

OFFICE OF THE LIEUTENANT GOVERNOR

CERTIFICATE OF CREATION

I, Deidre M. Henderson, Lieutenant Governor of the State of Utah, hereby certify that there has been filed in my office a notice of creation for the COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT located in CEDAR CITY, dated DECEMBER 12, 2024, complying with §17B-1-215, Utah Code Annotated, 1953, as amended.

Now, therefore, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the notice of creation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT, located in IRON COUNTY, State of Utah.



IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed the Great Seal of the State of Utah this 19th day of December, 2024 at Salt Lake City, Utah.

DEIDRE M. HENDERSON Lieutenant Governor



Courtyards at Shurtz Canyon

Letter of Intent to Create a Public Infrastructure District



Benj Becker Senior Vice President Tel: +1 385 282 4071 Email: Benj.Becker@psc.com Aly Blossom
Assistant Vice President
Tel: +1 385 282 4076
Email: Aly.Blossom@psc.com



June 5, 2024

Courtyards at Shurtz Canyon

Roger Thomas Choice Lifestyles 1115 South Main Street, Suite 100 Cedar City, Utah 84720

Re: Letter of Intent to Create a Public Infrastructure District to Facilitate Construction of the Courtyards at Shurtz Canyon Development

Cedar City District Advisory Committee:

In accordance with Utah Code 17D, the Public Infrastructure District Act, and the Cedar City PID policy, Choice Lifestyles (the "applicant") submits the following letter of intent ("LOI") to the Cedar City District Advisory Committee (the "City") for consideration of creation of a Public Infrastructure District ("PID") to facilitate the construction of the proposed Courtyards at Shurtz Canyon development. It is the applicant's understanding, in accord with Utah Code 17D and the City's PID policy, that this letter considers the following:

- That this LOI represents an initial step in the creation of a PID, and that a positive recommendation from City staff to this letter represents an option for the applicant to submit governing documents that present district formation and operation in greater detail
- That a positive recommendation to move forward with governing documents does not represent a commitment by the City to approve the eventual formation of the proposed PID
- That 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

The purpose of this letter is to summarize project details, the need for a PID, the proposed uses of funds, and the anticipated revenue sources. It is assumed that this letter will be met with a positive recommendation to move forward with the creation of governing documents.

Overview of PID Tool and Request

It is the applicant's understanding that the formation and use of the Public Infrastructure District tool is in accord with the following key components of Utah Code 17D and the Cedar City PID Policy:

- That 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
- That the purpose of the PID tool is to provide for public infrastructure for commercial and residential developments
- That the PID tool is being considered to bridge a funding gap that otherwise would not permit the project to move forward unless development plans are altered
- That a proposed mill levy only affects property within the boundaries of the proposed district, and that all property owners must approve the formation of a district
- That all proceeds from the PID will be used for public infrastructure
- That issuance of debt through a PID results in no financial liability to the City

PID Request

The applicant's request is for a positive recommendation to create governing documents for the formation of a Public Infrastructure District for the land highlighted in the attached map. The district will have bonding capacity sufficient to fund infrastructure needs with a maximum mill levy to the PID of six mills (.006). This is in accord with the Cedar City PID policy regarding mill levy maximums for mixed-use properties.

District Details

This letter of intent is to be used by the District Advisory Committee to make a preliminary determination about the appropriateness of the proposed District and must be submitted prior to submittal of draft Governing Documents. The information in this letter may be utilized to advise the 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.

PROPOSED PROJECT

The Courtyards at Shurtz Canyon development is located in a southern part of the City, just southeast of Interstate 15. The planned development comprises roughly 60 acres and is proposed for roughly 15,000 square feet of commercial space, and approximately



132 residential homes. This PID request is intended to focus on a proposed 55+ "for sale" residential community with supporting retail offerings.

BENEFITS OF PROPOSED PUBLIC INFRASTRUCTURE DISTRICT

The PID will allow for better phasing of development by providing infrastructure financing. Infrastructure costs have significantly increased in past years due to notable macroeconomic and financing conditions, thereby resulting in development costs that make overall project feasibility questionable. Significant costs for utility improvements will be partially financed through the Public Infrastructure District, as will costs for roads, sidewalks, curbs, some common area landscaping, and necessary site work. Overall, it is intended that the PID will help fund some or all the costs for the following:

- Sewer and wastewater improvements
- Water lines
- Site work necessary to install public improvements
- Streets, curbs, and sidewalks

The use of a PID will help to ensure that this development will be financially viable. The option for a more affordable financing option will help mitigate risks associated with economic cycles.

DESCRIPTION OF DISTRICT

The proposed PID shall be as follows:

- a. **Size of total area included in the development:** Approximately 60 acres for the entirety of the development
- b. Location of the PID: See attached Site Map
- c. **Proposed use of area within the PID:** The applicant intends to construct the Courtyards at Shurtz Canyon development, as previously outlined.

SUMMARY OF PUBLIC INFRASTRUCTURE AND IMPROVEMENTS

The applicant envisions the proposed PID to be utilized for the following development, infrastructure, services and facilities:

- Required local and regional infrastructure including roadways, sewer, culinary water, secondary water, dry utilities, storm drainage, traffic control, lighting, and public trail systems (if applicable)
- Regional and local infrastructure for the proposed District is anticipated to provide a portion of the roadways, sewer, culinary water, secondary water, and storm drain improvements



- Estimated construction costs for the proposed District improvements are approximately \$14 million
- The public infrastructure improvements are intended to be owned by Cedar City and the respective public agencies. It is intended that maintenance of the public improvements will be undertaken by these same entities
- The development is intended to be built over the course of four years and includes a private community center with pickleball courts and walking trails.
- Anticipated maximum or fixed maximum mill levy required to meet debt service
 of the District Applicant is requesting the City authorize the PID to levy up to
 6 mills (.006) to service the anticipated bond payments for the development.
 This is in conformance with the Cedar City PID policy which permits up to 6
 mills for mixed-use development.
- It is anticipated that the district will have sufficient capacity to raise funds needed to cover infrastructure bond costs based on the proposed .006 mill levy increase. Bond terms are anticipated at a 30-year length, with the bonds to be tax exempt

PROPOSED TIMELINE FOR PID CREATION: Applicant anticipates creating the Public Infrastructure District by August 2024.

APPLICANT'S ACKNOWLEDGEMENTS: Applicant hereby acknowledges that a petition must be signed prior to a public hearing date for the approval of a PID by all property owners and registered voters, if any, within the proposed PID, which signed consent approves of the creation of the proposed PID and the issuance of debt in an amount sufficient for the proposed plan of financing.

CONFLICTS OF INTEREST: Applicant is presently unaware of any conflicts of interest existing between Applicant and any employees or officers of Cedar City. There is no intent to overlap with any existing boundaries of other public infrastructure districts and the applicant fully intends to contract with the required parties for review of governing documents.

Best regards,

Choice Lifestyles

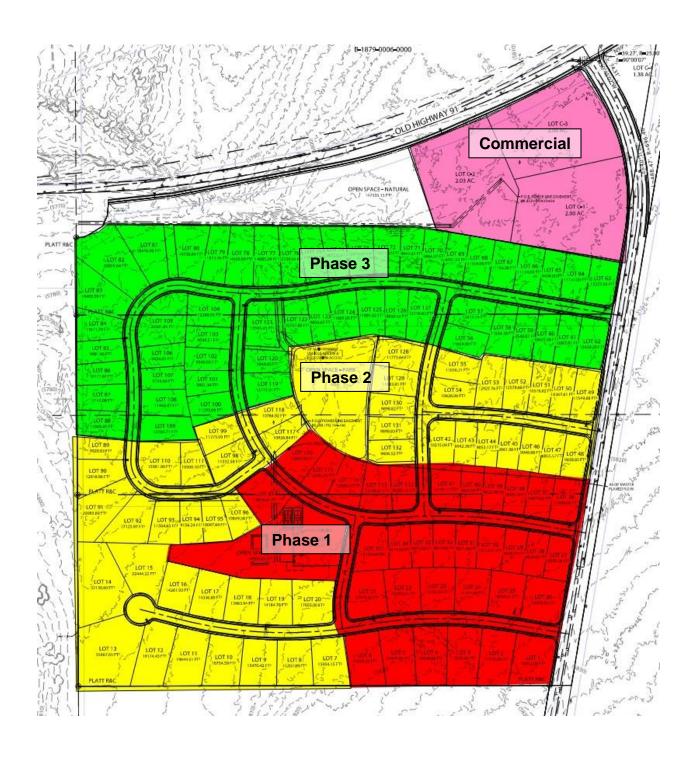
By: Roger Thomas

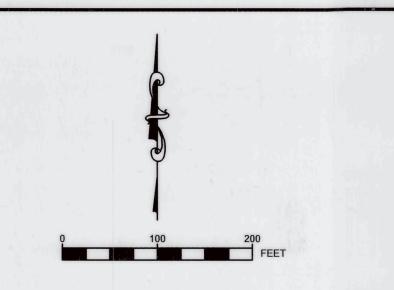
PIPER | SANDLER





PIPER SANDLER





SURVEYOR'S CERTIFICATE

I, ROBERT B. PLATT, PROFESSIONAL UTAH LAND SURVEYOR NUMBER 164659, HOLD A LICENSE IN ACCORDANCE WITH TITLE 58, CHAPTER 22, PROFESSIONAL ENGINEERS AND LAND SURVEYORS LICENSING ACT AND HAVE COMPLETED A SURVEY O THE PROPERTIES DESCRIBED HEREON IN ACCORDANCE WITH SECTION 17-23-17 AND HEREBY CERTIFY ALL MEASUREMENTS AND DESCRIPTIONS ARE CORRECT. MONUMENTS ARE SET AS REPRESENTED ON THIS PLAT.

UTAH P.L.S. #164659

12-9-2024

LEGAL DESCRIPTIONS:

~B-1879-0004-0000~

1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32. TOWNSHIP 36 SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 584.67 FEET, THENCE N.89°53'27"E. 1540.13 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 592.88 FEET TO THE POINT OF BEGINNING.

CONTAINS 20.00 ACRES OF LAND.

~B-1879-0005-0000~

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 592.88 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1540.13 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE 548.92 FEET, THENCE N.89°53'27"E. 1634.12 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD. THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 556.62 FEET TO THE POINT OF BEGINNING CONTAINS 20.00 ACRES OF LAND.

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 1149.50 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1634.12 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 237.05 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE DEPARTING SAID RIGHT-OF-WAY LINE AND ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 250.00 FEET TO THE POINT OF

CONTAINS 18.76 ACRES OF LAND.

