

**RESTATED INTERLOCAL COOPERATION AGREEMENT
for the Western Commercial District Community Development Project Area**

between

REDEVELOPMENT AGENCY OF RIVERTON CITY

and

SALT LAKE COUNTY

THIS RESTATED INTERLOCAL COOPERATION AGREEMENT is entered into by and between the **REDEVELOPMENT AGENCY OF RIVERTON CITY**, a Utah community development and renewal agency or redevelopment agency (“Agency”), and **SALT LAKE COUNTY**, a body corporate and politic of the State of Utah (“County”). The Agency and the County may collectively be referred to hereinafter as the “Parties” or individually as a “Party.”

RECITALS:

A. The County is a county existing pursuant to Article XI, Section 1 of the Utah Constitution. The Agency is a community development and renewal agency or redevelopment agency created either under the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Utah Code Ann. §§ 17C-1-101 *et seq.*, (the “Act”) or under previous law. The Agency is authorized under the Act to conduct urban renewal, economic development, and community development activities within Riverton City, Utah.

B. The Agency approved and Riverton City (the “City”) adopted a community development project area plan for the Western Commercial District Community Development Project Area (the “Project Area”) on October 20, 2015, respectively, pursuant to which the Agency will encourage and promote Project Area Development within the Project Area and in the surrounding community. While the Project Area encompasses approximately 689 acres of land, the Agency intends only to collect County Tax Increment from the 85-acre area identified in the map attached hereto as **EXHIBIT F** (the “Tax Increment Collection Area”).

C. The Act authorizes funding of community development project areas and plans—such as the Project Area and the Project Area Plan—with property tax increment pursuant to interlocal cooperation agreements with various taxing entities that levy a property tax in the project area. Specifically, Section 17C-4-201 of the Act authorizes a taxing entity to “consent to the agency receiving the taxing entity’s tax increment . . . for the purpose of providing funds to carry out a proposed or adopted community development project area plan.”

D. The County, as a taxing entity, now desires to consent to the Agency receiving certain tax increment attributable to the County’s Tax Levies (defined below) in accordance with the terms of this Agreement in order to provide funds to the Agency to carry out the Project Area

Plan.

E. The Agency and the County are “public agencies” as defined by the Utah Interlocal Cooperation Act, Utah Code Ann. §§ 11-13-101 *et seq.* (the “Interlocal Act”), and, as such, are authorized by the Interlocal Act to enter into this Agreement to act jointly and cooperatively in a manner that will enable them to make the most efficient use of their resources and powers. Additionally, Section 11-13-215 of the Interlocal Act also authorizes a taxing entity to share its tax and other revenues with other public agencies.

F. The Agency and County previously entered into an agreement as of November 21, 2016, County Contract No. 1351, attached hereto as **EXHIBIT G** (the “Previous Agreement”), and the Agency and County would like to enter into this Restated Interlocal Cooperation Agreement (“Agreement”) that replaces the Previous Agreement in its entirety, and renders the Previous Agreement null and void.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the mutual representations, covenants, and agreements contained herein, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 - INCORPORATION AND DEFINITIONS

1.1. Incorporation and Definitions. The foregoing recitals and all exhibits attached hereto are hereby made a part of this Agreement. Unless otherwise defined in this Section or in this Agreement, terms shall have the meaning set forth in the Act. For the purposes of this Agreement, the following definitions apply:

- (a) Act: As defined in the Recitals to this Agreement.
- (b) Affordable Housing Set-Aside: As defined in Subsection 2.2(c) of this Agreement.
- (c) Agency: Redevelopment Agency of Riverton City
- (d) Agency Board: The governing body of the Agency.
- (e) Agency’s Share: As defined in Subsection 2.2(b) of this Agreement.
- (f) Annual Rebate: As defined in Subsection 2.2(b) of this Agreement.
- (g) Base Tax Year: The 2015 tax year, as defined in Section 2.1 of this Agreement.
- (h) Base Taxable Value: No Dollars and No Cents (\$0.00), as defined in Section 2.1 of this Agreement.

- (i) City: Riverton City
- (j) County: Salt Lake County, a body corporate and politic of the State of Utah.
- (k) County Administrative Fee: As defined in Subsection 2.2(d) of this Agreement.
- (l) County Tax Increment: The Tax Increment attributable to the County's Tax Levies.
- (m) County's Contribution: As defined in Subsection 2.2(a) of this Agreement.
- (n) County's Tax Levies: The County's countywide and library tax levies.
- (o) Countywide Cap: As defined in Section 2.3 of this Agreement.
- (p) Effective Date: As defined in Section 7.1 of this Agreement.
- (q) Event of Default: As defined in Section 6.1 of this Agreement.
- (r) Governmental Authority: Any and all courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies, or authorities of any type of governmental unit (federal, state, or local) whether now or hereafter in existence.
- (s) Library Cap: As defined in Section 2.3 of this Agreement.
- (t) Legal Requirements: Any and all (i) present and future judicial decisions, statutes (including environmental laws), laws, rulings, rules, regulations, orders, writs, injunctions, decrees, permits, certificates or ordinances of any Governmental Authority in any way applicable to the Agency or Project Area and (ii) contracts of any nature that relate in any way to the Project Area and to which Agency may be bound.
- (u) Material Adverse Change: Any event, circumstance, fact, condition, development, or occurrence that has had or could be reasonably expected to have a material and adverse effect on: (i) the completion of any material portion of the redevelopment to be conducted in the Project Area; (ii) the anticipated taxable value of the Project Area as identified in the Proposed Amended Project Area Budget; or (iv) the validity, enforceability, or binding effect of this Agreement.
- (v) Project Area: The geographic area described in the Project Area Plan where the community development set forth in the Project Area Plan is intended to take place.
- (w) Project Area Plan: The community development project area plan approved by the Agency Board in accordance with Sections 17C-4-102 and 17C-4-104 of

