Salt Lake County Contract No.: DA File No.: 18-10263

GROUND LEASE FOR SALT LAKE COUNTY MID-VALLEY PERFORMING ARTS CENTER

THIS GROUND LEASE (this "Lease") is entered into this _____ day of ______, 2019 (the "Effective Date") by and between the City of Taylorsville, a municipal corporation and political subdivision of Salt Lake County, State of Utah ("Landlord") and Salt Lake County, a body corporate and politic of the State of Utah ("Tenant"). Landlord and Tenant are sometimes referred to herein individually as "Party" and collectively as "Parties."

RECITALS

WHEREAS, Landlord and Tenant have entered into that certain Interlocal Cooperation Agreement for the Construction, Maintenance and Operation of a Performing Arts Center dated January 12, 2017, (the "Interlocal Agreement"); and

WHEREAS, the performing arts center contemplated in the Interlocal Agreement is to be constructed on property currently owned by Landlord and located at approximately 2525 West Taylorsville Blvd. in Taylorsville, Utah 84129, identified as Parcel No. 21-09-451-073 (the "Taylorsville Property"; and

WHEREAS, Landlord owns a parcel of real property located adjacent to the Taylorsville Property located at approximately 2600 West Taylorsville Blvd., in Taylorsville, Utah 84129, identified as Parcel No. 21-09-451-072 (the "City Hall Property").

WHEREAS, Landlord and Tenant desire to execute this Lease in accordance with the requirements contained in Paragraph 8 of the Interlocal Agreement; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. <u>Premises</u>. Subject to and upon the terms and conditions set forth herein, in consideration of Tenant's construction of a performing arts center (the "PAC") and walkways, driveways, parking spaces, landscaping and other improvements around the exterior of the PAC for common use on the Taylorsville Property (the "PAC Improvements"), Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, a portion of the Taylorsville Property more particularly described in Exhibit "A," and depicted on Exhibit "B" (the "Real Property"). Both exhibits are attached hereto and incorporated herein by this reference. Landlord also hereby grants to Tenant

(i) a license to enter onto the Taylorsville Property and, in substantial conformity with the Plans and Specifications (defined below), construct the PAC Improvements within an area on the Taylorsville Property, depicted on Exhibit "B" as the "Limits of Construction", and (ii) a non-exclusive license and right to use the PAC Improvements and existing parking spaces on the Taylorsville Property during the term of this Lease. Tenant shall use the Real Property for the construction, maintenance and operation of the PAC as contemplated in the Interlocal Agreement.

2. <u>Consideration</u>. Consideration for this Lease includes that certain portion of the City's Contribution toward the construction of the PAC valued at one million seven hundred thousand dollars (\$1,700,000), as described in Paragraph 4 of the Interlocal Agreement.

3. <u>**Term and Commencement**</u>. Unless terminated sooner as provided herein, the term of this Lease shall be for a period of fifty (50) years beginning on January 1, 2019 (the "Commencement Date") and ending at 11:59 p.m. MST on the fiftieth (50th) anniversary of the Commencement Date. Tenant may renew this Lease for one (1) additional fifty (50) year term upon the same terms and conditions.

4. <u>Termination</u>. If and when this Lease terminates for any reason, all rights and interests in the Taylorsville Property conveyed by Landlord to Tenant shall automatically revert back to Landlord, and Tenant shall no longer have any rights or interests whatsoever in the Real Property.

5. <u>Possession</u>.

a. <u>Delivery of Possession</u>. Landlord shall deliver possession of the Real Property to Tenant no earlier than January 1, 2019.

b. <u>Early Entry</u>. Landlord hereby grants to Tenant and its authorized agents, contractors, subcontractors and employees a license to enter upon the Limits of Construction, at Tenant's sole risk and expense, during ordinary business hours prior to the Commencement Date, for the sole purpose of constructing and installing the PAC and the PAC Improvements; provided, however, that (i) the provisions of this Lease shall apply during such early entry, and (ii) prior to any such entry, Tenant shall provide evidence that the insurance required under Paragraph 16 of this Lease is in place.

6. <u>Construction of Facilities</u>.

a. <u>Tenant's Construction Obligations</u>. When they become available, Tenant shall attach to this Lease, as Exhibit "C," the approved plans and specifications (the "Plans and Specifications") for the PAC and PAC Improvements Tenant intends to construct in the Limits of Construction, which include, without limitation, sketches and/or drawings showing substantially the location of the PAC and the PAC Improvements, including the layout of the buildings, driveways, parking, landscaping, and all ancillary maintenance and operating facilities, fixtures, equipment and improvements. The PAC Improvements and the PAC are sometimes referred to herein collectively as the "Facility".

b. <u>Development and Construction of the Facility</u>. After a building permit for the work

shown on the Plans and Specifications has been issued, Tenant shall, through a contract with a reputable, licensed contractor or contractors, cause the development and construction of the Facility to be carried out in substantial conformance with the Plans and Specifications and in a good and workmanlike manner using first class materials. Tenant shall be responsible for all costs associated with construction of the Facility, and shall see that the development and construction of the Facility complies with all applicable land use, building, fire, health and sanitary codes and regulations, the satisfaction of which shall be evidenced by the applicable governmental agencies approving the Facility for the use described herein.

7. <u>Use of Facility</u>. Tenant shall use the Facility solely for the construction, maintenance and operation of a performing arts center. If, at any time during the term of this Lease, Tenant ceases to use the Facility for the construction, maintenance or operation of a performing arts center for a period in excess of ninety (90) consecutive days, then Landlord may (a) assume ownership of the Facility; (b) operate and maintain the Facility; (c) terminate this Lease and the Interlocal Agreement; (d) demolish the Facility; or (e) execute a combination of or all of (a) – (e) pursuant to Paragraph 14 of the Interlocal Agreement.

8. <u>Taxes and Utility Expenses</u>.

a. <u>Real and Personal Property Taxes</u>. During the term of this Lease, Tenant shall pay, as and when the same become due, any tax, assessment, license, fee, levy, penalty real property or other tax with respect to the Facility, its operation as contemplated herein, this Lease or any rent payable hereunder (the "Taxes").

b. <u>Proration</u>. Tenant's ability to pay the Taxes shall be prorated on the basis of a three hundred sixty-five (365) day year to account for any fractional portion of a fiscal tax year included in the commencement or expiration of the Term. With respect to any assessments which may be levied against or upon the Facility, or which under the law then enforced may be evidenced by improvement bonds or other bonds or may be paid in annual installments, only the amount of such annual installment (with the appropriate proration for any partial year) and interest due thereon shall be included within the computation of the annual taxes levied against the Facility.

9. <u>Utilities and Services</u>. From and after the commencement of the Term of this Lease, Tenant shall be solely responsible for and shall pay promptly all charges for water, gas, electricity, sewer, heat, light, power, telephone, refuse pickup, janitorial services, and other utilities, materials and services furnished directly or used by Tenant in, on, or about the PAC during the term of this Lease, together with any Taxes thereon.

10. <u>Maintenance and Repairs</u>.

a. From and after the commencement of construction of the PAC, Tenant, at its own cost and expense, shall keep and maintain the PAC or cause it to be kept and maintained in good repair and first-class condition and shall use all reasonable precaution to prevent waste, damage, or injury thereto. Landlord shall not be required to furnish any services or facilities or to make any improvements, repairs, or alterations in or to the PAC.

b. From the Completion Date, Landlord, at its own cost and expense, shall be responsible for the maintenance of the PAC Improvements. Once it has completed construction of the PAC Improvements, Tenant shall not be required to furnish any services or facilities or to make any improvements, repairs or alterations in or to the PAC Improvements.

c. Notwithstanding the foregoing, the use of parking spaces on the Taylorsville Property shall be governed by the Parking Agreement identified in Paragraph 11.

11. Parking Agreement.

a. <u>Parking</u>. Landlord and Tenant hereby agree to enter into a parking agreement addressing Tenant's use of the parking areas on the Taylorsville Property and the City Hall Property (the "Parking Agreement"). The Parking Agreement is attached hereto as Exhibit "D" and is incorporated herein by this reference.

b. <u>Runs with the Land</u>. The covenants, conditions, restrictions, and other provisions relating to the above-stated Parking Agreement shall run with and be appurtenant to the Real Property and areas defined in the Parking Agreement, and shall be binding upon the Parties' successors and assigns in title to all or any portion of the Real Property or areas defined in the Parking Agreement.

12. <u>Access to Complex</u>.

a. <u>**City Events</u>**. Landlord shall have the right to use the PAC in accordance with the terms and conditions stated in Paragraph 7(b) of the Interlocal Agreement.</u>

b. <u>Storage Space</u>. Tenant shall provide Landlord four hundred (400) square feet of dedicated, secure storage space within the PAC, as determined by agreement between the Parties (the "Taylorsville Exclusive Use Space").

13. <u>**Transfer of Operational and Managerial Control**</u>. The County agrees to consult with City prior to a transfer or shift of operational or managerial control of the PAC to any third party.

14. <u>Indemnification</u>. The Parties are governmental entities under the "Utah Governmental Immunity Act" (UTAH CODE ANN. §§ 63G-7-101, *et seq.*, as amended) (the "Act"). Consistent with the terms of the Act, and as provided herein, it is mutually agreed that each Party is responsible and liable for its own wrongful or negligent acts that are committed by it or by its agents, officials, or employees. Neither Party waives any defenses otherwise available under the Act, nor does any Party waive any limits of liability currently provided by the Act.

15. <u>**Quiet Enjoyment**</u>. Tenant, upon the Commencement Date and upon observing and keeping all covenants, warranties, agreements, and conditions of this Lease and the Interlocal Agreement on its part, shall quietly have and enjoy the Facility during the Term of this Lease.

16. <u>Insurance</u>.

a. <u>Self-Insurance</u>. Tenant covenants, certifies, and warrants that the following selfinsurance coverages under the Act will be in place and in full force and effect by the first day on which Tenant will either, in connection with this Lease, occupy any portion of the Facility or the Real Property or begin construction or operations on any portion of Limits of Construction.

i. Workers' Compensation Insurance will cover statutory benefits for employees; for owners, partners, and officers; and for relatives who perform work in connection with this Agreement. Insurance will include Part B, Employer's Liability.

ii. Commercial General Liability is a program of self-insurance as provided under the Act.

iii. Personal injury coverage is a program of self-insurance as provided under the Act.

iv. Tenant will maintain real property insurance or maintain a program of self-insurance sufficient to repair or replace the principal buildings constituting the PAC and Tenant-owned personal property and equipment within the PAC that are necessary to operations.

v. Tenant will maintain commercial property insurance or maintain a selfinsurance program sufficient to repair or replace Tenant's property and equipment in the PAC that are necessary to its operation. Such insurance will be not less than the same that Tenant maintains for similar properties.

vi. Evidence of Insurance.

1. <u>Tenant Will Furnish Evidence of Insurance or Self-Insurance</u>. Prior to occupying any portion of the Facility or performing work which creates a liability exposure for Tenant, Tenant will either obtain liability insurance or establish a self-insurance program prior to beginning operations and provide evidence of same to Tenant.