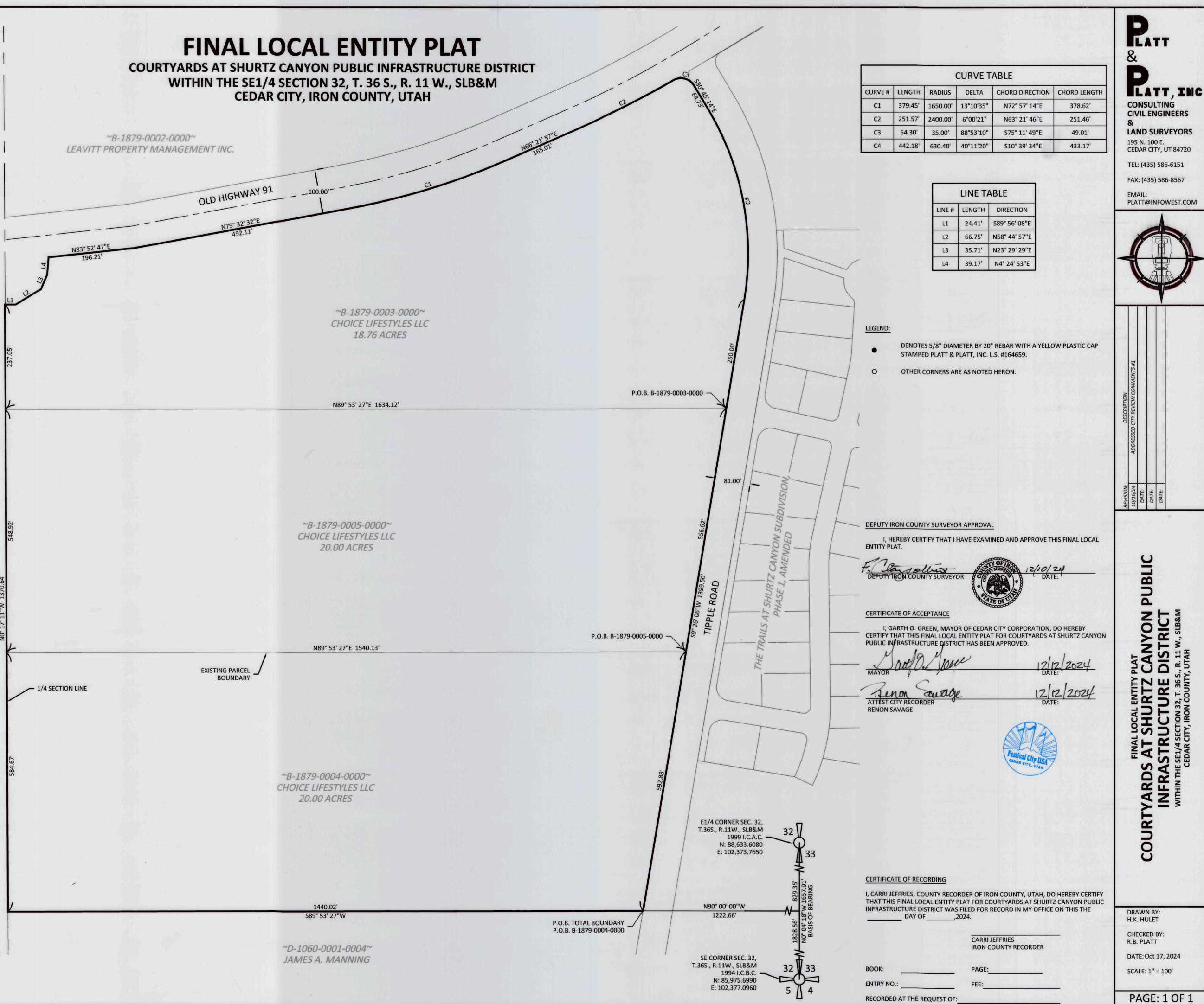
TOTAL BOUNDARY:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING. CONTAINS 58.76 ACRES OF LAND.

SURVEY NARRATIVE:

THIS RECORD OF SURVEY AND PARCEL MODIFICATION PLAT HAS BEEN PREPARED AT THE REQUEST OF ROGER THOMAS. THE PURPOSE OF THE SURVEY WAS TO DEFINE THE NEW BOUNDARIES OF THE COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT AND TO PREPARE A FINAL LOCAL ENTITY PLAT DOCUMENTING THE IMPORTANT FINDINGS OF THE SURVEY.

BASIS OF BEARINGS FOR THIS SURVEY N.0°04'18"W. BETWEEN THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M AS PER THE OFFICIAL FINAL PLAT OF THE TRAILS AT SHURTZ CANYON SUBDIVISION, PHASE 1 AMENDED AS RECORDED IN THE IRON COUNTY RECORDS. COORDINATES SHOWN ARE ON THE CEDAR CITY COORDINATE CONTROL SYSTEM.



NOTICE OF IMPENDING BOUNDARY ACTION

Creation of

Courtyards at Shurtz Canyon Public Infrastructure District

TO: The Lieutenant Governor, State of Utah

NOTICE IS HEREBY GIVEN that the City Council of Cedar City, Utah (the "Council"), acting in its capacity as the creating entity for the Courtyards at Shurtz Canyon Public Infrastructure District (the "District") pursuant to Utah Code Ann. §§17D-4-201(2)(c) and 17B-1-213(5)(a), at a regular meeting of the Council, duly convened pursuant to notice, on December 11, 2024, adopted a Resolution Providing for the Creation of Courtyards at Shurtz Canyon Public Infrastructure District, a true and correct copy of which is attached as <u>EXHIBIT "A"</u> hereto and incorporated by this reference herein (the "Creation Resolution").

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Iron County, Utah, is attached as <u>EXHIBIT "B"</u> hereto and incorporated with this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

WHEREFORE, the Council hereby respectfully requests the issuance of a Certificate of Creation pursuant to and in conformance with the provisions of Utah Code Ann. §§17B-1-215 and 67-1a-6.5.

SUBSCRIBED AND SWORN to before me this 12, De cember 2024.

NATASHA NAVA NOTARY PUBLIC STATE OF UTAH MY COMM. EXPIRES MAR. 22, 2026 723701

NOTARY PUBLIC

EXHIBIT "A" TO NOTICE OF IMPENDING BOUNDARY ACTION

Copy of the Creation Resolution (See following pages)

December 11, 2024

The City Council (the "Council") of Cedar City, Utah (the "City"), met in regular session (including by electronic means) on December 11, 2024, at its regular meeting place in Cedar City, Utah at 5:30 p.m., with the following members of the Council being present:

Garth O. Green Mayor

Robert Cox
Carter Wilkey
Council Member
W. Tyler Melling
Council Member
R. Scott Phillips
Council Member
Council Member
Council Member
Council Member

Also present:

Renon Savage

City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this December 11, 2024, meeting, a copy of which is attached hereto as Exhibit A.

Thereupon, the following Resolution was introduced in writing, read in full and pursuant to motion duly made by Council Member [Melling] and seconded by Council Member [Melling] adopted by the following vote:

AYE: 5

NAY: D

The resolution was later signed by the Mayor and recorded by the City Recorder in the official records of the City. The resolution is as follows:

RESOLUTION 24-1211-1

A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF THE CITY OF CEDAR CITY, UTAH (THE "CITY"), PROVIDING FOR THE CREATION OF COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT (THE "DISTRICT") AS AN INDEPENDENT BODY CORPORATE AND POLITIC; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT AND INTERLOCAL AGREEMENT; APPROVING OF AN ANNEXATION AREA; APPOINTING THE BOARD OF TRUSTEES OF THE DISTRICT; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, a petition (the "Petition") was filed with the City requesting adoption by resolution the approval of the creation of a public infrastructure district pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities - Special Districts, Title 17B (together with the PID Act, the "Act") within the boundaries of the City and approve an annexation area (the "Annexation Area"), if any, which the district may annex into or withdrawal therefrom without further approval or hearings of the City or the Council, as further described in Governing Document Exhibits A and B for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in each District (the "Property Owners"); and

WHEREAS, after 6:00 p.m. on December 11, 2024, a public hearing was held by the City to receive input from the public regarding the creation of the Districts and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, the hearing was held at the City Building because there is no reasonable place to hold a public hearing within the Districts' boundaries, and the hearing at the City Building was held as close to the applicable area as reasonably possible; and

WHEREAS, the Petition, containing the consent of such Property Owners has been certified by the Recorder of the City pursuant to the Act, and it is in the best interests of the Property Owners that the creation of the District be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, it is necessary to authorize the creation of the District under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the date of this Resolution; and

WHEREAS, each District Trustee appointed under this Resolution has previously filed with the City a disclosure of business relationships in compliance with Section 17D-4-202(9) of the PID Act; and

WHEREAS, according to attestations filed with the City, each District Trustee appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a Council member of the District under Section 17D-4-202(3)(c) of the PID Act because they are agents of property owners within the District boundaries (as further set forth in the Petition); and

WHEREAS, the governance of the District shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B, for the District, and an Interlocal Agreement between the City and the District, attached to the Governing Document as Governing Document Exhibit C; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah a Notice of Boundary Action for each District attached hereto as Exhibit C (the "Boundary Notice") and Final Entity Plat to be attached thereto as Boundary Notice Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

- 1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the District, are hereby ratified, approved and confirmed.
- 2. Courtyards at Shurtz Canyon Public Infrastructure District (the "District") is hereby created as a separate entity from the City in accordance with the Governing Document and the Act. The boundaries of the District shall be as set forth in the Governing Document and the Plat.
- 3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation of any area within the Annexation Area Boundaries, if any, into the District without any further action of the Council or the City and further approves withdrawal of any area within the Initial District Boundaries (as defined in the Governing Document) or Annexation Area Boundaries from the District without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and the Governing Document. The Annexation Area Boundaries are the same as the initial boundaries of the District.
- 4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within the Annexation Area, if any, upon annexation thereof into the District without further request of the District to the City to provide such service under 17B-1-407, Utah Code Annotated 1953 or resolutions of the City under 17B-1-408, Utah Code Annotated 1953.
- 5. It is hereby found and determined by the Council that the creation of the District is appropriate to the general welfare, order and security of the City, and the organization of the District pursuant to the PID Act is hereby approved.
- 6. The Governing Document and the Interlocal Agreement in the form presented to this meeting and attached hereto as <u>Exhibits B</u> and <u>Governing Document Exhibit D</u> and the Form

Interlocal Agreement between the City and the Developer, are hereby authorized and approved and the District shall be governed by the terms thereof and applicable law.

- 7. The Trustees of the District are hereby appointed as follows:
 - (a) Trustee 1 Roger Thomas for an initial 6-year term.
 - (b) Trustee 2 Tawny Thomas for an initial 6-year term.
 - (c) Trustee 3 Rebekah Lowery for an initial 4-year term.
- (d) Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah for the District.
- 8. The Council does hereby authorize the Mayor or a Council Member to execute the Boundary Notices in substantially the form attached as Exhibit C and such other documents as shall be required to accomplish the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.
- 9. Prior to certification of the creation of the District by the Office of the Lieutenant Governor of the State of Utah, the Council does hereby authorize the Mayor, a Council Member, the City Administrator, or the City Attorney to make any corrections, deletions, or additions to the Governing Document, the Interlocal Agreement, and the Boundary Notice or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States (provided that the debt and mill levy limitations established therein may not be modified pursuant to this provision).
- 10. The Board of Trustees of the District (the "District Board") is hereby authorized and directed to record such Governing Document with the recorder of Cedar City within thirty (30) days of the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.
- 11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.
- 12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.
- 13. This resolution shall take effect immediately provided that, in the event that the Plat is not finalized for submission to the Office of the Lieutenant Governor until a date that is more than thirty (30) days after adoption of this Resolution, the effective date of this Resolution will be deemed to be the date the Plat is finalized, as certified in writing by any one of the Mayor, a Council Member, the City Administrator, or the City Attorney.

PASSED AND ADOPTED by the City Council of Cedar City, Utah, this December 11, 2024.

CEDAR CITY, UTAH

Mayo

ATTEST:

v. Kenon Dava

City Recorder

(Here follows other business not pertinent to the above.)

Pursuant to motion duly made and seconded, the meeting of the Council of the City adjourned.

By:

Mayor

ATTEST:

By: Allon Deuto City Recorder

6

STATE OF UTAH)
	: ss.
COUNTY OF IRON)

I, Renon Savage, the undersigned duly qualified and acting City Recorder of Cedar City, Utah ("the City"), do hereby certify as follows:

The foregoing pages are a true, correct, and complete copy of the record of proceedings of the City Council (the "Council"), had and taken at a lawful meeting of the Council on December 11, 2024, commencing at the hour of 5:30 p.m., as recorded in the regular official book of the proceedings of the Council kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the Council were duly notified of said meeting, pursuant to law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this December 12th, 2024.

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

- I, Renon Savage, the undersigned City Recorder of Cedar City, Utah (the "City"), do hereby certify that I gave written public notice of the agenda, date, time and place of the regular meeting held by the City Council (the "Council") on December 11, 2024, not less than 24 hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:
- (a) causing a Notice, in the form attached hereto as <u>Schedule 1</u>, to be posted at the City's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and
- (b) causing a copy of such Notice, in the form attached hereto as <u>Schedule 1</u>, to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council of the City (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council of the City to be held during the year, by causing said Notice to be (i) posted on [Dec. 23], 20243 at the principal office of the City, (ii) provided to at least one newspaper of general circulation within the geographic jurisdiction of the City on [Dec. 23], 20243 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this December 2024.

City Recorder

By: Kenon Louage

SCHEDULE 1

NOTICE OF MEETING AND AGENDA



Cedar City

10 North Main Street • Cedar City, UT 84720 435-586-2950 • FAX 435-586-4362 www.cedarcity.org Mayor

Garth O. Green

Council Members

Robert Cox W. Tyler Melling R. Scott Phillips Ronald Riddle Carter Wilkey

City Manager Paul Bittmenn

CITY COUNCIL MEETING DECEMER 11, 2024 5:30 P.M.