the Act, adopted by the legislative body of the City in accordance with Section 17C-4-105 of the Act, and attached hereto as **EXHIBIT A**.

(x) Project Area Budget: The Proposed Amended Project Area Budget once it has been adopted by the Agency Board in accordance with Section 17C-4-204 of the Act.

(y) Property: All locally-assessed and centrally-assessed real and personal property.

(z) Proposed Amended Project Area Budget: The proposed amended budget for the Project Area prepared pursuant to Section 17C-4-204 of the Act and attached hereto as **EXHIBIT B**.

(aa) Taxing Entities: Those public agencies identified in the Proposed Amended Project Area Budget that levy a tax on Property within the Project Area and are expected to contribute their Tax Increment to the Agency through either an Interlocal Cooperation Agreement or resolution.

(bb) Tax Increment: The difference between the amount of property tax revenues generated each tax year by the Taxing Entities from Property within the Tax Increment Collection Area within the Project Area using the current year assessed value of the Property and the amount of property tax revenues that would be generated each tax year by the Taxing Entities from that same Property using the Base Taxable Value of the Property.

(cc) Tax Increment Collection Area: The 85-acre area within the Project Area identified in the map attached hereto as **EXHIBIT F**, which area includes portions of parcel numbers 27-31-300-011-0000 and 27-31-400-022-0000.

(dd) Tax Increment Collection Period: The twenty-five (25) year period commencing with the Trigger Year.

(ee) Trigger Year: The 2021 tax year.

ARTICLE 2 -- PAYMENT OF TAX INCREMENT

2.1. Base Year and Base Taxable Value. The Parties agree that for purposes of calculating the amount of County Tax Increment from the Tax Increment Collection Area to be paid by the Salt Lake County Treasurer to the Agency pursuant to this Agreement, the base tax year shall be the 2015 tax year (the "Base Tax Year") and the base taxable value shall be the assessed taxable value of all Property within the Tax Increment Collection Area for the Base Tax Year, which, after review of Salt Lake County and Utah State Tax Commission records, the Parties believe is No Dollars and No Cents (\$0.00) (the "Base Taxable Value").

2.2. Payment of Tax Increment; Affordable Housing Set-Aside; and County Administrative Fee.

(a) Payment of County Tax Increment. Subject to Sections 2.3, 2.4, 2.5, and 2.6, the County hereby agrees and consents that, for each tax year during the Tax Increment Collection Period, the Salt Lake County Treasurer shall pay 100% of County Tax Increment to the Agency (the “County’s Contribution”) and shall pay the remainder of County Tax Increment, if any, to the County. The Salt Lake County Treasurer shall continue to pay any and all tax revenues attributable to the County’s Tax Levies on the Base Taxable Value of the Project Area to the County.

(b) Annual Rebate. Notwithstanding Subsection 2.2(a), the Parties hereby agree that for each tax year during the Tax Increment Collection Period, the Agency shall transfer an amount equal to 25% of any County Tax Increment it receives from the Salt Lake County Treasurer under this Agreement—that is, an amount equal to 25% of the County’s Contribution—to the County (the “Annual Rebate”). The Agency’s transfer of the Annual Rebate to the County each year shall occur no later than three months following the Agency’s receipt of County Tax Increment from the Salt Lake County Treasurer. The amount equal to the County’s Contribution less the Annual Rebate is hereinafter referred to as the “Agency’s Share.” Thus, for the purposes of this Agreement, the Agency’s Share is generally equal to 75% of County Tax Increment (unless, for example, the Agency’s Share is reduced under Subsection 2.6(a)(1) below or a reduction to the County’s Contribution is triggered under Subsections 2.2(c) or (d) below). However, the Parties agree that if the Annual Rebate in this Subsection 2.2(b) is ever held to be invalid or unenforceable by a court of competent jurisdiction or as a result of legislative or administrative action or if the County ever provides a written notice to the Agency calling for the elimination of the Annual Rebate in this Subsection 2.2(b) from the Agreement for any other reason, then the Parties agree that, in lieu of the Annual Rebate under this Subsection 2.2(b) and starting with the next tax year for which County Tax Increment has not already been paid to the Agency, the County’s Contribution under Subsection 2.2(a) will be reduced by 25%—in addition to any reduction to the County’s Contribution triggered under Subsections 2.2(c) and (d)—and that the Salt Lake County Treasurer shall pay the remainder of County Tax Increment to the County. Furthermore, if a reduction to the County’s Contribution is triggered under this Subsection 2.2(b), the Agency agrees that it will not seek repayment of and will waive any claim to any portion of the Annual Rebate that has already been paid to the County.