2. <u>Tenant Will Furnish Evidence of Insurance or Self-Insurance</u>. During construction and prior to occupancy of any portion of Facility, Tenant will provide evidence to Landlord that Tenant or its general contractor has obtained the insurance required by this Section.

b. <u>Required Insurance for Landlord</u>. From and after the Commencement Date, Landlord shall, at all times, provide, maintain and keep in force the following policies of insurance:

i. Comprehensive public liability insurance on a "recurrent basis" against claims for "personal injury" including, without limitation, bodily injury, death or property damage occurring on, in or about the Facility and the adjoining parking lots, streets, sidewalks and passageways, all such insurance to afford immediate minimum protection to the limit of \$1,000,000.00 in a combined single limit coverage with a \$1,000,000.00 liability umbrella with respect to personal injury or death to any one or more persons or damage to property;

ii. During the course of any construction or repair of the common areas of the Facility or the Taylorsville Property, professional liability insurance for the designer, engineer or contractor performing services in connection with such construction, in such amounts as may be

reasonably satisfactory to Landlord; and

iii. Insurance against loss or damage to the common areas of the Facility, the Taylorsville Property, or the Taylorsville Exclusive Use Space by fire and/or other risks of loss covered by insurance of a type known as "All Risk Replacement Cost Insurance with Agreed Amount Endorsement" in an amount not less than \$1,000,000.00, including costs of debris removal of not more than \$100,000.00, deductible from the loss payable for any casualty.

Other Terms of Insurance; Delivery of Policies and Payment of Premiums. All c. policies of insurance required by this Lease shall contain an endorsement or agreement by the insured that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Tenant or Landlord which might otherwise result in forfeiture of said insurance, and the further agreement of the insurer waiving all rights of setoff, counterclaim or deduction against Tenant or Landlord. All policies of insurance shall be on forms and shall contain endorsements acceptable to Tenant and Landlord. All policies of insurance shall be issued by companies satisfactory to Tenant and Landlord. Each Party shall furnish to the other a certificate and, upon request, an original copy of all policies of required insurance. At least twenty (20) days prior to the expiration of each policy, each Party shall furnish to the other Party evidence of payment of the premium and the re-issuance of the policy thereby continuing insurance in force as required by this Lease. All policies shall contain the provision that such policies will not be cancelled or materially amended, which term shall include any reduction in scope or limit of coverage, without at least thirty (30) days' prior written notice to both Landlord and Tenant. In the event either Party fails to provide, maintain, keep in force or deliver and furnish to the other Party the policies of insurance required by this Paragraph, the first Party, after thirty (30) days' prior written notice to the other Party, may procure such insurance and the other Party shall immediately repay the first Party for all premiums.

d. <u>Waiver of Subrogation</u>. Landlord, except to the extent Tenant's insurance covers loss to Landlord, and Tenant each hereby waive all rights of recovery against the other and the other's agents on account of loss or damage occasioned to such waiving Party to the extent that such loss or damage is insured or is required to be insured against under an insurance policy required by this Paragraph. Tenant shall, upon obtaining policies of insurance required hereunder, give notice to the insurance carriers that the foregoing waiver of subrogation is contained in this Lease.

17. <u>**Damage or Destruction**</u>. In the event that, at any time after the Commencement Date, the Facility shall be destroyed or damaged in whole or in part, Tenant may repair the Facility, if Tenant determines, in its sole discretion, that it is reasonable to do so.

18. <u>Eminent Domain</u>.

a. <u>Total Taking</u>. If title to all of the Facility or Real Property, or so much thereof, is taken for any public or quasi-public use under any statute or right of eminent domain, Tenant shall not be obligated to construct a similar Facility; however, Tenants shall be entitled to its portion of the Proceeds from such taking.

b. <u>Partial Taking</u>. If any part of the Facility, including the parking area, is taken and, in Tenant's discretion, the remaining part is reasonably suitable for Tenant's continued occupancy Tenant may, in its sole discretion, and at its own cost and expenses, redesign, redevelop and reconstruct the Facility so as to make that portion of the Facility not taken suitable for Tenant's continued operation and use; however, Tenants shall be entitled to its portion of the Proceeds from such taking.

19. <u>**Tenant's Representations and Warranties**</u>. Tenant hereby represents and warrants to Landlord, as of the date hereof and the Commencement Date, as follows (it being understood that Landlord is relying upon the representations and warranties of Tenant in entering into this Lease):

a. <u>Organization</u>. Tenant is a body corporate and politic of the State of Utah, duly organized, validly existing and in good standing under the laws of such jurisdiction, and has fulfilled all legal requirements necessary for Tenant to transact business in Utah;

b. <u>Authorization</u>. The execution and delivery of this Lease by Tenant has been duly authorized by proper proceedings, and this Lease constitutes the valid and binding obligation of Tenant, enforceable in accordance with its terms;

c. <u>Compliance with Laws</u>. Tenant is not in default under or in violation of any material provision of any statute, law, ordinance, rule, regulation, order, writ, judgment, injunction or decree of any governmental authority or arbitrator, including, without limitation, any law regulation hazardous materials.

20. <u>**Tenant's Covenants**</u>. Tenant agrees and covenants with Landlord that during the Term of this Lease Tenant shall:

a. Comply, in all material respects, with all applicable laws, ordinances, rules, regulations, orders, writs, judgments, injunctions or decrees of any court, arbitrator or governmental authority and duly observed, in all material respects, all other requirements of government authorities including, without limitation, all statutes, rules, regulations and orders relating to environmental pollution, public and employee health and safety, and employee benefits, and comply with all material zoning ordinances and all regulations, and not initiate or acquiesce in any change in any such ordinances and regulations which are material to its construction, maintenance and operation of the PAC; and

b. Maintain, preserve and protect the PAC and Real Property for the continued conduct of its business and to keep the PAC and Real Property in good repair, working order and condition and, from time to time, make all needful and proper repairs, renewals, replacements, additions and improvements thereto, so that the business carried on by Tenant may be properly and advantageously conducted at all times in accordance with prudent business management practices.

21. <u>Default</u>.

a. <u>Tenant's Default</u>. At the option of Landlord, a default under this Lease by Tenant

shall exist if any of the following events shall occur ("Event of Default"):

i. Tenant shall become bankrupt or insolvent, or file any debtor proceedings, or take or have taken against it a petition for bankruptcy, insolvency or for the appointment of a trustee or receiver;

ii. Tenant fails to observe, keep, perform or cure within sixty (60) days after written notice by Landlord, any of the other terms, covenants, agreements or conditions contained in this Lease or those set forth in any other agreements or rules or regulations which Tenant is obligated to observe or perform. In the event such default reasonably could not be cured or corrected within such sixty (60)-day period, but is reasonably susceptible to cure or correction within one hundred twenty (120) days, then Tenant shall not be in default hereunder if Tenant commences the cure or correction of such default within ten (10) days after receiving such written notice from Landlord and diligently prosecutes the same to completion within one hundred twenty (120) days after commencing such cure or correction. Notice given under this Paragraph shall specify the alleged default and shall demand that Tenant perform the provisions of this Lease within the applicable period of time, or quit the Facility. No such notice shall be deemed a forfeiture or a termination of this Lease unless Landlord so elects in writing.

b. <u>Landlord's Remedies</u>. Upon the occurrence of an Event of Default, then Landlord may exercise any remedy available in law or in equity.

c. <u>Landlord's Default</u>. Landlord shall not be deemed to be in default of the performance of any covenant, agreement or obligation required to be performed by Landlord hereunder unless and until it has failed to perform such obligation within thirty (30) days after receipt of notice by Tenant to Landlord specifying the nature of such default; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed to be in default if it shall commence such performance within such thirty (30) day period and thereafter diligently prosecute the same to completion.

d. <u>Tenant's Remedies</u>. In the event of a default by Landlord in the performance of any covenant, agreement or obligation to be performed by Landlord hereunder, which default is not cured as and when required, Tenant shall have the right, but not the obligation, to perform such covenant, agreement or obligation on Landlord's behalf and seek reimbursement from Landlord for the actual costs of performing any such covenant, agreement or obligation.

e. <u>Limitation of Landlord's Liability</u>. The obligations of Landlord do not constitute the personal obligation of the individual members of Landlord. If Landlord shall fail to perform any covenant, term or condition of this Lease upon Landlord's part to be performed, Tenant shall be required to deliver to Landlord written notice of the same.

f. <u>Lender Protection</u>. Upon any default on the part of Landlord or Tenant, the nondefaulting Party shall give notice to any lender who has provided notice of its interest, together with an address for receiving notice, and shall offer such lender a reasonable opportunity to cure the default (which, in no event shall be less than ninety (90) days), including time to obtain possession of their collateral interest by power of sale or a judicial foreclosure, if such should prove necessary to effect a cure. Tenant and Landlord agree that each of the lenders to whom this Lease has been assigned by the other is an express third-party beneficiary hereof.

22. <u>Force Majeure</u>. In the event that Landlord or Tenant shall be delayed, hindered in, or prevented from the performance of any act required hereunder by reason of riots, insurrection, war, acts of God, or the act, failure to act, or default of the other Party, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

23. <u>Notices</u>. Every notice, approval, consent or other communication authorized or required by this Lease shall not be effective unless the same shall be in writing and sent postage prepaid by United States registered or certified mail, return receipt requested, directed to the other Party at its address listed below, or other such address as either Party may designate by notice given from time to time in accordance with this Paragraph.

Landlord:	The City of Taylorsville Attn: Wayne Harper 2600 West Taylorsville Blvd. Taylorsville, Utah 84129
with a copy to:	Taylorsville City Attorney's Office 2600 West Taylorsville Blvd. Taylorsville, Utah 84129
Tenant:	Salt Lake County Attn: Salt Lake County Arts and Culture 2001 South State St, N2-100 Salt Lake City, UT 84114
with a copy to:	Salt Lake County Real Estate Section Attn: Derrick L. Sorensen 2001 South State St, S3-110 Salt Lake City, UT 84190

24. <u>Surrender; Holding Over</u>. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Facility to Landlord. If Tenant remains in possession of all or any part of the Facility or Real Property after the expiration of the Term without the prior written consent of Landlord, such possession shall constitute a month-to-month tenancy only and subject to every term, condition and covenant contained in this Lease.

25. <u>**Right of First Refusal**</u>. If, at any time and in Landlord's sole discretion, Landlord decides to assign, sell, transfer or convey the Taylorsville Property, or any portion thereof, and Landlord receives an offer from any person or entity to assign, sell, transfer or convey the Taylorsville Property, or any portion thereof, ("Offer to Purchase"), Landlord shall deliver to Tenant a copy of the Offer to Purchase within ten (10) days of Landlord's receipt thereof. Tenant shall have the

right, within one hundred and twenty (120) days after receipt of the Offer to Purchase, to inform Landlord in writing of its desire to purchase the Taylorsville Property, or portion thereof, in its own name upon the same terms and conditions and for the same purchase price specified in the Offer to Purchase, with the understanding that Landlord shall not be obligated in any way to sell the Taylorsville Property, or any portion thereof, upon receipt of such offer. In the event that Landlord does decide to accept Tenant's offer, such sale shall occur on the later of (i) the closing date set forth in the Offer to Purchase; or (ii) sixty (60) days after Tenant informs Landlord of its intention to purchase the Taylorsville Property. In the event Landlord receives an Offer to Purchase, which offer is not consummated by Landlord's delivery of a deed or other conveyance to the offeror, Tenant's Right of First Refusal shall remain applicable to any and all subsequent offers for the purchase of the Taylorsville Property or any portion thereof.

