



# CEDAR CITY

10 NORTH MAIN • CEDAR CITY, UTAH 84720  
435-586-2950 • FAX: 435-586-4362  
www.cedarcity.org

Mayor  
Joe Burgess

Council Members  
Ronald R. Adams  
Nina R. Barnes  
John Black  
Paul Cozzens  
Don Marchant

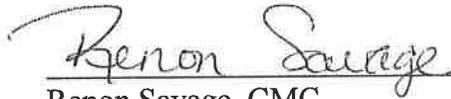
City Manager  
Rick B. Holman

## REDEVELOPMENT AGENCY MEETING MAY 22, 2013

The Cedar City Redevelopment Agency will hold a meeting on Wednesday, May 22, 2013 immediately following the City Council meeting, in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The agenda will consist of the following items:

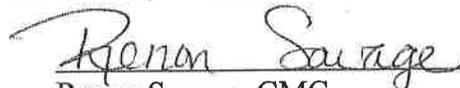
- I. Call to Order
  
- II. Business Agenda
  1. Approval of minutes dated March 20 & 27, 2013
  2. Approve an Interlocal Agreement related to tax increment financing for MSC Aerospace – Brennan Wood/MSA Aerospace – Shaun Warby
  3. Approve a Tax Increment Financing Expansion Incentive Agreement – Brennan Wood/MSA Aerospace – Shaun Warby

Dated this 20<sup>th</sup> day of May, 2013.

  
\_\_\_\_\_  
Renon Savage, CMC  
City Recorder

### CERTIFICATE OF DELIVERY:

The undersigned duly appointed and acting recorder for the municipality of Cedar City, Utah, hereby certifies that a copy of the foregoing Notice of Agenda was delivered to the Daily News, and each member of the governing body this 20<sup>th</sup> day of May, 2013.

  
\_\_\_\_\_  
Renon Savage, CMC  
City Recorder

Cedar City Corporation does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

If you are planning to attend this public meeting and, due to a disability, need assistance in accessing, understanding or participating in the meeting, please notify the City not later than the day before the meeting and we will try to provide whatever assistance may be required.



**REDEVELOPMENT AGENCY MINUTES**  
**MARCH 20, 2013**

The Redevelopment Agency held a meeting on Wednesday March 20, 2013, at 7:36 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

**MEMBERS PRESENT:** Chair Ron Adams; Secretary Paul Cozzens; Members: Nina Barnes; John Black; Joe Burgess; Don Marchant.

**STAFF PRESENT:** City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; Finance Director Jason Norris; City Recorder Renon Savage; Police Chief Robert D. Allinson.

**OTHERS:** Bev Burgess, Josh Huntsman, Larry Brough.

**CALL TO ORDER:** Chairman Adams called the meeting to order at 7:36 p.m.

**PUBLIC HEARING TO CONSIDER THE AVIATION WAY COMMUNITY DEVELOPMENT PROJECT AREA PLAN – BRENNAN WOOD:** this was discussed in council meeting.

Larry Brough – we have hired 8 new employees so far this year. Our desire is to have first production of airplane in 4<sup>th</sup> quarter next year. It will be done in Texas. From then on we will do it from wherever it is. In 2015 we will produce 3 aircraft, 2016, 6 aircraft. 2021 will be full production 18-24 airplanes. Honeywell doing our avionics suite after that SJ30 plus. Eventually we hope to do an SJ40. That is why we need the 50 foot taxiway; current wing span is 44 feet. We have two airplanes promised. We will not take orders yet until we make a decision on the location. Cozzens – do you have some presold? Larry – yes, two, Aircraft 1 and 3. With 1200 employees coming in the next 15 years, 70% of those will be assembly mechanics making \$20 to \$25 per hour. In Texas all our engineering and test facility is there, the average salary is \$92,000 a year. That is what we will be bringing. We are working with SUU, Southwest Applied Tech. Dixie College also has interest in training. We have found we like to do our own training. Honeywell had a study saying we could take 15% of the lite aircraft. Black – if you come here will you still have part in Texas? Larry – yes, we have people that have been involved since the inception. We have two engineers wanting to come to Cedar to work. The headquarters is here in Cedar City. Adams – actual assembly mechanics, they are trainable. Larry – yes, the best are farmers that work on machinery. Metal Craft will do structural, Syberjet will do final assembly. The fuselage will be made at Metal Craft and will also assemble that. Adams – putting the wings on it will not be that difficult. Larry – no because they are made here. The detail guts will be done in Cedar city.

