



Lehi Redevelopment Agency of Lehi Meeting Agenda July 14, 2026

7:00 PM - Lehi Civic Center, Council Chambers, (131 N. 100 E., Lehi, UT 84043)

1. Welcome and Roll Call
2. Regular Agenda
 - 2.1. Consideration of Resolution #R2026-06 approving a Participation Agreement between Lehi Redevelopment Agency and Stack Soccer Field LLC
[RDA R2026-06.docx](#)
[STACK Soccer Field Property - Participation Agreement - Redline.pdf](#)
[STACK Soccer Field Property - Participation Agreement - Final.docx](#)
 - 2.2. Consideration of Resolution #R2026-07 approving a Participation Agreement between Lehi City and Thanksgiving Point Station Development Partners LLC.
[RDA R2026-07.docx](#)
[Gardner Stack Thanksgiving Station Participation Agreement Redline Draft.pdf](#)
[Gardner Stack Thanksgiving Station Participation Agreement- Final.docx](#)
 - 2.3. Consideration Resolution #R2026-08 approving an Interlocal Agreement between Lehi City and the Lehi City Redevelopment Agency regarding the Thanksgiving Point Housing Transit Reinvestment Zone.
[RDA R2026-08.docx](#)
[Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ - 8.doc](#)
[Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ \(redline\).pdf](#)
3. Adjournment
 - Public is invited to attend all open meetings
 - In compliance with the Americans with Disabilities Act, the City of Lehi will make reasonable accommodations to participate in the meeting. Requests for assistance can be made by contacting the City Recorder at 385-201-2269
 - This Agenda has been posted in accordance with Utah Code §§ 63G-30-102
 - Agendas may be amended up to 24 hours prior to a meeting
 - A Closed Meeting may be called to order pursuant to Utah Code §§ 52-4-204 & 52-4-205
 - The order of agenda items may change to accommodate the needs of the legislative body, staff, or the public
 - Electronic participation may be permitted for one or more members of the legislative body and staff

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: July 14, 2026

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #R2026-06 approving a Participation Agreement between Lehi Redevelopment Agency and Stack Soccer Field LLC

Summary:

Attachments:

[RDA R2026-06.docx](#)

[STACK Soccer Field Property - Participation Agreement - Redline.pdf](#)

[STACK Soccer Field Property - Participation Agreement - Final.docx](#)

HTRZ Participation Agreement

between

The Lehi City Redevelopment Agency

and

STACK Soccer Field, LLC

_____, 2026

HTRZ Participation Agreement

The Lehi City Redevelopment Agency, a political subdivision of the State of Utah (the “Agency”), and STACK Soccer Field, LLC, a Utah limited liability company (the “Participant”, and with the Agency, may be referred to herein collectively as “Parties” or individually as a “Party”), agree as follows as of _____, 2026 (the “Effective Date”):

1. SUBJECT OF AGREEMENT

1.1 Purpose of the Agreement

The purpose of this HTRZ Participation Agreement (the “Agreement”) is to implement the Lehi City Housing and Transit Reinvestment Zone Proposal (the “HTRZ Proposal”) which was presented and adopted by the Housing and Transit Reinvestment Zone Committee on November 13, 2023 (the “HTRZ Approval”) in accordance with the provisions of the Housing and Transit Reinvestment Zone Act set forth in Utah Code 63N-3-601 *et seq.* as in effect as of the date of the HTRZ Approval (the “Act”) and in accordance with Utah Code 63N-3-605(9) which requires the proposing municipality to enter into an agreement with the property owners within the HTRZ to implement the approved proposal, by specifying the terms and conditions under which the Agency may reimburse eligible costs incurred in connection with providing for the potential development of a Mixed Use Development (as defined in the Act) on approximately 3.64 acres of land, as more particularly described on Exhibit E (collectively, and together with any Additional Land (defined below), if any, the “Project”), located in the Lehi City, Utah (the “City”), and (b) to specify the terms and conditions pursuant to which the Agency and the Participant will cooperate in bringing about this the objectives of the Act, including the funds the Agency will provide to assist in the development of the Project. For purposes hereof, “Additional Land” means any real property (a) within the municipal limits of the City, (b) that is subject to the Thanksgiving Point Area Plan (defined below), (c) that is included within the HTRZ is within the legal boundary of the HTRZ as specifically described in Exhibit C, and (d) that is a taxing parcel expressly identified in the HTRZ Proposal, and (e) that the Participant or an affiliate of the Participant may from time to time acquire following the Effective Date. Any parcels located outside the approved HTRZ boundary, even if located within the one-third mile radius of the Lehi Frontrunner Station, may be added to the Project only pursuant to (a) an amendment to the HTRZ Proposal following the same procedure as approving a housing and transit reinvestment zone proposal in accordance with 63N-3-605(10) of the Act and all other applicable legal requirements, and (b) a written amendment to this Agreement approved by the Agency.

~~The fulfillment of this Agreement is vital to and in the best interests of the City and the health, safety, and welfare of its residents, and in accord with public purposes and will provide a benefit to the City and its residents. This Agreement is carried out pursuant to the HTRZ Approval and HTRZ Act.~~

1.2 HTRZ

The HTRZ was created in accordance with the Lehi Station HTRZ Approval Proposal (the “HTRZ Proposal”) which is attached hereto as Exhibit AB, based on the Lehi Station HTRZ Application which is attached hereto as Exhibit B (the “HTRZ Application”) which was presented to and approved by the Housing and Transit Reinvestment Zone Committee on November 13, 2023 (the “Approval”) which is attached hereto as Exhibit A. The HTRZ is located within the boundaries of the City. The exact boundaries of the HTRZ are specifically and legally described in Exhibit C attached hereto.

Formatted: Font: Bold

1.3 Interlocal Agreement

On or before the Effective Date, in accordance with the requirements of Section 63N-3-607(2)(c)(ii) of the Act, the Agency has entered into an interlocal agreement with the City (the “**Interlocal Agreement**”) which is attached hereto as Exhibit D. Pursuant to the Interlocal Agreement, the City has agreed, among other things, to pay to the Agency eighty percent (80%) of the Tax Increment generated by the Project, for a term of no more than twenty-five (25) consecutive years on each Triggered Parcel (defined below) within a forty-five (45) year period (the “Total Collection Period”) not to exceed one hundred twenty-two million one hundred forty-four thousand seven hundred sixty-nine dollars (\$122,144,769).

1.4 Parties to the Agreement

(a) Agency

The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Act. The address of the Agency for purposes of this Agreement is: Lehi City Redevelopment Agency, 153 North 100 East, Lehi City, Utah 84043, Attention: Re-Development Agency Administrator.

(b) The Participant

The Participant is STACK Soccer Field, LLC, a Utah limited liability company. The address of the Participant for the purposes of this Agreement is: 4101 North Thanksgiving Way, Suite 300, Lehi, Utah 84048.

~~1.5 No Additional Approvals. Upon the approval of this Agreement by the Agency, and the expiration of all statutory notice and contest periods, no additional legislative action is required for the Agency to perform its obligations hereunder.~~

2. **ASSIGNMENT**

Except as permitted by Section 2.1 hereof, the Participant agrees for itself and any successor in interest that during the term of this Agreement the Participant shall not assign or transfer or attempt to assign or transfer all or any part of its obligations under this Agreement without the prior written consent of the Agency. The Agency may withhold, condition, or delay its consent to such an assignment or transfer if, in the sole discretion of the Agency, such transfer or assignment would result in the economic development goals of the Agency not being met, which consent shall not be unreasonably withheld, conditioned or delayed.