The City Council meeting will be held in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The City Council Chambers may be an anchor location for participation by electronic means. The agenda will consist of the following items:

- I. Call to Order
- II. Agenda Order Approval
- III. Administration Agenda
 - Mayor and Council Business
 - o Swear in Youth City Council
 - Staff Comment
 - Introduction of Fire Department Volunteers
- IV. Business Agenda
 - Public Comments
 - Historic Downtown District Presentation SUU Capstone Project. Jacee, Kelton, Reagan, Shawn, Hayden
- V. Public

Consent Agenda

- 1. Approval of minutes dated November 20 & December 4 (action), 2024
- 2. Approve bills dated December 6, 2024
- 3. Approve AIP 049 Terminal FAA Change Order #5. Tyler Galetka
- 4. Approve awarding a bid and contract for Runway 8/26 Pavement Preservation to Straight Stripe Painting. Tyler Galetka

Action – need a motion from a council member to either approve or deny each of the following items:

- 5. Consider a resolution for the adoption of the Cedar City Water Conservation Plan. Lisa Benson/Jonathan Stathis
- 6. Consider AIP 049 Terminal FAA Change Order #6. Tyler Galetka
- 7. Consider bids for the North Watershed Test Wells project. Shane Johnson/Jonathan Stathis
- 8. Public hearing to consider a resolution providing for the creation of the Courtyards at Shurtz Canyon Public Infrastructure District as an Independent Body Corporate and

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

PUB	BLIC NOTICE	<u>June</u> 5	Action	PUBLIC NOTICE
mi a	1 0'4 0	3 12	Work	The committees and
The Cedar City Council		12	Action	boards for Cedar City
will hold work meetings on the first and third		26	No Meeting	will hold their 2024
		20	140 Miceting	regular meetings at the
	sday of each	<u>July</u>		City Offices, 10 North
month and regular		3	No Meeting	Main Street, Cedar City,
meetings on the second and fourth Wednesday		10	Work	Utah. They are as
	month during	17	Action/Work	follows:
	with some	24	No Meeting	
-	ions. The adopted	31	Action	Board of Adjustments -
	g schedule is as			First Monday of each
follow	-	Augu	st	month - 5:15 p.m.
10110	•	7	 Work	
		14	Action	Planning Commission -
Janua	ry	21	Work	First & Third Tuesday
3	Work	28	Action/Work	of each month $-5:15$
10	Action			p.m.
17	Work		ember	
24	Action	4	No Meeting	Redevelopment Agency
31	No Meeting	•	League Meetings)	-Meet as needed.
		11	Action	3.6 - 1 1 De-1111
<u>Febru</u>		18	Work	Municipal Building
7	Work	25	Action	Authority-Meet as
14	Action	0		needed.
21	Work	Octo]		Other committees
28	Action	2	Work	appointed by the mayor
36 1		9	Action	will meet as needed.
Marcl		16	Work Action	will incer as needed.
6	Work	23		PUBLIC NOTICE
13	Action	30	No Meeting	TOBETO NO TIES
20 27	Work Action	Novo	mber	The Cedar City Library
21	Action	6	Work	Board will hold regular
Angil		13	Action	meetings on the third
April 3	Work	20	Work	Tuesday of odd months
10	Action	27	No Meeting	during 2024. The
17	Work	21	110 111000000	meetings will be held at
24	Action	Dece	mber_	12:00 p.m. at the Public
21	1 1011011	4	Action/Work	Library, 303 North 100
May		11	Action	East, Cedar City, Utah.
1	Work	18	No Meeting	
8	Action	25	No Meeting	
15	Work		_	
22	Action The meetings will be			
29 Work		held	at 5:30 p.m. in the	
		Cour	ncil Chambers at the	
		City	Office, 10 North	Posted December 28,
		Mair	n, Cedar City, Utah.	2023

EXHIBIT B

GOVERNING DOCUMENT

GOVERNING DOCUMENT FOR

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT CEDAR CITY, UTAH

Prepared
by
Snow Jensen & Reece, P.C.
912 West 1600 South, Suite B-200
St. George, Utah

December ____, 2024

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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 if they deviate in a material matter from the requirements of the Governing Document. It is intended that the District will levy taxes to finance part or all of the Public Improvements that will serve the anticipated inhabitants and taxpayers in the Project. The District may, at its option, pledge tax revenues to an interlocal entity that provides part or all of the Public Improvements. The primary purpose of the District will be to finance or help finance the construction of the 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, 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 or an entity to which the District have pledged tax revenues. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Assessments. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive 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 the Public Improvements associated with Project and regional needs. Although the District has authority to directly provide the Public Improvements, the District also has authority to pledge tax revenues to an interlocal entity that provides the Public Improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt.

The District is hereby authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments, or from tax revenues collected from a mill levy

which shall not exceed the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. 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:

Annexation Area Boundaries: means the boundaries of the area which is approved by the City for annexation into the District upon the meeting of certain requirements stated in this Governing Document; for the District, the Annexation Area Boundaries are the entirety of the District Area (which initially is the same as the Initial District Boundaries, meaning that initially property may only be withdrawn from the District without the consent of the City).

<u>Anticipated Units</u>: means residential units which are approved by the City for development in the District and which are anticipated for sale or long-term lease as permanent residences (not including short-term rental or resort units).

Assessment: means assessments levied in an assessment area created within the District.

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 impose an *ad valorem* property tax mill levy, and/or collect Assessments.

<u>C-PACE Act</u>: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

<u>C-PACE Bonds</u>: 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.

City: means Cedar City, Utah.

City Code: means the Cedar City Code, Utah.

City Council: means the City Council of Cedar City, Utah.

District: means the Courtyards at Shurtz Canyon Public Infrastructure District.

<u>District Area</u>: means all the property within both the District boundaries and the Annexation Area Boundaries of the District, and which initially are both the same as the Initial District Boundaries.

<u>Fees</u>: means any fee imposed by a District for administrative services provided by the District.

Financial Plan: means the financial plan described in Section VIII.

General Obligation Debt: means a Debt that is payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

<u>Governing Document</u>: 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 of the District, in accordance with applicable state law.

<u>Initial District Boundaries</u>: means the boundaries of the area shown in the Initial District Boundary Map for the District and as particularly described in **Exhibit A**.

<u>Initial District Boundary Map</u>: means the map attached hereto as **Exhibit B**, describing the District's initial boundaries.

<u>Limited Tax Debt</u>: means a debt that is payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

<u>Maximum Debt Mill Levy</u>: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

<u>Maximum Debt Mill Levy Imposition Term</u>: means the maximum term for imposition of a mill levy on a particular property as set forth in Section VIII.D below.

<u>Municipal Advisor</u>: 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.

<u>Project</u>: means the development or property commonly known as Courtyards at Shurtz Canyon, the boundaries of which are within the Initial District Boundaries of the District.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time.

<u>Public Improvements</u>: means a part or all of the public infrastructure that may be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed by the District as generally allowed in the Special District Act and the PID Act, to serve the future taxpayers and inhabitants of the District or the Project as determined by the Board or any interlocal agency created by the Board.

<u>Regional Improvements</u>: means Public Improvements and facilities that benefit the Project and which may be financed pursuant to Section VII below.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

State: means the State of Utah.

<u>Taxable Property</u>: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of a Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

III. BOUNDARIES

The District Area, being the area of the Initial District Boundaries of the District includes approximately 58.76 acres. Legal descriptions of the District's Initial District Boundaries are attached as **Exhibit A**. A map of the Initial District Boundaries, including a vicinity map, is attached hereto as **Exhibit B**. The Annexation Area of the District is the District Area (which is initially the same as the Initial District Boundaries). It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals within the Annexation Area pursuant to the PID Act, subject to Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The District Area consists of approximately 58.76 acres of undeveloped land. The current assessed valuation of the Initial District Boundaries 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 residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto.

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 Special District Act, and other applicable statutes, common law and the Constitution, subject to any limitations set forth herein. The District shall further have all power and authority as a "public agency" under the Interlocal Cooperation Act to enter into any interlocal agreement and to create any interlocal entity that may exercise any powers that may be exercised by the District.

- Operations and Maintenance Limitation. 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 approvals of the City 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, including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.
- 2. <u>Construction Standards Limitation</u>. 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.
- 3. <u>Procurement.</u> The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, a District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer that the District employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the improvements.
- 4. <u>Privately Placed Debt Limitation</u>. 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.]

Annexation and Withdrawal.

- (a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution, has consented to each District's annexation of any area within the Annexation Area Boundaries into the District. The District may, by resolution, and without the prior written consent of the City, annex any property within the District Area if the District has the consent of all property owners and registered voters, if any, within the area to be annexed.
- (b) The City, by resolution, 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 consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such withdrawal.
- (c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.
- (d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (e) Annexation or withdrawal of any area in accordance with V.A.5(a) and (b) shall not constitute an amendment of this Governing Document.
- 6. <u>Overlap Limitation</u>. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District.
- 7. <u>Initial Debt Limitation</u>. Prior to the issuance of a certificate of creation by the Office of the Lieutenant Governor of the State, the District shall not: (a) issue any Debt; nor (b) impose and collect any Assessments used for the purpose of repayment of Debt.
- 8. <u>Limited Tax Debt Limitation</u>. The District shall not issue Limited Tax Debt in excess of an aggregate amount of Five Million Dollars (\$5,000,000) in par value (the "Maximum Limited Tax Debt Limit"). So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit (except as provided by applicable statute) to the amount of Debt secured by special assessments or other revenue that may be issued by the District.
- 9. <u>Bankruptcy Limitation</u>. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy,

Maximum Limited Tax Debt Limit, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17B-2a-1204(4), 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 Debt Mill Levy and the Maximum Debt Mill Levy Imposition 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.

10. Governing Document Amendment Requirement.

- (a) This Governing Document has been designed with sufficient flexibility to enable each District to provide required improvements and facilities under evolving circumstances without the need for amendments. Actions of the District which clearly violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material violations of 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 resolutions of the City and the District.

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.

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 and shall be in accordance with the requirements of any approvals related thereto. 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. <u>Board Composition</u>. The Board of the District shall be composed of 3 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.

- B. <u>Transition to Elected Board</u>. For each District in which Anticipated Units are developed, respective board seats shall transition from appointed to elected seats according to the following milestones:
 - 1. Trustee 1. Trustee 1 shall transition to an elected seat after the end of a full term during which 33% of the Anticipated Units have received certificates of occupancy.
 - 2. Trustee 2 shall transition to an elected seat after the end of a full term during which 50% of the Anticipated Units have received certificates of occupancy.
 - 3. Trustee 3. Trustee 3 shall transition to an elected seat after the end of a full term during which 75% of the Anticipated Units have received certificates of occupancy.

No transition pursuant to this Section on the basis of the number of building permits issued shall become effective until the next scheduled regular election of the District. Seats set to transition on January 1 of a given year shall hold an election for such seats at the regular election immediately preceding such January 1.

- C. <u>Reelection and Reappointment.</u> Reappointment. Upon the expiration of a Trustee's respective term, the seat shall be appointed by the City Council pursuant to the PID Act. If a Trustee's term will expire within two years of the District's first annexation, the City Council will re-appoint the Trustee(s) for an additional term. In the event that no qualified candidate files to be considered for appointment for a seat, such seat may be filled in accordance with the Special District Act.
- D. <u>Vacancy</u>. Any vacancy on a Board shall be filled pursuant to the Special District Act and in accordance with the PID Act.
- E. <u>Compensation.</u> Only Trustees who are residents of a District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.
- F. <u>Conflicts of Interest.</u> 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 facilitate or 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. 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 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 Sections 11-42-505, 17D-4-302, and 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). 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. Maximum Property Tax Debt Limit and Maximum Debt Mill Levy.

- (a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be **0.006 per dollar or six (6) mills**; provided that such levy shall be subject to adjustment as provided in Section 17D-4-202(8), Utah Code.
- (b) The "Maximum Limited Tax Debt Limit" shall be Five Million Dollars (\$5,000,000).
- (c) Such Maximum Debt Mill Levy and Maximum Limited Tax Debt Limit may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202(8), Utah Code.