(c) Affordable Housing Set-Aside. Notwithstanding Subsection 2.2(a) and in addition to Subsection 2.2(b), the Parties hereby agree that for each of the last five tax years of the Tax Increment Collection Period (i.e. tax years 21 through 25), the Agency shall transfer an amount equal to 95% of the Agency’s Share to the County for use in providing Income Targeted Housing within Salt Lake County (the “Affordable Housing Set-Aside”). The Agency’s transfer of the Affordable Housing Set-Aside to the County each year during the applicable period shall occur no later than three months following the Agency’s receipt of County Tax Increment from the Salt Lake County Treasurer. However, the Parties agree that if the Affordable Housing Set-Aside in this Subsection 2.2(c) is ever held to be invalid or unenforceable by a court of competent jurisdiction or as a result of legislative or administrative action or if the County ever provides a written notice to the Agency calling for the elimination of the Affordable Housing Set-Aside in

this Subsection 2.2(c) from the Agreement for any other reason, then the Parties agree that, in lieu of the Affordable Housing Set-Aside under this Subsection 2.2(c) and starting with the next tax year for which County Tax Increment has not already been paid to the Agency, the County's Contribution under Subsection 2.2(a) will be reduced by 71.25%—in addition to any reduction to the County's Contribution triggered under Subsections 2.2(b) and (d)—and that the Salt Lake County Treasurer shall pay the remainder of County Tax Increment to the County. Furthermore, if a reduction to the County's Contribution is triggered under this Subsection 2.2(c), the Agency agrees that it will not seek repayment of and will waive any claim to any portion of the Affordable Housing Set-Aside that has already been paid to the County.

(d) County Administrative Fee. Notwithstanding Subsection 2.2(a) and in addition to Subsections 2.2(b) and (c), the Parties hereby agree that for each tax year during the Tax Increment Collection Period, the Agency shall transfer an amount equal to 5% of the Agency's Share to the County for use by the County's Office of Regional Development to cover costs associated with evaluating its participation in the Project Area and ongoing administration of this Agreement (the "County Administrative Fee"). The Agency's transfer of the County Administrative Fee to the County each year shall occur no later than three months following the Agency's receipt of County Tax Increment from the Salt Lake County Treasurer. However, the Parties agree that if the County Administrative Fee in this Subsection 2.2(d) is ever held to be invalid or unenforceable by a court of competent jurisdiction or as a result of legislative or administrative action or if the County ever provides a written notice to the Agency calling for the elimination of the County Administrative Fee in this Subsection 2.2(d) from the Agreement for any reason, then the Parties agree that, in lieu of the County Administrative Fee under this Subsection 2.2(d) and starting with the next tax year for which County Tax Increment has not already been paid to the Agency, the County's Contribution under Subsection 2.2(a) will be reduced by 3.75%—in addition to any reduction to the County's Contribution triggered under Subsections 2.2(b) and (c)—and that the Salt Lake County Treasurer shall pay the remainder of County Tax Increment to the County. Furthermore, if a reduction to the County's Contribution is triggered under this Subsection 2.2(d), the Agency agrees that it will not seek repayment of and will waive any claim to any portion of the County Administrative Fee that has already been paid to the County.

2.3. Tax Increment Cap. The total amount of County Tax Increment paid to the Agency from the Project Area during the Tax Increment Collection Period after deducting any Annual Rebates made to the County under Subsection 2.2(b) may not exceed the following limits:

(a)	Countywide Tax Levy:	\$15,043,372.00 (" <u>Countywide Cap</u> ")
(b)	<u>Library Tax Levy:</u>	<u>\$4,059,511.00 ("<u>Library Cap</u>")</u>
	TOTAL	\$19,102,883.00

The Countywide Cap and Library Cap will be proportionally reduced by the amount of any direct expenditures made by the County in the Project Area during the Tax Increment Collection Period (or any extension thereof), including, but not limited to, expenditures related to the

design, development, construction, or maintenance of infrastructure or amenities, but only if such direct expenditures are provided for the purpose of paying any expenditure(s) specifically identified in the Project Area Budget. However, any direct expenditures made by the County in relation to the construction of a Salt Lake County performing arts center or community center within the Project Area will not proportionally reduce the Countywide Cap and Library Cap.

2.4. Reserved

2.5. Conditions Precedent to Contribution of Tax Increment. The Parties agree that this Agreement will terminate and the County will have no obligation to contribute County Tax Increment to the Agency under Section 2.2, unless the following conditions have been satisfied within ninety (90) days following the Effective Date of this Agreement:

(a) Agency Approval of Project Area Plan. The Agency Board has, by resolution, approved the Project Area Plan attached hereto as **EXHIBIT A** in accordance with Sections 17C-4-102 and 17C-4-104 of the Act.

(b) City Adoption of Project Area Plan. The legislative body of the City has, by ordinance, adopted the Project Area Plan attached hereto as **EXHIBIT A** as the official project area plan for the Project Area in accordance with Section 17C-4-105 of the Act and the legislative body of the City has provided notice of such adoption in accordance with Section 17C-4-106 of the Act.