2.1 Permissible Transfers.

Notwithstanding the provisions of this Agreement to the contrary, the Participant shall not be required to obtain the Agency's consent, and the Agency shall not be permitted to terminate this Agreement, in connection with the following transfers or the assignment of the Agreement pursuant to the following transfers provided that the transfer does not release Participant or any transferee from obligations that run with the reimbursement rights, Property, Triggered Parcel, Project, or any portion thereof, and provided that Participant gives the Agency written notice within thirty (30) days after the transfer, together with reasonable documentation of the transfer and the party responsible for ongoing compliance: (a) the sale, exchange, issuance or redemption of any stock of the Participant or its parent that is listed on a public exchange; (b) transfers of less than a controlling interest in the Participant or its parent; (c) transfers of interests in either the Project or the Participant to an affiliate of the Participant; (d) changes in the organizational form of the Participant; (e) a transfer of the operational responsibilities of the Project to a third party provided that Participant remains responsible for compliance; (f) leasing, subletting or licensing of the Project; ~~(gh)~~ a sale and lease back or similar financing transaction of the Project; ~~(hi)~~ the granting of any lien, security interest, or other encumbrance upon the Project or the interests of the Participant in the Project or in this Agreement; ~~(ij)~~ a transfer of any portion of the Project to one or more entities which is controlling, controlled by or under common control with the Participant; ~~(jk)~~ an assignment to a Mortgagee (defined below) of Participant's right to receive all or a portion of the Tax Increment payable to Participant under this Agreement, or ~~(kl)~~ a sale (but not an assignment of the obligations of this Agreement, which assignment requires prior written consent of the Agency) of all or any portion of the Project to a third party provided, however, that no sale, assignment, pledge, transfer, or retention of Tax Increment Reimbursement, bond proceeds, or other HTRZ economic benefit shall be effective unless the party receiving, retaining, pledging, or collecting such benefit is bound by all corresponding obligations, conditions precedent, repayment obligations, audit requirements, reporting requirements, and public-benefit requirements associated with that benefit. Participant may not sell or convey the Property while retaining the right to receive HTRZ Funds or bond proceeds unless the Agency Board expressly approves the retained right in writing and the retaining party remains fully responsible for all obligations associated with the retained right, or ~~(lj)~~ the Participant may transfer real and personal property in the HTRZ and retain the Participant's rights to receive Tax Increment and proceed of bonds issued under this Agreement.

2.2 Continuing Obligations

Except as otherwise provided herein, and except for a transfer or assignment of this Agreement which has been consented to by the Agency, no assignment or transfer of this Agreement, any part hereof, any right herein, or approval hereof, by the Agency shall be deemed to relieve the Participant from any obligation under this Agreement. Upon the approval by the Agency of an assignment of this Agreement, and provided the assignee assumes the obligations of Participant from and after the date of such assignment, the assigning Participant will be relieved of all obligations under this Agreement arising from and after the date of such assignment and the Agency shall look solely to the assignee for performance of the obligations under this Agreement from and after the date of such assignment. All of the terms, covenants, and conditions of this

Agreement shall be binding upon and shall inure to the benefit of the Participant and its permitted successors and assigns.

3 FINANCING OF THE DEVELOPMENT OF THE PROJECT

3.1 Nature of Participant's Obligations

The Participant shall have the right to develop, at its own expense, or cause to be developed, the Project pursuant to and in accordance with the Thanksgiving Point Area Plan as adopted by the City Council on August 8, 2023 (the "**Area Plan**") a copy of which is attached as Exhibit F and the HTRZ Proposal, or as otherwise permitted by the Lehi City Development Code (the "Development Code") and other applicable law.

Formatted: Font: Bold

Formatted: Font: Bold

3.2 Responsibility for Development Plans and Permits

For the avoidance of doubt, in the event the Participant elects to develop the Project, the Participant, but not the Agency, shall be responsible for preparing and completing any plans for the acquisition and construction of the Project.

3.3 Funding Responsibility

The Participant and the Agency acknowledge that the HTRZ Funds do not cover the funding gap between the costs of enhanced transit-oriented, mixed-use development required by the Act and the costs of market-rate, surface-parked development. Both Parties understand and agree that, except as otherwise expressly provided herein, if the Participant elects to develop the Project, funding for the development of the Project and its related improvements shall come from the Participant's internal capital or financing obtained by the Participant or by a third party. The Agency shall not be liable or responsible for providing, obtaining or guaranteeing any financing for the Project.

3.4 City Land Use Authority

Participant acknowledges that nothing in the Agreement shall be deemed to supersede, waive, or replace the City's authority over land use, zoning, and permitting within the City.

Formatted: Underline, Font color: Custom Color(191,0,65)

Formatted: List Paragraph, Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

4 TAX INCREMENT

4.1 Tax Increment Reimbursement

The Project will be funded in part by Tax Increment generated by the Project and pursuant to the provisions of the Act. Under the Act and the Interlocal Agreement, the Agency is entitled to receive eighty percent (80%) of the Tax Increment (as defined below) generated by and within the HTRZ (collectively, the "**HTRZ Funds**") for the Project over a duration of a period of twenty-five (25) full calendar years commencing with the Trigger Parcel (as defined below) commencing with the Trigger Year (as defined below) for the Project (the "**Increment Period**") and a maximum

period of forty-five (45) years (**“Total Collection Period”**); not to exceed the total tax increment amount of one hundred twenty-two million one hundred forty-four thousand seven hundred sixty-nine (\$122,144,769) across all parcels and all collection periods combined as set forth in the HTRZ Proposal and according to 63N-3-609(2) of the Act. The Total Collection Period for the HTRZ shall begin to run at the same time as the first Increment Period commences but beginning no later than January 1, 2028, and ending no later than December 31, 2072. During the Total Collection Period, the Participant may elect to trigger the collection of Tax Increment from one parcel recognized by the Utah County Assessor as a tax parcel, within the HTRZ by submitting notice to the Agency (**“Triggering Notice”**). Triggering Notice must identify the parcel being triggered and identify the beginning date that Tax Increment will be collected from the applicable parcel. After the Participant submits a Triggering Notice to the Agency, the Agency shall, unless the Triggering Notice is unreasonable, request Utah County pay Tax Increment to the Agency from the parcel identified in the Triggering Notice for a period of twenty-five (25) consecutive years or until the termination of the Total Collection Period, whichever occurs first. The Base Taxable Value for each parcel comprising the Property shall be confirmed through a Triggering Notice. The Base Taxable Value among successor parcels resulting from subdivision, merger, or replating shall be deemed to inherit the proportionate share of the Base Taxable Value attributable to the original parcel from which it was created. ~~In accordance with the HTRZ Approval and the Interlocal Agreement, the Agency shall begin to receive the HTRZ Funds generated by the Project in the Trigger Year and shall continue for the entire Increment Period.~~ HTRZ Funds are to be paid into a separate account of the Agency used solely for the Tax Increment Reimbursement (defined below) and other uses permissible hereunder and in accordance with the Act and shall be applied for the purposes described in the HTRZ Approval, the HTRZ ~~Application~~Proposal, the Act, the Interlocal Agreement and this Agreement.

Formatted: Font: Bold

For purposes of this Agreement, the following terms shall have the following corresponding meaning:

- (a) **“Affordable Housing”** means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the applicable municipal or county statistical area for households of the same size;~~has the meaning set forth in the Act;~~
- (b) **“Base Taxable Value”** means a property’s taxable value as shown upon the assessment roll last equalized during the base year;~~has the meaning set forth in the Act.~~
- (c) **“Base Year”** means a year beginning the first day of the calendar quarter determined by the last equalized tax roll before the adoption of the housing and transit reinvestment zone. For the purposes of this Agreement and in accordance with the Act and the Approval, the base year is 2024;~~has the meaning set forth in the Act;~~
- (d) **“Enhanced Development”** means the construction of mixed uses including housing, commercial uses, and related facilities;~~has the meaning set forth in the Act;~~
- (e) **“Enhanced Development Costs”** means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and

landscaping to achieve enhanced development in the housing and transit reinvestment zone; has the meaning set forth in the Act;

(f) “Horizontal Construction Costs” means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in the housing and transit reinvestment zone.

(g) “HTRZ Proposal” means the Thanksgiving Station Housing and Transit Reinvestment Zone Proposal submitted by Lehi City to the Housing and Transit Reinvestment Zone Committee, as reviewed by Zions Public Finance, Inc. and approved by the HTRZ Approval, a copy of which is attached as Exhibit B. The HTRZ Proposal is a primary governing document of this Agreement and establishes the development project, affordable housing requirements, bedroom mix requirements, collection period, base year, and maximum tax increment capture approved for the HTRZ.