D. Maximum Debt Mill Levy Imposition Term.

Any bond issued by the District shall mature within thirty (30) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of the District's bonds after a period exceeding forty (40) years from the date of issuance of such bond (the "Maximum Debt Mill Levy Imposition Term").

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. 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 Sections 11-42-505 and 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

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 mill levy, Assessment, or impact fee. This provision shall not prohibit the division of costs between mill levies, Assessments, or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of any 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 Seventy-five Thousand Dollars (\$75,000), 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.

Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel with respect to District Bonds to ensure proper issuance and compliance with this Governing Document.

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, beginning with fiscal year 2024.

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 December 31 of the prior year.
- 2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
 - 3. Names and terms of Board members and officers;
 - 4. District office contact information;
- 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 December 31 of the prior year;
- 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 December 31 of the prior year;
- 8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
- 9. The assessed valuation of all property in the District for the most recent year available;

- 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 statement 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.
- C. Annual Report to Property Owners. At least annually following the formation of the District, the District shall notify (by mail to the property owner's address that is on file with the Iron County Recorder's Office, email, or posting to the District's website) property owners in the District of the existence of the District and of the next scheduled meeting of the Board of the District. Such meeting shall occur at least thirty (30) days and not more than (60) days following the date of the notice. Such notification shall include names and contact information of the Board of Trustees and officers, the address, telephone numbers, and fax numbers (if any), and e-mail address of the District, and shall include reference to the existence of a District file maintained by the City that includes the information provided in accord with Section IX above.

X. <u>DISSOLUTION</u>

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court 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 its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Further, in no event shall a dissolution occur until the District has satisfied all contractual obligations, including but not limited to any pledge of tax revenues to an interlocal entity.

XI. <u>DISCLOSURE TO PURCHASERS</u>

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Iron County. Such notice shall (a) contain a description of the Initial 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 levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, and commercial developers, as applicable, disclose the following information to initial resident homeowners and commercial property owners:

(1) All of the information in the first paragraph of this Article XI:

- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:
- "Under the maximum property tax rate of the District, each \$100,000.00 of taxable value of a given property would have an **additional annual property tax of \$600** for the duration of the District's Bonds."
- (3) 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. INTERLOCAL AGREEMENT

The form of the Interlocal Agreement, relating to the limitations imposed on the Districts' activities, is attached hereto as **Exhibit C**. Each District shall approve the Interlocal Agreement in the form attached as **Exhibit C** at its first Board meeting after its organizational election. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material violation and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit C** at the public hearing approving the Governing Document.

EXHIBIT A

Legal Description of the Initial District Boundaries

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT CEDAR CITY, UTAH

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.

EXHIBIT B INITIAL DISTRICT BOUNDARY MAP

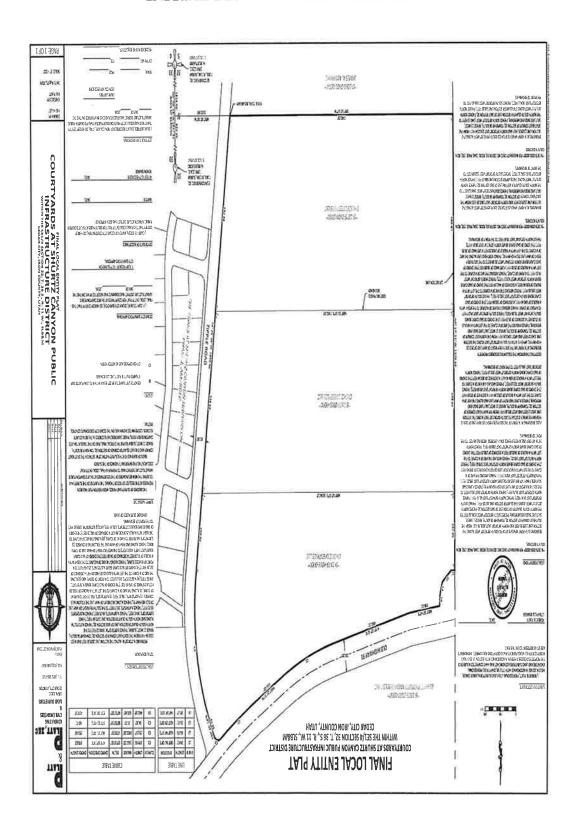


EXHIBIT C

Interlocal Agreement between the District and Cedar City

(See following pages)

INTERLOCAL AGREEMENT BETWEEN

CEDAR CITY, UTAH AND

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2024, by and between Cedar City, Utah, a municipal corporation of the State of Utah ("City"), and COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT, a political subdivision of the State of Utah (the "District"). The City and the District are collectively referred to as the Parties.

RECITALS

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District's Governing Document approved by the City on $\frac{Dec}{l}$, 2024 ("Governing Document"); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement ("Agreement").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

- 1. Operations and Maintenance. 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 (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the approvals of the City 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 including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.
- 2. <u>Construction Standards</u>. 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, as applicable. 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.

3. <u>Issuance of Privately Placed Debt</u>. 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.

4. Annexation and Withdrawal Limitation.

- (a) The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.
- (b) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.
- (d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (e) Annexation or withdrawal of any area in accordance with Sections V.A.6(a) and (b) of the Governing Document shall not constitute an amendment of the Governing Document.
- 5. <u>Overlap Limitation</u>. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District.
- 6. <u>Initial Debt Limitation</u>. On or before the effective date of approval by the City of this Interlocal Agreement, 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 fees used for the purpose of repayment of Debt.

- 7. Property Tax Debt Limitation. The District shall not issue Limited Tax Debt in excess of an aggregate amount of Five Million Dollars (\$5,000,000) in par value (the "Maximum Limited Tax Debt Limit"). So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit (except as provided by applicable statute) to the amount of Debt secured by special assessments or other revenue that may be issued by the District.
- 9. <u>Bankruptcy</u>. All of the limitations contained in the Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term 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 Debt Mill Levy and the Maximum Debt Mill Levy Imposition 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.

- 10. <u>Dissolution</u>. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court 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 its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Further, in no event shall a dissolution occur until the District has satisfied all contractual obligations, including but not limited to any pledge of tax revenues to an interlocal entity.
- 11. <u>Disclosure to Purchasers</u>. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Iron County. Such notice shall (a) contain a description of the Initial 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 levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.
- 12. <u>Governing Document Amendment Requirement</u>. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be

deemed to be material violations of the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

- 13. Annual Report. The District shall be responsible for submitting an annual report to the City Manager's Office no later than 210 days after the close of the District's fiscal year, commencing fiscal year 2024, containing the information set forth in Section IX of the Governing Document. The District shall also at least annually notify (by mail to the property owner's address that is on file with the Iron County Recorder's Office, email, or posting to the District's website) property owners in the District of the existence of the District and of the next scheduled meeting of the Board of the District. Such meeting shall occur at least thirty (30) days and not more than (60) days following the date of the notice. Such notification shall include names and contact information of the Board of Trustees and officers, the address, telephone numbers, and fax numbers (if any), and e-mail address of the District, and shall include reference to the existence of a District file maintained by the City that includes the information provided in accord with Section IX of the Governing Document.
- 14. <u>Regional Improvements</u>. 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.

15. Maximum Limited Tax Debt Limit and Maximum Debt Mill Levy.

- (a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be six (6) mills; provided that such levy shall be subject to adjustment as provided in Section 17D-4-202(8).
- (b) The "Maximum Limited Tax Debt Limit" shall be Five Million Dollars (\$5,000,000).
- (c) Such Maximum Debt Mill Levy and Maximum Limited Tax Debt Limit may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202(8).
- 16. <u>Maximum Debt Mill Levy Imposition Term</u>. Each bond issued by the District shall mature within thirty (30) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the date of issuance of such bond (the "Maximum Debt Mill Levy Imposition Term").
- 17. <u>Term of Agreement</u>. This Agreement shall run for a term not to exceed fifty (50) years, and shall only be terminated earlier in the event of the earlier satisfaction of all Debt by the District and the associated dissolution of the District.
- 18. <u>Notices</u>. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery,

via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:

Courtyards at Shurtz Canyon Public Infrastructure

District

1115 S. Main St., Ste. 100 Cedar City, UT 84720 Attn: Roger Thomas Phone: (435) 773-8898

With a copy to:

Snow Jensen & Reece, PC 912 W. 1600 S., Ste. B200 St. George, UT 84770 Attn: Matthew J. Ence

To the City:

Cedar City

10 N. Main Street Cedar City, UT 84720 Attn: City Manager Phone: (435) 586-2950

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

- 19. <u>Amendment</u>. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.
- 20. <u>Assignment</u>. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.
- 21. <u>Default/Remedies</u>. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

- 22. <u>Governing Law and Venue</u>. This Agreement shall be governed and construed under the laws of the State of Utah.
- 23. <u>Inurement</u>. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.
- 24. <u>Integration</u>. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.
- 25. Parties Interested Herein. There are no third-party beneficiaries to this Agreement. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.
- 26. <u>Severability</u>. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.
- 27. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.
- 28. <u>Paragraph Headings</u>. Paragraph headings are inserted for convenience of reference only.
- 29. <u>Defined Terms</u>. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

SIGNATURE PAGE TO INTERLOCAL AGREEMENT

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT

	By:
	Chair
Attest:	
Secretary	
	CEDAR CITY, UTAH By: aut West
Festival City USA CEDAR CITY, UTAH Attest:	Maýor
By: Renon Sawage Its: Cuty Recorder APPROVED AS TO FORM: /	3
Cedar CA	4 Attorney

EXHIBIT C

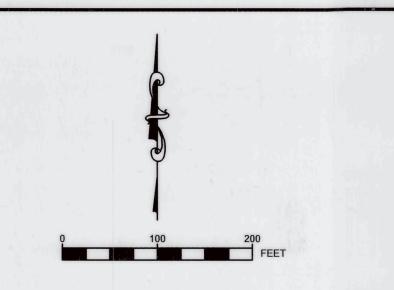
NOTICE OF BOUNDARY ACTION

EXHIBIT "B" TO NOTICE OF IMPENDING BOUNDARY ACTION

Legal Description and Final Local Entity Plat

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.



SURVEYOR'S CERTIFICATE

I, ROBERT B. PLATT, PROFESSIONAL UTAH LAND SURVEYOR NUMBER 164659, HOLD A LICENSE IN ACCORDANCE WITH TITLE 58, CHAPTER 22, PROFESSIONAL ENGINEERS AND LAND SURVEYORS LICENSING ACT AND HAVE COMPLETED A SURVEY O THE PROPERTIES DESCRIBED HEREON IN ACCORDANCE WITH SECTION 17-23-17 AND HEREBY CERTIFY ALL MEASUREMENTS AND DESCRIPTIONS ARE CORRECT. MONUMENTS ARE SET AS REPRESENTED ON THIS PLAT.

UTAH P.L.S. #164659

12-9-2024

LEGAL DESCRIPTIONS:

~B-1879-0004-0000~

1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32. TOWNSHIP 36 SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 584.67 FEET, THENCE N.89°53'27"E. 1540.13 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 592.88 FEET TO THE POINT OF BEGINNING.

CONTAINS 20.00 ACRES OF LAND.

~B-1879-0005-0000~

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 592.88 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1540.13 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE 548.92 FEET, THENCE N.89°53'27"E. 1634.12 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD. THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 556.62 FEET TO THE POINT OF BEGINNING CONTAINS 20.00 ACRES OF LAND.

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 1149.50 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1634.12 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 237.05 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE DEPARTING SAID RIGHT-OF-WAY LINE AND ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 250.00 FEET TO THE POINT OF

CONTAINS 18.76 ACRES OF LAND.