(c) Document Transmission and Recordation. The Agency has transmitted and recorded all necessary documents in accordance with Section 17C-4-107 of the Act.

(d) Adoption of Proposed Amended Project Area Budget. The Agency has, by resolution, adopted the Proposed Amended Project Area Budget attached hereto as **EXHIBIT B** as the official project area budget for the Project Area in accordance with Section 17C-4-204 of the Act.

(e) Interlocal Agreement – Other Taxing Entities. Pursuant to Sections 17C-4-201 and 17C-4-202, the Agency has entered into an interlocal cooperation agreement with each taxing entity identified in the Proposed Amended Project Area Budget wherein each taxing entity has agreed to contribute their Tax Increment to the Agency in the amount, at the level, and for the duration specified in the Proposed Amended Project Area Budget.

(f) No Default. No Event of Default has occurred under this Agreement beyond any applicable cure period, and no event, circumstance or condition has occurred or exists which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement.

2.6. Performance Benchmark.

(a) Unless each of the performance benchmarks listed under Subsection 2.6(b) have been achieved prior to September 30th of the seventh (7th) tax year of the Tax

Increment Collection Period, then, starting with the eighth (8th) tax year of the Tax Increment Collection Period, the Parties agree that:

(1) the Agency's Share of County Tax Increment under Subection 2.2(b) will be reduced to 50% of County Tax Increment for the remainder of the Tax Increment Collection Period, either by increasing the Annual Rebate under Section 2.2(b) to 50% or, in the event the Annual Rebate has been eliminated, by reducing the County's Contribution under Subsection 2.2(a) to 50%;

(2) the total amount of County Tax Increment that may be paid to the Agency during the Tax Increment Collection Period after deducting any Annual Rebates made to the County under Subsection 2.2(b)—that is, the Countywide Cap and Library Cap—will be reduced to the following amounts:

(i)	Countywide Tax Levy:	\$10,028,915.00
(ii)	<u>Library Tax Levy:</u>	<u>\$2,706,341.00</u>
	TOTAL	\$12,735,256.00

(b) Performance benchmarks:

(1) The assessed taxable value of Property within the Tax Increment Collection Area, as determined by the Salt Lake County Assessor's Office, has exceeded Two Hundred Fifty-Three Million Five Hundred Ninety-Five Thousand Six Hundred Thirty-Two Dollars and No Cents (\$253,595,632) on the lien date of any of the first seven (7) tax years of the Tax Increment Collection Period. This benchmark assessed taxable value is equal to eighty percent (80%) of the total assessed value projected by the Agency for the seventh year of the Tax Increment Collection Period in its Proposed Amended Project Area Budget (\$316,994,540 x 0.80 = \$253,595,632).

(2) The City (i) has fulfilled its obligations under the City's Infrastrucure Agreement with Suburban Land Reserve, Inc. (the "SLR Infrastructure Agreement"), attached hereto as **EXHIBIT E**, in order to accommodate a future public transit line (TRAX, BRT or other fixed route public transit mode) ; and (ii) has entered into an agreement with the Utah Transit Authority (UTA) wherein the City has agreed to convey to UTA, at the appropriate time, all rights of way the City has acquired under the SLR Infrastructure Agreement or by other means that are necessary to accomadate a future UTA transit line and transit stop within the Project Area, unless UTA, in its sole discretion, refuses to enter into such an agreement.

(3) The City has fulfilled the reporting and other requirements set forth under Utah Code 10-9a-408.

2.7. Changes to Project Area Plan Prior to Approval. In the event that the Agency makes changes to or amends the Project Area Plan attached hereto as **EXHIBIT A**, the Agency shall provide the County with a copy of such revised Project Area Plan (the "Revised Project

Area Plan”) for the County’s review and approval. If the County approves the Revised Project Area Plan, then the Parties shall amend this Agreement to attach the Revised Project Area Plan, and the “Project Area Plan” hereunder will be replaced by the Revised Project Area Plan attached to the amendment. However, if the County does not approve of the Revised Project Area Plan and therefore the Parties fail to execute an amendment to this Agreement within ninety (90) days following the date that the Agency provides the County with a copy of the Revised Project Area Plan, this Agreement will terminate and neither Party will have any further obligations hereunder.

2.8. Changes to Proposed Amended Project Area Budget Prior to Approval. In the event that the Agency makes any changes to the Proposed Amended Project Area Budget in the form attached hereto as **EXHIBIT B** prior to adoption under Sections 17C-4-204 of the Act, the Agency shall provide the County with a copy of such revised Proposed Amended Project Area Budget (the “Revised Proposed Amended Project Area Budget”) for the County’s review and approval. If the County approves the Revised Proposed Amended Project Area Budget, then the Parties shall amend this Agreement to attach the Revised Proposed Amended Project Area Budget, and the “Proposed Amended Project Area Budget” hereunder will be replaced by the Revised Proposed Amended Project Area Budget attached to the amendment. However, if the County does not approve of the Proposed Amended Project Area Budget and therefore the Parties fail to execute an amendment to this Agreement within ninety (90) days following the date that the Agency provides the County with a copy of the Revised Proposed Amended Project Area Budget, this Agreement shall terminate and neither Party shall have any further obligations hereunder.

