

**DEVELOPMENT AGREEMENT  
for  
MT. STERLING FARM PUD**

This Development Agreement for MT. Sterling Farm PUD, hereinafter referred to as “the Agreement,” is entered into this \_\_\_ day of \_\_\_\_\_ 20, by and between Hyrum City, a Utah municipal corporation with its main office located at 83 West Main, Hyrum, Utah 84319, hereinafter referred to as “City,” and LSH Development LLC, a Utah Limited Liability Company, with its principal office located at 45 North Main Ste 101, Logan UT, 84321, hereinafter referred to as “Developer” (collectively, “the Parties”), and/or the Parties’ successors and assigns.

**RECITALS**

WHEREAS, the City and Developer have mutually agreed to certain terms and conditions in accordance with Title 17.60, Planned Unit Development in the Hyrum City Zoning Ordinance allowing for the development of MT Sterling Farm PUD; and

WHEREAS, based upon the mutually agreed upon terms and conditions, the City has approved the Preliminary Plat for the Mt. Sterling Farm PUD;

NOW THEREFORE, in consideration of the above recitals and the mutual promises and conditions contained in this Agreement, the receipt and sufficiency of which is hereby willfully acknowledged, the Parties agree as follows:

**TERMS**

1. Little Feeder Pipeline: The Developer shall pay half the cost of piping the Little Feeder ditch, up to twenty-five thousand dollars (\$25,000), for the distance along the east property boundary of the Mt. Sterling Farm PUD payable upon completion of the construction of the Little Feeder Pipeline by the City. The City shall design the pipeline, obtain the necessary construction permits from USBOR, and then bid the project out. The City will make every effort to complete the construction of the Little Feeder Pipeline by June 1, 2015, contingent upon the Developer completing the necessary utility crossings by March 1, 2015 and the receipt of the necessary permits from the United States Bureau of Reclamation (“USBOR”). In the case that the Little Feeder Pipeline cannot be completed by May 1, 2015, the conditions will revert to Item 3 for a temporary solution to allow the Developer to continue with construction of the necessary street improvements and allow irrigation water to flow. The City shall then construct the Little Feeder pipeline after the irrigation water has been shut off in the fall of 2015, with completion no later than June 1 2016.
2. Utility Crossing Permits Little Feeder Ditch: The Developer is responsible to obtain the necessary permits from the USBOR to complete the installation of the potable water, sewer, PI, and franchise utility crossings of the Little Feeder ditch. These crossings must be completed prior to the installation of the little feeder pipeline project.
3. Alternate Action Little Feeder Pipeline: If the Little Feeder Pipeline Project is delayed the City agrees to contribute 50% of the cost to have the Developer install 100 feet of 36” pipeline that conforms to the Little Feeder Pipeline Project design to accommodate the extension of 20 North

Street. The Developer shall still pay 50% of the cost to construct the little feeder pipe line at the time the pipe line is completed.

4. Pressure Reducing Station: The Developer shall construct a potable water system pressure reducing station in 20 North Street east of 575 West Street.
5. Park Impact Fee Payments to Developer: The City shall pay the Developer 50% of the Park impact fees collected from the 95 platted lots in the Mt. Sterling PUD, which includes all five (5) phases, for a total of \$105,307.50. Payments shall be initiated at the time that the City accepts the completion of the landscaping and amenities for the parks and open space dedicated to the City in Phases 3 and 4. Upon initiation of payments the City shall pay the Developer that portion of park impact fees previously collected at the issuance of building permits in the MT. Sterling PUD, and any additional park impact fees collected with building permits in the Mt. Sterling PUD thereafter on a monthly basis until the City has collected park impact fees on all 95 lots.
6. Park Ownership and Amenities: The Developer shall install the approved landscaping and amenities as detailed in the table below with the corresponding phase and as found on drawings L-101 and L-102 found in Attachment A. The landscaping and amenities shall be completed and accepted by the City prior to final plat approval of the next phase of the subdivision.

The park amenities to be constructed by the Developer include: (See appendix: Mt. Sterling Farm PUD Preliminary Plat Vicinity Layout)

**Phase 1**

Open Space #2	Area: 0.3 ac.	Ownership: Dedicated to City
Amenities 0.3 ac.: Grass, entry sign		
Open Space #4	Area: 0.10 ac.	Ownership: HOA
Amenities: Grass, community gardens and benches.		

**Phase 2**

Open Space #6	Area: 0.18 ac.	Ownership: HOA
Amenities: Grass, community gardens and benches, 4 foot wide crushed rock dust trail, commercial swing set.		
Open Space #7	Area: 0.08 ac.	Ownership: HOA
Amenities: Grass, community gardens/orchards and benches.		

**Phase 3**

Open Space #1	Area: 1.13 ac.	Ownership: Dedicated to City
Amenities: Open grass play area, benches, 4 foot wide crushed rock dust trail, commercial swing set as per Site Amenities Plan L-101 and Landscape and Tree Plan L-102.		

**Phase 4**

Open Space #2	Area: 2.99ac.	Ownership: Dedicated to City
Amenities 2.96 ac.: Grass, 4 foot wide crushed rock dust trail, spring and stream, splash pad, commercial playground, pavilion and BBQ, amphitheater, sports court (NBA basketball, tennis, 2 pickle ball).		