Chair Adams opened the public hearing. There were no comments. The hearing closed.

**ADJOURN:** Councilmember Barnes moved to adjourn at 7:45 p.m.; second by Councilmember Cozzens; vote unanimous.

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Renon Savage, CMC  
City Recorder



**REDEVELOPMENT AGENCY MINUTES**  
**MARCH 27, 2013**

The Redevelopment Agency held a meeting on Wednesday March 27, 2013, at 6:17 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

**MEMBERS PRESENT:** Chair Ron Adams; Secretary Paul Cozzens; Members: Nina Barnes; John Black; Joe Burgess; Don Marchant.

**STAFF PRESENT:** City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder Renon Savage; Finance Director Jason Norris; Fire Chief Paul Irons; Leisure Services Director Dan Rodgerson; Economic Development Director Brennan Wood.

**OTHERS PRESENT:** Melodie Jett, Tom Jett, Jasmine Hopkins, Bev Burgess, Doug Carriger, Tyson Potter, Jacob Christiansen, Brock Edgel, Michael Maness, Bridger Cox, Brandon Peterson; Fillipe Johanas Squavez, Kelly Cox, Darin Loescher, Bob Davis, Ginger Healy, Alec Healy, Katie Burgin, Kristen Daniel, Dutch Workman, Craig Oswald, Cris Barkdull, Murlan Carter, Collin Clark, Sean Bates, Ethan Bates, Ian Bates, Ben Baldwin, Evan Ludwig.

**CALL TO ORDER:** Chairman Adams called the meeting to order at 6:17 p.m..

**APPROVAL OF MINUTES DATED FEBRUARY 20 & 27, 2013:** Councilmember Marchant moved to approve the minutes dated February 20 & 27, 2013; second by Councilmember Black; vote unanimous.

**APPROVE A RESOLUTION ADOPTING THE AVIATION WAY COMMUNITY DEVELOPMENT PROJECT AREA PLAN – BRENNAN WOOD:** Councilmember Cozzens moved to approve the resolution adopting the Aviation Way Community Development Project Area Plan; second by Councilmember Barnes; vote as follows:

AYE:	<u>5</u>
NAY:	<u>0</u>
ABSTAINED:	<u>0</u>

**ADJOURN:** Councilmember Barnes moved to adjourn at 6:18 p.m.; second by Councilmember Black; vote unanimous.

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Renon Savage, CMC  
City Recorder



## TAX INCREMENT FINANCED EXPANSION INCENTIVE AGREEMENT

THIS EXPANSION INCENTIVE AGREEMENT is made on the \_\_\_\_\_ day of \_\_\_\_\_, 2013, by and between MSC Aerospace, LLC, a Utah limited liability company, and its subsidiaries (hereinafter referred to as the "Company"); and the Cedar City Redevelopment Agency, a duly created redevelopment agency and political subdivision of the State of Utah,( hereinafter referred to as the "RDA").

### RECITALS

**WHEREAS**, the Company is a locally owned business involved in the manufacture and final assembly of aerospace components; and

**WHEREAS**, the Company currently owns and/or leases five (5) parcels of land in Cedar City where it reasonably anticipates making capital expenditures of one hundred and twenty six million dollars (\$126,000,000) for property, plant and equipment (the "PP&E") and an additional two hundred sixty one million dollars (\$261,000,000) for working capital, and aircraft development over the fifteen (15) year term of this Agreement. The five (5) parcels of land are contained in the Aviation Way Community Development Project Area (the "Project Area"); and

**WHEREAS**, the five (5) parcels where the capital improvements are scheduled to be made are more particularly described as follows:

