
Certified Residential Appraiser

RED DESERT APPRAISAL, INC.

Land Appraisal Report

File No. 25blomquist

PURPOSE

The purpose of this appraisal report is to provide the client with a credible opinion of the defined value of the subject property, given the intended use of the appraisal.

Client Name/Intended User Kevin & Kresta Blomquist E-mail

Client Address 1306 S Heaton Dr City Kanab State UT Zip 84741

Additional Intended User(s) Kanab City

Intended Use Establishing value

SUBJECT

Property Address Vacant Lot- Kanab Creek Ranchos City Kanab State UT Zip 84741

Owner of Public Record Kanab City- SITLA County Kane

Legal Description TBD- Vacant lot behind 1306 S Heaton Dr

Assessor's Parcel # TBD Tax Year 2025 R.E. Taxes $ 0.00

Neighborhood Name Kanab Creek Ranchos Map Reference Plat Map Census Tract 1302

Property Rights Appraised [X] Fee Simple [ ] Leasehold [ ] Other (describe)

SALES HISTORY

My research [X] did [ ] did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Prior Sale/Transfer: Date 2021 Price $17,855 Source(s) SITLA

Analysis of prior sale or transfer history of the subject property (and comparable sales, if applicable) Prior sale as noted above. Sale included additional lot to the west totalling 5 acres. No other sale of the subject within the past 3 years. Other than disclosed sales, comparables have not sold within the past 3 years. KB MLS. County records still show SITLA as the current owner.

Offerings, options and contracts as of the effective date of the appraisal N/A

NEIGHBORHOOD

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing			Present Land Use %	
Location	[ ] Urban	[X] Suburban	[ ] Rural	Property Values	[ ] Increasing	[X] Stable	[ ] Declining	PRICE	AGE		One-Unit	95 %
Built-Up	[ ] Over 75%	[X] 25-75%	[ ] Under 25%	Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply	$(000)	(yrs)		2-4 Unit	%
Growth	[ ] Rapid	[X] Stable	[ ] Slow	Marketing Time	[ ] Under 3 mths	[X] 3-6 mths	[ ] Over 6 mths	400	Low	15	Multi-Family	%
								1200	High	80	Commercial	%
								550	Pred.	25	Other vacant	5 %

Neighborhood Boundaries The subject is located behind lots in the Kanab Creek Ranchos subdivision. Heaton Dr is south with SITLA lands north.

Neighborhood Description The subjects immediate neighborhood is built up with both site built and manufactured homes.

Market Conditions (including support for the above conclusions) The subject market is described as declining with median single family dwelling prices dropping over the past few months. There has been an average of 3.6 sales of single family homes per month in the subjects market in 2024 and 5.7 in 2023 with 5.7 in 2022 and 9.8 in 2021.

SITE

Dimensions TBD- see plat map Area 2.5 acres ± Shape Rectangular View Scenic

Specific Zoning Classification Not zoned Zoning Description TBD

Zoning Compliance [ ] Legal [ ] Legal Nonconforming (Grandfathered Use) [ ] No Zoning [ ] Illegal (describe)

Highest and best use of the subject property Single family dwelling with legal access; power and water

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements—Type	Public	Private
Electricity	[ ]	[ ]	Water	[ ]	[ ]	Street Gravel	[ ]	[X]
Gas	[ ]	[ ]	Sanitary Sewer	[ ]	[ ]	Alley	[ ]	[ ]

FEMA Special Flood Hazard Area [ ] Yes [X] No FEMA Flood Zone C FEMA Map # 490083 0039 A FEMA Map Date 01/10/1978

Site Comments The subject site is in the process of surveying/plotting/zoning. Subject is not currently in a designated flood zone, but there is a dam and drainage easement/wash just west of the subject parcel. There is a natural drainage going through the subject parcel. There is also evidence of blue clay. A significant portion of the subject is hillside.