26. <u>Miscellaneous</u>.

a. <u>Broker</u>. Each of the Parties represents to the other that there are not claims for brokerage commissions or finder's fees arising through the acts of that Party in connection with the execution of this Lease.

b. <u>Recording</u>. Tenant and Landlord agree to execute, have acknowledged and deliver a memorandum of this Lease in recordable form which thereafter may be recorded.

c. <u>Attorneys' Fees</u>. In the event that any action shall be instituted by either of the Parties hereto for the enforcement of any of its rights in and under this Lease, the prevailing Party shall be entitled to recover from the other Party all fees and costs reasonably incurred by the prevailing Party in such action, including actual costs and attorneys' fees.

d. <u>Governing Law</u>. It is understood and agreed by the parties hereto that this Lease shall be governed by the laws of the State of Utah and the ordinances of Salt Lake County, both as to interpretation and performance. All actions, including but not limited to court proceedings, administrative proceedings, arbitration and mediation proceedings, shall be commenced, maintained, adjudicated and resolved within the jurisdiction of Salt Lake County, State of Utah.

e. <u>Captions</u>. The captions and headings used in this Lease are for the purpose of convenience and shall not be construed to limit or extend the meaning of any part of this Lease.

f. <u>Time</u>. Time is the essence for the performance of each term, condition and covenant of this Lease.

g. <u>Severability</u>. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Lease, but this Lease shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

h. <u>Survival</u>. All covenants and indemnities set forth herein shall survive the expiration or sooner termination of this Lease.

i. <u>No Agency</u>. It is not the intention of Landlord or Tenant to create hereby an interlocal entity or a relationship of master-servant, principal-agent, partner, joint venture, or member of a joint enterprise, it being the sole purpose and intent of the Parties hereto to create only a relationship of Landlord and Tenant.

j. <u>Exhibits and Recitals</u>. The recitals set forth above and all exhibits to this Lease are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Lease.

k. <u>Counterparts</u>. This Lease may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts shall be deemed to be one original.

1. <u>Assignment</u>. Subject to the provisions of this Lease, either Landlord or Tenant may assign or pledge any or all of its interests and rights in this Lease, the Facility, or the Real Property. The Party assigning or pledging any or all of its interests and rights in this Lease, the Facility, or the Real Property must notify the other Party of such assignment or pledge within ten (10) days of the execution of such assignment or pledge. The terms, covenants, conditions and agreements contained in this Lease shall, subject to the provisions as to assignment and subletting contained herein and any other provisions restricting successors or assigns, apply to and bind the heirs, successors, legal representatives and assigns of the Parties hereto.

m. <u>Waiver</u>. The waiver by Landlord of any term, covenant, agreement or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition herein contained, nor shall any custom or practice which may grow up between the Parties in the administration of this Lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with all of the provisions of this Lease. The rights and remedies of Landlord under this Lease shall be cumulative and in additional to any and all other rights and remedies which Landlord has or may have.

n. <u>Entire Agreement</u>. This Lease constitutes the entire agreement between the Parties with respect to the subject matter herein, and supersedes any prior agreements, representations, negotiations or correspondence between the Parties except as expressed herein. Except as otherwise provided herein, no subsequent change or addition to this Lease shall be binding upon the Parties, their successors or assigns unless in writing and signed by the Parties hereto.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

ATTEST:

By: Cheryl P. Cottle, Recorder Date: _____

CITY OF TAYLORSVILLE

By: ______ Kristie S. Overson, Mayor Date: _____

SALT LAKE COUNTY

By: <u>Mayor or Designee</u> Date: _____

SALT LAKE COUNTY DISTRICT ATTORNEY

TAYLORSVILLE CITY ATTORNEY

By: ____ R. Christopher Preston, Deputy District Attorney Date:

By: Stephanie Shelman, Deputy City Attorney Date: _____

EXHIBIT A

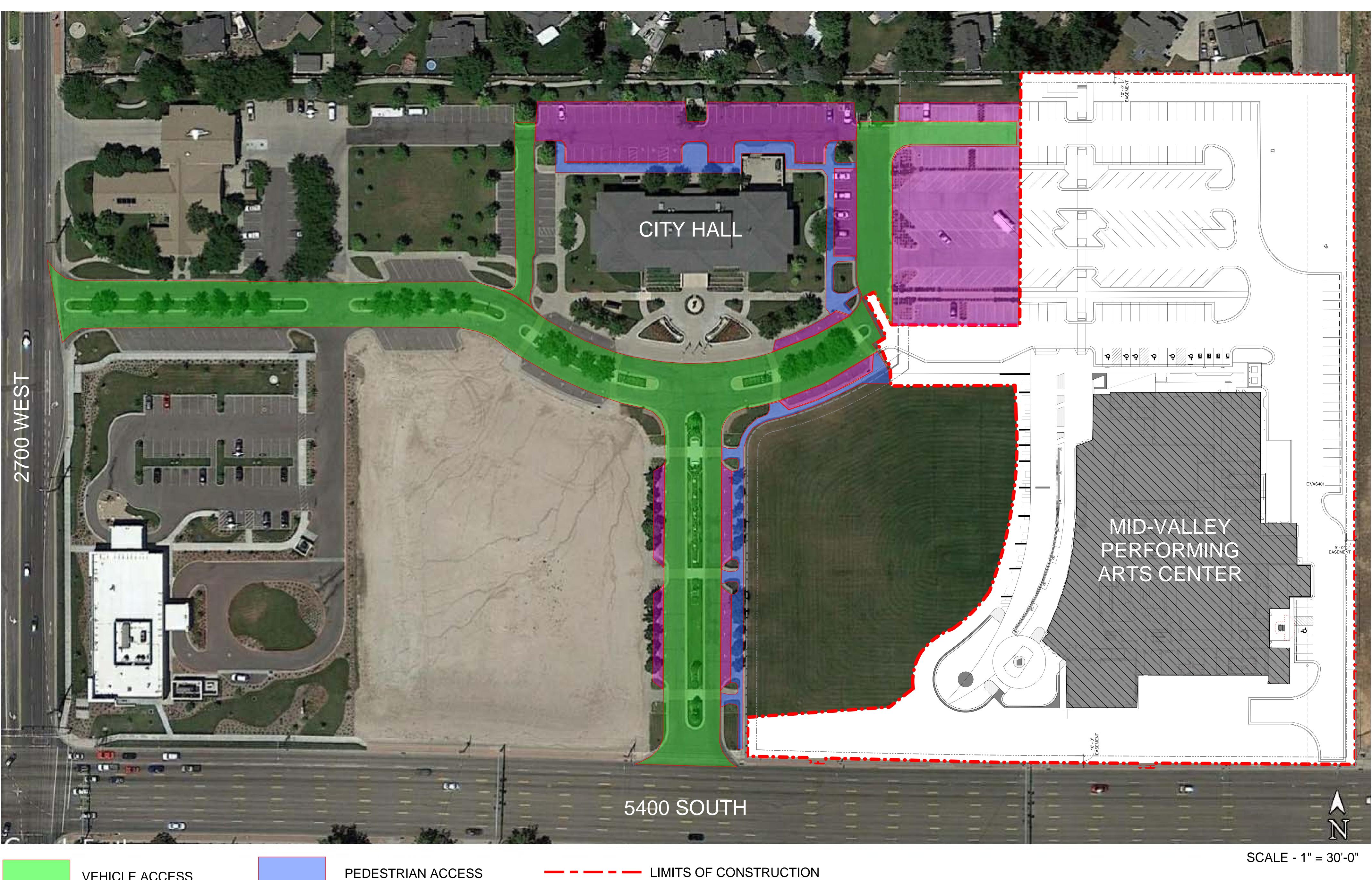
Legal Description of Real Property

A portion of Lot 5, Taylorsville City Hall Subdivision (Tax ID# 21-09-451-073) show in Exhibit B as the grey hashed area identified as the Mid-Valley PAC in the legend and the Mid-Valley Performing Arts Center in the map.

Upon completion of construction this description shall be updated with a legal description of the Real Property.

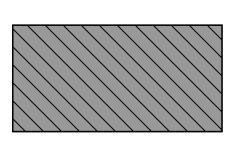
<u>EXHIBIT B</u>

Map of Taylorsville Property



VEHICLE ACCESS

SHARED PARKING



MID-VALLEY PAC

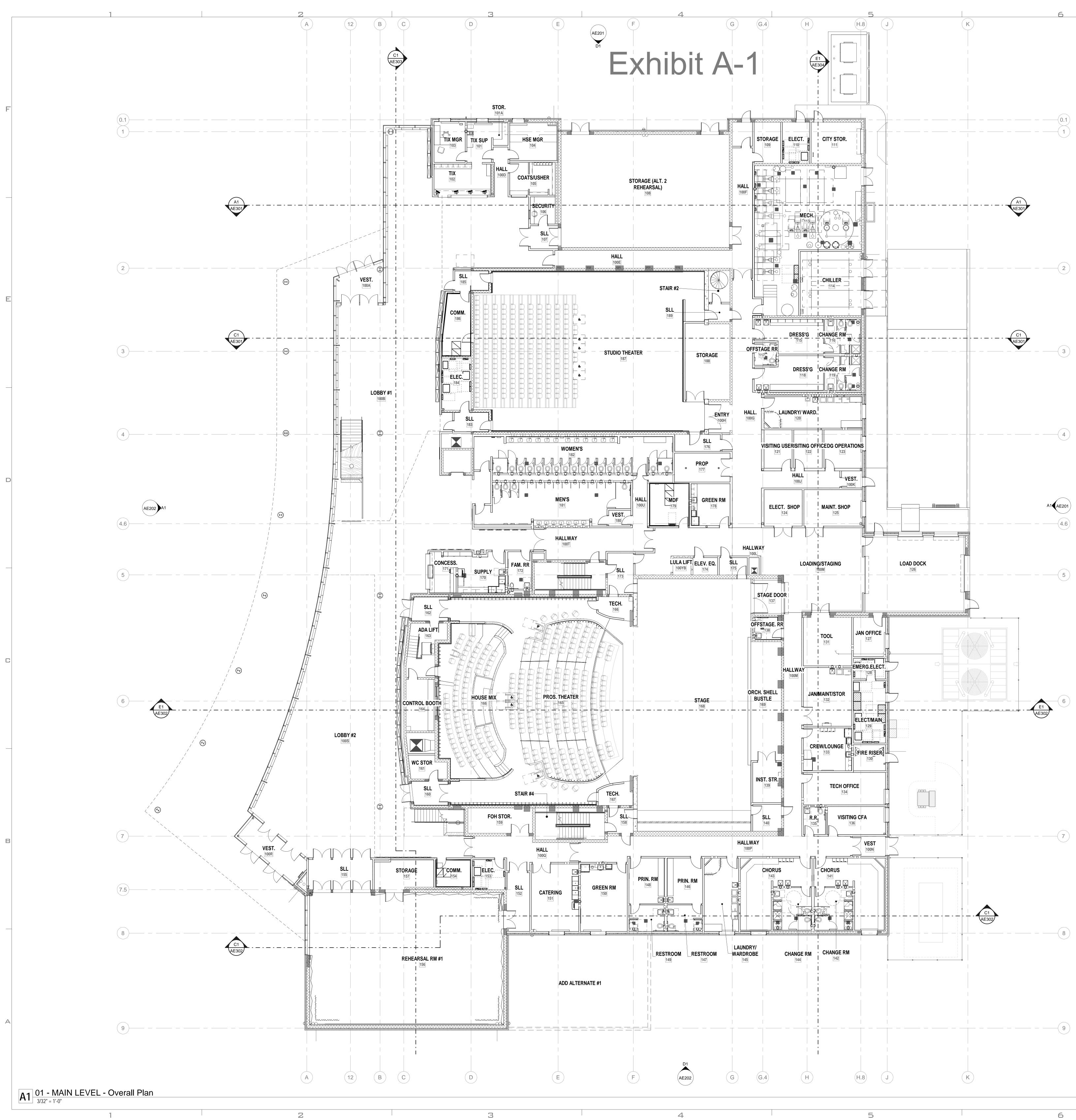
EXHIBIT C - Map of Mid-Valley PAC & Limits of Construction