PARCEL 1: B-1792-0010-0000

BEGINNING AT A POINT WHICH IS SITUATED NORTH 05°05'05" WEST ALONG THE SECTION LINE 954.07 FEET AND EAST 181.91 FEET FROM THE WEST QUARTER CORNER OF SECTION 9, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SALT LAKE BASE AND MERIDIAN, SAID POINT BEING ON THE WESTERLY RIGHT OF WAY LINE AVIATION WAY, THENCE NORTH 55°44'22" WEST 300.00 FEET, THENCE NORTH 34°15'38" EAST 150.00 FEET, THENCE SOUTH 55°44'22" EAST 300.00 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF AVIATION WAY, THENCE SOUTH 34°15'38" WEST 150.00 FEET TO THE POINT OF BEGINNING AND CONTAINING 45,000 SQUARE FEET OF LAND (1.033 ACRES). SUBJECT TO A 20 FOOT WIDE UTILITY EASEMENT ALONG THE EASTERLY SIDE OF THE ABOVE DESCRIBED PROPERTY ADJACENT TO AVIATION WAY.

PARCEL 2: B-1792-0001-0000

BEGINNING AT A POINT N0°05'05"W ALONG SEC LINE 190.28 FT & E 50.00 FT FROM THE W1/4 CORNER SEC 9,T36S,R11W, SLM THENCE; N0°05'05"W 223.34 FT TO A P.O.C., THENCE AROUND ARC OF CURVE TO RIGHT WITH A RADIUS OF 550.00 FT, A DIST OF 329.69 FT (CHORD OF SAID CURVE BEARS N17°05'17"E 324.78 FT) THENCE N34°15'38"E 641.52 FT; S55°44'22"E 409.72 FT; N89°40'00"E 65.41 FT; S45°53'56"W 1197.97 FT TO POB. SUBJ TO 20 FT UTILITY EASE DESC REC BK 968/469. EXCEPTING THEREFROM THE FOLLOWING PROPERTY DESC REC BK 968/481. LESS ANY PART OF B-1794. CONTAINING 7.97 ACRES.

PARCEL3: B-0003-0006-0003-01

BEGINING S00°05'05"E 2527.67 FT FROM THE NW CORNER OF SEC 9,T36S,R11W, SLM; SAID POINT BEING ON N R/W OF UP RR; N00°05'05"W ALONG W LINE SAID SEC 9, 42.66 FT; N45°53'56"E 1267.50 FT; N89°40'02"E 351.94 FT; S00°06'48"E 825.10 FT TO N R/W LINE OF UP RR; S84°11'36"W ALONG SAID RR R/W 523.58 FT; S85°00'21"W ALONG SAID RR R/W 431.19 FT; S86°12'10"W ALONG SAID RR R/W 97.11 FT; S88°31'30"W ALONG SAID RR R/W 183.00 FT; S89°50'23"W ALONG SAID RR R/W 33.42 FT TO POB; ALSO BEGINING AT A POINT N 2639.05 FT & E 840.26 FT FROM THE SW CORNER SEC 9,T36S,R11W, SLM; SAID POINT BEING ON THE N R/W LINE OF HWY U-56; N00°05'35"W 60.42 FT; S84°11'56"W 60.30 FT; S00°05'35"E 54.42 FT TO N R/W LINE OF SAID HWY U-56; N89°54'25"E ALONG N R/W SAID HWY U-56 60.00 FT TO POB. LESS B-3-8, B-3-10, B-1794 & B-3-11. CONTAINING 16.25 ACRES.

PARCEL 4: B-1253-0002-00BL

BEG AT A POINT N30°00'00"W, 66.00 FT & N60°00'00"E, 144.07 FT FROM NW CORNER OF LOT 1, CEDAR CITY INDUSTRIAL PARK SUBD; THENCE N30°00'00"W, 80.00 FT; THENCE N60°00'00"E, 252.00 FT; THENCE S30°00'00"E, 80.00 FT; THENCE S60°00'00"W, 252.00 FT ALONG THE NW R/W LINE OF AVIATION WAY TO POB. PROPERTY BELONGS TO CEDAR CITY CORP, BUILDING BELONGS TO CEDAR BUILDING ASSOCIATES. CONTAINING 0.46 ACRES.