(h) “Increment Period” means a property tax increment collection period of no more than twenty-five (25) consecutive years for a Triggered Parcel which collection period commences following the Trigger Date for that Triggered Parcel and ending no later than the expiration of the Total Collection Period. The parties acknowledge that as HTRZ Approval Proposal was adopted on November, 2023, and accordingly the limitation of three tax increment collection periods as set forth in the current version of 63N-3-603(4)(iii) is not applicable.

(e)

(i) “Net HTRZ Funds” means the HTRZ Funds less the administrative reimbursement payable to the Agency hereunder;

(j) “Tax Increment” means the difference between: (a) the amount of property tax revenue generated each tax year by a taxing entity from the area within a housing and transit reinvestment zone designated in the housing and transit reinvestment zone proposal as the area from which tax increment is to be collected, using the current assessed value and each taxing entity’s current certified tax rate; and (b) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity’s current certified tax rate; shall have the meaning set forth in the Act;

(k) “Tax Increment Collection Periods” The commencement of collection of Tax Increment following the Trigger Date. The parties acknowledge that as HTRZ Approval was adopted on November, 2023, and accordingly the limitation of three tax increment collection periods as set forth in the current version of 63N-3-603(4)(iii) is not applicable.

(l) “Tax Increment” means the difference between: (a) the amount of property tax revenue generated each tax year by a taxing entity from the area within a housing and transit reinvestment zone designated in the housing and transit reinvestment zone proposal as the area from which tax increment is to be collected, using the current assessed value

Formatted: Font: Not Bold

Formatted: Font: Bold

Formatted: Indent: First line: 0.5"

Formatted: Normal, Indent: First line: 0"

Formatted: Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Tab after: 1.5" + Indent at: 0"

and each taxing entity's current certified tax rate; and (b) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity's current certified tax rate; shall have the meaning set forth in the Act;

(m) "Tax Increment Collection Periods" The commencement of collection of Tax Increment following the Trigger Date. The parties acknowledge that as HTRZ Approval was adopted on November, 2023, and accordingly the limitation of three tax increment collection periods as set forth in the current version of 63N-3-603(4)(iii) is not applicable.

Formatted: No bullets or numbering

~~(g)~~

(n) "Trigger Date" means with respect to a particular Triggered Parcel, the date on which a temporary certificate of occupancy is issued for a building in the Project and notice thereof of commencement of collection of tax increment has been provided to (a) the tax commission; (b) the State Board of Education; (c) the state auditor; (d) the Utah County auditor; (e) each taxing entity affected by the collection of tax increment from the HTRZ; and (f) the Governor's Office of Economic Opportunity has been provided as required by the Act;

~~(h)~~ (o) "Triggered Parcel" means a parcel within the approved HTRZ boundary, identified by legal description and Utah County assessor parcel number, for which collection of Tax Increment has commenced in accordance with this Agreement and the Act.

Formatted: Font: Bold

Formatted: Normal, Indent: First line: 0", Space Before: 12 pt

Formatted: Underline, Font color: Custom Color(RGB(191,0,65))

Formatted: Indent: Left: 0.5", First line: 0.5"

(p) "Trigger Year" means the calendar year immediately after the calendar year in which the Trigger Parcel Date occurs; and

~~(i)~~ (q) "Vertical Construction Costs" means the additional costs associated with construction above four stories and structured parking to achieve enhanced development in the housing and transit reinvestment zone.

Formatted: Normal, Indent: First line: 0"

~~(j)(a) "Tax Increment Collection Periods" The commencement of collection of Tax Increment following the Trigger Date. The parties acknowledge that as HTRZ Approval was adopted on November, 2023, and accordingly the limitation of three tax increment collection periods as set forth in the current version of 63N-3-603(4)(iii) is not applicable.~~

In consideration for the Participant's election to construct the Project or cause the Project to be constructed, which will promote the objectives set forth in the Act as determined by the City Council in 2023 when the HTRZ Approval was obtained which include, without limitation, higher utilization of public transportation, encouraging transformative mixed-use development, improving efficiencies in parking and transportation, including walkability, increasing availability of housing, including Affordable Housing, within the City and State of Utah, and will provide a public benefit to the State, the City and its residents, and subject to the Participant's fulfillment of

all Conditions Precedent set forth in Section 4.2 and all other conditions of this Agreement, the Agency agrees to pay to the Participant (the “Tax Increment Reimbursement”) from the Net HTRZ Funds generated by the Project up to the amount calculated below and as Net HTRZ Funds allow. The costs types described below are for the purposes set forth in 63N-3-607(4) of the Act, including expressly: (a) income targeted housing costs; (b) structured parking; (c) enhanced development costs; (d) horizontal construction costs; and (e) vertical construction costs, for the Net HTRZ Funds for reimbursement of all costs permitted to be reimbursed under Section 63N-3-607 of the Act which are incurred by the Participant or third parties in connection with the development of the Project (the “Tax Increment Reimbursement”).

4.1a Project Improvement Costs

The Parties acknowledge that, pursuant to Section 63N-3-603 of the Act, the total tax increment that may be collected within the HTRZ during the Total Collection Period shall not exceed the maximum tax increment amount approved in the HTRZ Proposal. The Parties further acknowledge that multiple property owners within the HTRZ may qualify for reimbursement of up to eighty percent (80%) of the tax increment generated by their respective parcels, subject to the overall maximum tax increment authorized for the HTRZ. Accordingly, in order to preserve the availability of HTRZ funds for multiple eligible participants and to prevent any single property owner or affiliated group from exhausting the available tax increment, reimbursement eligibility and reimbursement percentages shall be determined based on the applicable product type, as set forth in this Agreement. The amounts below represent the reimbursable costs permitted by 62N-3-602 and 607 of the Act. The amount of the HTRZ Reimbursement shall be limited to the amounts invested by the Participant into the Project for the following expenditures of the Participant which qualify for reimbursement under 63N-3-607(4) (collectively, the “Project Improvement Costs”):

HTRZ MULTIFAMILY HOUSING: The Participant may be reimbursed up to forty thousand five hundred seventy-three dollars (\$40,573) per residential dwelling unit to pay part of the costs associated with Enhanced Development, Horizontal Construction, Vertical Construction, and structured parking within the Project. If the residential dwelling unit is designated as Affordable Housing, the Participant may additionally receive reimbursement for Affordable Housing.

AFFORDABLE HOUSING: The Participant may be reimbursed up to fifty-five thousand six hundred sixty-two dollars (\$55,662) per dwelling unit designated as Affordable Housing to pay part of the costs associated with income targeted housing.

The Tax Increment Reimbursement will be paid by the Agency within thirty (30) calendar days of the receipt of the HTRZ Funds by the Agency. The Agency agrees to promptly provide, and in all events within thirty (30) days of the Trigger Date, written notice of the occurrence of such Trigger Date as required by 63N-3-603(6) of the Act to the Utah County Assessor and other applicable governmental entities as required by 63N-3-603(6) of the Act. Notwithstanding the foregoing, the Agency shall have the right to retain one percent (1%) of the Tax Increment paid to the Agency in reimbursement for the Agency’s expenses in administering the HTRZ.

Formatted: Font: Bold

Formatted: Indent: Left: 0.5"

4.1b Request for Payment

The Participant shall submit in writing a request for payment to the Agency by March 31 of the year following the year for which the Tax Incentive Reimbursement is being sought (the "Request for Payment"). All information regarding Project Improvement Costs shall be accompanied by supporting documentation that is sufficient, in the reasonable opinion of the Agency, to establish the details of construction and the actual costs of the Project Improvement Costs. If the Agency determines that a Request for Payment is not in accordance with the requirements of 63N-3-607 of the Act, incomplete, or otherwise legally deficient, the Agency shall notify the Participant within thirty (30) days of the Agency's receipt of the Request for Payment. A deficient Request for Payment that is submitted by the date established in this section shall be treated as timely so long as the Participant provides an updated Request for Payment within fifteen (15) days of receiving notice of the deficiency from the Agency. In each Request for Payment, the Participant shall include a certification to the Agency that the Project Improvement Costs for which the Tax Incentive Reimbursement is requested complied with the Act.