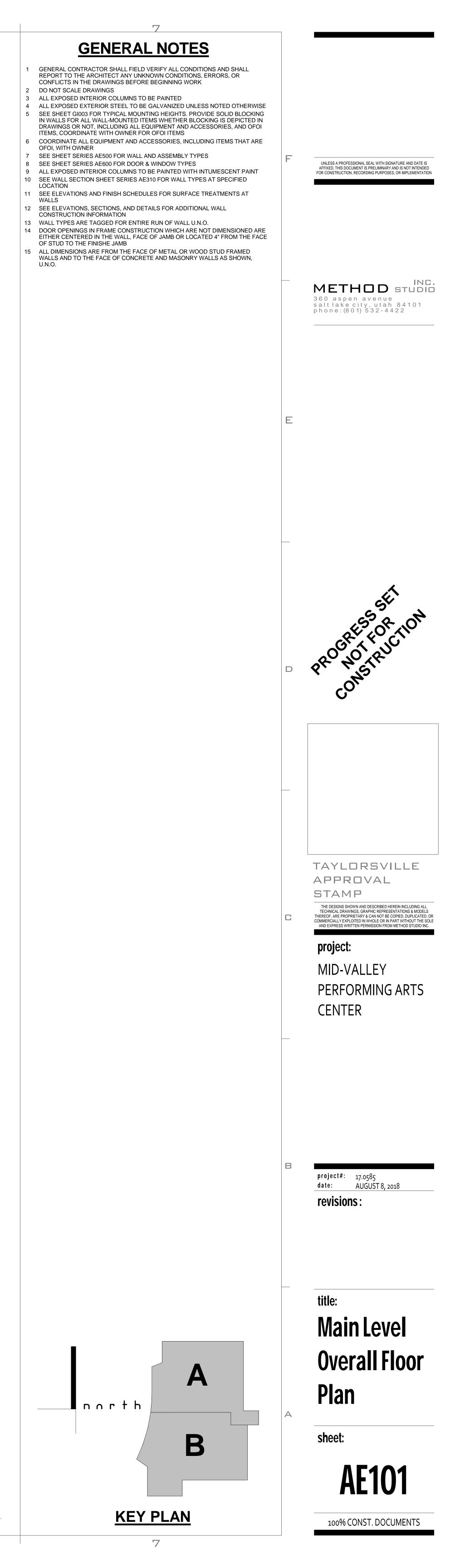
PEDESTRIAN ACCESS

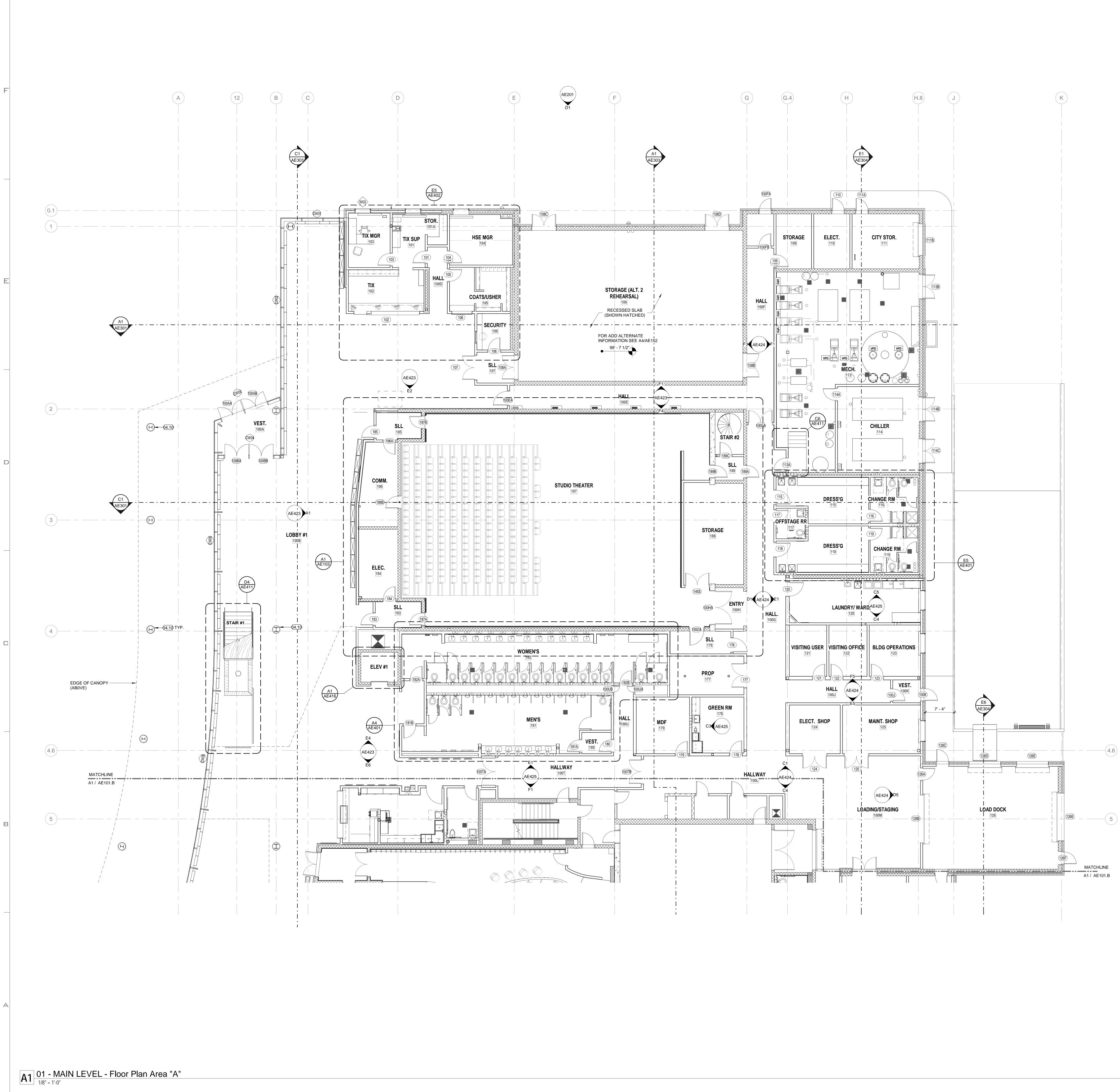
EXHIBIT C

Plans and Specifications

The full set of the Plans and Specifications are on file with Salt Lake County Facilities Management for the Mid-Valley Performing Arts Center. The Floor Plans, Site Elevations and Architectural Site Plan, dated August 8, 2018, are attached.







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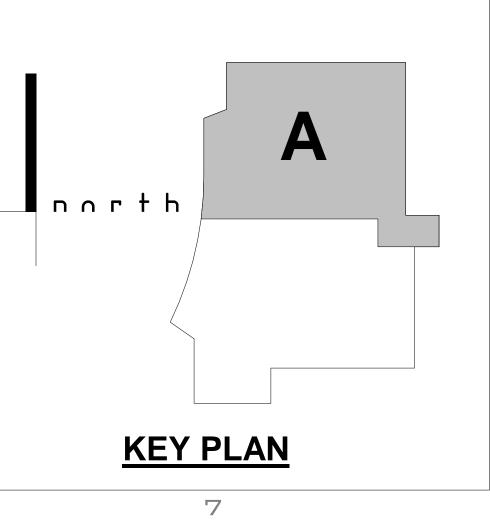
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GENERAL NOTES 1 GENERAL CONTRACTOR SHALL FIELD VERIFY ALL CONDITIONS AND SHALL REPORT TO THE ARCHITECT ANY UNKNOWN CONDITIONS, ERRORS, OR CONFLICTS IN THE DRAWINGS BEFORE BEGINNING WORK 2 DO NOT SCALE DRAWINGS 3 ALL EXPOSED INTERIOR COLUMNS TO BE PAINTED 4 ALL EXPOSED EXTERIOR STEEL TO BE GALVANIZED UNLESS NOTED OTHERWISE 5 SEE SHEET GI003 FOR TYPICAL MOUNTING HEIGHTS. PROVIDE SOLID BLOCKING IN WALLS FOR ALL WALL-MOUNTED ITEMS WHETHER BLOCKING IS DEPICTED IN DRAWINGS OR NOT, INCLUDING ALL EQUIPMENT AND ACCESSORIES, AND OFOI ITEMS, COORDINATE WITH OWNER FOR OFOI ITEMS 6 COORDINATE ALL EQUIPMENT AND ACCESSORIES, INCLUDING ITEMS THAT ARE OFOI, WITH OWNER 7 SEE SHEET SERIES AE500 FOR WALL AND ASSEMBLY TYPES UNLESS A PROFESSIONAL SEAL WITH SIGNATURE AND DATE IS AFFIXED, THIS DOCUMENT IS PRELIMINARY AND IS NOT INTENDED FOR CONSTRUCTION, RECORDING PURPOSES, OR IMPLEMENTATION 8 SEE SHEET SERIES AE600 FOR DOOR & WINDOW TYPES 9 ALL EXPOSED INTERIOR COLUMNS TO BE PAINTED WITH INTUMESCENT PAINT 10 SEE WALL SECTION SHEET SERIES AE310 FOR WALL TYPES AT SPECIFIED LOCATION 11 SEE ELEVATIONS AND FINISH SCHEDULES FOR SURFACE TREATMENTS AT WALLS 12 SEE ELEVATIONS, SECTIONS, AND DETAILS FOR ADDITIONAL WALL CONSTRUCTION INFORMATION 13 WALL TYPES ARE TAGGED FOR ENTIRE RUN OF WALL U.N.O. 14 DOOR OPENINGS IN FRAME CONSTRUCTION WHICH ARE NOT DIMENSIONED ARE EITHER CENTERED IN THE WALL, FACE OF JAMB OR LOCATED 4" FROM THE FACE OF STUD TO THE FINISHE JAMB 15 ALL DIMENSIONS ARE FROM THE FACE OF METAL OR WOOD STUD FRAMED WALLS AND TO THE FACE OF CONCRETE AND MASONRY WALLS AS SHOWN, U.N.O. METHOD STUDIO 360 aspen avenue salt lake city, utah 84101 phone:(801) 532-4422 **KEYED NOTES** 04.10 GFRC CAST STONE (GCS-2) COLUMN WRAP KS OF CONST TAYLORSVILLE