PARCEL 5: B-0005-0001-0001-912

BEG AT A POINT WHICH IS LOCATED E ALONG THE 1/4 SECTION LINE 990.0 FT FROM THE W1/4 CORNER SEC 10,T36S,R11W, SLM; N 27.0 FT; E 191.5 FT; N 456.0 FT M/L TO S'LY R/W LINE OF LA & SL RR; THENCE E'LY ALONG SAID S'LY R/W LINE 730.0 FT; S 784.2 FT M/L TO THE N LINE OF 400 N ST OF CEDAR CITY; W 919.5 FT M/L TO PT 293.0 FT S OF POB; N 293.0 FT TO POB; SUBJ TO IRRIG DITCH EASE/R/W OVER FOLLOW DESC REC BK 644/278. ALSO DESC AS: BEG N89°26'56"E 990.00 FT ALONG THE 1/4 SEC LINE FROM THE W 1/4 COR SEC 10,T36S,R11W, SLM; N0°11'35"W 27.00 FT; N89°26'56"E 188.65 FT; N0°12'10"W 457.08 FT ALONG EXIST FENCE LINE; N89°02'56"E 728.16 FT ALONG S R/W LINE OF LA & SL RR; S0°17'58"E 784.13 FT ALONG EXIST FENCE LN; S89°29'28"W \*981.48 FT ALONG N LINE OF 400 N ST; N0°07'34"W 294.30 FT TO POB. CONTAINING 14.59 ACRES.

**WHEREAS**, over the next fifteen years as it ramps up production of the SJ-30 and other aircraft, the Company reasonably anticipates hiring an additional one thousand two hundred (1,200) full time equivalent employees; and

**WHEREAS**, the RDA is an established redevelopment agency pursuant to the provisions of Utah State Law and operates under the provisions of Title 17C, the Limited Purpose Local Government Entities Community Development and Renewal Agencies Act; and

**WHEREAS**, in an effort to provide the Company a financial incentive to offset costs associated with expanding its facilities and increasing its workforce, the RDA has created the

Project Area and has entered into such agreements with the local taxing entities allowing the RDA to use tax increment financing as the sole revenue source for this financial incentive; and

**WHEREAS**, the Company and the RDA desire to enter into this Agreement in order to set forth the terms and conditions upon which the RDA will pay the Company this financial incentive.

## **AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which are hereby acknowledged, the Company and RDA do hereby agree as follows:

1. Incentive Requirements. Subject to the terms and conditions of this Agreement, for the term of this Agreement:
  - 1.1 The Company will invest one hundred and twenty six million dollars (\$126,000,000) over the term of this Agreement in PP&E. The PP&E investment will be made pursuant to the Annual Schedule of PP&E as outlined herein; and
  - 1.2 The Company will expand its workforce by at least 600 Full Time Equivalent Employees over the Baseline Workforce and based on the Annual Schedule of FTEE as outlined herein. The Company will also pay the Expanded Workforce on average at least one hundred and twenty five percent (125%) of the Iron County Average Wage.
  - 1.3 The Company shall submit all required documentation to show it qualifies for the incentive payment prior to April 1<sup>st</sup> of the calendar year immediately following the calendar year for which the Company is requesting the incentive.
  - 1.4 The RDA will pay the Company the amount of the Incentive for any given year in which Company has satisfied all of the requirements contained herein. Payments shall be made to the Company within thirty (30) days of the RDA receiving: (1) the Documentation required by this Agreement from the Company regarding the number of Expanded Workforce and paying on average at least one hundred and twenty five percent (125%) of the Iron County Average Wage; (2) the Documentation of the yearly investment in PP&E; and (3) the tax increment funds for the pertinent tax year.
  - 1.5 Any Incentive not claimed by the Company in a timely manner for any given Calendar Year, or if the Company for whatever reason is not eligible to receive the Incentive Payment for a given Calendar Year, said Incentive Payment for that Calendar Year shall lapse, and not be carried over to any other Calendar Year, but the Company will remain eligible for future Calendar Years Incentive Payments. If the Company's Documentation demonstrates that it has met or exceeded the requirements for PP&E, wages, and number of employees in the immediately preceding Calendar Year, then the RDA shall make the applicable Incentive Payment to the Company within the time frames set forth in