MARKET DATA ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	Vacant Lot- KC Ranchos Kanab, UT 84741	10 New Paria New Paria, UT 84741		Cougar Canyon Orderville, UT 84762		1556 S Lee Dr Kanab, UT 84741	
Proximity to subject		34.92 miles NE		26.57 miles NW		0.35 miles SW	
Sales Price	$		$ 80,000		$ 18,000		$ 155,000
Price $ /	0		80,000		18,000		155,000
Data Source		KB MLS #1407953; DOM 631		DC MLS #2808255; DOM 14		KB MLS #1408552; DOM 153	
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.
		03/2024		08/20024		07/2024	
Location	KC Ranchos	New Paria	10,000	Orderville	0	KC Ranchos	
Site/View	2.5 acres	10 acres	0	5.0 acres	0	1.02 acres	0
View	Scenic/Mountain	Scenic	0	Scenic/Mountain		Scenic/Mountain	
Topography	Hillside/blue clay	Sloping	-40,000	Hillside/treed	-10,000	Hillside	-20,000
Electric	Next door	Next door		None	10,000	To lot	-20,000
Water	Needs hydrant/hookup	Needs appropriations	0	None	0	To lot	-50,000
Sales or Financing Concessions	Limited access	Full Highway	-30,000	Limited access		Full access	-30,000
Net Adj. (Total)		[ ] + [X] -	$ 60,000	[X] + [ ] -	$ 0	[ ] + [X] -	$ 120,000
Indicated Value of Subject		Net Adj. -75.0% Gross Adj. 100.0%	$ 20,000	Net Adj. 0.0 % Gross Adj. 111.1%	$ 18,000	Net Adj. -77.4% Gross Adj. 77.4 %	$ 35,000

Summary of Sales Comparrison Approach The analyzed sales are the best and most recent sales of properties most similar to the subject. Other sales are available but are less similar, thus would require higher adjustments. The sales included are the most recent comparable sales available in the subject market. No adjustments were made to site size- the subjects usable area is undetermined- and all comparables sales have similar situations (trees; possible needed easements; drainages; etc.) Adjustments were made in the topography line for area usability.

RECONCILIATION

Based on the scope of work, assumptions, limiting conditions and appraiser's certification, my (our) opinion of the defined value of the real property that is the subject of this report as of 02/05/2025 **, which is the effective date of this appraisal, is:**

[X] **Single point $** 20,000 [ ] **Range $** _____ **to $** _____ [ ] **Greater than** [ ] **Less than $** _____

This appraisal is made [X] "as is," [ ] subject to the following: The subject lot is valued as is- limited legal access; no fire hydrant; power next door; etc.

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(gPAR™) General Purpose Appraisal Report 09/2016
GPARLAND_16 09232016

RED DESERT APPRAISAL, INC.

Land Appraisal Report

File No. 25blomquist

MARKET DATA ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	Vacant Lot- KC Ranchos Kanab, UT 84741	Hoadley Dr North Fork, UT 84758					
Proximity to subject		26.93 miles NW					
Sales Price	$		$ 16,000		$		$
Price $ /	0		16,000				
Data Source		KB MLS #1408434; DOM 288					
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION 08/2024	+(-) Adjust.	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.
Location	KC Ranchos	North Fork	10,000				
Site/View	2.5 acres	0.50 acres	0				
View	Scenic/Mountain	Scenic/Mountain	0				
Topography	Hillside/blue clay	Hillside/treed	-10,000				
Electric	Next door	None	10,000				
Water	Needs hydrant/hookup	None	0				
Sales or Financing Concessions	Limited access	Limited access					
Net Adj. (Total)		[X] + [ ] -	$ 10,000	[X] + [ ] -	$ 0	[X] + [ ] -	$ 0
Indicated Value of Subject		Net Adj. 62.5% % Gross Adj. 187.5% %	$ 26,000	Net Adj. 0.0% % Gross Adj. 0.0% %	$ 0	Net Adj. 0.0% Gross Adj. 0.0%	$ 0

Summary of Sales Comparrison Approach Sale 4 was included for additional information.