Formatted: Indent: Left: 0.5"

~~Notwithstanding the foregoing, the Agency shall have the right to retain one percent (1%) of the Tax Increment paid to the Agency in reimbursement for the Agency's expenses in administering the HTRZ.~~

Formatted: Indent: First line: 0", Space Before: 12 pt

4.2 Conditions Precedent to Payment of the Tax Increment Reimbursement

In addition to the conditions stated elsewhere in this Agreement, the Agency shall have no obligation to make payment hereunder to the Participant for a Tax Increment Reimbursement until the following conditions precedent are satisfied with respect to the Project Triggered Parcel: (a) the Participant has obtained a building permit for the construction of the Project construction within the Triggered Parcel; (b) the Agency has actually received payment of the HTRZ Funds generated by the applicable Triggered Parcel during the Increment Period Project (or bond funds secured by HTRZ Funds generated, or to be generated, by the Project), and (c) the Participant has provided evidence to the Agency that not less than twelve percent (12%) of the Dwelling Units (as such term is defined in the Act) are Affordable Housing Units (A) 9% of the proposed Dwelling Units will be occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the applicable municipal or county statistical area for households of the same size, and (B) three percent (3%) of the proposed Dwelling Units will be occupied or reserved for occupancy by households with a gross household income equal to or less than 60% of the median gross income of the applicable municipal or county statistical area for households of the same size. (d) Participant has provided evidence to the Agency that a reasonable percentage of the proposed Dwelling Units within the applicable Triggered Parcel has more than one bedroom in accordance with 63N-3-603(2)(d) of the Act and as determined by the HTRZ Proposal, including not more than 10% studio apartments, not more than 52% one-bedroom

apartments, at least 35% two-bedroom apartments, and at least 3% three-bedroom apartments. (c) Participant has provided evidence to the Agency that the Participant is developing the Project according to Area Plan and will achieve an overall density of at least 50 units per acre for at least 51% of developable area within the HTRZ in accordance with 63N-3-603(2)(b) of the Act. (f) In each request for payment, Participant shall include a certification to the Agency that the project improvement costs for which the Tax Increment Reimbursement is requested comply with the Act.

4.2a Effect of Failure to Meet Conditions Precedent to Payment of Incentive

If the Conditions Precedent are not met during the term of this Agreement, and the Participant is thus not entitled to receive the Tax Increment Reimbursement until the Condition Precedent is met, but the Participant is otherwise not in default under this Agreement, such failure of a Condition Precedent shall not constitute a Default under this Agreement. If a Condition Precedent has not been met, the Agency agrees to hold and account for the Tax Increment, in accounts, and to distribute timely the same to Participant upon satisfaction of the applicable Conditions Precedent.

The Agency acknowledges that the Participant cannot predict if, when or at what rate development of the Project will occur. The timing and rate for development of the Project will depend upon numerous factors outside of the control of the Participant such as market orientation and demand, competition, availability of qualified laborers to construct the Project, and/or weather conditions that may delay construction. The Agency hereby acknowledges that the Participant may develop the Project at such rate and time as the Participant deems appropriate within the exercise of its sole and absolute discretion. The Agency acknowledges that this right is consistent with the intent, purpose, and understanding of the Parties. Except as provided in this Section 4.2 below, nothing in this Agreement shall be construed to require the Participant to proceed with the construction of or any other implementation of the Project or any portion thereof. The Dwelling Units in the Project that are required to be Affordable Housing shall remain Affordable Housing units for as long as Participant is receiving HTRZ funding for the ~~Project~~ Increment Period.

Participant shall not be entitled to receive Tax Increment for costs incurred to construct residential units which exceed an aggregate of ~~23~~50 residential units within the Project.

Notwithstanding, in accordance to the Area Plan, no more than 800 multifamily residential units, or 610 multifamily residential units together with one 350,000 SF office building may be constructed in the HTRZ prior to the completion of the required power infrastructure upgrades and no more than 1,220 multifamily residential units may be constructed in the HTRZ prior to the completion of traffic improvements identified in the Lehi Thanksgiving Station Improvement and Trigger Summary and the Traffic Triggers Analysis, including but not limited to:

- Improvements on Triumph Blvd and 2100 North: Installation of east bound dual left turn lanes and side-by-side left turn lanes in the center, and extension of west bound storage length;
- Improvements at Ashton Blvd and Triumph Blvd: Installation of east bound and west bound dual left turn lanes and a third south bound thru lane”

Formatted: Indent: Left: 0.5"

Formatted: Indent: First line: 0", Space Before: 12 pt

- Ashton Blvd/Triumph Blvd addition of south bound and west bound right turn
pockets and dual east bound right turn lanes and coordinate,
- Sycamore Lane and Ashton Blvd signalized, and
- the completion of the 2100 North Freeway

Formatted: No underline, Font color: Auto

Upon the request of the Agency, the Participant shall provide to the Agency details regarding the number of annual passes purchased by an owner of a Triggered Parcel and made available to the residents of such Phase pursuant to the separate agreement between Participant and Thanksgiving Point Institute, Inc., a Utah non-profit corporation.

Formatted: Left, Indent: First line: 0", Line spacing: Multiple 1.15 li, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

4.3 Agency's Encumbrance of HTRZ Funds

The Agency agrees that the Agency shall not, without the prior written consent of the Participant, which may be withheld in the Participant's sole and absolute discretion, issue any bonds or other indebtedness that are secured by HTRZ Funds from the HTRZ which are generated by the ~~Project or otherwise take any action which could restrict or impede the payment of the Tax Increment Reimbursement to the Participant, in each case, in whole or in part, until the expiration of the Increment Period.~~

4.4 Payment of Real Property and *Ad Valorem* Taxes

The Participant understands and agrees that the sole source of HTRZ Funds is the payment of the property tax revenue ("**Taxes**") within the HTRZ. Nothing herein contained, however, shall be deemed to prohibit the Participant from contesting the validity or amount of any tax assessment, encumbrance, or lien, or to limit the remedies available to the Participant in respect thereto.

4.5 Reduction or Elimination of Property Area Funds

In the event that the provisions of Utah law which govern the payment of HTRZ Funds to the Agency are changed or amended so as to reduce or eliminate the amount paid to the Agency, the Agency's obligation to pay the HTRZ Funds to the Participant hereunder shall be accordingly reduced or eliminated. The Participant specifically reserves and does not waive hereunder any right it may have to challenge any law change that would reduce or eliminate the payment of HTRZ Funds to the Agency. The Participant acknowledges, understands and agrees that the Agency is under no obligation to challenge a change in law that reduces or eliminates the payment of HTRZ Funds to the Agency; ~~provided, the Agency will not oppose the Participant,~~ and, if requested by the Participant, Agency will, at no out of pocket cost or expense to the Agency, cooperate with the Participant, if the Participant challenges a change in the law that reduces or eliminates the payment of HTRZ Funds to the Agency. In the event any change in law invalidates the Tax Increment Reimbursement provided in support of the Project, the Participant is hereby released from any and all obligations made by the Participant to the Agency. For further clarity, the Participant at its sole and exclusive discretion may, without penalty, terminate its obligations under this Agreement if any change in law invalidates the Participant's right to receive all or any portion of the Tax Increment Reimbursement. For purposes of this Section 4.5 and Section 4.6 below, the Agency's

agreement to cooperate means the Agency agrees to (i) to provide information and data necessary to defend against such action, (ii) not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights against the other Party.