paragraph 1.3 of this agreement. If the Company's Documentation does not demonstrate that it has met or exceeded the requirements, then the Company shall not be eligible to receive the Incentive Payment for that Calendar Year and the Tax Increment will be returned to Iron County for distribution to the taxing entities. The Company may, however, qualify for subsequent Incentive Payments during the remainder of the term of this Agreement.

- 1.6 Prior to receiving each Incentive Payment the Company shall provide to the RDA a sworn statement that the Documentation is true and accurate.
- 1.7 The Company shall be eligible to receive the Incentive Payment beginning in Calendar Year 2013.
2. Term. The term of this Agreement shall be fifteen consecutive Calendar Years (15) starting effective January 1, 2013.
3. Defined Terms. For all purposes of this Agreement, the following capitalized terms have the respective meanings stated below:

- a. Annual Deadline. The deadline, referenced in Section 1.3 above, for the Company to provide the Documentation each year to the RDA.

- b. Annual Schedule of FTEE. The schedule of required Full Time Equivalent Employees over the Baseline Workforce, presented on the aggregate for the term of this Agreement:

2013 – 25 Full Time Equivalent Employees  
2014 – 50 Full Time Equivalent Employees  
2015 – 75 Full Time Equivalent Employees  
2016 – 138 Full Time Equivalent Employees  
2017 – 225 Full Time Equivalent Employees  
2018 – 300 Full Time Equivalent Employees  
2019 – 300 Full Time Equivalent Employees  
2020 – 300 Full Time Equivalent Employees  
2021 – 500 Full Time Equivalent Employees  
2022 – 500 Full Time Equivalent Employees  
2023 – 500 Full Time Equivalent Employees  
2024 – 500 Full Time Equivalent Employees  
2025 – 600 Full Time Equivalent Employees  
2026 – 600 Full Time Equivalent Employees  
2027 – 600 Full Time Equivalent Employees

- c. Annual Schedule of PP&E. The schedule of required investment in PP&E. Presented in thousands of dollars and on the aggregate for the term of this Agreement:

2013 – \$350 Investment in PP&E

- 2014 – \$700 Investment in PP&E
- 2015 – \$1,050 Investment in PP&E
- 2016 – \$13,050 Investment in PP&E
- 2017 – \$14,000 Investment in PP&E
- 2018 – \$15,000 Investment in PP&E
- 2019 – \$16,000 Investment in PP&E
- 2020 – \$28,000 Investment in PP&E
- 2021 – \$30,000 Investment in PP&E
- 2022 – \$35,000 Investment in PP&E
- 2023 – \$45,000 Investment in PP&E
- 2024 – \$60,000 Investment in PP&E
- 2025 – \$80,000 Investment in PP&E
- 2026 – \$100,000 Investment in PP&E
- 2027– \$126,000 Investment in PP&E

d. Assessed Tax Value. The tax assessment for real and personal property per Iron County.

e. Aviation Way Community Development Project Area. The plan duly adopted by the RDA by resolution No. RDA-13-0327 and the Cedar City Council by ordinance No. 0327-13.

f. Baseline Workforce. The Full Time Equivalent Employees as of December 31, 2012 which was \_\_\_\_\_.

g. Base Year Taxable Value. The taxable value of the Company’s real and personal property as of December 31, 2012. See table below:

2012	Parcel/Co.	Assessed Value	Notes
Real Property	B-1253-0002-00BL	\$349,995	Account 0375979
Real Property	B-0003-0006-0003-01	\$1,986,540	Account 0037991
Real Property	B-1792-0010-0000	\$102,745	Account 0475076
Real Property	B-1792-0001-0000	\$3,850	Account 0448727
Real Property	B-0005-0001-0001-912	\$2,111,036	Account 0038171
Personal Property	MTI	\$2,464,915	Account P783035
Personal Property	SJA	\$1,001,277	Account P995166
	<b>Total</b>	<b>\$8,020,358</b>	

h. Calendar Year. The period of time between January 1<sup>st</sup> and December 31<sup>st</sup>.

i. Documentation. Company documents, summaries, and information regarding the number of Full Time Equivalent Employees, amount of average wage, and investment in PP&E in a given Calendar Year. The Documentation will consist of the following: a form mutually agreed to by the parties disclosing such information that will document Company’s investment in PP&E, Expanded Workforce, and Average Wage.