MARKET DATA ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 7		COMPARABLE NO. 8		COMPARABLE NO. 9	
Address	Vacant Lot- KC Ranchos Kanab, UT 84741						
Proximity to subject							
Sales Price	$		$		$		$
Price $ /	0		0		0		0
Data Source							
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.	DESCRIPTION	+(-) Adjust.
Location	KC Ranchos						
Site/View	2.5 acres						
View	Scenic/Mountain						
Topography	Hillside/blue clay						
Electric	Next door						
Water	Needs hydrant/hookup						
Sales or Financing Concessions	Limited access						
Net Adj. (Total)		[X] + [ ] -	$ 0	[X] + [ ] -	$ 0	[X] + [ ] -	$ 0
Indicated Value of Subject		Net Adj. 0.0% Gross Adj. 0.0%	$ 0	Net Adj. 0.0% % Gross Adj. 0.0% %	$ 0	Net Adj. 0.0% Gross Adj. 0.0%	$ 0

Summary of Sales Comparrison Approach

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Scope of Work, Assumptions and Limiting Conditions

Scope of work is defined in the Uniform Standards of Professional Appraisal Practice as " the type and extent of research and analyses in an assignment." In short, scope of work is simply what the appraiser did and did not do during the course of the assignment. It includes, but is not limited to: the extent to which the property is identified and inspected, the type and extent of data researched, the type and extent of analyses applied to arrive at opinions or conclusions.

The scope of this appraisal and ensuing discussion in this report are specific to the needs of the client, other identified intended users and to the intended use of the report. This report was prepared for the sole and exclusive use of the client and other identified intended users for the identified intended use and its use by any other parties is prohibited. The appraiser is not responsible for unauthorized use of the report.

The appraiser's certification appearing in this appraisal report is subject to the following conditions and to such other specific conditions as are set forth by the appraiser in the report. All extraordinary assumptions and hypothetical conditions are stated in the report and might have affected the assignment results.

1. The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.

2. Any sketch in this report may show approximate dimensions and is included only to assist the reader in visualizing the property. The appraiser has made no survey of the property.

3. The appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made thereto.

4. Neither all, nor any part of the content of this report, copy or other media thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, or the firm with which the appraiser is connected), shall be used for any purposes by anyone but the client and other intended users as identified in this report, nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the written consent of the appraiser.

5. The appraiser will not disclose the contents of this appraisal report unless required by applicable law or as specified in the Uniform Standards of Professional Appraisal Practice.

6. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser is assumed by the appraiser.

7. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering or testing, which might be required to discover such factors. This appraisal is not an environmental assessment of the property and should not be considered as such.

8. This appraisal report should not be used to disclose the condition of the property as it relates to the presence/absence of defects. The client is invited and encouraged to employ qualified experts to inspect and address areas of concern. If negative conditions are discovered, the opinion of value may be affected.

9. Appraisals involving hypothetical conditions related to completion of new construction, repairs or alteration are based on the assumption that such completion, alteration or repairs will be competently performed.

Additional Comments Related To Scope Of Work, Assumptions and Limiting Conditions

Clarification of Intended Use and Intended User:

The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for land acquisition, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended Users are identified by the appraiser.

EXPOSURE TIME: estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Estimated exposure time: 3-9 months.

I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

Appraiser fee: $150

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Appraiser's Certification

The appraiser(s) certifies that, to the best of the appraiser's knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are the appraiser's personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. Unless otherwise stated, the appraiser has no present or prospective interest in the property that is the subject of this report and has no personal interest with respect to the parties involved.
4. The appraiser has no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. The appraiser's engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The appraiser's compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The appraiser's analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Unless otherwise noted, the appraiser has made a personal inspection of the property that is the subject of this report.
9. Unless noted below, no one provided significant real property appraisal assistance to the appraiser signing this certification. Significant real property appraisal assistance provided by:

Additional Certifications:

Definition of Value: [X] **Market Value** [ ] **Other Value:**

Source of Definition: FIRREA

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
(1) Buyer and seller are typically motivated;
(2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
(3) A reasonable time is allowed for exposure in the open market;
(4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
(5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ADDRESS OF THE PROPERTY APPRAISED:
Vacant Lot- Kanab Creek Ranchos
Kanab, UT 84741
EFFECTIVE DATE OF THE APPRAISAL: 02/05/2025
APPRAISED VALUE OF THE SUBJECT PROPERTY $ 20,000

APPRAISER

Signature: Jodi Petersen
Name: Jodi S Petersen
Company Name: Red Desert Appraisal, Inc.
Company Address: 2686 S 250 W
Kanab, UT 84741
Telephone Number: 435-899-9459
Email Address: reddesertappraisal@gmail.com
State Certification # 5931423-CR00
or License #
or Other (describe): State #:
State: UT
Expiration Date of Certification or License: 10/31/2026
Date of Signature and Report: 02/10/2025
Date of Property Viewing: 02/05/2025
Degree of property viewing:
[X] Did personally view [ ] Did not personally view