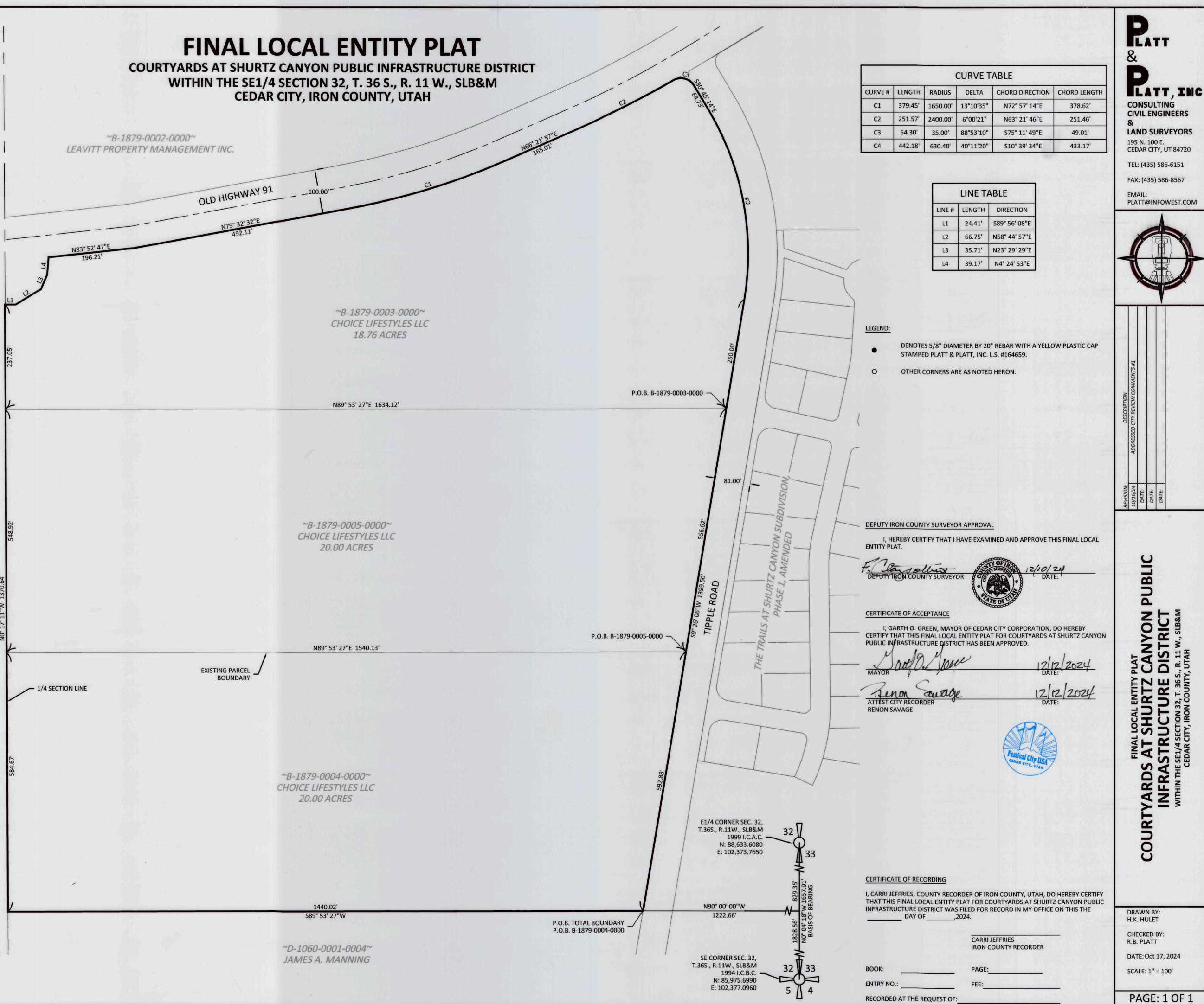
TOTAL BOUNDARY:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING. CONTAINS 58.76 ACRES OF LAND.

SURVEY NARRATIVE:

THIS RECORD OF SURVEY AND PARCEL MODIFICATION PLAT HAS BEEN PREPARED AT THE REQUEST OF ROGER THOMAS. THE PURPOSE OF THE SURVEY WAS TO DEFINE THE NEW BOUNDARIES OF THE COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT AND TO PREPARE A FINAL LOCAL ENTITY PLAT DOCUMENTING THE IMPORTANT FINDINGS OF THE SURVEY.

BASIS OF BEARINGS FOR THIS SURVEY N.0°04'18"W. BETWEEN THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M AS PER THE OFFICIAL FINAL PLAT OF THE TRAILS AT SHURTZ CANYON SUBDIVISION, PHASE 1 AMENDED AS RECORDED IN THE IRON COUNTY RECORDS. COORDINATES SHOWN ARE ON THE CEDAR CITY COORDINATE CONTROL SYSTEM.



December 11, 2024

The City Council (the "Council") of Cedar City, Utah (the "City"), met in regular session (including by electronic means) on December 11, 2024, at its regular meeting place in Cedar City, Utah at 5:30 p.m., with the following members of the Council being present:

Garth O. Green Mayor

Robert Cox
Carter Wilkey
Council Member
W. Tyler Melling
Council Member
R. Scott Phillips
Council Member
Council Member
Council Member
Council Member

Also present:

Renon Savage

City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this December 11, 2024, meeting, a copy of which is attached hereto as Exhibit A.

Thereupon, the following Resolution was introduced in writing, read in full and pursuant to motion duly made by Council Member [Hullies] adopted by the following vote:

AYE: 5

NAY: D

The resolution was later signed by the Mayor and recorded by the City Recorder in the official records of the City. The resolution is as follows:

RESOLUTION 24-1211-1

A RESOLUTION OF THE CITY COUNCIL (THE "COUNCIL") OF THE CITY OF CEDAR CITY, UTAH (THE "CITY"), PROVIDING FOR THE CREATION OF COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT (THE "DISTRICT") AS AN INDEPENDENT BODY CORPORATE AND POLITIC; AUTHORIZING AND APPROVING A GOVERNING DOCUMENT AND INTERLOCAL AGREEMENT; APPROVING OF AN ANNEXATION AREA; APPOINTING THE BOARD OF TRUSTEES OF THE DISTRICT; AUTHORIZING OTHER DOCUMENTS IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, a petition (the "Petition") was filed with the City requesting adoption by resolution the approval of the creation of a public infrastructure district pursuant to the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code Annotated 1953, as amended (the "PID Act") and relevant portions of the Limited Purpose Local Government Entities - Special Districts, Title 17B (together with the PID Act, the "Act") within the boundaries of the City and approve an annexation area (the "Annexation Area"), if any, which the district may annex into or withdrawal therefrom without further approval or hearings of the City or the Council, as further described in Governing Document Exhibits A and B for the purpose of financing public infrastructure costs; and

WHEREAS, pursuant to the terms of the Act, the City may create one or more public infrastructure districts by adoption of a resolution of the Council and with consent of 100% of all surface property owners proposed to be included in each District (the "Property Owners"); and

WHEREAS, after 6:00 p.m. on December 11, 2024, a public hearing was held by the City to receive input from the public regarding the creation of the Districts and the Property Owners have waived the 60-day protest period pursuant to Section 17D-4-201 of the PID Act; and

WHEREAS, the hearing was held at the City Building because there is no reasonable place to hold a public hearing within the Districts' boundaries, and the hearing at the City Building was held as close to the applicable area as reasonably possible; and

WHEREAS, the Petition, containing the consent of such Property Owners has been certified by the Recorder of the City pursuant to the Act, and it is in the best interests of the Property Owners that the creation of the District be authorized in the manner and for the purposes hereinafter set forth; and

WHEREAS, it is necessary to authorize the creation of the District under and in compliance with the laws of the State of Utah and to authorize other actions in connection therewith; and

WHEREAS, none of the Property Owners submitted a withdrawal of consent to the creation of the District before the date of this Resolution; and

WHEREAS, each District Trustee appointed under this Resolution has previously filed with the City a disclosure of business relationships in compliance with Section 17D-4-202(9) of the PID Act; and

WHEREAS, according to attestations filed with the City, each District Trustee appointed under this Resolution is registered to vote at their primary residence and is further eligible to serve as a Council member of the District under Section 17D-4-202(3)(c) of the PID Act because they are agents of property owners within the District boundaries (as further set forth in the Petition); and

WHEREAS, the governance of the District shall be in accordance with the PID Act and the terms of a governing document (the "Governing Document") attached hereto as Exhibit B, for the District, and an Interlocal Agreement between the City and the District, attached to the Governing Document as Governing Document Exhibit C; and

WHEREAS, pursuant to the requirements of the Act, there shall be signed, authenticated, and submitted to the Office of the Lieutenant Governor of the State of Utah a Notice of Boundary Action for each District attached hereto as Exhibit C (the "Boundary Notice") and Final Entity Plat to be attached thereto as Boundary Notice Appendix B (or as shall be finalized in accordance with the boundaries approved hereunder) (the "Plat").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

- 1. Terms defined in the foregoing recitals shall have the same meaning when used herein. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Council and by officers of the Council directed toward the creation and establishment of the District, are hereby ratified, approved and confirmed.
- 2. Courtyards at Shurtz Canyon Public Infrastructure District (the "District") is hereby created as a separate entity from the City in accordance with the Governing Document and the Act. The boundaries of the District shall be as set forth in the Governing Document and the Plat.
- 3. Pursuant to the terms of the PID Act, the Council does hereby approve the annexation of any area within the Annexation Area Boundaries, if any, into the District without any further action of the Council or the City and further approves withdrawal of any area within the Initial District Boundaries (as defined in the Governing Document) or Annexation Area Boundaries from the District without any further action, hearings, or resolutions of the Council or the City, upon compliance with the terms of the PID Act and the Governing Document. The Annexation Area Boundaries are the same as the initial boundaries of the District.
- 4. The Council does hereby authorize the District to provide services relating to the financing and construction of public infrastructure within the Annexation Area, if any, upon annexation thereof into the District without further request of the District to the City to provide such service under 17B-1-407, Utah Code Annotated 1953 or resolutions of the City under 17B-1-408, Utah Code Annotated 1953.
- 5. It is hereby found and determined by the Council that the creation of the District is appropriate to the general welfare, order and security of the City, and the organization of the District pursuant to the PID Act is hereby approved.
- 6. The Governing Document and the Interlocal Agreement in the form presented to this meeting and attached hereto as <u>Exhibits B</u> and <u>Governing Document Exhibit D</u> and the Form

Interlocal Agreement between the City and the Developer, are hereby authorized and approved and the District shall be governed by the terms thereof and applicable law.

- 7. The Trustees of the District are hereby appointed as follows:
 - (a) Trustee 1 Roger Thomas for an initial 6-year term.
 - (b) Trustee 2 Tawny Thomas for an initial 6-year term.
 - (c) Trustee 3 Rebekah Lowery for an initial 4-year term.
- (d) Such terms shall commence on the date of issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah for the District.
- 8. The Council does hereby authorize the Mayor or a Council Member to execute the Boundary Notices in substantially the form attached as Exhibit C and such other documents as shall be required to accomplish the actions contemplated herein on behalf of the Council for submission to the Office of the Lieutenant Governor of the State of Utah.
- 9. Prior to certification of the creation of the District by the Office of the Lieutenant Governor of the State of Utah, the Council does hereby authorize the Mayor, a Council Member, the City Administrator, or the City Attorney to make any corrections, deletions, or additions to the Governing Document, the Interlocal Agreement, and the Boundary Notice or any other document herein authorized and approved (including, but not limited to, corrections to the property descriptions therein contained) which may be necessary to conform the same to the intent hereof, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States (provided that the debt and mill levy limitations established therein may not be modified pursuant to this provision).
- 10. The Board of Trustees of the District (the "District Board") is hereby authorized and directed to record such Governing Document with the recorder of Cedar City within thirty (30) days of the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State of Utah.
- 11. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.
- 12. All acts, orders and resolutions, and parts thereof in conflict with this Resolution be, and the same are hereby, rescinded.
- 13. This resolution shall take effect immediately provided that, in the event that the Plat is not finalized for submission to the Office of the Lieutenant Governor until a date that is more than thirty (30) days after adoption of this Resolution, the effective date of this Resolution will be deemed to be the date the Plat is finalized, as certified in writing by any one of the Mayor, a Council Member, the City Administrator, or the City Attorney.

PASSED AND ADOPTED by the City Council of Cedar City, Utah, this December 11, 2024.

CEDAR CITY, UTAH

Mayo

ATTEST:

v. Kenon Dava

City Recorder

(Here follows other business not pertinent to the above.)

Pursuant to motion duly made and seconded, the meeting of the Council of the City adjourned.

