



## RIVERTON REDEVELOPMENT AGENCY MEETING AGENDA

March 25, 2014

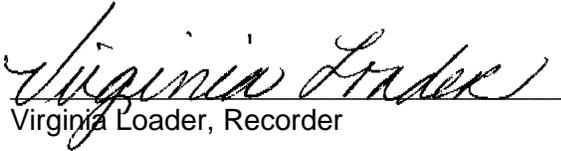
Notice is hereby given that Riverton City will hold a **Riverton Redevelopment Agency (RDA) Meeting** beginning at **6:00 p.m.** on **March 25, 2014**, at Riverton City Hall, located at 12830 South 1700 West, Riverton, Utah.

### 1. GENERAL BUSINESS

1. Call to Order and Roll Call
2. Approval of Minutes: RDA 02-18-14
3. **RDA Resolution No. 14-04** - Authorizing the execution of an escrow agreement with representatives of Gold's Gym of Utah, LLC for the refurbishing of the former Peterson's Marketplace located at 1777 West 12600 South, Riverton, Utah

### 2. ADJOURN

Dated this 21<sup>st</sup> day of March 2014

  
Virginia Loader, Recorder

The public is encouraged to participate in all City Meetings; therefore, Riverton City will make reasonable accommodations for those needing assistance to participate in our meetings. Requests for assistance may be made by contacting the City Recorder's Office at 801-208-3126, providing at least 3 working days advance notice of the meeting to be attended. Please enter the City Office Building through the south entrance. The Council Conference Room is located on the south end of the second floor.

#### **Certificate of Posting**

I, Virginia Loader, the duly appointed and acting Recorder for Riverton City certify that, at least 24 hours prior to such meeting, the foregoing City Council Agenda was emailed to the Salt Lake Tribune, Deseret News and the South Valley Journal. A copy of the agenda was also posted in the City Hall Lobby, on the City's Website at [www.rivertoncity.com](http://www.rivertoncity.com), and on the Utah Public Meeting Notice Website at <http://pmn.utah.gov>.

Dated this 21<sup>st</sup> day of March 2014

Virginia Loader, MMC  
Recorder

1  
2  
3  
4  
5  
6  
7  
8  
9

**Riverton City**  
**REDEVELOPMENT AGENCY MEETING**  
**Minutes**  
**February 18, 2014**

**Riverton City Hall**  
**12830 South 1700 West**  
**Riverton, Utah 84065**

---

10 **Attendance:**

11  
12 Mayor William R. Applegarth

13  
14 **Board Members:**

15 Board Member Brent Johnson  
16 Board Member Trent Staggs  
17 Board Member Sheldon Stewart  
18 Board Member Roy Tingey  
19 Board Member Paul Wayman

20  
21 **City Staff:**

Lance Blackwood, City Manager  
Jeff Hawker, Asst. City Manager  
Ryan Carter, City Attorney  
Virginia Loader, City Recorder  
Jason Lethbridge, Planning Manager

22 **Citizens:** Michael S. Johnson, Boy Scout Troop 820, Merillee Boren,  
23  
24

25 **GENERAL BUSINESS**

26  
27 **1. Call to Order and Roll Call**

28  
29 [6:21:00 PM](#) Mayor Applegarth called the Riverton City Redevelopment Agency (RDA) Meeting  
30 to order at 6:20 p.m. Mayor Applegarth conducted a Roll Call. Board Members Johnson, Staggs,  
31 Stewart, Tingey and Wayman were present.  
32

33 **2. Approval of Minutes: RDA 02-11-14**

34  
35 Board Member Roy Tingey **MOVED to approve the Minutes of RDA 02-11-14.** Board  
36 Member Brent Johnson **SECONDED** the motion. Mayor Applegarth called for discussion on  
37 the motion; there being none, he called for a vote. The vote was as follows: Johnson-Yes, Staggs-  
38 Yes, Stewart-Yes, Tingey-Yes and Wayman-Yes. **The motion passed unanimously.**  
39

40 **2. PUBLIC HEARINGS**

41  
42 **Public Hearing - proposed amendments to the Riverton City Redevelopment Agency Fiscal**  
43 **Year 2013-2014 Budget**

44  
45 [6:24:03 PM](#) Mayor Applegarth presented proposed budget amendments to the City Council and  
46 asked for questions or comments.