ARTICLE 3 -- ALLOWABLE USES OF COUNTY TAX INCREMENT

3.1. Allowable Project-Related Costs. The Agency shall use County Tax Increment paid to the Agency under this Agreement solely for:

- (a) the construction and installation of Publicly Owned Infrastructure and Improvements within the Tax Increment Collection Area that are consistent with the Project Area Plan and Project Area Budget;
- (b) the construction and installation of infrastructure improvements within the Tax Increment Collection Area that are for public use or a public purpose; and
- (c) the Annual Rebate, Affordable Housing Set-Aside, and County Administrative Fee, each as may be further identified in the Proposed Amended Project Area Budget attached hereto as **EXHIBIT B**.

3.2. Allowable Agency Administrative Costs. The Agency may not use any County Tax Increment paid to the Agency under this Agreement to reimburse itself for administrative costs.

ARTICLE 4 -REPRESENTATIONS

4.1. Representations. To induce the County to execute and perform this Agreement,

the Agency hereby represents to the County as follows:

(a) Sufficiency of Tax Increment. To the best of the Agency's knowledge, the amount of Tax Increment that the Agency expects to receive from all taxing entities that levy a tax in the Project Area, as indicated in the Proposed Amended Project Area Budget attached hereto as **EXHIBIT B**, is sufficient to carry out and accomplish the objectives of the Project Area Plan.

(b) Legal Requirements. To the best of the Agency's knowledge after investigation and due inquiry, the Agency is not in violation of any Legal Requirements and no violation of any Legal Requirements exists with respect to the establishment of the Project Area.

(c) No Violation of Other Agreements. The consummation of the transactions contemplated by this Agreement and the performance of this Agreement will not result in any breach of, or constitute a default under, any agreement or other instrument to which the Agency is a party or by which it may be bound or affected.

(d) Information. To the best of the Agency's knowledge, the information furnished to the County by the Agency in connection with the CDA Participation Request, attached hereto as **EXHIBIT C**, and all matters covered by this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit any material fact necessary to make any statement made therein, in light of the circumstances under which it was made, not misleading.

4.2. Effect of Disbursement of County Tax Increment to Agency. The Agency agrees that its receipt of County Tax Increment under this Agreement each year during the Tax Increment Collection Period, constitutes an affirmation that the representations of this Article remain true and correct as of the date thereof, unless the County is notified to the contrary prior to the Agency's receipt of County Tax Increment.

ARTICLE 5 -- COVENANTS AND AGREEMENTS

5.1. Agency Disclosure Report. For each tax year during the Tax Increment Collection Period, the Agency shall prepare and submit an annual audit report and disclosure report in compliance with Utah Law and as called for in Countywide Policy No. 1155, attached hereto as **EXHIBIT D**.

5.2. Parcels Held By Public Entities. Certain parcels within the Project Area may currently be exempt from property tax either because they are owned by non-taxable entities or because they are being used exclusively for religious, charitable, or educational purposes. If such parcels, excluding the portion of parcels within the Tax Increment Collection Area, subsequently become taxable after the Base Year and thereby subject to assessment for property tax purposes after the Base Year, for whatever reason, the Parties shall amend this Agreement to include the Base Year value of such parcels, as determined by the Salt Lake County Assessor, in the Base Taxable Value defined by this Agreement. Furthermore, in the event any parcels within the Tax Increment Collection Area are held in greenbelt status, then the Parties agree that when such parcels are withdrawn from greenbelt status, any rollback taxes due shall be paid to the

Taxing Entities (as is typically the case) and not to the Agency.

5.3. Construction of Project. The Agency shall cause the redevelopment in the Project Area to be prosecuted with due diligence and continuity and shall complete the redevelopment in the Project Area in accordance with the Project Area Plan, the Project Area Budget, and the terms of this Agreement.

5.4. Costs and Expenses. The Agency shall pay all costs and expenses required in connection with its obligations under this Agreement.

5.5. Recordkeeping. The Agency shall maintain records adequate to identify the use of County Tax Increment for the purposes specified in this Agreement. The Agency shall make its books and records available to the County and its representatives at reasonable times.

5.6. Right to Verify and Audit. The County reserves the right to verify the information furnished to the County by the Agency in connection with the CDA Participation Request and to audit the Agency's use of Tax Increment, including County Tax Increment, received by the Agency under this Agreement and other agreements as well as the accounting of such use of Tax Increment, including County Tax Increment. If the County requests an audit, the Agency agrees to cooperate fully with the County and its representatives in the performance of the audit.

5.7. Noncompliance. The Agency agrees that the County may withhold its Tax Increment or require repayment of County Tax Increment from the Agency for noncompliance with this Agreement, for failure to comply with directives regarding the use of Tax Increment, or for misuse of Tax Increment. The County shall give the Agency thirty (30) days written notice to cure any noncompliance prior to withholding Tax Increment as set forth herein. The County may not withhold Tax Increment if the Agency cures the noncompliance within that thirty (30) day period.

5.8. No Officer or Employee Interest. The Agency represents and agrees that no officer or employee of the Agency or the County has or shall have any pecuniary interest, direct or indirect, in this Agreement or the proceeds resulting from the performance of this Agreement.