By:

Mayor

ATTEST:

By: Allon Deuto City Recorder

6

STATE OF UTAH)
	: ss.
COUNTY OF IRON)

I, Renon Savage, the undersigned duly qualified and acting City Recorder of Cedar City, Utah ("the City"), do hereby certify as follows:

The foregoing pages are a true, correct, and complete copy of the record of proceedings of the City Council (the "Council"), had and taken at a lawful meeting of the Council on December 11, 2024, commencing at the hour of 5:30 p.m., as recorded in the regular official book of the proceedings of the Council kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the Council were duly notified of said meeting, pursuant to law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this December 12th, 2024.

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

- I, Renon Savage, the undersigned City Recorder of Cedar City, Utah (the "City"), do hereby certify that I gave written public notice of the agenda, date, time and place of the regular meeting held by the City Council (the "Council") on December 11, 2024, not less than 24 hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:
- (a) causing a Notice, in the form attached hereto as <u>Schedule 1</u>, to be posted at the City's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and
- (b) causing a copy of such Notice, in the form attached hereto as <u>Schedule 1</u>, to be published on the Utah Public Notice Website (http://pmn.utah.gov) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2024 Annual Meeting Schedule for the Council of the City (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council of the City to be held during the year, by causing said Notice to be (i) posted on [Dec. 23], 20243 at the principal office of the City, (ii) provided to at least one newspaper of general circulation within the geographic jurisdiction of the City on [Dec. 23], 20243 and (iii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this December 2024.

City Recorder

By: Kenon Louage

SCHEDULE 1

NOTICE OF MEETING AND AGENDA



Cedar City

10 North Main Street • Cedar City, UT 84720 435-586-2950 • FAX 435-586-4362 www.cedarcity.org Mayor

Garth O. Green

Council Members

Robert Cox W. Tyler Melling R. Scott Phillips Ronald Riddle Carter Wilkey

City Manager Paul Bittmenn

CITY COUNCIL MEETING DECEMER 11, 2024 5:30 P.M.

The City Council meeting will be held in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The City Council Chambers may be an anchor location for participation by electronic means. The agenda will consist of the following items:

- I. Call to Order
- II. Agenda Order Approval
- III. Administration Agenda
 - Mayor and Council Business
 - o Swear in Youth City Council
 - Staff Comment
 - Introduction of Fire Department Volunteers
- IV. Business Agenda
 - Public Comments
 - Historic Downtown District Presentation SUU Capstone Project. Jacee, Kelton, Reagan, Shawn, Hayden
- V. Public

Consent Agenda

- 1. Approval of minutes dated November 20 & December 4 (action), 2024
- 2. Approve bills dated December 6, 2024
- 3. Approve AIP 049 Terminal FAA Change Order #5. Tyler Galetka
- 4. Approve awarding a bid and contract for Runway 8/26 Pavement Preservation to Straight Stripe Painting. Tyler Galetka

Action – need a motion from a council member to either approve or deny each of the following items:

- 5. Consider a resolution for the adoption of the Cedar City Water Conservation Plan. Lisa Benson/Jonathan Stathis
- 6. Consider AIP 049 Terminal FAA Change Order #6. Tyler Galetka
- 7. Consider bids for the North Watershed Test Wells project. Shane Johnson/Jonathan Stathis
- 8. Public hearing to consider a resolution providing for the creation of the Courtyards at Shurtz Canyon Public Infrastructure District as an Independent Body Corporate and

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

PUB	BLIC NOTICE	<u>June</u> 5	Action	PUBLIC NOTICE
mi a	1 0'4 0	3 12	Work	The committees and
	dar City Council	12	Action	boards for Cedar City
	ld work meetings	26	No Meeting	will hold their 2024
	first and third	20	140 Miceting	regular meetings at the
	sday of each	<u>July</u>		City Offices, 10 North
	and regular gs on the second	3	No Meeting	Main Street, Cedar City,
	arth Wednesday	10	Work	Utah. They are as
	month during	17	Action/Work	follows:
	with some	24	No Meeting	
-	ions. The adopted	31	Action	Board of Adjustments -
	g schedule is as			First Monday of each
follow	-	Augu	st	month - 5:15 p.m.
10110	•	7	 Work	
		14	Action	Planning Commission -
Janua	ry	21	Work	First & Third Tuesday
3	Work	28	Action/Work	of each month $-5:15$
10	Action			p.m.
17	Work		ember	
24	Action	4	No Meeting	Redevelopment Agency
31	No Meeting	•	League Meetings)	-Meet as needed.
		11	Action	3.6 - 1 1 De-1111
<u>Febru</u>		18	Work	Municipal Building
7	Work	25	Action	Authority-Meet as
14	Action	0		needed.
21	Work	Octo]		Other committees
28	Action	2	Work	appointed by the mayor
36 1		9	Action	will meet as needed.
Marcl		16	Work Action	will incer as needed.
6	Work	23	=	PUBLIC NOTICE
13	Action	30	No Meeting	TOBETO NO TIES
20 27	Work Action	Novo	mber	The Cedar City Library
21	Action	6	Work	Board will hold regular
Angil		13	Action	meetings on the third
April 3	Work	20	Work	Tuesday of odd months
10	Action	27	No Meeting	during 2024. The
17	Work	21	110 111000000	meetings will be held at
24	Action	Dece	mber_	12:00 p.m. at the Public
21	1 1011011	4	Action/Work	Library, 303 North 100
May		11	Action	East, Cedar City, Utah.
1	Work	18	No Meeting	
8	Action	25	No Meeting	
15	Work		_	
22	Action	The	meetings will be	
29	Work	held	at 5:30 p.m. in the	
		Cour	ncil Chambers at the	
		City	Office, 10 North	Posted December 28,
		Mair	n, Cedar City, Utah.	2023

EXHIBIT B

GOVERNING DOCUMENT

GOVERNING DOCUMENT FOR

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT CEDAR CITY, UTAH

Prepared
by
Snow Jensen & Reece, P.C.
912 West 1600 South, Suite B-200
St. George, Utah

December ____, 2024

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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 if they deviate in a material matter from the requirements of the Governing Document. It is intended that the District will levy taxes to finance part or all of the Public Improvements that will serve the anticipated inhabitants and taxpayers in the Project. The District may, at its option, pledge tax revenues to an interlocal entity that provides part or all of the Public Improvements. The primary purpose of the District will be to finance or help finance the construction of the 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, 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 or an entity to which the District have pledged tax revenues. All Debt is expected to be repaid by taxes imposed and collected for no longer than the Maximum Debt Mill Levy Imposition Term for residential properties and at a tax mill levy no higher than the Maximum Debt Mill Levy for commercial and residential properties, and/or repaid by Assessments. Debt which is issued within these parameters and, as further described in the Financial Plan, will insulate property owners from excessive 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 the Public Improvements associated with Project and regional needs. Although the District has authority to directly provide the Public Improvements, the District also has authority to pledge tax revenues to an interlocal entity that provides the Public Improvements.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt.

The District is hereby authorized to finance the Public Improvements that can be funded from Debt to be repaid from Assessments, or from tax revenues collected from a mill levy

which shall not exceed the Maximum Debt Mill Levy on taxable properties and which shall not exceed the Maximum Debt Mill Levy Imposition Term on taxable properties. It is the intent of this Governing Document to assure to the extent possible that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy in amount and that no taxable property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy Imposition Term in duration even under bankruptcy or other unusual situations. 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:

Annexation Area Boundaries: means the boundaries of the area which is approved by the City for annexation into the District upon the meeting of certain requirements stated in this Governing Document; for the District, the Annexation Area Boundaries are the entirety of the District Area (which initially is the same as the Initial District Boundaries, meaning that initially property may only be withdrawn from the District without the consent of the City).

<u>Anticipated Units</u>: means residential units which are approved by the City for development in the District and which are anticipated for sale or long-term lease as permanent residences (not including short-term rental or resort units).

Assessment: means assessments levied in an assessment area created within the District.

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 impose an *ad valorem* property tax mill levy, and/or collect Assessments.

<u>C-PACE Act</u>: means Title 11, Chapter 42a of the Utah Code, as amended from time to time and any successor statute thereto.

<u>C-PACE Bonds</u>: 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.

City: means Cedar City, Utah.

City Code: means the Cedar City Code, Utah.

City Council: means the City Council of Cedar City, Utah.

District: means the Courtyards at Shurtz Canyon Public Infrastructure District.

<u>District Area</u>: means all the property within both the District boundaries and the Annexation Area Boundaries of the District, and which initially are both the same as the Initial District Boundaries.

<u>Fees</u>: means any fee imposed by a District for administrative services provided by the District.

Financial Plan: means the financial plan described in Section VIII.

General Obligation Debt: means a Debt that is payable from and secured by ad valorem property taxes that are levied by the District and does not include Limited Tax Debt.

<u>Governing Document</u>: 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 of the District, in accordance with applicable state law.

<u>Initial District Boundaries</u>: means the boundaries of the area shown in the Initial District Boundary Map for the District and as particularly described in **Exhibit A**.

<u>Initial District Boundary Map</u>: means the map attached hereto as **Exhibit B**, describing the District's initial boundaries.

<u>Limited Tax Debt</u>: means a debt that is payable from and secured by ad valorem property taxes that are levied by the District which may not exceed the Maximum Debt Mill Levy.

<u>Maximum Debt Mill Levy</u>: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VIII.C below.

<u>Maximum Debt Mill Levy Imposition Term</u>: means the maximum term for imposition of a mill levy on a particular property as set forth in Section VIII.D below.

<u>Municipal Advisor</u>: 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.

<u>Project</u>: means the development or property commonly known as Courtyards at Shurtz Canyon, the boundaries of which are within the Initial District Boundaries of the District.

PID Act: means Title 17D, Chapter 4 of the Utah Code, as amended from time to time.

<u>Public Improvements</u>: means a part or all of the public infrastructure that may be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed by the District as generally allowed in the Special District Act and the PID Act, to serve the future taxpayers and inhabitants of the District or the Project as determined by the Board or any interlocal agency created by the Board.

<u>Regional Improvements</u>: means Public Improvements and facilities that benefit the Project and which may be financed pursuant to Section VII below.

Special District Act: means Title 17B of the Utah Code, as amended from time to time.

State: means the State of Utah.

<u>Taxable Property</u>: means real or personal property within the District Area subject to ad valorem taxes imposed by the District.

Trustee: means a member of a Board.

Utah Code: means the Utah Code Annotated 1953, as amended.

III. BOUNDARIES

The District Area, being the area of the Initial District Boundaries of the District includes approximately 58.76 acres. Legal descriptions of the District's Initial District Boundaries are attached as **Exhibit A**. A map of the Initial District Boundaries, including a vicinity map, is attached hereto as **Exhibit B**. The Annexation Area of the District is the District Area (which is initially the same as the Initial District Boundaries). It is anticipated that the District's boundaries may change from time to time as it undergoes annexations and withdrawals within the Annexation Area pursuant to the PID Act, subject to Article V below.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The District Area consists of approximately 58.76 acres of undeveloped land. The current assessed valuation of the Initial District Boundaries 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 residential units or the total site/floor area of commercial or industrial buildings identified in this Governing Document or any of the exhibits attached thereto.

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 Special District Act, and other applicable statutes, common law and the Constitution, subject to any limitations set forth herein. The District shall further have all power and authority as a "public agency" under the Interlocal Cooperation Act to enter into any interlocal agreement and to create any interlocal entity that may exercise any powers that may be exercised by the District.

- Operations and Maintenance Limitation. 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 approvals of the City 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, including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.
- 2. <u>Construction Standards Limitation</u>. 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.
- 3. <u>Procurement.</u> The District shall be subject to the Utah Procurement Code, Title 63G, Chapter 6a. Notwithstanding this requirement, a District may acquire completed or partially completed improvements for fair market value as reasonably determined by a surveyor or engineer that the District employs or engages to perform the necessary engineering services for and to supervise the construction or installation of the improvements.
- 4. <u>Privately Placed Debt Limitation</u>. 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.]

Annexation and Withdrawal.