1 Mayor Applegarth asked for comments or questions from the Council Members; there were no  
2 comments and he declared the Public Hearing closed.

3  
4 **RDA Resolution No. 14-03 – Approving Amendments to the Riverton City**  
5 **Redevelopment Agency Fiscal Year 2013-2014 Budget**  
6

7 Board Member Sheldon Stewart **MOVED** to approve **RDA Resolution No. 14-03 – Approving**  
8 **Amendments to the Riverton City Redevelopment Agency Budget for Fiscal Year 2013-**  
9 **2014.** Board Member Roy Tingey **SECONDED** the motion. Mayor Applegarth called for  
10 discussion on the motion; there being none, he called for a Roll Call Vote. The vote was as  
11 follows: Johnson-Yes, Stagg-Yes, Stewart-Yes, Tingey-Yes and Wayman-Yes. **The motion**  
12 **passed unanimously.**

13  
14 **3. CLOSED SESSION**

15  
16 **Strategy Session to discuss the sale of real property**

17  
18 [6:25:57 PM](#) Board Member Brent Johnson **MOVED** to convene in a Closed Session to discuss  
19 **the sale of real property.** Board Member Sheldon Stewart **SECONDED** the motion. Mayor  
20 Applegarth called for discussion on the motion; there being none, he called for a Roll Call Vote.  
21 The vote was as follows: Johnson-Yes, Staggs-Yes, Stewart-Yes, Tingey-Yes and Wayman-Yes.  
22 **The motion passed unanimously.**

23  
24 The Board Members convened in a Closed Session at 7:46 p.m. Minutes for the Closed Session  
25 were taken and recorded and are now on file as a Protected Record.

26  
27 **4. ADJOURN**

28  
29 [6:44:14 PM](#) Board Member Sheldon Stewart **MOVED** to adjourn. Board Member Brent  
30 Johnson **SECONDED** the motion. The vote was as follows: Board Member Johnson-Yes,  
31 Staggs-Yes, Stewart-Yes, Tingey-Yes and Wayman-Yes. **The motion passed unanimously.**  
32 The Meeting adjourned at 6:44 p.m.

33  
34  
35  
36  
37 \_\_\_\_\_  
38 Virginia Loader, MMC  
39 City Recorder

40 Approved: RDA  
41



## Issue Paper

Item No. 1.3

<b>Presenter/Submitted By:</b>	Ryan Carter, City Attorney	
<b>Subject:</b>  Approve a Resolution of the governing board of the Redevelopment Agency of Riverton City authorizing the Mayor execute an Escrow Agreement with representatives of Gold's Gym of Utah, LLC to participate in the refurbishing of the Peterson's Marketplace located at 1777 West 12600 South, Riverton, Utah	<b>Meeting Date:</b> March, 25,2014	
	<b>Fiscal Impact:</b> \$300,000.00 (reimbursement toward cost to install infrastructure improvements)	
	<b>Funding Source:</b>	
<b>Background:</b>  <p>From discussions held between RDA officials and representatives of Gold's Gym of Utah, LLC ("Golds"), Gold's intends to acquire the commercial property commonly known as the Peterson's Marketplace located at 1777 West 12600 South for the purpose of refurbishing and reopening for business as Gold's Gym. The proposed development would require Gold's to heavily invest in infrastructure within the Peterson's Marketplace to make the building and surrounding property suitable for use as a gym which meets Gold's standards. Gold's cannot proceed with the proposed Development without the participation of the RDA in the construction of the infrastructure necessary to facilitate a fully operational standard Gold's Gym. To refurbish the building, a process which involves internally excavating the ground floor to make way for a sub-surface swimming and racquetball court facilities, Gold's will need to invest approximately \$37.50 per square foot. The Peterson's Marketplace facility is close to 45,000 square feet in size.</p> <p>The Escrow Agreement establishes terms by which Gold's will be eligible to receive RDA funds. Importantly, Gold's will be required to, among other things: (1) file an application for a building permit to begin improvements to the Property within one year following execution of this Agreement; (2) complete, within one year following the filing of an application for a building permit with Riverton City, reconstruction of the Property and open for use to the public a Gold's Gym facility which includes an indoor swimming pool and at least one racquetball court which meets professional racquetball standards for sizing and construction materials within one year following the filing of an application for a building permit with Riverton City; (3) keep the proposed Gold's Gym facility open continually, subject to establishment of reasonable business hours, for a period of five consecutive years following the date on which the proposed Gold's Gym facility is formally opened for business to the public.</p>		