5.9. Ethical Standards. The Agency represents that it has not: (a) provided an illegal gift in connection with this Agreement to any County officer or employee, or former County officer or employee, or to any relative or business entity of a County officer or employee, or relative or business entity of a former County officer or employee; (b) retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing such agreements; (c) breached any of the ethical standards in connection with this Agreement set forth in State statute or Salt Lake County Code of Ordinances § 2.07; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, in connection with this Agreement, any County officer or employee or former County officer or employee to breach any of the ethical standards set forth in State statute or Salt Lake County ordinances.

5.10. Additional Requests for County Tax Increment. The Agency agrees that, during the Tax Increment Collection Period, the Agency will not request a contribution of additional County Tax Increment from the County relating to the remaining 604 acres of the Project Area—that is, the 604 acres of the Project Area that are not within the Tax Increment Collection Area—unless the request relates to a significant economic development project that is not primarily retail or market-rate housing.

ARTICLE 6 -- DEFAULTS AND REMEDIES

6.1. Agency Event of Default. Unless otherwise addressed under paragraph 2.6 of this Agreement, the occurrence of any one or more of the following shall constitute an “Event of Default” as such term is used herein:

(a) Any representation or statement made by (or on behalf of) the Agency in this Agreement or in connection with the Agency’s CDA Participation Request proves untrue in any material respect.

(b) Failure of the Agency to comply with any of the terms, conditions, covenants, or provisions of this Agreement that is not fully cured by the Agency on or before the expiration of a thirty (30) day period commencing upon the County’s written notice to the Agency of the occurrence thereof. In no event shall the County claim an Event of Default under this Article 6 or under any other provision of this Agreement without providing the written notice set forth herein. Some non-compliance and violations may by their nature not be able to be fully cured. Providing such written notice does not excuse the Agency’s requirement to fully cure nor imply that such a cure is possible.

(c) The Agency makes changes to the Project Area Plan or the Proposed Amended Project Area Budget without prior written consent from the County, or ultimately adopts a Project Area Plan or Project Area Budget that is different from the Project Area Plan or Proposed Amended Project Area budget attached hereto.

(d) The County reasonably determines that the Agency’s use of County Tax Increment or Tax Increment differs materially from the uses identified and contemplated by the Project Area Plan and Proposed Amended Project Area Budget.

(e) The County reasonably determines that the Agency’s actions or activities within the Project Area materially deviate from the actions or activities contemplated by the Project Area Plan or the Proposed Amended Project Area Budget.

(f) The County reasonably determines that a Material Adverse Change has occurred that is not fully cured by the Agency on or before the expiration of a thirty (30) day period commencing upon the County’s written notice to the Agency of the occurrence thereof.

(g) The failure of any developer or contractor that has entered into a Participation Agreement with the Agency to complete a material portion of the redevelopment within the Project Area, whether such failure is due to bankruptcy,

insolvency, economic conditions or otherwise, and the failure of the Agency to cause the such redevelopment to be completed by a new substitute developer or contractor within two-years of the completion date contemplated by the Project Area Plan and Project Area Budget for such redevelopment.

6.2. County's Remedies in the Event of Default. Upon the occurrence of any Event of Default, the County may, in its sole discretion, and in addition to all remedies conferred upon the County by law or equity and other provisions of this Agreement, pursue any one or more of the following remedies concurrently or successively, it being the intent hereof that none of such remedies shall be to the exclusion of any other:

- (a) Direct the Salt Lake County Auditor and/or Salt Lake County Treasurer to withhold further disbursement of County Tax Increment to the Agency; and/or
- (b) Direct the Salt Lake County Auditor and/or Salt Lake County Treasurer to reduce the amount of any disbursement of County Tax Increment to the Agency; and/or
- (c) Terminate this Agreement.

ARTICLE 7 -- GENERAL PROVISIONS

7.1. Effective Date. This Agreement will become effective immediately upon the completion of the following: (i) the approval of the Agreement by the governing bodies of the County and the Agency, including the adoption of any necessary resolutions or ordinances by the County and the Agency authorizing the execution of this Agreement by the appropriate person or persons for the County and the Agency, respectively, (ii) the execution of this Agreement by a duly authorized official of each of the Parties, (iii) the submission of this Agreement to an attorney for each Party that is authorized to represent said Party for review as to proper form and compliance with applicable law, pursuant to Section 11-13-202.5 of the Interlocal Cooperation Act, and the approval of each respective attorney, (iv) the filing of a copy of this Agreement with the keeper of records of each Party, and (v) the publication of a summary of this Agreement pursuant to Section 17C-4-202 of the Act (the "Effective Date").

7.2. Termination. This Agreement will terminate on the earlier of the following: (i) 90 days after the Effective Date of this Agreement, if the conditions listed in Section 2.5 have not been satisfied prior to that date; (ii) the date the Tax Increment Collection Period expires; or (iii) the date the County terminates this Agreement due to an Event of Default under Section 6.1.

7.3. Interlocal Cooperation Act. In satisfaction of the requirements of the Interlocal Act in connection with this Agreement, the Parties agree as follows:

- (a) This Agreement shall be authorized by a resolution of the legislative body of each Party pursuant to and in accordance with the provisions of Section 11-13-202.5 of the Interlocal Act.