4.6 Declaration of Invalidity

In the event a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) (i) declares that the Agency cannot receive HTRZ Funds or reimburse the Participant from HTRZ Funds as provided in this Agreement, (ii) invalidates the HTRZ, or (iii) takes any other action which eliminates or reduces the amount HTRZ Funds paid to the Agency, the Agency's obligation to pay the Tax Increment Reimbursement to the Participant hereunder shall be accordingly reduced or eliminated. The Participant specifically reserves and does not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of HTRZ Funds to the Agency. The Participant acknowledges, understands and agrees that the Agency is under no obligation to challenge a ruling, decision or order by any court that reduces or eliminates the payment of HTRZ Funds to the Agency; provided, the Agency ~~will not oppose the Participant and~~, if requested by the Participant, will, with no out of pocket cost to the Agency, -cooperate with the Participant if the Participant challenges a ruling by any court. Additionally, if any court invalidates the HTRZ, the Interlocal Agreement or this Agreement as a result of a procedural defect, the Agency shall take such actions as are necessary to correct such procedural defect. In the event any court invalidates the Tax Increment Reimbursement provided in support of the Project, the Participant is hereby released from any and all obligations made by the Participant to the Agency. For further clarity, the Participant at its sole and exclusive discretion may, without penalty, terminate its obligations under this Agreement if any court invalidates the Participant's right to receive all or any portion of the Tax Increment Reimbursement.

4.7 New Taxes

The Agency shall not consent to an amendment or modification of any existing Taxes so as to cause them to first become applicable to the HTRZ or the Participant after the Effective Date, and if existing Taxes are so amended or modified, the Agency shall seek to amend the Interlocal Agreement to include such Taxes and will make economic development payments subject to the requirements of this this Agreement, equal to all such Taxes to the Participant to the fullest extent the Agency is legally able to do so. The Agency will not consent to any increase in the applicable rate, as of the Effective Date, of any Tax affecting the HTRZ unless such increase is pursuant to, and in proportion with, an across-the-board increase in all rates for such Tax.

5 DEVELOPMENT OF THE PROJECT

If and to the extent the Participant elects to develop the Project, the Participant agrees to develop, or cause to be developed, the Project as permitted by the Area Plan, consistent with the HTRZ Proposal, and in accordance with the Development Code. The Participant shall be responsible for development-related roadway improvements, mitigation, traffic impacts, utility impacts, and public improvements caused by or required for the Project, subject to applicable law, impact fees, development approvals, and project-specific exactions. Nothing in this Agreement places

responsibility for future failure, inadequacy, or mitigation of development-related roadways on the city except to the extent separately approved by the City Council or Agency Board in a written agreement. The Project is intended to consist of a transit-oriented, mixed-use development comprising up to two hundred fifty (250) residential dwelling units, of which not less than twelve percent (12%) shall qualify as Affordable Housing, together with a mix of dwelling unit types such that a reasonable proportion of the dwelling units contain more than one bedroom; structured parking facilities; open space; and related infrastructure. Notwithstanding, the aggregate number of residential dwelling units authorized within the Project and the Thanksgiving Point Parcel shall not exceed one thousand six hundred (1,600) dwelling units. The Project shall not exceed two hundred fifty (250) dwelling units, and any increase in the number of dwelling units above one thousand three hundred fifty (1,350) dwelling units authorized for the Thanksgiving Point Parcel shall reduce, on a one-for-one basis, the number of dwelling units authorized for the Project as necessary to maintain compliance with the aggregate one thousand six hundred (1,600) dwelling unit limitation. Developer will support transportation solutions that do not adversely affect the Thanksgiving Point Golf Course or the Project. Support includes showing verbal and written support through attending meetings, submitting letters and/or reasonable non-monetary support requested by the city.

6 DEFAULTS, REMEDIES AND TERMINATION

6.1 Default

If either the Agency or the Participant fails to perform or delays performance of any term or provision of this Agreement or any representation or warranty made herein proves to be false or misleading in any material respect when made, such conduct shall constitute default hereunder. The Party in default must commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 6.3 hereof.

6.2 Notice

If a default under this Agreement occurs, the non-defaulting Party shall give written notice of the default (a “**Default Notice**”) to the Party in default, specifying the nature of the default. Failure or delay in giving a Default Notice shall not constitute a waiver of any default or operate as a waiver of any rights or remedies of the non-defaulting Party; but the non-defaulting Party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by either Party in asserting any right or remedy hereunder shall not deprive either Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.3 Cure Period

The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of ninety (90) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot reasonably be cured

Formatted: Font color: Auto, Pattern: Clear

within such ninety (90) day period, the defaulting Party fails to commence such cure within ninety (90) days after delivery of the Default Notice and to diligently proceed to complete the same. A default that can be cured by the payment of money shall be cured within thirty (30) days after delivery of the Default Notice. For non-monetary defaults, including failures relating to affordable housing, bedroom mix, retail or non-residential milestones, transportation conditions, density caps, reporting, audit, cost documentation, or Thanksgiving Point memberships, the cure period shall begin on delivery of the Default Notice and shall not be delayed until final adjudication. During the continuance of any Participant default after the applicable notice and cure period, the Agency may suspend payment of any Tax Increment Reimbursement related to the default or affected Triggered Parcel, phase, building, reimbursement request, or public-benefit obligation until the default is cured or otherwise resolved. If a final non-appealable judgment determines that any suspended or withheld amount was required to be paid, the Agency shall pay such amount from legally available HTRZ Funds actually received by the Agency. If a final non-appealable judgment determines that Participant received Tax Increment Reimbursement to which it was not entitled, Participant shall repay such amount to the Agency within sixty (60) days after the judgment.

~~6.4 — The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of one hundred eighty (180) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting Party fails to commence such cure within one hundred eighty (180) days and to diligently proceed to complete the same. A default which can be cured by the payment of money is understood and agreed to be among the types of defaults which can be cured within one hundred eighty (180) days. Notwithstanding the foregoing, with respect to any event of default arising with respect to a non-monetary obligation of a Party hereunder, the non-defaulting Party shall have no right to exercise a right or remedy hereunder unless and until the defaulting Party fails to fully rectify and cure the default within one hundred and eighty (180) days after final adjudication (by the highest court to which the matter may be appealed) that the defaulting Party is in default under this Agreement (or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting party fails to commence such cure within one hundred eighty (180) days, if reasonably possible, and to diligently proceed to complete the same). During the period of time, if any, that a determination of an alleged default by the Participant beyond all applicable notice and cure periods is continuing, the Agency's obligation to pay to the Participant that portion of the Tax Increment Reimbursement which is at issue shall be suspended unless either (a) such default shall have been cured, or (b) a final non-appealable judgement determines that the Agency had an obligations to pay all or a portion of the Tax Increment Reimbursement, in which event, the Tax Increment Reimbursement shall be paid by the Agency to the Participant to the Agency within 30 days of such event.~~

6.4 Rights and Remedies

Formatted: Indent: Left: 0.5"

Upon the occurrence and during the continuance of an Event of Default beyond all applicable notice and cure periods hereunder, the non-defaulting Party shall have all rights and remedies available at law or in equity, subject to the limitations of this Agreement. In addition to any other remedies, upon an Event of Default by Participant the Agency may suspend or terminate Tax Increment Reimbursement for the affected Triggered Parcel, phase, building, reimbursement request, or obligation; require repayment of unsupported, ineligible, or overpaid amounts; seek specific performance of public-benefit obligations; terminate this Agreement in whole or in part; or pursue any other remedy consistent with the purposes of this Agreement. Such rights and remedies are cumulative, and the exercise of one or more rights or remedies shall not preclude the exercise of any other rights or remedies for the same or any other Event of Default.

Upon the occurrence and during the continuance of an event of default beyond all applicable notice and cure periods hereunder (an “Event of Default”) by the Agency, the Participant shall have all rights and remedies against Agency as may be available at law or in equity, including, without limitation, the right to obtain specific performance, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. If Participant has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Participant may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement which were required to be paid to the Participant. Upon the occurrence and during the continuance of an Event of Default by the Participant, the Agency may terminate this Agreement and, if the Agency has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Agency may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement actually received by the Participant. Such rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the Event of Default or any other Event of Default by the defaulting Party.