The RDA has an interest in further development of the property because it is located within the boundaries of 12600 South Redwood Road South Neighborhood Development Plan, dated September 2, 1997, and adopted by the RDA in October of 1997. Through a lengthy process to develop and ultimately adopt the Plan, the RDA determined that properties within the boundaries of the Plan met the definition of a “blighted area” as defined in Section 17A-2-1202, Utah Code Annotated 1953, as amended. The Plan was adopted to, among other things, legally empower the RDA to cure existing blight and protect the area within the Plan against reemergence of blight. The Plan empowered the RDA to protect the area within the Plan from blight.

Following the purchase of the Peterson’s Marketplace by Gold’s, the RDA desires that Gold’s complete construction of the Gold’s Gym because such a project assists the RDA’s objectives to eliminate blight, revitalize commerce, and support a walkable community which features affordable housing within the Plan area and surrounding downtown area of Riverton City, Utah. Thus, a Gold’s Gym facility located in close proximity to the housing located within the boundaries of the Plan will serve as a significant enhancement to the quality of life experience for area residents.

**Recommendation:**

Approve a Resolution authorizing the RDA Board Chair negotiate and execute an agreement to participate in the refurbishing of the Peterson’s Marketplace located at 1777 West 12600 South, Riverton, Utah, and under substantially similar terms as described in the Draft Agreement provided by RDA staff.

**Recommended Motion:**

“I move the Redevelopment Agency of Riverton City approve a Resolution authorizing the RDA Board Chair negotiate and execute an agreement to participate in the refurbishing of the Peterson’s Marketplace located at 1777 West 12600 South, Riverton, Utah, and under substantially similar terms as described in the Draft Agreement provided by RDA staff.”

**RIVERTON CITY REDEVELOPMENT AGENCY  
RESOLUTION NO. 14-04**

**A RESOLUTION OF THE GOVERNING BOARD OF THE REDEVELOPMENT  
AGENCY OF RIVERTON CITY AUTHORIZING THE EXECUTION OF AN ESCROW  
AGREEMENT WITH REPRESENTATIVES OF GOLD'S GYM OF UTAH, LLC FOR  
THE REFURBISHING OF THE FORMER PETERSON'S MARKETPLACE LOCATED  
AT 1777 WEST 12600 SOUTH RIVERTON, UTAH**

**WHEREAS**, Riverton City Redevelopment Agency of Riverton City (the "Agency") was created to transact the business and exercise the powers provided for in the former Utah Neighborhood Development Act, the Redevelopment Agencies Act and any successor law or act (the "Act"); and

**WHEREAS**, The Agency developed a project area plan known as the 12600 South Redwood Road South Neighborhood Development Plan, dated September 2, 1997 ("the Plan"); and

**WHEREAS**, the Plan empowered the RDA to protect the area within the Plan from blight through any and all of the following means (or any combination thereof):

- A. Removal of structurally substandard buildings to permit the return of the project area land to economic use and new construction.
- B. Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels serviced by improved public utilities and new community facilities.
- C. Rehabilitation of building[s] to assure sound long-term economic activity in the core area of the City of Riverton; and

**WHEREAS**, representatives of Gold's Gym of Utah, LLC ("Developer") desire to purchase property which served as the former Peterson's Marketplace grocery store located at 1777 West 12600 South (the "Property") in order to retrofit the same with capital improvements for a Gold's Gym; and

**WHEREAS**, The Agency has considered the development proposal to refurbish the Property to make the it suitable for a Gold's Gym and determined that participation with funds to aid in improving the building will assure a successful development project and protect against the reemergence of blight within the Plan area;

**NOW THEREFORE, BE IT RESOLVED** by the Redevelopment Agency of Riverton City:

1. That the Redevelopment Agency Board Chair is authorized to execute the Agreement and any subsequent changes which do not amount to a material change to: (a) The amount of funds pledged by RDA to Developer; or (b) the amenities required to be installed by Developer; or (c) the time frames in which

Developer shall be required to install amenities for which RDA has pledged funds.