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MID-VALLEY

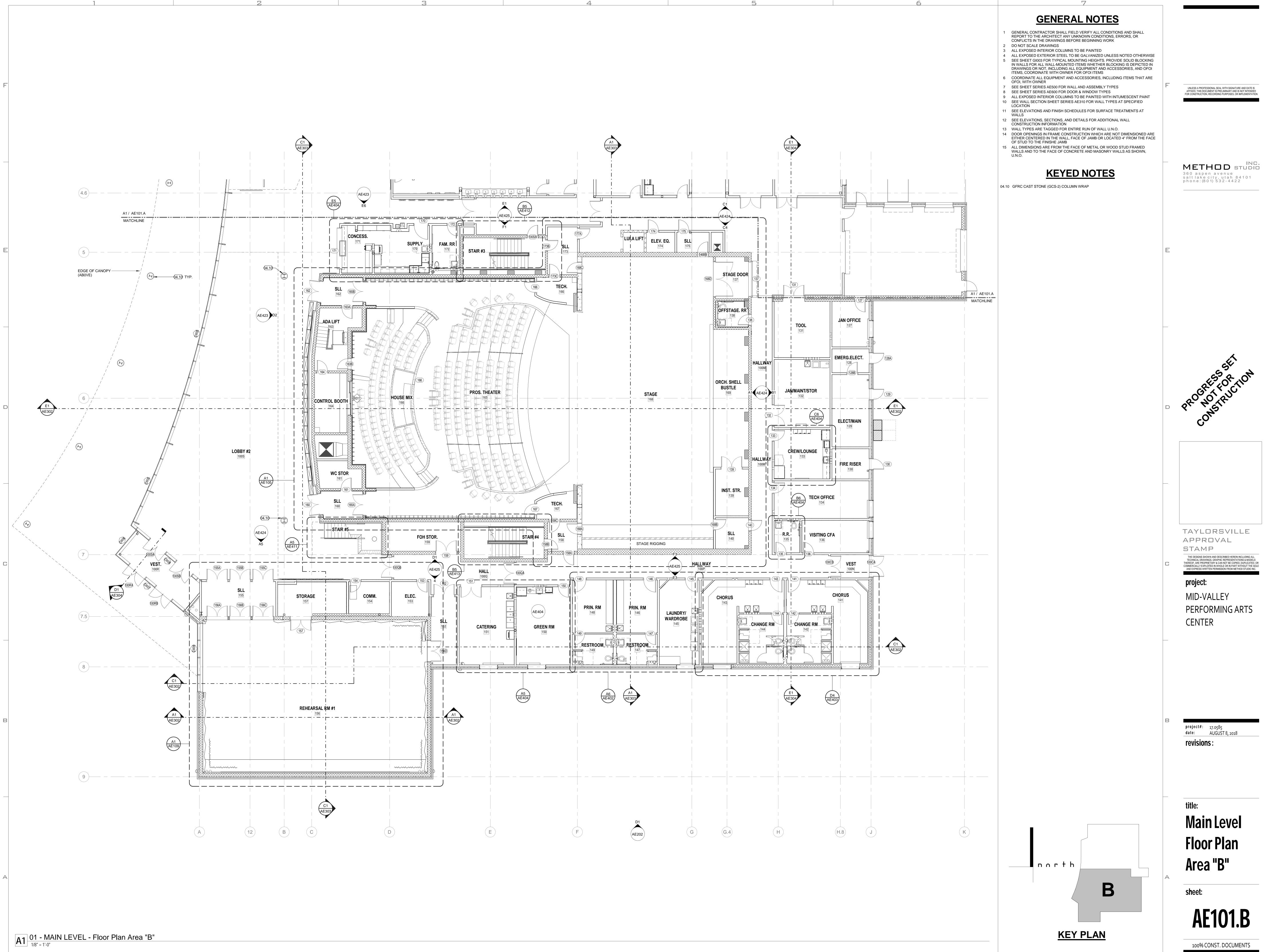
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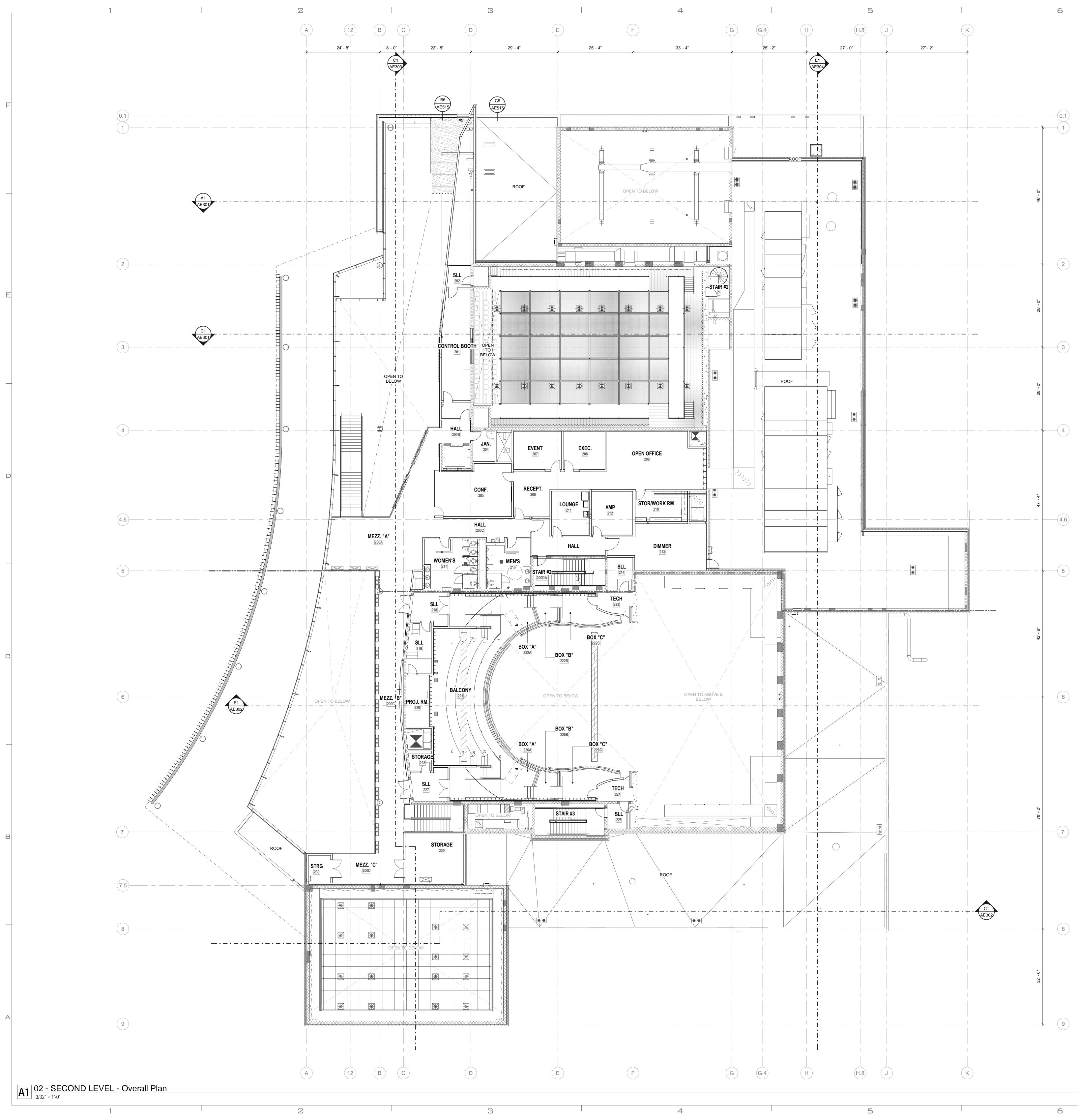
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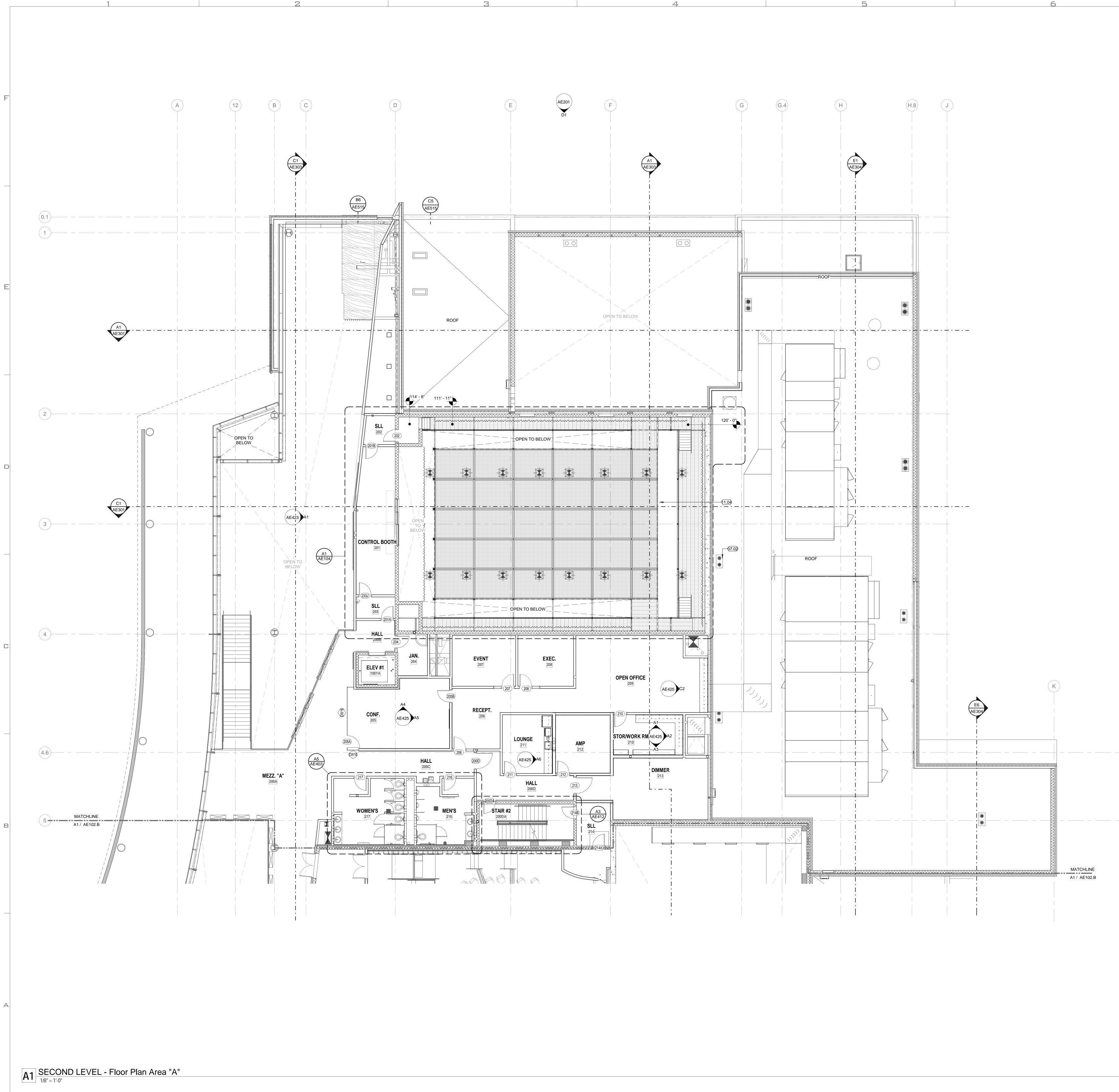
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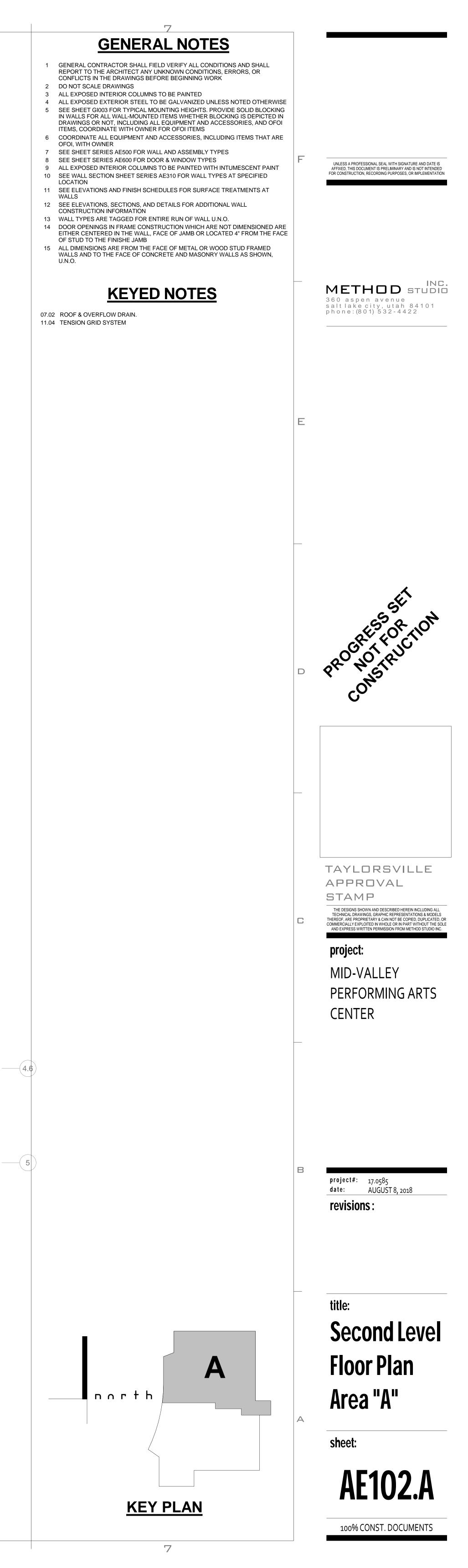
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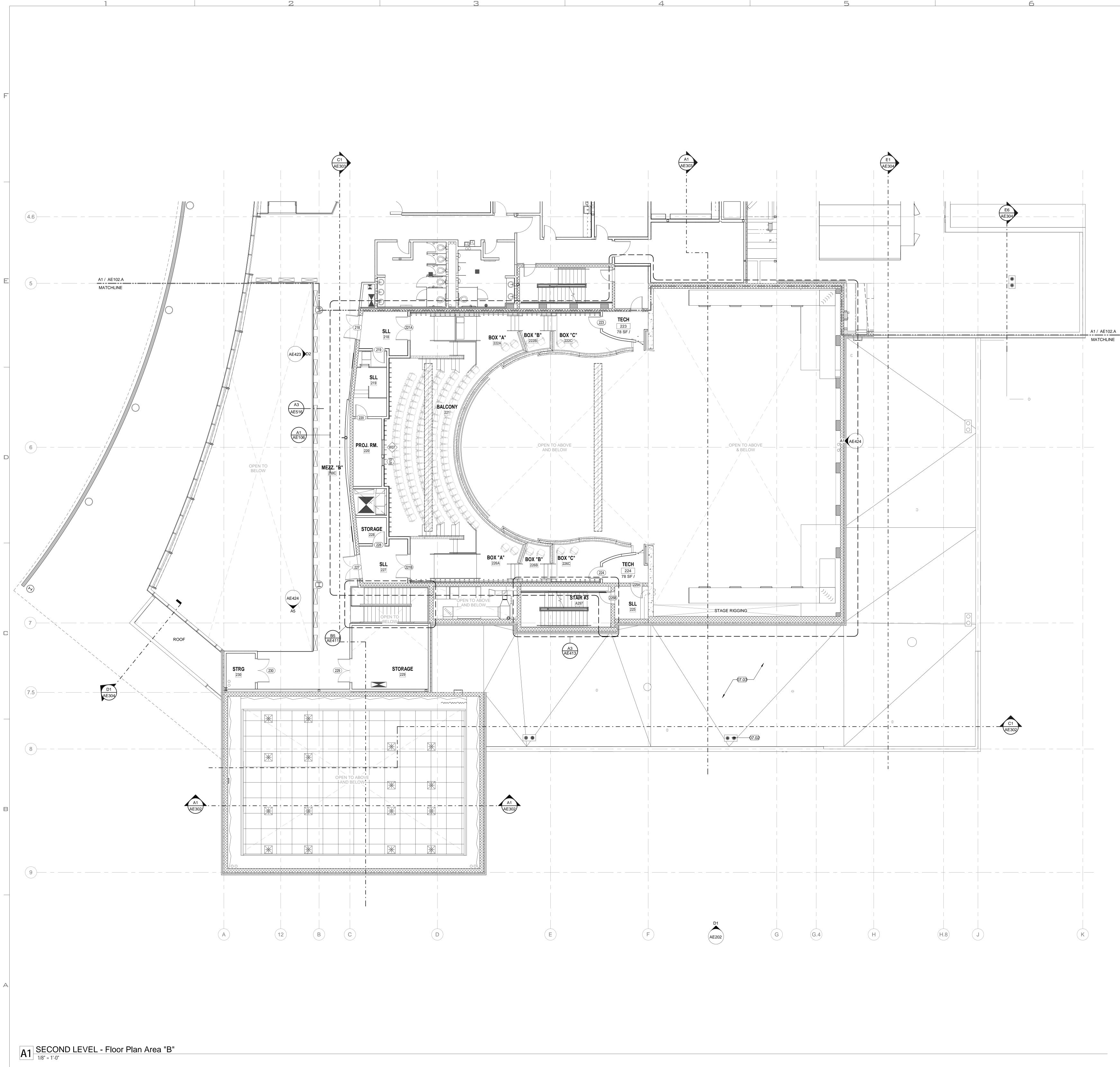