6.5 Legal Actions

6.5.1 Venue

All legal actions must be instituted in the Fourth Judicial District Court for the State of Utah, unless they involve a case with mandatory federal jurisdiction, in which case they must be instituted in the Federal District Court for the District of Utah.

6.5.2 Services of Process

Service of process on the Agency shall be made by personal service upon the Executive Director of the Agency, or in such other manner as may be provided by law.

Service of process on the Participant shall be by personal service upon the Participant at the address provided herein. The Participant shall notify Agency of any change in its address by delivering written notice to Agency.

6.5.3 Applicable Law

Formatted: Outline numbered + Level: 2 + Numbering
Style: 1, 2, 3, ... + Start at: 5 + Alignment: Left + Aligned at:
0.5" + Indent at: 0.83"

Formatted: Outline numbered + Level: 3 + Numbering
Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at:
1" + Indent at: 1.5"

Formatted: Outline numbered + Level: 3 + Numbering
Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at:
1" + Indent at: 1.5"

Formatted: Outline numbered + Level: 3 + Numbering
Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at:
1" + Indent at: 1.5"

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

6.5.4 Waiver of Jury Trial.

Each Party hereto hereby irrevocably waives any and all rights it may have to demand that any action, proceeding or counterclaim arising out of or in any way related to this Agreement be tried by jury. This waiver extends to any and all rights to demand a trial by jury arising from any source, including but not limited to the Constitution of the United States, the Constitution of any state, common law or any applicable statute or regulation. Each Party hereby acknowledges that it is knowingly and voluntarily waiving the right to demand trial by jury.

6.5.5 Early Termination by Participant.

The Participant may at any time elect to terminate this Agreement by providing written notice to the Agency, in which event, this Agreement shall terminate as of the date of the delivery of such notice to the Agency.

7 GENERAL PROVISIONS

7.1 Notices, Demands, and Communications Among the Parties

Notices, demands, and communications between the Agency and the Participant shall be sufficiently given if personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, or an overnight commercial delivery service to the principal offices of the Agency and the Participant, as designated in Section 1.4 hereof. Either Party hereto may change its address specified for notices herein by designating a new address by notice in accordance with this Section. All such notices and other communications shall be effective upon actual receipt by the relevant Party or, if delivered by overnight courier service, upon the first business day after the date deposited with such courier service for overnight (next-day) delivery or, if mailed, upon the third business day after the date deposited into the mail or, if delivered by hand, upon delivery.

7.2 Severability

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or provision herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

7.3 Nonliability of Agency Officials and Employees

No member, director, officer, agent, employee, or consultant of the Agency shall be personally liable to the Participant, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Participant or its successors

Formatted: Outline numbered + Level: 3 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Indent at: 1.5"

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 6 + Alignment: Left + Aligned at: 0" + Indent at: 0.33"

Formatted: Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

or on any obligations under the terms of this Agreement. No member, director, officer, agent, employee, or consultant of the Participant shall be personally liable to the Agency, or any successor in interest, in the event of any default or breach by the Participant or for any amount which may become due to the Agency or its successors or on any obligations under the terms of this Agreement.

7.4 Enforced Delay; Extension of Time and Performance

In addition to the specific provisions of this Agreement, neither Party shall be deemed to be in default hereunder when its fails to perform or delays performance of any non-monetary obligations under this Agreement to the extent due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, newly enacted governmental restrictions unusually severe weather, inability to secure necessary labor, materials or tools, acts or failure to act of the Agency (with respect to the Participant only) or any other public or governmental entity. An extension of time to perform shall be granted as a result of any of the foregoing causes, which extension shall be for the period of the forced delay and shall run from the time of the commencement of the cause, if notice is sent by the Party claiming such extension to the other Party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the Agency and the Participant by mutual agreement. Notwithstanding anything to the contrary in this Agreement, enforced delay shall not extend the HTRZ-wide Cap, the Total Collection Period outside expiration date, the affordability term, any recorded covenant, or any transportation hard backstop unless the extension is legally permissible and expressly approved by the Agency Board in an open and public meeting after legal review.

7.5 Approvals

Whenever the consent or approval is required of any Party hereunder, such consent or approval shall not be unreasonably withheld, delayed or conditioned except as otherwise specifically provided herein, and shall be in writing.

7.6 Time of the Essence

Time shall be of the essence of this Agreement.

7.7 Interpretation

The Parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either Party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise among the Parties hereto.

7.8 No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create in either Party hereto any independent duties, liabilities, agreements, or rights to or with any third party, nor does this

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Space Before: 12 pt

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

Agreement contemplate or intend that any of the benefits hereunder should accrue to any third party.

7.9 Effect and Duration of Covenants; Term of Agreement

The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participant and Agency and any of their respective successors in interest. The covenants contained in this Agreement shall run with any portion of the Project that receives or is eligible to receive HTRZ Funds to the extent necessary to enforce affordable-housing obligations, bedroom-mix obligations, density caps, retail or non-residential obligations, transportation obligations, Thanksgiving Point membership obligations, reporting obligations, audit obligations, repayment obligations, and all conditions precedent to reimbursement. Participant shall execute and record any affordable-housing agreement, covenant, declaration, reimbursement covenant, or other instrument reasonably required by the Agency to make such obligations enforceable against successors and assigns. This Agreement shall remain in effect until the later of: (a) the expiration of all Increment Periods; (b) the payment, denial, or final resolution of all reimbursement requests; (c) completion of all audit and repayment periods; and (d) expiration of all recorded affordability or public-benefit covenants.
~~The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participant and Agency and any of their respective successors in interest. The covenants contained in this Agreement shall inure to the benefit of and in favor of the Agency and the Participant and to their respective successors and assigns during the term of this Agreement. Except as otherwise provided herein, the term of this Agreement shall run from the Effective Date until the expiration of the last Increment Period, provided, the Parties shall continue to have the right to seek to enforce, or commence proceeding to enforce, the obligations of the other Party that arose prior to the termination of this Agreement.~~

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

8 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

8.1 This Agreement may be executed in duplicate originals, each of which shall be deemed an original. This Agreement, including all Exhibits hereto, constitutes the entire understanding and agreement of the Parties with respect to the matters set forth herein. All Exhibits attached hereto are hereby incorporated herein by reference and are made a part hereof as though fully set forth herein.

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 7 + Alignment: Left + Aligned at: 0" + Indent at: 0.33"

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

8.2 When executed by both Parties, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between or among the Parties with respect to this Agreement.

8.3 All waivers of the provisions of this Agreement must be in writing. This Agreement and any provisions hereof may be amended only by mutual written agreement by the Participant and the Agency after approval by the Agency Board in an open and public meeting. No waiver, amendment, estoppel certificate, staff interpretation, administrative action, or course of dealing shall modify the HTRZ-wide Cap, the Total Collection Period, parcel-specific caps, product-type reimbursement caps, the Allocation Schedule, affordable-housing requirements, bedroom-mix

requirements, retail or non-residential milestones, transportation conditions, or other material public protections unless expressly approved by the Agency Board and, where required, the City Council.

8.4 Each Party hereto hereby represents and warrants unto the other as of the Effective Date that (i) this Agreement has been duly authorized by such Party and when executed and delivered will constitute the valid, legal and binding agreement and obligation of such Party enforceable against such Party in accordance with the terms hereof, and (ii) each person signing on behalf of such Party has been duly authorized by the governing body or board of such Party to bind such Party to the terms and conditions hereof.

8.5 In the event any litigation ensues with respect to the rights, duties and obligations of the Parties under this Agreement, the unsuccessful Party in any such action or proceeding shall pay for all costs, expenses and reasonable attorney's fees incurred by the prevailing party in enforcing the covenants and agreements of this Agreement. The term "prevailing party," as used herein, shall include, without limitation, a Party who obtains legal counsel and (a) brings action against the other Party by reason of the other Party's breach or default and obtains substantially the relief sought, whether by compromise, settlement or judgment or (b) defends an action against brought by the other Party and the other Party fails to obtain substantially the relief sought, whether by compromise, settlement or judgment.