2. The Redevelopment Agency Board Chair is further authorized to execute a binding agreement which incorporates all material terms described in the attached Escrow Agreement provided in Exhibit A without further ratification by the Redevelopment Agency of Riverton City; provided, the same is approved as to legal form by legal counsel for the Redevelopment Agency of Riverton City.
3. This resolution shall become effective upon passage and posting as required by law.

**PASSED AND APPROVED** by the Redevelopment Agency of Riverton, Utah, this 25<sup>th</sup> day of March, 2014 by the following vote:

Board Member Brent Johnson	_____ Yes	_____ No
Board Member Sheldon Stewart	_____ Yes	_____ No
Board Member Trent Staggs	_____ Yes	_____ No
Board Member Roy Tingey	_____ Yes	_____ No
Board Member Paul Wayman	_____ Yes	_____ No

**RIVERTON CITY  
REDEVELOPMENT AGENCY**

[SEAL]

\_\_\_\_\_  
**Bill Applegarth, Board Chair**

**ATTEST:**

\_\_\_\_\_  
**Virginia Loader, MMC  
Recorder**

## ESCROW AGREEMENT

### RDA Onsite Public Improvements Escrow

This ESCROW AGREEMENT, effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2014 (this “Escrow Agreement”), is entered into by and among the **REDEVELOPMENT AGENCY OF RIVERTON CITY** (“RDA”), **HD NORTHGLENN, LLC**, a Utah limited liability company (“Borrower”), and \_\_\_\_\_ (the “Escrow Agent”). RDA, Escrow Agent and Borrower are herein individually referred to as a “Party” and collectively referred to as the “Parties.”

### RECITALS

A. Borrower is in negotiations to purchase a parcel of real property which served as the former location of the Peterson’s Marketplace grocery store, located at the address of 1777 West 12600 South, Riverton, Utah (hereinafter referred to as the “Property”). Borrower represents to RDA that it is unable to meet the reasonable asking price for the Property RDA because it must retrofit the Property with capital improvements to facilitate Borrower’s business, which is further described as a Gold’s Gym. Borrower represents that the capital investment necessary to facilitate a Gold’s Gym is roughly equal to the sum of \$37.50 per square foot. The main floor of the facility wherein Borrower desires to locate a Gold’s Gym is approximately 45,000 square feet in size.

B. RDA has an interest in further development of the property because the same is located within the boundaries of 12600 South Redwood Road South Neighborhood Development Plan, dated September 2, 1997 and adopted by the RDA in October of 1997 (hereinafter referred to as the “Plan”). Through a lengthy process to develop and ultimately adopt the Plan, the RDA determined that properties within the boundaries of the Plan met the definition of a “blighted area” as defined in Section 17A-2-1202, Utah Code Annotated 1953, as amended. The Plan was adopted to, among other things, legally empower the RDA to cure existing blight and protect the area within the Plan against reemergence of blight. The Plan empowered the RDA to protect the area within the Plan from blight through any and all of the following means (or any combination thereof):

1. Removal of structurally substandard buildings to permit the return of the project area land to economic use and new construction.
2. Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels serviced by improved public utilities and new community facilities.
3. Rehabilitation of building[s] to assure sound long-term economic activity in the core area of the City of Riverton.

C. Following the purchase of the Property by Borrower, RDA desires that Borrower complete construction of a Gold’s Gym within the Property because such a project assists RDA’s objectives to eliminate blight, revitalize commerce, and support a walkable community which features affordable housing within the Plan area and surrounding downtown area of Riverton City, Utah. Thus, a Gold’s Gym located in close proximity of the housing located within the

boundaries of the Plan will serve as a significant enhancement to the quality of life experience for area residents. Accordingly, RDA desires to support Borrower' objective to locate a Gold's Gym within the Property by executing this Agreement.

D. To enable Borrower to purchase the Property and make such capital improvements to same which are necessary to facilitate a Gold's Gym, RDA is willing, subject to the terms and conditions of this Escrow Agreement, to deposit no more than \$300,000.00 (the "Escrow Property") with Escrow Agent. The Escrow Property shall be used to partially secure the payment and the completion by Borrower of certain onsite improvements to the Project.

E. The Parties and the Escrow Agent desire to enter into this Escrow Agreement to set forth the conditions under which the Escrow Agent shall hold and distribute the Escrow Property.