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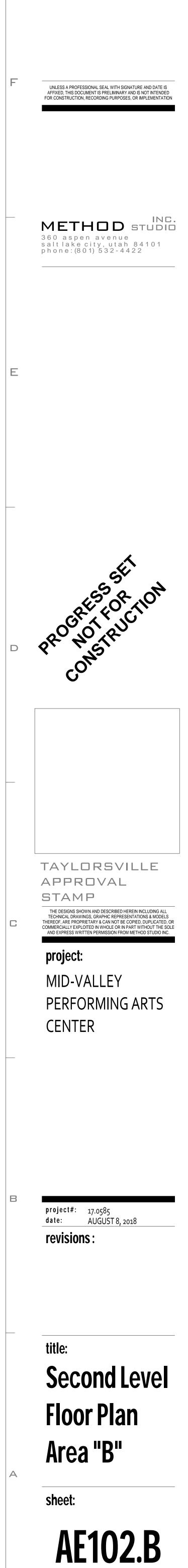
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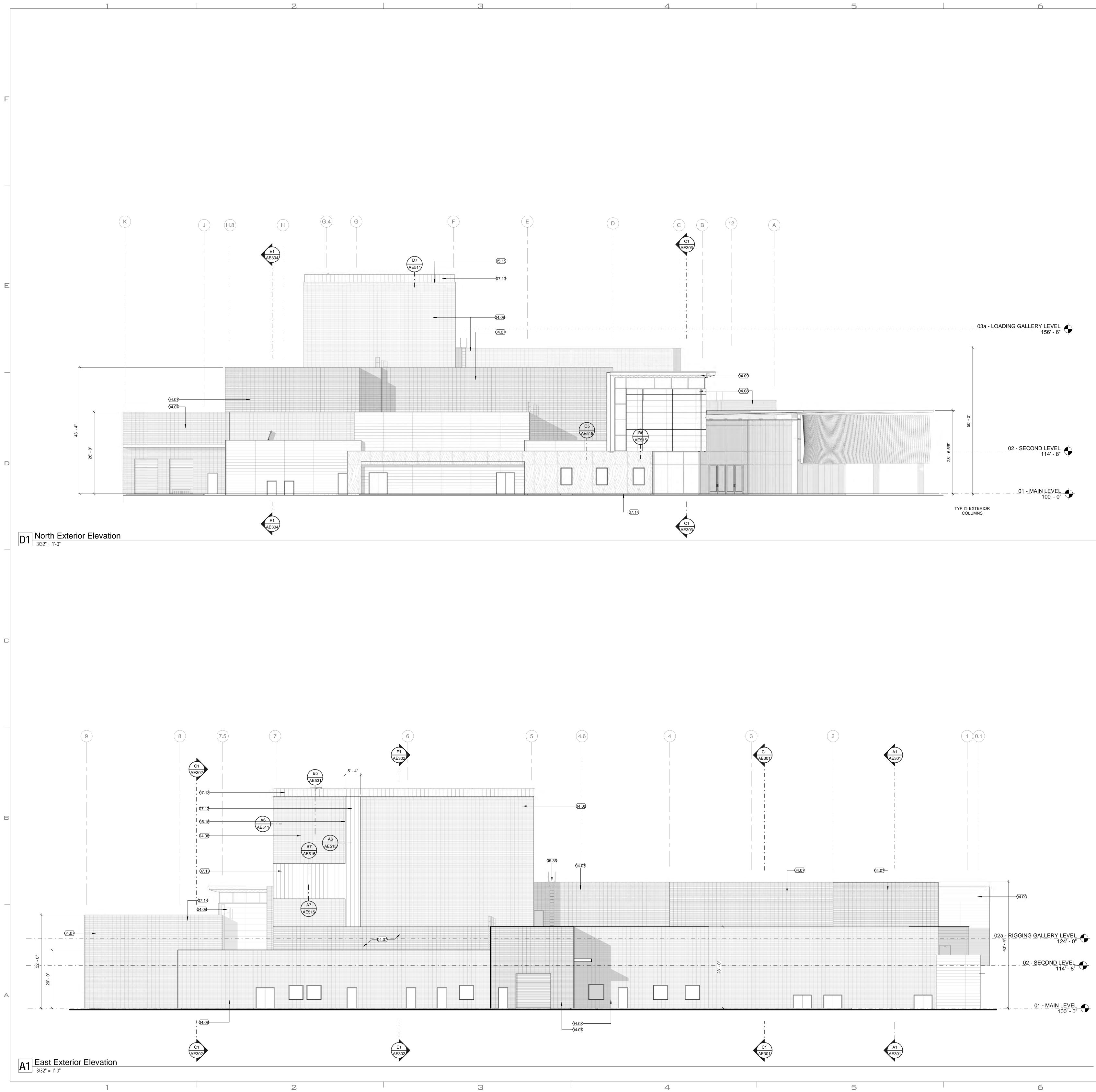
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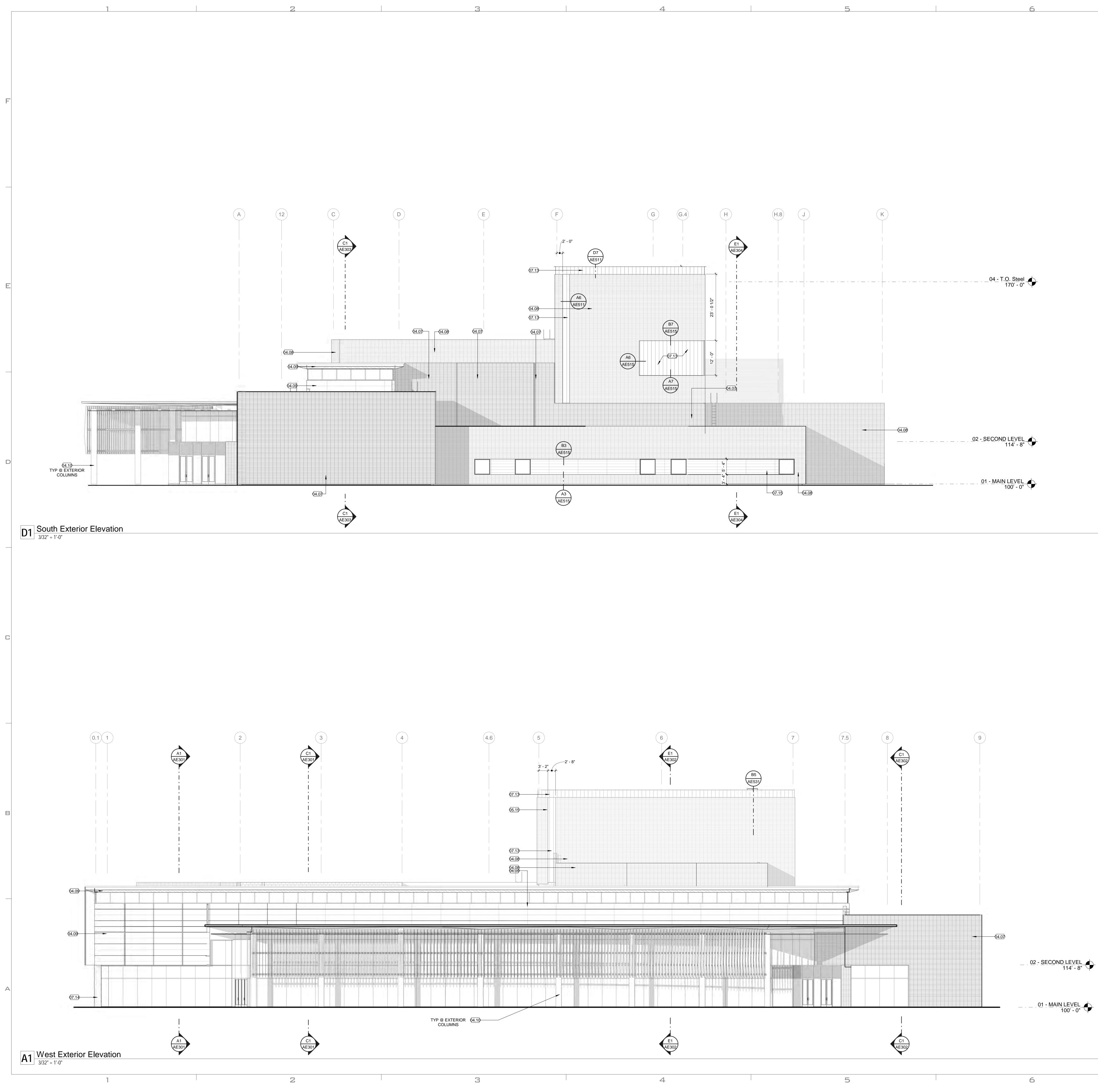
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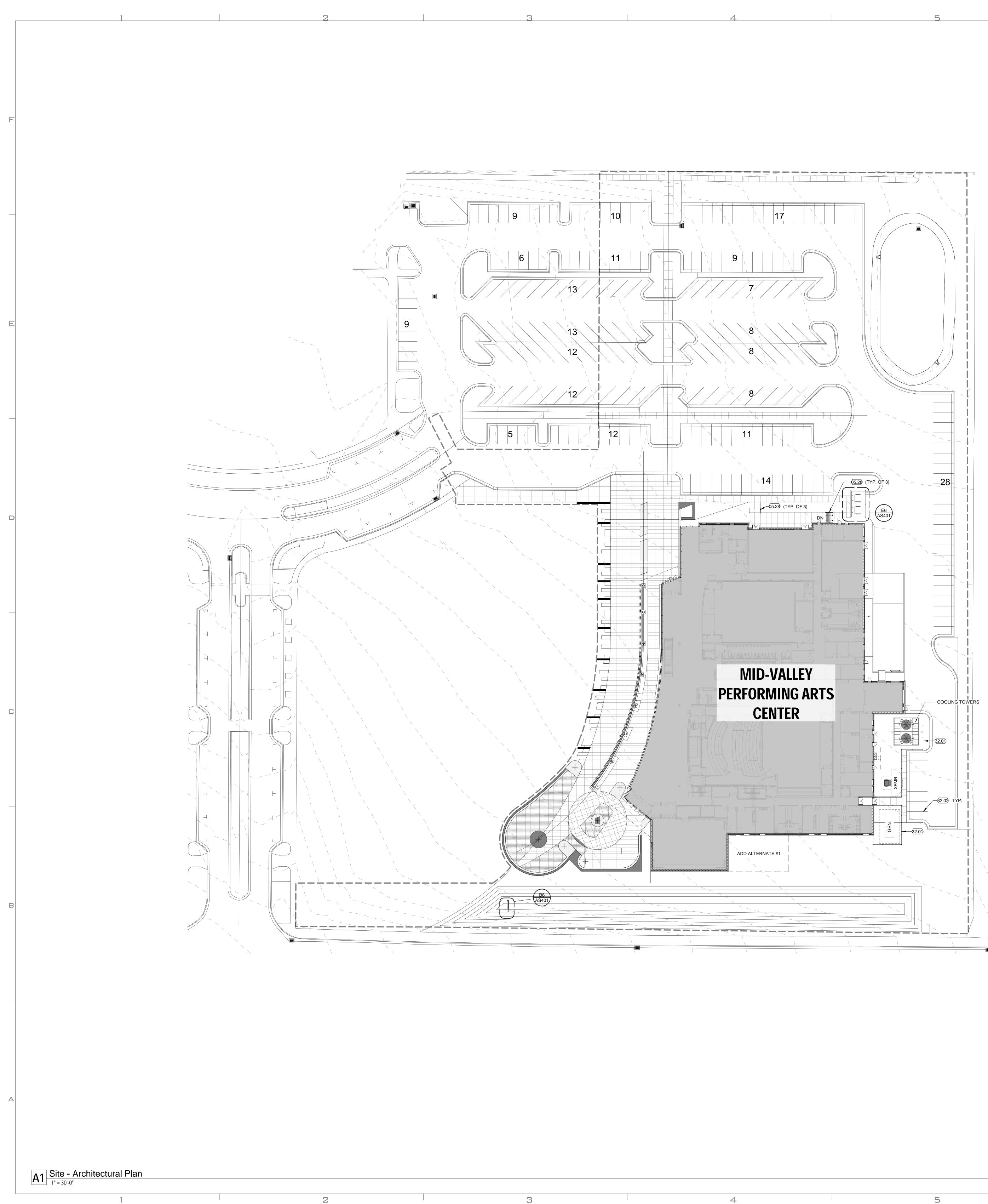
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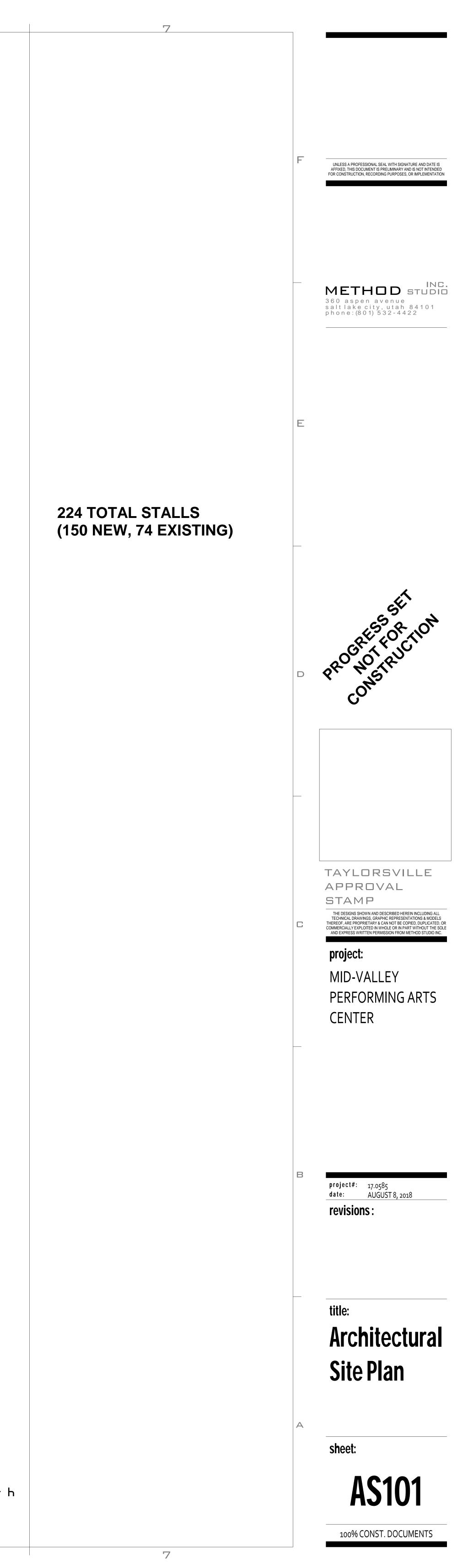