9 MORTGAGEE PROTECTIONS; ESTOPPEL

9.1 The Parties hereto agree that this Agreement shall not prevent or limit Participant from encumbering the Project, any estate or interest therein, any portion thereof, any improvement thereon, or Participant's right to receive Tax Increment Reimbursement by one or more mortgages, deeds of trust, assignments, security interests, sale and leaseback arrangements, or other forms of secured financing (each, a "Mortgage") with respect to the construction, development, use, or operation of the Project or parts thereof; provided, however, that any Mortgage, assignment, security interest, or lender right shall be subject and subordinate to this Agreement, the HTRZ Approval, the HTRZ Proposal, the Interlocal Agreement, the Allocation Schedule, the HTRZ-wide Cap, the Total Collection Period, all parcel-specific and product-type caps, all conditions precedent, all audit and reporting rights, all repayment obligations, all default rights, and all governmental, land-use, public-records, and enforcement authority retained by the Agency and the City. The Agency may consider any lender-requested interpretation, consent, estoppel, amendment, or modification in good faith, but the Agency shall have no obligation to approve any interpretation, consent, amendment, or modification unless approved in the Agency's sole discretion and, where required, by the Agency Board in an open and public meeting after legal review.

~~9.1 The Parties hereto agree that this Agreement shall not prevent or limit the Participant from encumbering the Project or any estate or interest therein, portion~~

Formatted: Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 7 + Alignment: Left + Aligned at: 0" + Indent at: 0.33"

Formatted: Underline, Font color: Custom Color(RGB(191,0,65))

Formatted

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.83"

thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing ("**Mortgage**") with respect to the construction, development, use or operation of the Project and parts thereof. ~~The Agency acknowledges that the lender(s) providing such Mortgages may require certain interpretations and modifications to this Agreement and the Agency agrees, upon request, from time to time, to meet with the Participant and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Agency will not unreasonably withhold its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.~~

- 9.2 Participant may assign its right to receive all or a portion of Tax Increment Reimbursement to one or more holders of a Mortgage (each a "Mortgagee") only to the extent the assigned right remains subject to all caps, conditions precedent, allocation schedules, audit rights, reporting requirements, repayment obligations, offsets, defenses, defaults, and public-benefit obligations applicable to Participant under this Agreement. No assignment to a Mortgagee shall release Participant, any transferee, or any other obligated party from any duty or obligation under this Agreement, and no Mortgagee shall receive greater rights to Tax Increment Reimbursement than Participant would have had absent the assignment. Any assignment that purports to modify this Agreement, change payment priority, release obligations, impair Agency or City enforcement rights, or bind the Agency or City to additional duties shall require prior written approval by the Agency Board.
- ~~9.2 Notwithstanding any of the provisions of this Agreement to the contrary, the Participant shall have the right to assign its rights to receive all or a portion of Tax Increment payable to Participant hereunder to one or more holders of a Mortgage (each a "**Mortgagee**") without the consent of the RDA. Notwithstanding the assignment of such rights to a Mortgage, a Mortgagee shall not have any obligation or duty to perform pursuant to the terms set forth in this Agreement.~~
- 9.3 If requested in writing by a Mortgagee, the Agency shall deliver to such Mortgagee any Default Notice delivered to Participant under this Agreement. A Mortgagee shall have the right, but not the obligation, to cure the default affecting the Triggered Parcel, parcel, building, reimbursement right, or portion of the Project subject to the Mortgage within thirty (30) days after the Mortgagee receives such Default Notice, or such longer period as may be reasonably necessary for the Mortgagee to obtain possession or control of the affected property and diligently prosecute the cure to completion; provided that such cure rights shall not require the Agency to continue paying Tax Increment Reimbursement during an uncured default, shall not limit the Agency's rights against Participant or any other obligated party, and shall apply only to the affected Triggered Parcel, parcel, building, reimbursement right, or portion of the Project encumbered by such Mortgage.

~~9.3 If requested in writing by a Mortgagee, the RDA shall deliver to such Mortgagee any notice of default delivered to the Participant hereunder. A Mortgagee shall have the right, but not the obligation, to cure such default within thirty (30) days after such Mortgagee receives such notice, or such longer periods as may be reasonably necessary for the Mortgagee to exercise its remedies so long as such Mortgage promptly commences the cure of such default following Mortgage's obtaining possession of the Project and diligently prosecutes the same to completion, during which period the Agency shall not exercise any remedies hereunder.~~

9.4 If this Agreement is terminated as to any portion of the Project by reason of an Event of Default, bankruptcy proceeding, receiver, liquidator, trustee, disaffirmance, or other similar proceeding, the Agency may, in its sole discretion, consider entering into a new HTRZ participation agreement with a Mortgagee or successor for the affected portion of the Project. Nothing in this Section obligates the Agency, the Agency Board, the City, the City Council, or any future governing body to negotiate, approve, or enter into a new HTRZ participation agreement, replacement agreement, amendment, reimbursement agreement, or other arrangement, and no such agreement shall be effective unless separately approved in accordance with applicable law and in an open and public meeting where required.

~~9.49.5 If this Agreement is terminated as to any portion of the Project by reason of (i) any Event of Default or (ii) as a result of a bankruptcy proceeding of the Participant, or if this Agreement is disaffirmed by a receiver, liquidator, or trustee for the Participant or its property, the Agency, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new HTRZ Participation Agreement for the Project as to such portion of the Project with the most senior Mortgagee requesting such new agreement.~~

9.5 At any time, and from time to time, the Participant may deliver written notice to the Agency, and the Agency may deliver written notice to the Participant, requesting that such Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or if amended, the identity of each amendment; (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach; and (iv) any other factual matters reasonably requested (an "Estoppel Certificate"). The Executive Director of the Agency may execute, on behalf of the Agency, an Estoppel Certificate requested by Participant that complies with this Section 9.5 within thirty (30) days after a complete written request; provided, however, that any Estoppel Certificate addressing compliance with affordable housing, bedroom mix, retail or non-residential milestones, transportation conditions, density caps, product-type caps, cost eligibility, reimbursement availability, or the Allocation Schedule may be issued only after reasonable review by the Agency and City staff and legal counsel. Failure to furnish an Estoppel Certificate within the requested period shall not be deemed or conclusively presumed to mean that this Agreement

is unmodified, that no default exists, that Participant is entitled to reimbursement, or that any public-benefit obligation has been satisfied. An Estoppel Certificate may be relied upon only to the extent of the factual matters expressly certified therein and shall not waive the Agency's or City's governmental, land-use, audit, enforcement, or public-records authority.

9.5 At any time, and from time to time, the Participant may deliver written notice to the Agency, and the Agency may deliver written notice to the Participant, requesting that such Party certify in writing that, to the knowledge of the certifying Party (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment, (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach, and (iv) any other factual matters reasonably requested (an "Estoppel Certificate"). The Executive Director of the Agency shall be authorized to execute, on behalf of the Agency, any Estoppel Certificate requested by the Participant which complies with this Section 9.5 within fifteen (15) days of a written request for such Estoppel Certificate. The Agency's failure to furnish an Estoppel Certificate within fifteen (15) days after request therefor shall be conclusively presumed that: (a) this Agreement is in full force and effect without modification in accordance with the terms set forth in the request; and (b) that there are no breaches or defaults on the part of the Participant. The Agency acknowledges that an Estoppel Certificate may be relied upon by transferees or successors in interest to the Participant and by Mortgagees holding an interest in the Property.

10 CONFIDENTIALITY

10.1 Public Records; GRAMA Compliance The Parties acknowledge that this Agreement and records relating to this Agreement may constitute public records subject to the Utah Government Records Access and Management Act, Utah Code § 63G-2-101 et seq. ("GRAMA"). The Parties acknowledge and agree that this Agreement shall become a public record under Utah law, and that discussion regarding this Agreement shall take place before the Agency board in open session. Nothing in this Agreement shall be construed to require the Agency to withhold, disclose, classify, or reclassify any record in a manner inconsistent with GRAMA. The Agency shall comply with GRAMA and all applicable laws in responding to requests for records. The Agency shall use reasonable efforts to maintain the confidentiality of records submitted by Participant that Participant claims are protected under GRAMA, but only to the extent permitted by GRAMA and other applicable law.