- (a) The District shall not include within any of its boundaries any property outside the District Area without the prior written consent of the City. The City, by resolution, has consented to each District's annexation of any area within the Annexation Area Boundaries into the District. The District may, by resolution, and without the prior written consent of the City, annex any property within the District Area if the District has the consent of all property owners and registered voters, if any, within the area to be annexed.
- (b) The City, by resolution, 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 consent of all property owners and registered voters, if any, within the area proposed to be withdrawn and the passage of a resolution of the Board approving such withdrawal.
- (c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.
- (d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (e) Annexation or withdrawal of any area in accordance with V.A.5(a) and (b) shall not constitute an amendment of this Governing Document.
- 6. <u>Overlap Limitation</u>. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District.
- 7. <u>Initial Debt Limitation</u>. Prior to the issuance of a certificate of creation by the Office of the Lieutenant Governor of the State, the District shall not: (a) issue any Debt; nor (b) impose and collect any Assessments used for the purpose of repayment of Debt.
- 8. <u>Limited Tax Debt Limitation</u>. The District shall not issue Limited Tax Debt in excess of an aggregate amount of Five Million Dollars (\$5,000,000) in par value (the "Maximum Limited Tax Debt Limit"). So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit (except as provided by applicable statute) to the amount of Debt secured by special assessments or other revenue that may be issued by the District.
- 9. <u>Bankruptcy Limitation</u>. All of the limitations contained in this Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy,

Maximum Limited Tax Debt Limit, Maximum Debt Mill Levy Imposition Term and the Fees have been established under the authority of the City to approve a Governing Document with conditions pursuant to Section 17B-2a-1204(4), 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 Debt Mill Levy and the Maximum Debt Mill Levy Imposition 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.

10. Governing Document Amendment Requirement.

- (a) This Governing Document has been designed with sufficient flexibility to enable each District to provide required improvements and facilities under evolving circumstances without the need for amendments. Actions of the District which clearly violate the limitations set forth in V.A.1-9 above or in VIII.B-G. shall be deemed to be material violations of 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 resolutions of the City and the District.

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.

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 and shall be in accordance with the requirements of any approvals related thereto. 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. <u>Board Composition</u>. The Board of the District shall be composed of 3 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.

- B. <u>Transition to Elected Board</u>. For each District in which Anticipated Units are developed, respective board seats shall transition from appointed to elected seats according to the following milestones:
 - 1. Trustee 1. Trustee 1 shall transition to an elected seat after the end of a full term during which 33% of the Anticipated Units have received certificates of occupancy.
 - 2. Trustee 2 shall transition to an elected seat after the end of a full term during which 50% of the Anticipated Units have received certificates of occupancy.
 - 3. Trustee 3. Trustee 3 shall transition to an elected seat after the end of a full term during which 75% of the Anticipated Units have received certificates of occupancy.

No transition pursuant to this Section on the basis of the number of building permits issued shall become effective until the next scheduled regular election of the District. Seats set to transition on January 1 of a given year shall hold an election for such seats at the regular election immediately preceding such January 1.

- C. <u>Reelection and Reappointment.</u> Reappointment. Upon the expiration of a Trustee's respective term, the seat shall be appointed by the City Council pursuant to the PID Act. If a Trustee's term will expire within two years of the District's first annexation, the City Council will re-appoint the Trustee(s) for an additional term. In the event that no qualified candidate files to be considered for appointment for a seat, such seat may be filled in accordance with the Special District Act.
- D. <u>Vacancy</u>. Any vacancy on a Board shall be filled pursuant to the Special District Act and in accordance with the PID Act.
- E. <u>Compensation.</u> Only Trustees who are residents of a District may be compensated for services as Trustee. Such compensation shall be in accordance with State Law.
- F. <u>Conflicts of Interest.</u> 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 facilitate or 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. 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 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 Sections 11-42-505, 17D-4-302, and 17D-4-304, Utah Code, as amended from time to time.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). 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. Maximum Property Tax Debt Limit and Maximum Debt Mill Levy.

- (a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be **0.006 per dollar or six (6) mills**; provided that such levy shall be subject to adjustment as provided in Section 17D-4-202(8), Utah Code.
- (b) The "Maximum Limited Tax Debt Limit" shall be Five Million Dollars (\$5,000,000).
- (c) Such Maximum Debt Mill Levy and Maximum Limited Tax Debt Limit may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202(8), Utah Code.

D. Maximum Debt Mill Levy Imposition Term.

Any bond issued by the District shall mature within thirty (30) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of the District's bonds after a period exceeding forty (40) years from the date of issuance of such bond (the "Maximum Debt Mill Levy Imposition Term").

E. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service. 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 Sections 11-42-505 and 17D-4-304, Utah Code, as amended from time to time. Except as described in Section VIII.C(a), the debt service mill levy in the District shall not exceed the Maximum Debt Mill Levy or, the Maximum Debt Mill Levy Imposition Term, except for repayment of General Obligation Debt.

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 mill levy, Assessment, or impact fee. This provision shall not prohibit the division of costs between mill levies, Assessments, or impact fees, but is intended to prevent double taxation of End Users for the costs of Public Improvements.

F. Debt Instrument Disclosure Requirement.

In the text of any 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 Seventy-five Thousand Dollars (\$75,000), 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.

Bond and Disclosure Counsel.

It is the intent of the City that the District shall use competent and nationally recognized bond and disclosure counsel with respect to District Bonds to ensure proper issuance and compliance with this Governing Document.

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, beginning with fiscal year 2024.

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 December 31 of the prior year.
- 2. List of current interlocal agreements, if changed (to be delivered to the Creating Entity upon request);
 - 3. Names and terms of Board members and officers;
 - 4. District office contact information;
- 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 December 31 of the prior year;
- 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 December 31 of the prior year;
- 8. A table summarizing total debt authorized and total debt issued by the District as well as any presently planned debt issuances;
- 9. The assessed valuation of all property in the District for the most recent year available;

- 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 statement 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.
- C. Annual Report to Property Owners. At least annually following the formation of the District, the District shall notify (by mail to the property owner's address that is on file with the Iron County Recorder's Office, email, or posting to the District's website) property owners in the District of the existence of the District and of the next scheduled meeting of the Board of the District. Such meeting shall occur at least thirty (30) days and not more than (60) days following the date of the notice. Such notification shall include names and contact information of the Board of Trustees and officers, the address, telephone numbers, and fax numbers (if any), and e-mail address of the District, and shall include reference to the existence of a District file maintained by the City that includes the information provided in accord with Section IX above.

X. <u>DISSOLUTION</u>

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court 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 its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Further, in no event shall a dissolution occur until the District has satisfied all contractual obligations, including but not limited to any pledge of tax revenues to an interlocal entity.

XI. <u>DISCLOSURE TO PURCHASERS</u>

Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Iron County. Such notice shall (a) contain a description of the Initial 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 levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filled with the City.

In addition, the Applicant and the Board shall ensure that the Applicant, homebuilders, and commercial developers, as applicable, disclose the following information to initial resident homeowners and commercial property owners:

(1) All of the information in the first paragraph of this Article XI:

- (2) A disclosure outlining the impact of any applicable property tax, in substantially the following form:
- "Under the maximum property tax rate of the District, each \$100,000.00 of taxable value of a given property would have an **additional annual property tax of \$600** for the duration of the District's Bonds."
- (3) 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. INTERLOCAL AGREEMENT

The form of the Interlocal Agreement, relating to the limitations imposed on the Districts' activities, is attached hereto as **Exhibit C**. Each District shall approve the Interlocal Agreement in the form attached as **Exhibit C** at its first Board meeting after its organizational election. Failure of the District to execute the Interlocal Agreement as required herein shall constitute a material violation and shall require a Governing Document Amendment. The City Council shall approve the Interlocal Agreement in the form attached as **Exhibit C** at the public hearing approving the Governing Document.

EXHIBIT A

Legal Description of the Initial District Boundaries

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT CEDAR CITY, UTAH

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.

EXHIBIT B INITIAL DISTRICT BOUNDARY MAP

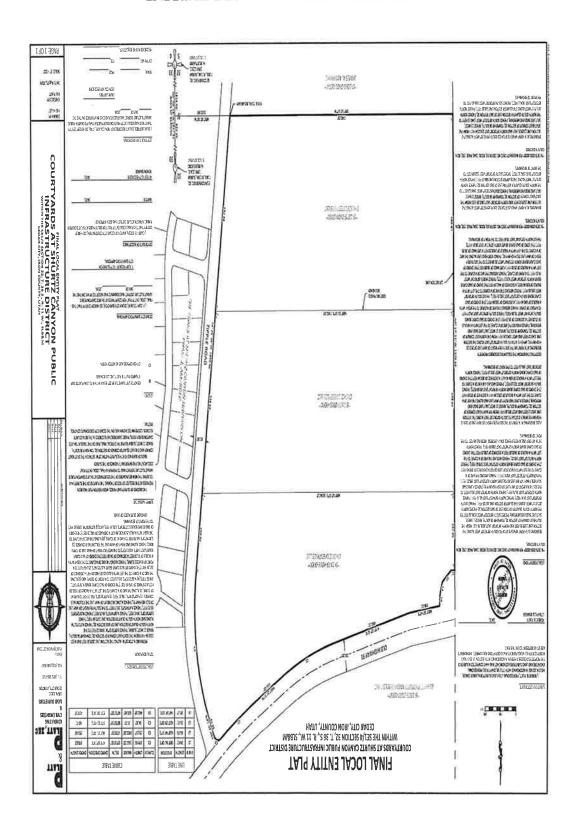


EXHIBIT C

Interlocal Agreement between the District and Cedar City

(See following pages)

INTERLOCAL AGREEMENT BETWEEN

CEDAR CITY, UTAH AND

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT

THIS AGREEMENT is made and entered into as of this _____ day of _____, 2024, by and between Cedar City, Utah, a municipal corporation of the State of Utah ("City"), and COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT, a political subdivision of the State of Utah (the "District"). The City and the District are collectively referred to as the Parties.

RECITALS

WHEREAS, the District was organized to provide to exercise powers as are more specifically set forth in the District's Governing Document approved by the City on $\frac{Dec}{l}$, 2024 ("Governing Document"); and

WHEREAS, the Governing Document makes reference to the execution of an Interlocal Agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Interlocal Agreement ("Agreement").

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

- 1. Operations and Maintenance. 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 (as defined in the Governing Document) to the City or other appropriate jurisdiction in a manner consistent with the approvals of the City 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 including, but not limited to street improvements (including roads, curbs, gutters, culverts, sidewalks, bridges, parking facilities, paving, lighting, grading, landscaping, and other street improvements), traffic and safety controls, retaining walls, park and recreation improvements and facilities, trails, open space, landscaping, drainage improvements (including detention and retention ponds, trickle channels, and other drainage facilities), irrigation system improvements (including wells, pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto.
- 2. <u>Construction Standards</u>. 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, as applicable. 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.

3. <u>Issuance of Privately Placed Debt</u>. 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.

4. Annexation and Withdrawal Limitation.

- (a) The District shall not include within any of their boundaries any property outside the District Area without the prior written consent of the City. By the Governing Document, the City has consented to the annexation or withdrawal of any area within the Annexation Area into or from the District Boundaries. Such area may only be annexed upon the District obtaining consent of all property owners and registered voters, if any, within the area proposed to be annexed and the passage of a resolution of the Board approving such annexation.
- (b) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (c) Any annexation or withdrawal shall be in accordance with the requirements of the PID Act.
- (d) Upon any annexation or withdrawal, the District shall provide the City a description of the revised District Boundaries.
- (e) Annexation or withdrawal of any area in accordance with Sections V.A.6(a) and (b) of the Governing Document shall not constitute an amendment of the Governing Document.
- 5. <u>Overlap Limitation</u>. Without the written consent of the City, the District shall not consent to the organization of any other public infrastructure district organized under the PID Act within the District Area which will overlap the boundaries of the District.
- 6. <u>Initial Debt Limitation</u>. On or before the effective date of approval by the City of this Interlocal Agreement, 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 fees used for the purpose of repayment of Debt.

- 7. Property Tax Debt Limitation. The District shall not issue Limited Tax Debt in excess of an aggregate amount of Five Million Dollars (\$5,000,000) in par value (the "Maximum Limited Tax Debt Limit"). So long as Debt is issued in accordance with the provisions of this Governing Document, there is no limit (except as provided by applicable statute) to the amount of Debt secured by special assessments or other revenue that may be issued by the District.
- 9. <u>Bankruptcy</u>. All of the limitations contained in the Governing Document, including, but not limited to, those pertaining to the Maximum Debt Mill Levy and the Maximum Debt Mill Levy Imposition Term 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 Debt Mill Levy and the Maximum Debt Mill Levy Imposition 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.