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<u>EXHIBIT D</u>

Reciprocal Parking Agreement

When Recorded, Mail To: Salt Lake County Real Estate Section 2001 South State Street, #S3-110 Salt Lake City, Utah 84114-4575

PARKING AGREEMENT

Tax ID. Nos. 21-09-451-073 21-09-451-072

THIS PARKING AGREEMENT ("Agreement") is made and entered into this ____ day of ______, 2019 by and between SALT LAKE COUNTY, a body corporate and politic of the state of Utah ("County"), and the CITY OF TAYLORSVILLE, a municipal corporation and political subdivision of the State of Utah (the "City") (collectively referred to hereafter as "Parties").

RECITALS:

A. The City owns fee title to certain real property located at 2525 West Taylorsville Blvd., Taylorsville, Utah, identified as Parcel No. 21-09-541-073, which is mostly undeveloped except for a parking lot (the "Taylorsville Parcel").

B. The City also owns fee title to certain real property located at 2600 West Taylorsville Blvd., Taylorsville, Utah, identified as Parcel No. 21-09-451-072, which is occupied by the Taylorsville City Hall and more parking (the "City-Hall Parcel"). The Taylorsville Parcel and the City Hall Parcel are collectively referred to herein as the "City Property" and are depicted on the map attached hereto as Exhibit A.

C. The County has entered into Ground Lease for the Salt Lake County Mid-Valley Performing Arts Center, dated ______, 2019 (the "Lease Agreement"), to lease a portion of the Taylorsville Parcel from the City for a term of fifty (50) years for the construction, operation and maintenance of a performing arts center ("PAC").

D. As part of the construction of the PAC, the County shall also construct walkways, driveways, parking spaces, landscaping and other improvements around the PAC on the Taylorsville Parcel, but outside of the leased area, for common use by the City and the County (the "PAC Improvements").