SUPERVISORY APPRAISER

Signature:
Name:
Company Name:
Company Address:
Telephone Number:
Email Address:
State Certification #
or License #
State:
Expiration Date of Certification or License:
Date of Signature:
Date of Property Viewing:
Degree of property viewing:
[ ] Did personally view [ ] Did not personally view

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SUBJECT PROPERTY PHOTO ADDENDUM

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: February 5, 2025
Appraised Value: $ 20,000



REAR VIEW OF SUBJECT PROPERTY



STREET SCENE

COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Kevin & Kresta Blomquist		File No.: 25blomquist	
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:	
City: Kanab	State: UT	Zip: 84741	



COMPARABLE SALE #1

10 New Paria
New Paria, UT 84741
Sale Date: 03/2024
Sale Price: $ 80,000



COMPARABLE SALE #2

Cougar Canyon
Orderville, UT 84762
Sale Date: 08/20024
Sale Price: $ 18,000



COMPARABLE SALE #3

1556 S Lee Dr
Kanab, UT 84741
Sale Date: 07/2024
Sale Price: $ 155,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



COMPARABLE SALE #4

Hoadley Dr
North Fork, UT 84758
Sale Date: 08/2024
Sale Price: $ 16,000

COMPARABLE SALE #5

Sale Date:
Sale Price: $

COMPARABLE SALE #6

Sale Date:
Sale Price: $

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



Drainage/hillside



Evidence of blue clay



Additional view

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



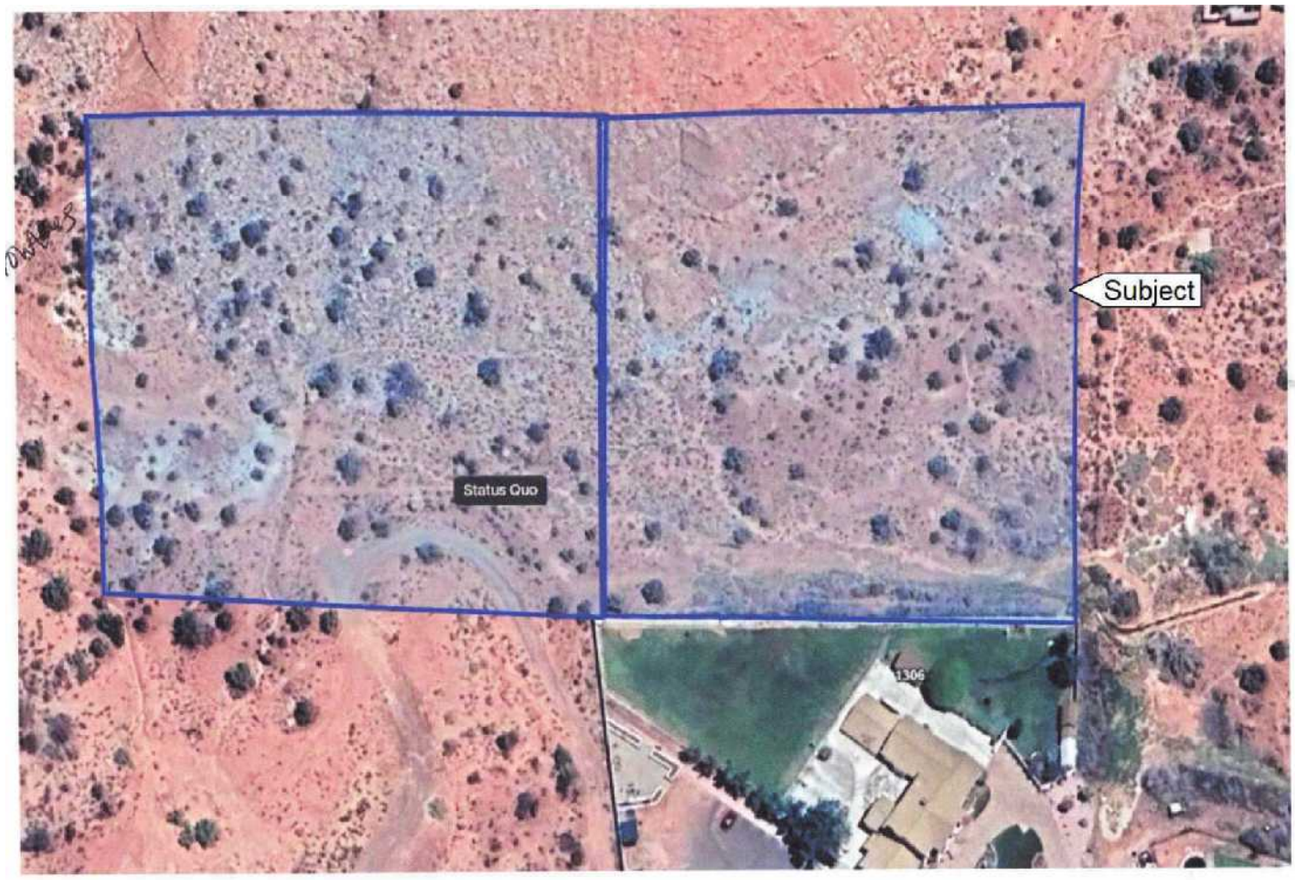
Additional view



Dam/drainage just west of the subject

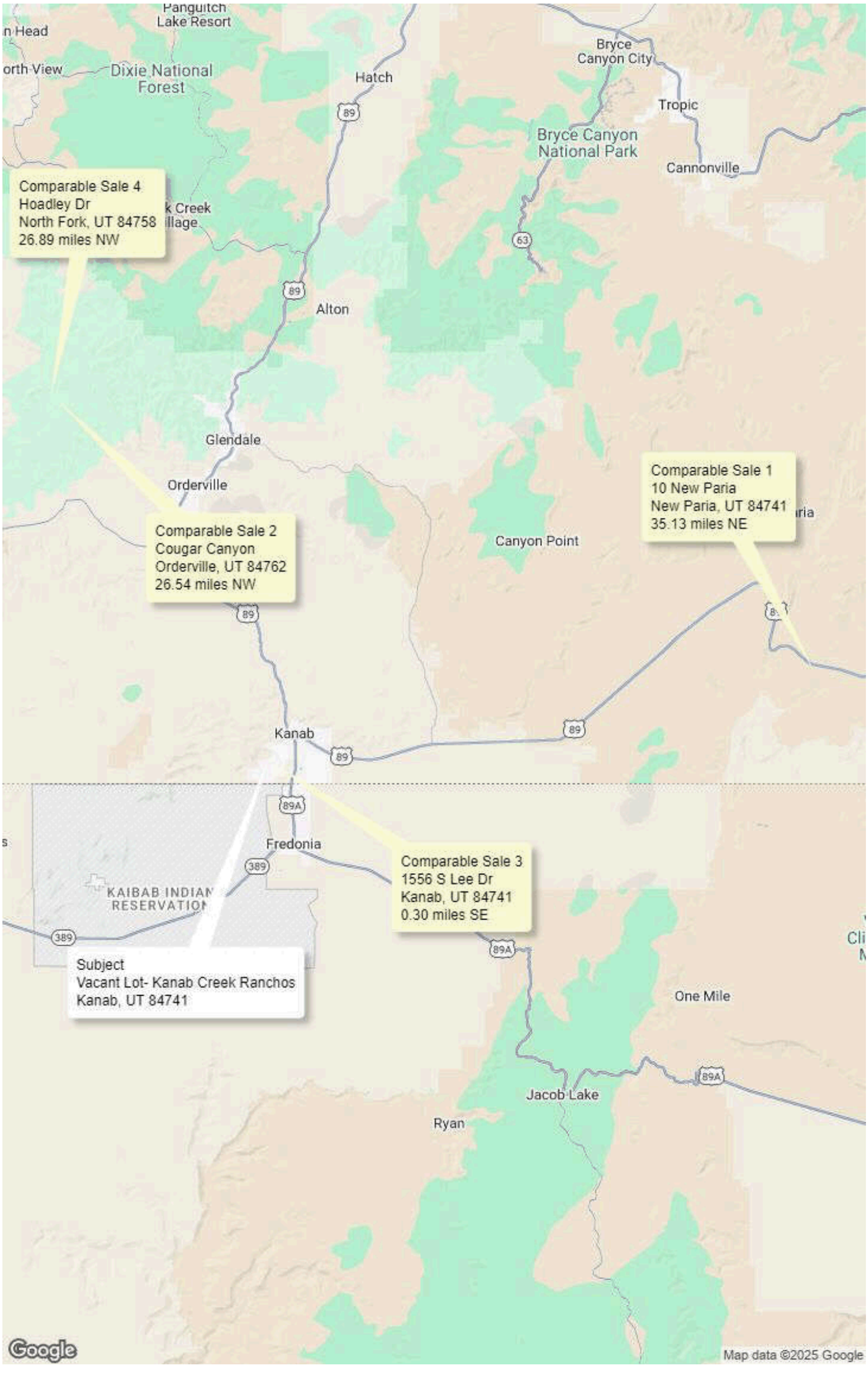