- 10. <u>Dissolution</u>. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file petitions in the appropriate District Court 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 its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Further, in no event shall a dissolution occur until the District has satisfied all contractual obligations, including but not limited to any pledge of tax revenues to an interlocal entity.
- 11. <u>Disclosure to Purchasers</u>. Within thirty (30) days of the City adopting a resolution creating the District, the Board shall record a notice with the recorder of Iron County. Such notice shall (a) contain a description of the Initial 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 levy of a property tax; (d) state the Maximum Debt Mill Levy of the District; and (d) if applicable, stating that the debt may convert to general obligation debt and outlining the provisions relating to conversion. Such notice shall further be filed with the City.
- 12. <u>Governing Document Amendment Requirement</u>. Actions of the District which violate the limitations set forth in V.A.1-9 or VIII.B-G of the Governing Document shall be

deemed to be material violations of the Governing Document and the City shall be entitled to all remedies available under State and local law to enjoin such actions of the District.

- 13. Annual Report. The District shall be responsible for submitting an annual report to the City Manager's Office no later than 210 days after the close of the District's fiscal year, commencing fiscal year 2024, containing the information set forth in Section IX of the Governing Document. The District shall also at least annually notify (by mail to the property owner's address that is on file with the Iron County Recorder's Office, email, or posting to the District's website) property owners in the District of the existence of the District and of the next scheduled meeting of the Board of the District. Such meeting shall occur at least thirty (30) days and not more than (60) days following the date of the notice. Such notification shall include names and contact information of the Board of Trustees and officers, the address, telephone numbers, and fax numbers (if any), and e-mail address of the District, and shall include reference to the existence of a District file maintained by the City that includes the information provided in accord with Section IX of the Governing Document.
- 14. <u>Regional Improvements</u>. 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.

15. Maximum Limited Tax Debt Limit and Maximum Debt Mill Levy.

- (a) The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Limited Tax Debt shall be six (6) mills; provided that such levy shall be subject to adjustment as provided in Section 17D-4-202(8).
- (b) The "Maximum Limited Tax Debt Limit" shall be Five Million Dollars (\$5,000,000).
- (c) Such Maximum Debt Mill Levy and Maximum Limited Tax Debt Limit may only be amended pursuant to a Governing Document Amendment and as provided in Section 17D-4-202(8).
- 16. <u>Maximum Debt Mill Levy Imposition Term</u>. Each bond issued by the District shall mature within thirty (30) years from the date of issuance of such bond. In addition, no mill levy may be imposed for the repayment of a series of bonds after a period exceeding forty (40) years from the date of issuance of such bond (the "Maximum Debt Mill Levy Imposition Term").
- 17. <u>Term of Agreement</u>. This Agreement shall run for a term not to exceed fifty (50) years, and shall only be terminated earlier in the event of the earlier satisfaction of all Debt by the District and the associated dissolution of the District.
- 18. <u>Notices</u>. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery,

via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District:

Courtyards at Shurtz Canyon Public Infrastructure

District

1115 S. Main St., Ste. 100 Cedar City, UT 84720 Attn: Roger Thomas Phone: (435) 773-8898

With a copy to:

Snow Jensen & Reece, PC 912 W. 1600 S., Ste. B200 St. George, UT 84770 Attn: Matthew J. Ence

To the City:

Cedar City

10 N. Main Street Cedar City, UT 84720 Attn: City Manager Phone: (435) 586-2950

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

- 19. <u>Amendment</u>. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Governing Document.
- 20. <u>Assignment</u>. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.
- 21. <u>Default/Remedies</u>. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

- 22. <u>Governing Law and Venue</u>. This Agreement shall be governed and construed under the laws of the State of Utah.
- 23. <u>Inurement</u>. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.
- 24. <u>Integration</u>. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.
- 25. Parties Interested Herein. There are no third-party beneficiaries to this Agreement. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.
- 26. <u>Severability</u>. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.
- 27. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.
- 28. <u>Paragraph Headings</u>. Paragraph headings are inserted for convenience of reference only.
- 29. <u>Defined Terms</u>. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Governing Document.

SIGNATURE PAGE TO INTERLOCAL AGREEMENT

COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT

	By:
	Chair
Attest:	
Secretary	
	CEDAR CITY, UTAH By: aut West
Festival City USA CEDAR CITY, UTAH Attest:	Maýor
By: Renon Sawage Its: Cuty Recorder APPROVED AS TO FORM: Mall h 3	
Cedar City Attorney	

EXHIBIT C

NOTICE OF BOUNDARY ACTION

NOTICE OF IMPENDING BOUNDARY ACTION

Creation of

Courtyards at Shurtz Canyon Public Infrastructure District

TO: The Lieutenant Governor, State of Utah

NOTICE IS HEREBY GIVEN that the City Council of Cedar City, Utah (the "Council"), acting in its capacity as the creating entity for the Courtyards at Shurtz Canyon Public Infrastructure District (the "District") pursuant to Utah Code Ann. §§17D-4-201(2)(c) and 17B-1-213(5)(a), at a regular meeting of the Council, duly convened pursuant to notice, on December 11, 2024, adopted a Resolution Providing for the Creation of Courtyards at Shurtz Canyon Public Infrastructure District, a true and correct copy of which is attached as <u>EXHIBIT "A"</u> hereto and incorporated by this reference herein (the "Creation Resolution").

A copy of the Final Local Entity Plat satisfying the applicable legal requirements as set forth in Utah Code Ann. §17-23-20, approved as a final local entity plat by the Surveyor of Iron County, Utah, is attached as <u>EXHIBIT "B"</u> hereto and incorporated with this reference. The Council hereby certifies that all requirements applicable to the creation of the District, as more particularly described in the Creation Resolution, have been met. The District is not anticipated to result in the employment of personnel.

WHEREFORE, the Council hereby respectfully requests the issuance of a Certificate of Creation pursuant to and in conformance with the provisions of Utah Code Ann. §§17B-1-215 and 67-1a-6.5.

SUBSCRIBED AND SWORN to before me this 12, De cember 2024.

NATASHA NAVA NOTARY PUBLIC STATE OF UTAH MY COMM. EXPIRES MAR. 22, 2026 723701

NOTARY PUBLIC

EXHIBIT "A" TO NOTICE OF IMPENDING BOUNDARY ACTION

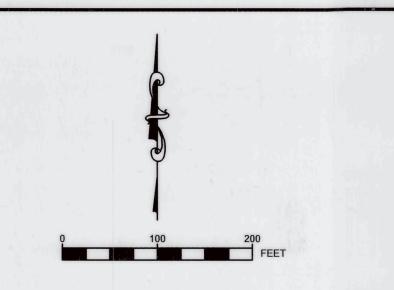
Copy of the Creation Resolution (See following pages)

EXHIBIT "B" TO NOTICE OF IMPENDING BOUNDARY ACTION

Legal Description and Final Local Entity Plat

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING.

CONTAINS 58.76 ACRES OF LAND.



SURVEYOR'S CERTIFICATE

I, ROBERT B. PLATT, PROFESSIONAL UTAH LAND SURVEYOR NUMBER 164659, HOLD A LICENSE IN ACCORDANCE WITH TITLE 58, CHAPTER 22, PROFESSIONAL ENGINEERS AND LAND SURVEYORS LICENSING ACT AND HAVE COMPLETED A SURVEY O THE PROPERTIES DESCRIBED HEREON IN ACCORDANCE WITH SECTION 17-23-17 AND HEREBY CERTIFY ALL MEASUREMENTS AND DESCRIPTIONS ARE CORRECT. MONUMENTS ARE SET AS REPRESENTED ON THIS PLAT.

UTAH P.L.S. #164659

12-9-2024

LEGAL DESCRIPTIONS:

~B-1879-0004-0000~

1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32. TOWNSHIP 36 SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 584.67 FEET, THENCE N.89°53'27"E. 1540.13 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 592.88 FEET TO THE POINT OF BEGINNING.

CONTAINS 20.00 ACRES OF LAND.

~B-1879-0005-0000~

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 592.88 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1540.13 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE 548.92 FEET, THENCE N.89°53'27"E. 1634.12 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD. THENCE S.9°26'06"W. ALONG SAID RIGHT-OF-WAY LINE 556.62 FEET TO THE POINT OF BEGINNING CONTAINS 20.00 ACRES OF LAND.

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET, WEST 1222.66 FEET, AND N.9°26'06"E. ALONG THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD 1149.50 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1634.12 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID QUARTER SECTION LINE 237.05 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE DEPARTING SAID RIGHT-OF-WAY LINE AND ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 250.00 FEET TO THE POINT OF

CONTAINS 18.76 ACRES OF LAND.

TOTAL BOUNDARY:

BEGINNING N.0°04'18"W. ALONG THE SECTION LINE 1828.56 FEET AND WEST 1222.66 FEET FROM THE SOUTHEAST CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M; THENCE S.89°53'27"W. 1440.02 FEET TO THE NORTH-SOUTH QUARTER SECTION LINE OF SAID SECTION 32, THENCE N.0°17'11"W. ALONG SAID NORTH-SOUTH QUARTER SECTION LINE 1370.64 FEET, THENCE S.89°56'08"E. 24.41 FEET, THENCE N.58°44'57"E. 66.75 FEET, THENCE N.23°29'29"E. 35.71 FEET, THENCE N.4°24'53"E. 39.17 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF OLD HIGHWAY 91, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 5 COURSES: (1) N.83°52'47"E. 196.21 FEET, (2) N.79°32'32"E. 492.11 FEET TO A POINT OF CURVE, (3) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 1650.00 FEET A DISTANCE OF 379.45 FEET (THE CHORD OF SAID CURVE BEARS N.72°57'14"E. 378.62 FEET), (4) N.66°21'57"E. 165.01 FEET TO A POINT OF CURVE, AND (5) ALONG THE ARC OF A CURVE TO THE LEFT WITH A RADIUS OF 2400.00 FEET A DISTANCE OF 251.57 FEET (THE CHORD OF SAID CURVE BEARS N.63°21'46"E. 251.46 FEET) TO A POINT OF REVERSE CURVE, THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 35.00 FEET A DISTANCE OF 54.30 FEET (THE CHORD OF SAID CURVE BEARS S.75°11'49"E. 49.01 FEET) TO THE WESTERLY RIGHT-OF-WAY LINE OF TIPPLE ROAD, THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING 3 COURSES: (1) S.30°45'14"E. 64.73 FEET TO A POINT OF CURVE, (2) ALONG THE ARC OF A CURVE TO THE RIGHT WITH A RADIUS OF 630.40 FEET A DISTANCE OF 442.18 FEET (THE CHORD OF SAID CURVE BEARS S.10°39'34"E. 433.17 FEET, AND (3) S.9°26'06"W. 1399.50 FEET TO THE POINT OF BEGINNING. CONTAINS 58.76 ACRES OF LAND.

SURVEY NARRATIVE:

THIS RECORD OF SURVEY AND PARCEL MODIFICATION PLAT HAS BEEN PREPARED AT THE REQUEST OF ROGER THOMAS. THE PURPOSE OF THE SURVEY WAS TO DEFINE THE NEW BOUNDARIES OF THE COURTYARDS AT SHURTZ CANYON PUBLIC INFRASTRUCTURE DISTRICT AND TO PREPARE A FINAL LOCAL ENTITY PLAT DOCUMENTING THE IMPORTANT FINDINGS OF THE SURVEY.

BASIS OF BEARINGS FOR THIS SURVEY N.0°04'18"W. BETWEEN THE SOUTHEAST CORNER AND THE EAST QUARTER CORNER OF SECTION 32, TOWNSHIP 36 SOUTH, RANGE 11 WEST, SLB&M AS PER THE OFFICIAL FINAL PLAT OF THE TRAILS AT SHURTZ CANYON SUBDIVISION, PHASE 1 AMENDED AS RECORDED IN THE IRON COUNTY RECORDS. COORDINATES SHOWN ARE ON THE CEDAR CITY COORDINATE CONTROL SYSTEM.