## **AGREEMENT**

In consideration of the promises and agreements of the Parties and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties and the Escrow Agent agree as follows:

### **ARTICLE 1 ESCROW DEPOSIT, BORROWER'S OBLIGATIONS**

Section 1.1 Receipt of Escrow Property. Upon execution hereof, RDA shall deliver the Escrow Property to the Escrow Agent by wire transfer of immediately available funds, and Escrow Agent shall thereafter hold the Escrow Property in a federally-insured, interest-bearing bank account in strict accordance with the terms of this Escrow Agreement.

Section 1.2 Disbursements. The Escrow Agent is authorized to make disbursements of the Escrow Property from time to time under the following conditions:

(a) The Escrow Agent shall make disbursements of the Escrow Property only for items which in the RDA's sole determination constitute actual costs to construct real property and infrastructure improvements within the Property. RDA shall reimburse Borrower up to, and not to exceed, the full amount of the Escrow Property toward the cost to install real property and infrastructure improvements to the Property, which RDA determines are reasonably necessary to enhance the building's infrastructure and protect against the reemergence of blight. The Escrow Property shall not be applied to costs incurred by Borrower to furnish the Property or install equipment which shall not be permanently affixed to the same. As used this section, "real property and infrastructure improvements" includes (without limitation) items such as interior plumbing and drainage systems, interior wiring, masonry, swimming pool facilities, racquetball court facilities, and HVAC equipment, but excludes (without limitation) faucets, light switches, and light fixtures.

(b) Periodically, but not more than once per month, Borrower may request a disbursement of a portion of the Escrow Property (each a “Disbursement Request”) to pay for completed construction of real property and infrastructure improvements by delivering (i) to the Escrow Agent and RDA, a request for disbursement, setting forth the amount requested for disbursement, and (ii) to RDA, the applicable invoices for such disbursement and a project budget review and comparison.

(c) Prior to each disbursement of the Escrow Property, the Escrow Agent must receive written consent from RDA to such disbursement of the Escrow Property; provided that RDA shall not deny its consent for any Disbursement Request absent a legitimate, good faith basis for denial therefor; further, provided, that if RDA does not approve or deny in writing any Disbursement Request within ten (10) business days of receipt of all items required to be submitted by Borrower for such Disbursement Request, and Borrower certifies the same in writing to the Escrow, then the Escrow Agent may disburse such Escrow Property without the prior written consent of RDA.

(d) All Escrow Property permitted to be disbursed pursuant to this Section 1.2 shall be disbursed in accordance with Borrower’s instructions made in any joint written instructions executed by each of RDA and Borrower. All fees assessed by Escrow Agent for receiving, managing, and dispersing the Escrow Property in accordance with this Agreement shall be borne by Borrower.

Section 1.3 Borrower’s Performance Obligations. In consideration of the RDA’s pledge of the Escrow Property and depositing the same with the Escrow Agent, Borrower shall agree to: (1) file an application for a building permit to begin improvements to the Property within one year following execution of this Agreement; (2) complete, within one year following the filing of an application for a building permit with Riverton City, reconstruction of the Property and open for use to the public a Gold’s Gym facility which includes an indoor swimming pool and at least one racquetball court which meets professional racquetball standards for sizing and construction materials within one year following the filing of an application for a building permit with Riverton City; (3) keep the Gold’s Gym facility open continually, subject to establishment of reasonable business hours, for a period of five consecutive years following the date on which the Gold’s Gym facility is formally opened for business to the public. The foregoing notwithstanding, Borrower shall be entitled to assign its rights and obligations created under any agreement executed between the parties, upon receipt of written approval by RDA. Approval or denial of an assignment by Borrower shall not be unreasonably withheld or delayed, but shall be based upon reasonable diligence undertaken by RDA to verify whether any assignee is capable of performing contractual obligations undertaken by Borrower under this agreement.

Section 1.4 Default by Borrower. If RDA at any time determines that Borrower has failed to: (1) obtain a building permit within the time limits described in Section 1.2 of this Agreement; (2) open for business within the time limits described in Section 1.2 of this Agreement; or (3) keep the Gold’s Gym facility open for business continually for the time duration described in Section 1.2 of this Agreement, RDA may obtain from Escrow Agent any remaining portion of the Escrow Property funds held by it upon borrower’s default, and seek compensation in the form of general damages, special damages, and attorney’s fees against

Borrower by filing an appropriate civil action in a court of competent jurisdiction in the state of Utah, and obtaining an appropriate judgment against Borrower.