Open Space #3	Area: 0.12 ac.	Ownership: HOA
Amenities: Grass, community gardens/orchards and benches.		
Open Space #5	Area: 0.10 ac.	Ownership: HOA
Amenities: Grass, community gardens and benches.		

7. **Parking on Street:** The Developer shall designate and assign one side of the street for curb side parking and sign the other side of the street as no parking on all streets in the subdivision.
8. **Verification of Water Table:**The Developer/Builder shall submit a lot specific Geo-Technical Report with Building Permit Applications for a structure containing a basement. The report shall include recommendations for construction of basements in high ground water locations.
9. **Construction of Sewer Lift Station:** The Developer shall install the sewer lift station and pressure line as part of Phase 2.
10. **Spring Ownership:** The HOA shall take ownership of the spring and associated water rights. The HOA shall maintain the spring and the meandering stream through the City Park.
11. **Entry Sign:** The Developer shall construct an entry sign for the development. The HOA shall be responsible for the maintenance of the entry sign.
12. **Amenity Additions:** Developer, with the City’s written consent, may add additional amenities to the parks within the Development. City hereby agrees not to unreasonably withhold its consent.

**MISCELLANEOUS PROVISIONS**

1. **Waiver.** No breach of any provision of this Agreement shall be deemed waived unless the waiver is written and signed by a duly authorized representative of the waiving party. Waiver of one breach shall not be deemed a waiver of any other breach of the same or any other provision of the Agreement.
2. **Complete Agreement.** This Agreement represents a complete and exclusive statement of the entire agreement between the parties and supersedes all prior and contemporaneous promises and arrangements of any kind, as well as all negotiations and discussions between the parties hereto with respect to the subject matter covered herein. No other agreements, covenants, representations, or warranties, express or implied, oral or written, have been made by any of the parties hereto concerning the subject matter hereof. This is an integrated agreement.
3. **No Third Party Beneficiary.** Nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement, no person or entity is an intended third party beneficiary under this Agreement.
4. **Assignment.** Neither party may assign any interest in this Agreement without prior written consent of the other party. The terms of this Agreement will inure to the benefit of and be binding

upon the respective representatives and successors of each of the parties. Any attempted assignment in violation of this Agreement shall be void.

5. Amendment. This Agreement may not be modified or amended except in writing, which writing must be signed by the authorized representatives of each of the parties.
6. Relationship. Nothing in this Agreement shall be construed to create any partnership, joint venture or fiduciary relationship between the parties.
7. Hold Harmless. Developer agrees to defend and hold the City and its officers, agents, employees and consultants harmless for any and all claims, liability, and damages arising out of any work or activity of Developer or its members, agents, contractors, or employees which is permitted or required pursuant to this Agreement. Developer further agrees to and shall indemnify and hold the City and its officers, agents, employees harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any accident, injury (including death), loss or damage whatsoever, caused to any person or to the property of any person, resulting directly or indirectly from any acts or any errors or omissions of Developer or any of its members, agents, contractors, or employees in connection with the work contemplated by this Agreement, except for the willful misconduct or negligent acts or omission of the City or its officers, agents or employees. Likewise, City agrees to defend and hold Developer and its officers, agents, employees and consultants harmless for any and all claims, liability, and damages arising out of any work or activity of the City or its members, agents, contractors, or employees which is permitted or required pursuant to this Agreement. The City further agrees to and shall indemnify and hold Developer and its officers, agents, employees harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any accident, injury (including death), loss or damage whatsoever, caused to any person or to the property of any person, resulting directly or indirectly from any acts or any errors or omissions of the City or any of its members, agents, contractors, or employees in connection with the work contemplated by this Agreement, except for the willful misconduct or negligent acts or omission of Developer or its officers, agents or employees.
8. Representations. Developer represents and warrants that it is authorized to enter into the transactions contemplated herein and to carry out its obligations hereunder. The City also represents and warrants that it is authorized to enter into the transactions contemplated herein and to carry out its obligations hereunder.
9. Severability. In the event that any portion of this Agreement is deemed unenforceable, all other provisions of this Agreement shall remain in full force and effect.
10. Governing Law. It is understood and agreed that the construction and interpretation of this Agreement shall be governed by the laws of the State of Utah.

#### **EFFECTIVE DATE**

11. The terms of this agreement shall become effective at such time as all parties have signed the Agreement and shall continue in effect until the construction of the development is complete and has been accepted by the City and the park impact fees have been collected on all 95 lots and 50% of the fee paid to the Developer .

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the dates set forth below.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014

DEVELOPER

CITY

\_\_\_\_\_  
Trent Cragun  
Manager, LSH Development

\_\_\_\_\_  
Mayor, Hyrum, Utah

WITNESS:

\_\_\_\_\_  
City Recorder

STATE OF UTAH     )  
                                  :ss.  
COUNTY OF UTAH    )

On the \_\_\_\_ day of \_\_\_\_\_ 20\_\_, personally appeared before me, a Notary Public in and for the State of Utah, Trent Cragun, who being by me duly sworn did say that he is the Manager of LSH DEVELOPMENT LLC, a Utah Limited Liability Company, the signer of the above instrument, who duly acknowledged to me that he executed the same on behalf of said Company.

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