- j. Expanded Workforce. The Full Time Equivalent Employees over the Baseline Workforce.
- k. Full Time Equivalent Employees. ~~Employees that regularly works 30 hours per week or more throughout the calendar year~~ Shall include: (1) all employees employed by Company regularly working 30 or more hours per week; (2) all employees regularly providing 30 hours of service for Company per week but that are employed by professional staffing agency such as SOS or Express; and (3) up to 10% of the total full time equivalent employees may be based on the average number of hours worked by part time employees in an year divided by 1,560 hours. Notwithstanding the above, the term full time equivalent employees shall specifically exclude: (1) hours worked by part time employees that do not regularly work more than 20 hours per week; and (2) independent contractors.
- l. Incentive. The incentive will be an amount equal to One Hundred Percent (100%) of (the assessed tax value above the base year taxable value) x (tax rate as per Iron County Property Tax Assessment minus State School Assessment and/or local judgments). In no event shall the amount due to the Company exceed the amount of tax increment received by RDA for each year in which the Company requests payment of the incentive.
- m. Incentive Payment. The Incentive amount paid by the RDA to the Company.
- n. Iron County Average Wage. The annual amounts published by the State of Utah Governor's Office of Economic Development. These annual amounts can be found at (<http://jobs.utah.gov/jsp/wi/utalmis/gotoCounties.do>). The average wage used to measure compliance with the Requirements shall be the average wage for the Calendar Year for which the Incentive is being claimed.
- o. PP&E. Tangible property, plant, and equipment used in the operation of the business. PP&E consists of the acquisition cost and all other costs that are necessary to prepare the asset for its intended use.
- p. Project Area. The Aviation Way Community Development Project Area.
- q. Tax Rate. The rate levied on real and personal property per Iron County.
- r. Tax Increment. The same as defined by State of Utah Limited Purpose Local Government Entities -- Community Development and Renewal Agencies Act.
- s. Working Hours. Thirty hours (30) per week or one thousand five hundred and sixty hours (1,560) per calendar year.

4. Miscellaneous Terms.

- 4.1 The Company shall have the right to protest or appeal the amount of the Assessed Taxable Value levied by the County Assessor against the real and personal property, or any portion thereof, in the same manner as any other taxpayer as provided by law. Nothing in this Agreement shall require the RDA to pay the Company an amount exceeding the tax increment collected by the RDA. If the Company chooses to protest the Assessed Tax Value prior to the RDA paying the Incentive Payment, then the RDA may elect to withhold presently due or future Incentive Payments until the protest is legally concluded, including any appeals. If the Company appeals an Assessed Tax Value after receiving an Incentive Payment and there is a difference between the amount of Incentive Payment received by the Company and the Company's tax liability after the protest, the RDA may withhold future Incentive Payments if any is available or the Company shall refund to the RDA the difference so that the Incentive Payment paid to the Company does not exceed the Tax Increment actually collected after the results of the protest.
- 4.2 By signing this Agreement the Company and the RDA agree to be bound by its terms and agree that all necessary and proper approvals needed to authorize the persons below to bind their respective parties have been received. The recitals in this Agreement are incorporated herein and are a substantive part of this Agreement. The provisions of the Aviation Way Community Development Project Area Plan, excluding the legal descriptions, are a substantive part of this Agreement and are incorporated herein by this reference. The 2012 assessment of Company's property within the project area as currently assessed or as may hereafter be adjusted, modified or amended is incorporated herein and is a substantive part of this Agreement.
- 4.3 This Agreement, and the documents incorporated herein, constitutes the entire agreement related to this Tax Increment Funded Expansion Incentive. No prior or subsequent oral or written discussions shall be used to interpret the intent of this Agreement. This Agreement may only be amended by the execution of a written document that is duly approved by both the RDA and the Company.
- 4.4 This Agreement shall be interpreted pursuant to the laws of the State of Utah and any suits at law or equity shall only be resolved by the 5<sup>th</sup> Judicial District Court in and for Iron County, State of Utah.
- 4.5 This Agreement shall be interpreted to express the intentions of the parties and shall not be interpreted against either party due to the authorship of the Agreement. Each party has had legal counsel review the provisions contained herein and each party has made sufficient contributions to the Agreement so that the Agreement is a joint expression of the parties' intent.
- 4.6 Neither party to this Agreement may assign or otherwise encumber, lease, or dispose of its interest in this Agreement, in whole or in part, without the prior