PLAT MAP

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



LOCATION MAP

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



AERIAL MAP

Client: Kevin & Kresta Blomquist		File No.: 25blomquist
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:
City: Kanab	State: UT	Zip: 84741



Client: Kevin & Kresta Blomquist		File No.: 25blomquist	
Property Address: Vacant Lot- Kanab Creek Ranchos		Case No.:	
City: Kanab	State: UT		Zip: 84741

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

Active

DATE ISSUED: 10/30/2008

EXPIRATION DATE: 10/31/2026

LICENSE NUMBER: 5931423-CR00

LICENSE TYPE: Certified Residential Appraiser

ISSUED TO: JODI PETERSEN
537 W PIUTE DR
KANAB UT 84741

SIGNATURE OF HOLDER

REAL ESTATE DIVISION DIRECTOR

Dear Mayor Johnson, City Council Members, City Manager, and City Attorney,

Thank you for the opportunity to engage in discussions regarding the potential trade of Kevin and Kresta Blomquist's property for Kanab City's property (the former SITLA property). After conducting thorough due diligence, we are prepared to present a proposal we believe is fair and mutually beneficial.

DETAILS OF BLOMQUIST/KANAB CITY PROPERTY TRADE PROPOSAL

Current Situation (See Attachment)

As you are aware, Kanab City has been utilizing a shortcut through Kevin and Kresta Blomquist's property to access the retention pond in the Ranchos for approximately 12 years. This encroachment has occurred due to the limitations of the existing ingress/egress easement, which terminates in the middle of the reservoir spillway, making it impassable. The spillway itself is obstructed by large rocks (riprap), further complicating access.

Additionally, Kanab City has been using Kevin and Kresta's property for the spillway, which is not part of the required flood easement for the Rancho lots. This use has also been ongoing for approximately 12 years, yet Kanab City does not hold a flood easement for this section of the spillway.

Proposed Solution (See Attachment)

Kevin and Kresta Blomquist's Offer:

Kevin and Kresta Blomquist are willing to trade real estate property adjacent to the spillway. With this land, Kanab City will be able to secure ingress/egress to two properties without the need for further construction or engineering efforts.

Furthermore, Kevin and Kresta Blomquist are offering to trade the portion of their property currently used by Kanab City for the spillway. Kanab City does not hold a flood easement for this portion of land. By acquiring this property, Kanab City will avoid the significant costs and engineering challenges involved in rerouting the spillway, which would otherwise be necessary without this land.

Kanab City's Offer:

In exchange, Kanab City would trade 2.5 acres of property, formerly owned by SITLA, along with an ingress/egress/utility easement to access the SITLA property.

Valuation(s)

Kevin and Kresta

The Blomquist property is estimated at $22,000, based on the engineering and construction costs required to correct the easement issues and reroute the spillway, as well as the property's square footage. Total value Kevin and Kresta -$22,000.