(b) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney in behalf of each Party pursuant to and in accordance with Section 11-13-202.5 of the Interlocal Act.

(c) A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of each Party pursuant to Section 11-13-209 of the Interlocal Act.

(d) The term of this Agreement, including any extensions, shall not exceed fifty (50) years pursuant to Section 11-13-216 of the Interlocal Act.

(e) Except as otherwise specifically provided herein, each Party shall be responsible for its own costs of any action done pursuant to this Agreement, and for any financing of such costs.

(f) No separate legal entity is created by the terms of this Agreement and no facility or improvement will be jointly acquired, jointly owned, or jointly operated by the Parties under this Agreement.

(g) To the extent this Agreement requires administration other than as set forth herein, it shall be administered by the chief administrative officer of each Party pursuant to Section 11-13-207 of the Interlocal Act.

7.4. Publication of Notice. Immediately after execution of this Agreement by the Parties, the Agency shall cause to be published a notice regarding this Agreement and the Parties' resolutions authorizing this Agreement, as provided and allowed pursuant to Section 11-13-219 of the Interlocal Act and in accordance with Section 17C-4-202 of the Act. The County agrees that the Agency shall cause such publication of notice to be made on the County's behalf and at the Agency's expense, in a joint publication.

7.5. Notices.

(a) Form of Notice. All notices, communications, requests, and waivers required or permitted under this Agreement ("Notices") must be in writing and must be signed by a person duly authorized to provide such notice.

(b) Method of Notice. All Notices shall be given (i) by delivery in person, (ii) by a nationally recognized next day courier service; or (iii) by first class, registered or certified mail, postage prepaid. Notices may also be given by electronic mail, provided that any such communication is concurrently given by one of the methods set forth in the preceding sentence. All Notices shall be addressed in each case as follows (or to such other address as either party may specify in writing from time to time):

To Agency: Redevelopment Agency of Riverton City
 Attention: Riverton City Manager
 12830 South Redwood Road
 Riverton, Utah, 84065

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

To County: Salt Lake County
Office of Regional Development
2001 South State Street, S2-100
PO Box 144575
Salt Lake City, Utah 84114-4575
Attn: Director

With a copy to: Office of the District Attorney
2001 South State Street, S3-600
Salt Lake City, Utah 84190-1210
Attn: Jason Rose

(c) Receipt of Notice. All Notices sent pursuant to this Section will be deemed to have been duly given: (i) if delivered in person, on the date of delivery, (ii) if transmitted by national overnight courier (with confirmation of delivery), on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

7.6. Governmental Immunity, Liability, and Indemnification.

(a) Governmental Immunity. Both Parties are governmental entities under the Governmental Immunity Act of Utah, §§ 63G-7-101 *et seq.* (the “Immunity Act”). Neither Party waives any defenses or limits of liability available under the Immunity Act and other applicable law. Both Parties maintain all privileges, immunities, and other rights granted by the Immunity Act and all other applicable law.

(b) Liability and Indemnification. The County and the Agency agree to 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 Agency will have any liability whatsoever for any negligent act or omission of the other Party, its employees, officers, or agents. However, the Agency shall indemnify, defend, and hold harmless the County, its officers, employees and agents (the “Indemnified Parties”) from and against any and all actual or threatened claims, losses, damages, injuries, debts, and liabilities of, to, or by third parties, including demands for repayment or penalties, however allegedly caused, resulting directly or indirectly from, or arising out of: (i) the Agency’s breach of this Agreement; (ii) any acts or omissions of or by the Agency, its agents, representatives, officers, employees, or subcontractors in connection with the performance of this Agreement; (iii) or the Agency’s use of County Tax Increment. The Agency agrees that its duty to defend and indemnify the Indemnified Parties under this Agreement includes all attorney’s fees, litigation and court costs, expert witness fees, and any sums expended

by or assessed against the County for the defense of any claim or to satisfy any settlement, arbitration award, debt, penalty, or verdict paid or incurred on behalf of the County. The Parties agree that the requirements of this Paragraph will survive the expiration or sooner termination of this Agreement.

7.7. Modification and Amendment. This Agreement may be amended, enlarged, modified or altered only by an instrument in writing. The modification or amendment will become effective immediately upon the completion of the following: (i) the approval of the amendment by the governing bodies of the County and the Agency, including the adoption of any necessary resolutions or ordinances by the County and the Agency authorizing the execution of the amendment by the appropriate person or persons for the County and the Agency, respectively, (ii) the execution of the amendment by a duly authorized official of each of the Parties, (iii) the submission of the amendment to an attorney for each Party that is authorized to represent said Party for review as to proper form and compliance with applicable law, pursuant to Section 11-13-202.5 of the Interlocal Act, and the approval of each respective attorney, (iv) the filing of a copy of the amendment with the keeper of records of each Party, and (v) the publication of a summary of the amendment pursuant to Section 17C-4-202 of the Act. Notwithstanding the foregoing, enforcement of any amended or modified provisions set forth herein, or in any amendment or modification to this Agreement, may occur upon completion of subsections (i) - (iii) of this section 7.7.