E. In conjunction with the Lease Agreement, the County requires at least two hundred ten (210) parking stalls available for use by the PAC's patrons.

F. The Parties wish to allow City and County patrons to jointly benefit from the parking that is currently or will (through construction of the PAC Improvements) become available on the City Property.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises, the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. <u>Incorporation of Recitals.</u> The Recitals set forth above are hereby incorporated herein by this reference.

2. Use of Parking Lots. The City hereby agrees to allow the County and its successors and assigns, employees, vendors, guests, invitees and customers, a during the Term of the Lease Agreement (and any extension thereof), to use the parking lots currently existing on or to be constructed on the City Property together with a right of way for ingress and egress to and across the parking lots as provided herein. County and its successors and assigns, employees, vendors, guests, invitees and customers may use the parking lot on the City Property at any time. However, if at any future date, the City determines that City patrons or employees cannot access the building or services the City provides, or will provide, on the City Property because of a lack of, or inaccessibility to, parking on the City Property caused by the County's use of this easement, the City reserves the right, in its sole discretion, to designate a reasonable number of parking stalls in the currently existing parking lots on the City Property for the exclusive use of City patrons and employees during regular business hours. The type of signage to be used to designate or identify these reserved parking stalls shall be determined by the City at the City's sole discretion. Notwithstanding this provision, the County shall always have a minimum of two hundred ten (210) parking stalls on the City Property available for use by PAC patrons. To effectuate a minimum of two hundred ten (210) parking stalls available to PAC patrons, the County hereby agrees to construct a minimum of one hundred fifty (150) parking spaces on the Taylorsville Parcel as part of the PAC improvements.

3. <u>City's Acceptance.</u> The City, together with its successors and assigns, acknowledges that the parking lots existing or to be constructed on the City Property are subject to the above described use agreement by the County, its successors and assigns, employees, vendors, guests, invitees and customers.

4. <u>Continuing and Perpetual Easement</u>. It is understood that this easement grant shall, at all times, be deemed to be a continuing easement running with the land and shall be binding upon the heirs, successors and/or assigns of the City and the County during the term of the Lease Agreement (and any extension thereof).

5. <u>Use and Notification</u>. The Parties hereby acknowledge that there will be occasions when normal usage patterns will be temporarily altered due to conditions such as a change in seasonal use, periods of high-volume patronage to the PAC or public events held by the County or the City, and holidays, etc. The Parties agree, to the extent such changes can be anticipated, to provide fourteen (14) days prior written notice to the other Party of any conditions or events that may change the usage patterns of the parking lots affected by this Agreement. To that end, the City hereby places the County on notice that the City's annual Taylorsville Dayzz celebration shall qualify as such an event that will likely temporarily alter normal parking usage patterns. The City, by this notice, is therefore not required to comply with the above-stated fourteen (14) day notice

requirement for its Taylorsville Dayzz event.

6. <u>Maintenance and Repair</u>. After construction of the PAC Improvements by the County is completed, the City or its successors and assigns shall be responsible for all operation, maintenance, snow removal, repair, replacement, enlargement, and removal of the parking lots on the City Property, including those constructed as part of the PAC Improvements.

7. <u>Ownership, Control, and Use of the City Parcel.</u> Notwithstanding any of the terms of this Agreement, the City shall retain its respective right, title, and interest in and to the City Property, and may fully exercise its rights in and to the parking lots existing or to be constructed on the City Property to the extent not inconsistent with this Agreement or the Lease Agreement.

8. <u>Indemnification.</u> Both Parties are governmental entities under the Governmental Immunity Act of Utah, UTAH CODE ANN. §§ 63G-7-101 to 904 (2017), as amended (the "Act"). There are no indemnity obligations between these Parties. Subject to and consistent with the terms of the Act, the County and the City shall be liable for their own negligent acts or omissions, or those of their authorized employees, officers, and agents while engaged in the performance of the obligations under this Agreement, and neither the County nor the City shall have any liability whatsoever for any negligent act or omission of the other Party, its employees, officers, or agents. Neither Party waives any defenses or limits of liability available under the Act and other applicable law. Both Parties maintain all privileges, immunities, and other rights granted by the Act and all other applicable law.

9. <u>Assignment and Assumption of This Agreement.</u> The rights and obligations granted herein shall be appurtenant to the City Property and shall not be separated therefrom. Upon the transfer, conveyance, pledge or mortgage of the City Property or any portion thereof, the rights and obligations granted herein shall be deemed to be automatically transferred, conveyed, pledged or mortgaged with the City Property or portion thereof.</u>

10. <u>Modification</u>. No modification of this Agreement shall be made unless it is made in writing signed by the Parties or their successors or assigns. Each of the provisions of this Agreement shall be independent of all of the other provisions. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, which shall remain in full force and affect, and this Agreement shall be construed, to the extent possible, as if such invalid or unenforceable provision were omitted.

11. <u>Interlocal Cooperation Agreement Controlling.</u> In the event that a conflict arises between this Parking Agreement, the Ground Lease, or the Interlocal Cooperation Agreement, the Parties hereby agree that the terms of the Interlocal Cooperation Agreement shall be controlling and shall supersede any conflicting terms or provisions contained in either this Parking Agreement or the Ground Lease.

12. <u>Dispute Resolution</u>. In the event of a dispute between the Parties arising directly or indirectly out of this Agreement, the Parties shall submit the dispute to mediation before any judicial action may be initiated, unless an immediate court order is needed or a statute of limitations period will run before mediation can be reasonably completed. The Parties involved shall agree

upon a mediator and shall mediate the matter in good faith. Each Party shall be responsible for its own costs and shall split the cost of the mediator between them.

13. <u>Governing Law</u>. This Agreement shall be governed by the laws of the State of Utah, both as to the interpretation and performance without regard to the principles of conflicts of law. Any action involving this Agreement or any dispute hereunder shall only be brought in the state and federal courts residing in Utah.

14. Binding Affect. This Agreement shall inure to the benefit of and shall be legally binding upon the Parties hereto and the heirs, executors, administrators, successors and assigns and other legal representatives of them and each of them.

15. Attorneys' Fees. In the event there is a default under this Agreement and it becomes necessary for any Party to enforce their or its rights hereunder, then with or without arbitration or litigation, the prevailing party shall be entitled to their or its expenses, including attorneys' fees, arising out of such enforcement of their or its rights hereunder. A Party shall be deemed to be the prevailing party if its assertion of a default by another Party, or its defense of a claim of default, is upheld regardless of whether significant damages are awarded.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first set forth above.

SALT LAKE COUNTY

By:

Mayor or Designee

STATE OF UTAH) :ss COUNTY OF SALT LAKE)

On this _____day of _____, 20___, personally appeared before me ______, who being duly sworn, did say that (s)he is the ______ of Salt Lake County, Office of Mayor, and that the foregoing instrument was signed on behalf of Salt Lake County, by authority of law.

NOTARY PUBLIC Residing in Salt Lake County, Utah

APPROVED AS TO FORM:

R. Christopher Preston Deputy District Attorney Date:

CITY OF TAYLORSVILLE

By ______Kristie S. Overson, Mayor

ATTEST:

Cheryl P. Cottle, City Recorder

STATE OF UTAH) :ss COUNTY OF SALT LAKE)

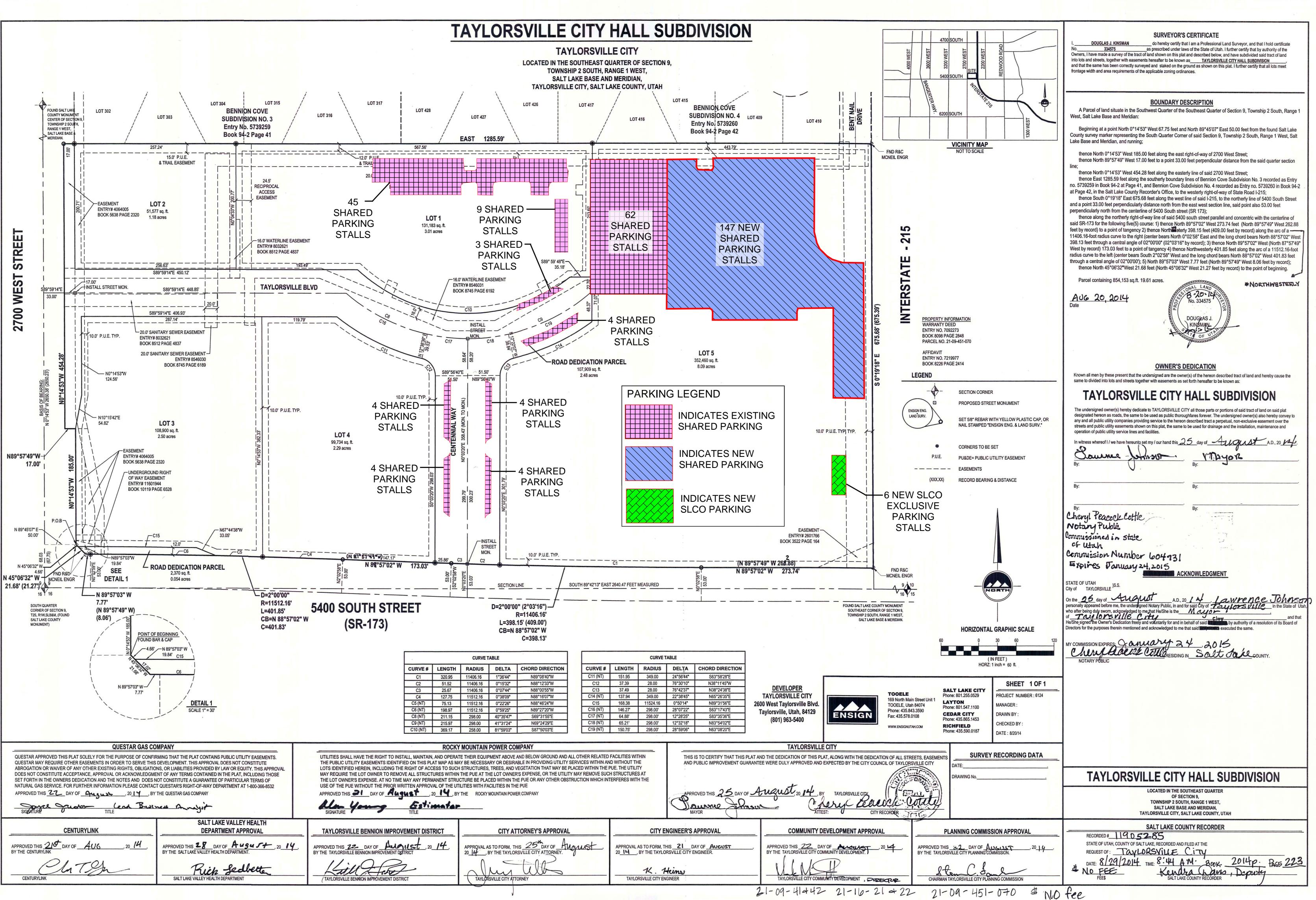
On this _____ day of ______, 20____, personally appeared before me Kristie S. Overson, who being duly sworn, did say that she is the Mayor of the City of Taylorsville, and that the foregoing instrument was signed in behalf of Taylorsville, by authority of law.

> NOTARY PUBLIC Residing in Salt Lake County, Utah

Approved as to Legal Form:

Taylorsville City Attorney

Exhibit A (Map of Taylorsville Property)



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