Kanab City

Kanab City's property (formerly SITLA) is appraised at $20,000, as indicated in the **attached appraisal** dated 2/5/2025. This valuation includes the 2.5-acre parcel as well as a $2000 value placed on the

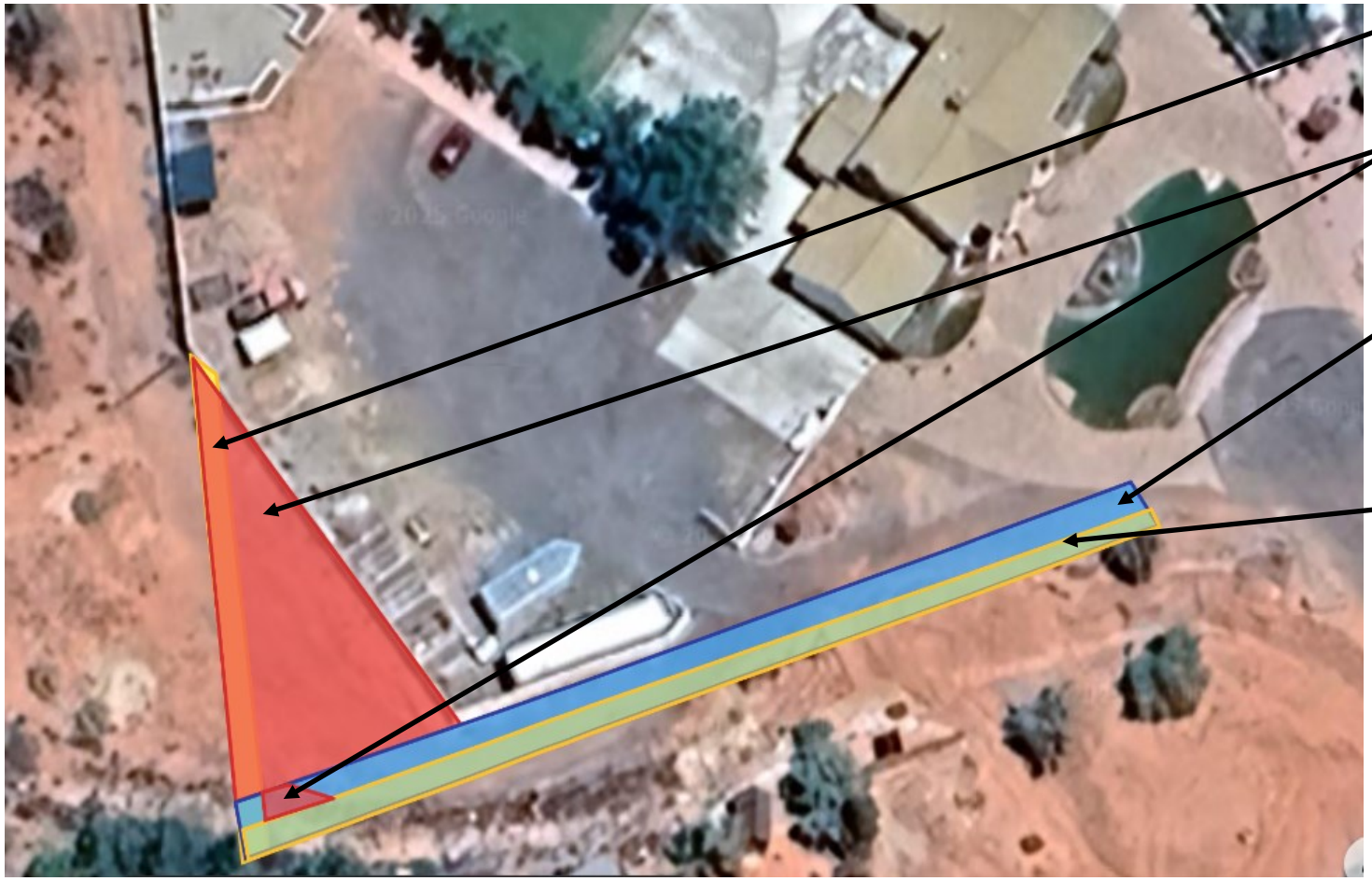
ingress/egress/utility easement for access. Total value Kanab City-$22,000.

We believe this trade will effectively address the current challenges while also providing a fair exchange of value for both parties. We look forward to your review of this proposal and are happy to discuss any further details.

Sincerely,

Kevin and Kresta Blomquist

Current Situation



Orange—Drainage easement

Red—Area currently being used by Kanab City

Blue —Ingress / Egress easement

Green—Drainage easement

Proposal



Yellow—New KB easement

Green—Drainage easement

Blue —Ingress / Egress easement

Orange—New drainage easement to Kanab City

Dash—Current easement line

Red—Proposed land to trade to Kanab City