written consent of the party not seeking to assign, encumber, lease, or otherwise dispose of its interest, in whole or in part, herein.

- 4.7 If one party to this Agreement believes the other party has breached any of its material obligations contained herein, the procedure in this paragraph shall be followed prior to filing any complaint with the courts or any other third party. The aggrieved party shall provide timely written notice of the alleged breach to the other party. The notice shall reasonably specify the nature of the alleged breach. Once notice is received and within a reasonable time thereafter, the parties shall meet, confer, discuss and agree upon the necessary steps to cure the alleged breach. Unless otherwise agreed by the parties, steps to cure shall be commenced within thirty (30) days of the parties' meeting and pursued diligently until concluded. The parties shall again meet and confer within a reasonable time after the steps to cure have been commenced and discuss the status of the alleged breach and those steps taken to cure. If the aggrieved party still believes the breach exists and the other party has not taken adequate steps to cure, the aggrieved party may submit its complaint to the Courts.
- 4.8 This Agreement is between the entities of the RDA and the Company. No member, official, employee, consultant, agent or representative of either party shall be personally liable in the event of any default or breach by either party for any amount which may become due on any obligation under the terms of this Agreement.
- 4.9 Notices given pursuant to the terms of this Agreement shall be deemed to have been given if they are sent in writing by personal service or through the mail, email, or any of the myriad of public companies that exist or may exist to deliver correspondence. All delivery charges or postage must be prepaid and delivery shall be to the following:
- |  |  |
|--|--|
| Cedar City Corporation<br>c/o City Manager and<br>c/o Economic Development Director<br>10 North Main<br>Cedar City, Utah 84720 | MSC Aerospace, LLC<br>c/o Paul W. Hess, Registered Agent<br>Strong and Hanni P.C.<br>3 Triad Center, Suite 300<br>Salt Lake City, Utah 84180 |
|--|--|
- 4.10 In the event of a default hereunder, the defaulting party agrees to pay all costs incurred by the other party in enforcing this Agreement, including reasonable attorney's fees, whether by in-house counsel or outside counsel. If a default is alleged and later found by a court of competent jurisdiction not to have occurred, then the party that alleged the default shall compensate the non-defaulting party for all costs incurred in enforcing this Agreement, including reasonable attorney's fees, whether by in-house counsel or outside counsel.

*Remainder of page intentionally left blank.*

(RDA'S SIGNATURE PAGE)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

Cedar City Redevelopment  
Agency:

\_\_\_\_\_  
Ron Adams  
Chairperson

ATTEST:

\_\_\_\_\_  
Paul Cozzens, Secretary

STATE OF UTAH )

:ss.

COUNTY OF IRON )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2013, personally appeared before me, Ron Adams and Paul Cozzens, who duly acknowledged to me that they signed the above and foregoing document.

\_\_\_\_\_  
Notary Public

COMPANY'S SIGNATURE PAGE

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
David J. Grant  
MSC Aerospace, LLC, CEO

STATE OF UTAH    )  
                          :ss.  
COUNTY OF IRON )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2013, personally appeared before me David J. Grant who duly acknowledged to me that he signed the above and foregoing document as CEO.

\_\_\_\_\_  
Notary Public