7.8. Further Documents and Acts. Each of the Parties hereto agrees to cooperate in good faith with the other to execute and deliver such further documents and perform such other acts as may be reasonably necessary or appropriate to consummate and carry into effect the intent and transactions contemplated under this Agreement.

7.9. Entire Agreement. This Agreement and the exhibits attached hereto constitute the entire agreement between the Parties pertaining to the subject matter hereof, and all prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded by this Agreement. This Agreement may not be enlarged, modified or altered, except in writing, signed by the Parties as explained in Section 7.7 above.

7.10. No Waiver. The failure of either Party at any time to require performance of any provision or to resort to any remedy provided under this Agreement will in no way affect the right of that Party to require performance or to resort to a remedy at any time thereafter. Additionally, the waiver of any breach of this Agreement by either Party will not constitute a waiver as to any future breach, and no extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

7.11. No Obligations to Third Parties. The Parties agree that the Agency's obligations under this Agreement are solely to the County and that the County's obligations under this Agreement are solely to the Agency. The Parties do not intend to confer any rights to third parties unless otherwise expressly provided for under this Agreement.

7.12. Agency. No officer, employee, or agent of one Party is intended to be an officer,

employee, or agent of the other Party. None of the benefits provided by one Party to its employees including, but not limited to, workers' compensation insurance, health insurance and unemployment insurance, are available to the officers, employees, or agents of the other Party. The Agency and the County will each be solely and entirely responsible for its acts and for the acts of its officers, employees, or agents during the performance of this Agreement.

7.13. Assignment. No Party may assign its benefits, rights, duties or obligations under this Agreement without obtaining prior written consent from the other Party. If this Agreement is assigned, the nonassigning party maintains all rights and benefits provided under this Agreement as it pertains to the party to whom this Agreement is assigned.

7.14. Governing Law and Venue. The laws of the State of Utah govern all matters arising out of this Agreement. Venue for any and all legal actions arising hereunder will lie in the District Court in and for the County of Salt Lake, State of Utah.

7.15. Severability. If any provision of this Agreement and any related document shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, the Parties agree that:

- (a) such holding or action will be strictly construed;
- (b) such provision will be fully severable;
- (c) this Agreement will be construed and enforced as if such provision had never comprised a part hereof;
- (d) the remaining provisions of this Agreement and related documents will remain in full force and effect and will not be affected by the invalid or unenforceable provision or by its severance from this Agreement; and
- (e) in lieu of such illegal, invalid, or unenforceable provision, the Parties hereto will use commercially reasonable efforts to negotiate in good faith a substitute, legal, valid, and enforceable provision that most nearly effects the Parties' intent in entering into this Agreement.

7.16. Counterparts. This Agreement may be executed in counterparts and all so executed will constitute one agreement binding on all the Parties, it being understood that all parties need not sign the same counterpart. Further, executed copies of this Agreement delivered by facsimile or email will be deemed an original signed copy of this Agreement.

Each Party hereby signs this Interlocal Cooperation Agreement on the date written by each Party on the signature pages attached hereto.

[The balance of this page was left blank intentionally – Signature pages follow]

INTERLOCAL AGREEMENT -- SIGNATURE PAGE FOR COUNTY

SALT LAKE COUNTY:

By _____
Mayor Jennifer Wilson or Designee

Dated: _____, 20____

Approved as to Form and Legality:

SALT LAKE COUNTY DISTRICT ATTORNEY

By _____
Deputy District Attorney

[Signatures continue on next page.]

INTERLOCAL AGREEMENT -- SIGNATURE PAGE FOR AGENCY

**REDEVELOPMENT AGENCY OF
RIVERTON CITY:**

By _____

Name: _____

Title: _____

Dated: _____, 20____

Approved as to Form and Legality:

ATTORNEY FOR AGENCY

By _____

Name: _____

Attorney for Agency

Dated: _____, 20____

LIST OF EXHIBITS

EXHIBIT A	Project Area Plan
EXHIBIT B	Proposed Amended Project Area Budget
EXHIBIT C	Redevelopment Agency of Riverton City's CDA Participation Request
EXHIBIT D	Countywide Policy No. 1155
EXHIBIT E	Infrastrucuture Agreement between Riverton City and Suburban Land Reserve, Inc.
EXHIBIT F	Tax Increment Collection Area – Parcel Numbers and Map
EXHIBIT G	Previous INTERLOCAL COOPERATION AGREEMENT for the Western Commercial District Community Development Project Area

EXHIBIT A

Project Area Plan

EXHIBIT A

Project Area Plan

EXHIBIT B

Proposed Amended Project Area Budget

EXHIBIT B

Proposed Amended Project Area Budget

EXHIBIT C

CDA Participation Request

EXHIBIT C

CDA Participation Request

EXHIBIT D

Countywide Policy No. 1155

EXHIBIT D

Countywide Policy No. 1155

EXHIBIT E

Infrastructure Agreement between Riverton City and Suburban Land Reserve, Inc.

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Infrastructure Agreement between Riverton City and Suburban Land Reserve, Inc.

EXHIBIT F

Tax Increment Collection Area – Parcel Numbers and Map

EXHIBIT F

Tax Increment Collection Area – Parcel Numbers and Map

EXHIBIT G

Previous Agreement

EXHIBIT G

Previous Agreement