## **ARTICLE 2 MISCELLANEOUS**

Section 2.1 Incorporation of Recitals. The Recitals set forth above are hereby incorporated into and made a part of this Escrow Agreement.

Section 2.2 Termination. Upon the disbursement of all of the Escrow Property, this Escrow Agreement shall terminate and be of no further force and effect, except that the provisions of **Error! Reference source not found.**1.3 and of **Error! Reference source not found.**1.4 hereof shall survive termination.

Section 2.3 Successors and Assigns. This Escrow Agreement shall be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns. No other persons shall have any rights under this Escrow Agreement. Any assignment by Borrower shall require the prior written consent of the other Parties. No assignment of the interest of any of the Parties shall be binding unless and until written notice of such assignment shall be delivered to the other Parties and the Escrow Agent.

Section 2.4 Escheat. The Parties are aware that under applicable state law, property which is presumed abandoned may under certain circumstances escheat to the applicable state. The Escrow Agent shall have no liability to the Parties, their respective heirs, legal representatives, successors and assigns, or any other party, should any or all of the Escrow Property escheat by operation of law.

Section 2.5 Notices. Any requests, notices, communications and waivers under this Escrow Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) sent by overnight express carrier, addressed in each case as follows:

To Borrower: HD Northglenn, LLC  
c/o Hawkins Development, LLC  
10909 Arapahoe Road, Suite 103  
Centennial, Colorado 80112  
Attn: Kevin B. Hawkins

With a copy to: Bryan B. Todd, Esq.  
358 S. Rio Grande Street, Suite 200  
Salt Lake City, Utah 84101

To RDA: Redevelopment Agency of Riverton City  
ATTN: Lance Blackwood  
12830 South Redwood Road  
Riverton, Utah 84065

With a copy to: Riverton City Attorney  
12830 South Redwood Road  
Riverton, Utah 84065

To the Escrow Agent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this Section 2.5 shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next business day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third business day following the day sent or when actually received.

Section 2.6 Governing Law. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Utah.

Section 2.7 Entire Agreement. This Escrow Agreement sets forth the entire agreement and understanding of the Parties and the Escrow Agent related to the manner in which the Escrow Property shall be held and disbursed by the Escrow Agent.

Section 2.8 Amendment. This Escrow Agreement may be amended, modified, superseded, rescinded, or canceled only by a written instrument executed by the Parties and the Escrow Agent.

Section 2.9 Waivers. The failure of any party to this Escrow Agreement at any time or times to require performance of any provision under this Escrow Agreement shall in no manner affect the right at a later time to enforce the same performance. A waiver by any party to this Escrow Agreement of any such condition or breach of any term, covenant, representation, or warranty contained in this Escrow Agreement, in any one or more instances, shall neither be construed as a further or continuing waiver of any such condition or breach nor a waiver of any other condition or breach of any other term, covenant, representation, or warranty contained in this Escrow Agreement.

Section 2.10 Headings. Section headings of this Escrow Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions of this Escrow Agreement.

Section 2.11 Counterparts. This Escrow Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 2.12 Eligible Public Depository. The Escrow Agent acknowledges that RDA is a "Local Government" and that the Escrow Property held for the benefit of RDA constitutes

“public funds,” as such terms are defined in the State Money Management Act of the State of Utah (Utah Code Ann. § 51-7-1 et. seq.) (the “Act”). The Escrow Agent, as of the date of this Escrow Agreement, is an “qualified depository,” as defined in the Act. If, at any time in the future, the Escrow Agent is no longer an “ qualified depository,” as defined in the Act, the Escrow Agent agrees to provide immediate written notice of the same to the Parties.

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

**BORROWER:**

**HD NORTHGLENN, LLC**, a Utah limited liability company

By: Hawkins Development, LLC, a Utah limited liability company, its Manager

By: \_\_\_\_\_  
Kevin B. Hawkins, Manager

**RDA:**

**RIVERTON CITY REDEVELOPMENT AGENCY**

By: \_\_\_\_\_  
Name: Bill Applegarth  
Title: Mayor

Attest:

\_\_\_\_\_  
Virginia Loader, City Recorder

**ESCROW AGENT:**

**LAND TITLE GUARANTEE COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_