10.1 The Agency covenants that it will hold all information obtained by it that Participant has designated Confidential Business Information under Section 10.2 below, or any person employed by or representing the Agency, related to the Participant's business in strictest confidence and the Agency covenants not to disclose, divulge or otherwise communicate in any manner to any person or entity, other than to those parties necessary to verify compliance with this Agreement, provided that such parties are likewise under

Formatted: Outline numbered + Level: 1 + Numbering
Style: 1, 2, 3, ... + Start at: 9 + Alignment: Left + Aligned at:
0" + Indent at: 0.25"

Formatted: Font: Bold

Formatted: Underline, Font color: Custom
Color(RGB(191,0,65))

Formatted: Indent: Left: 0.5", Hanging: 0.5"

Formatted: Underline, Font color: Custom
Color(RGB(191,0,65))

reasonable confidentiality obligations and not subject to public disclosure unless otherwise required by applicable laws.

10.1

10.2 Confidential Business Information To the extent permitted by GRAMA, Participant may identify and clearly mark specific records or portions of records submitted to the Agency that Participant believes qualify as protected records under Utah Code § 63G-2-305, including trade secrets, commercial information, or other confidential business information protected from disclosure by law. Any such designation shall be made in writing and shall include a concise statement of the basis for protection under GRAMA. Participant acknowledges that any designation of a record as confidential, proprietary, trade secret, or protected shall not be binding upon the Agency and that the Agency shall independently determine the proper classification of records in accordance with GRAMA.

~~10.2 The Participant may designate any trade secrets or confidential business information included in any report or other writing delivered to the Agency pursuant to or in connection with this Agreement by any method intended to clearly set apart the specific material that the Participant claims to be either its trade secrets or confidential business information that, if released, would give an advantage to competitors of the Participant and serve no public purpose (such information, collectively, "Confidential Business Information"). The Agency shall redact or delete from any records it makes available for inspection or of which it provides copies any material designated by the Participant as Confidential Business Information. Promptly following the Agency's receipt of any request to provide copies of public records relating to this Agreement or the Project or for inspection of the same by any third party, the Agency shall give written notice and a copy of such request to the Participant. The Agency shall not allow inspection or provide copies of any such records until the Agency shall have had not less than ten (10) business days excluding the day of receipt to determine whether to contest the right of any party to inspect or receive copies of the records or to inspect such records without redaction of the Confidential Business Information. Any such action to enjoin the release of Confidential Business Information may be brought in the name of the Participant or the Agency. The costs, damages, if any, and attorneys' fees in any proceeding commenced by the Participant or at its request by the Agency to prevent or enjoin the release of Confidential Business Information in any public records relating to this Agreement or the Project shall be borne by the Participant.~~

10.3 Notice of GRAMA Requests If the Agency receives a GRAMA request seeking records that Participant has designated as protected under Section 10.2, the Agency shall, to the extent reasonably practicable and permitted by law, provide prompt notice to Participant of the request. Failure to provide such notice shall not impair the Agency's obligations under GRAMA or create any liability on the part of the Agency. The Agency shall respond to all GRAMA requests within the time periods required by GRAMA, including the requirement to respond no later than ten (10) business days after receipt of a request, unless a shorter period is required by law.

Formatted: Body Text, bt, Left, Space After: 0 pt, No bullets or numbering

Formatted: Indent: Left: 0.5", Hanging: 0.5"

Formatted: Body Text, bt, Left, Space After: 0 pt, No bullets or numbering

Formatted: Heading 3, Indent: Left: 0.5", Hanging: 0.5", Space Before: 14 pt, After: 0 pt

10.4 Challenges to Disclosure If Participant disagrees with the Agency's determination regarding the classification or disclosure of any record, Participant may pursue any administrative or judicial remedies available under GRAMA. Participant shall be solely responsible for all costs, expenses, damages, and attorneys' fees incurred by Participant in connection with any effort to prevent disclosure of records. Nothing in this Agreement shall require the Agency to commence or participate in litigation to prevent disclosure of records, nor shall the Agency be required to delay responding to a GRAMA request beyond the time periods prescribed by GRAMA.

10.1

[SIGNATURES ON THE FOLLOWING PAGE

Formatted: Body Text, bt, Left, Space After: 0 pt, No bullets or numbering

SIGNATURE PAGE TO THE PARTICIPATION AGREEMENT

LEHI CITY REDEVELOPMENT AGENCY, a
political subdivision of the State of Utah

By: _____

Attest:

By: _____

STACK SOCCER FIELD, LLC, a Utah limited
liability company

By: STACK Real Estate, LLC, a Utah limited
liability company, its Manager

By: _____
Andrew Bybee, Manager

Exhibit A

HTRZ Approval

(b)(1)(g) _____

(b)(1)(r) Housing and Transit Reinvestment Zone Committee

Lehi City Thanksgiving Station Proposal

**Thanksgiving Point, Visa Building, 5th Floor Conference Room
2901 Ashton Blvd, Lehi, Utah 84043**

November 13, 2023 • 1:00 – 2:15 PM

(1) MINUTES

Committee Members Attending: Representative Mike Schultz, Senator Wayne Harper, Jim Grover, Jim Evans, Mayor Mark Johnson, Kirt Slaugh (remote), Beth Holbrook, Commissioner Amelia Powers Gardner, Jason Sundberg, Shawn Lambert

GOEO Staff Attending: Tanner Anderson, Allison James-Garcia, Hyrum Worth, Ryan Starks

Guests Attending: Susan Becker (ZPFI), Elliott Clark (Attorney General's Office)

*The first four minutes and 34 seconds of the meeting were muted and, therefore, not included in the audio recording. The missed time consists of the Welcome and Introductions and Approval of Minutes. Jim Grover, chair of the committee, restated Approval of Minutes section at the end of the meeting for the official record. The audio recording begins with the Oath of Office.

1. Welcome and Introductions*

Jim Grover of the Governor's Office of Economic Opportunity welcomed everyone to the HTRZ meeting. This meeting is occurring because Lehi submitted an application for the creation of an HTRZ. Jim had each committee member and presenter introduce themselves. Everyone was in-person except for Kirt Slaugh, who joined remotely.

2. Approval of Minutes*

The minutes from the last HTRZ Committee, which took place on November 8, 2023, were approved. Jim Evans motioned to approve the minutes, and Beth Holbrook seconded the motion. Representative Schultz, Senator Harper, Jim Evans, Beth Holbrook, Kirt Slaugh, and Jim Grover voted to approve the minutes.

New members who were not in the November 8, 2023 meeting abstained from voting. Abstaining votes included Mark Johnson, Amelia Powers Gardner, Jason Sundberg, and Shawn Lambert.

3. Oath of Office

Tanner Anderson, GOEO staff, administered the oath of office to new members, including Mark Johnson, Amelia Powers Gardner, and Jason Sundberg. All three were present in person to receive the oath of office.

Representative Mike Schultz, Jim Grover, Senator Wayne Harper, Jim Evans, Beth Holbrook, Shawn Lambert, and Kirt Slaugh all took oaths of office earlier and did not need to be sworn in again.

4. Overview of Proposal

Mayor Mark Johnson provided an overview of the Lehi HTRZ, including high-level overview of Lehi's growth initiatives and how HTRZ /TOD fits into these initiatives. He emphasized Lehi City being conscious of the current and future housing needs and the need for higher density in some areas to help mitigate housing issues.

Marlin Eldred, Economic Development Director for the City of Lehi, presented the HTRZ proposal in-depth. Marlin discussed how this proposal is a partnership between Lehi City, UTA, Thanksgiving Point, the Gardner Group, and STACK Real Estate.

- Overview
 - 1,800 multifamily units
 - Including 162 units at 80% AMI and 54 units at 60% AMI
 - Affordable units will be interspersed throughout the project and be equivalent quality to the market rate units
 - Average of 76 units per acre
 - 770,000 square feet of Class A Office Space
 - 80,000 square feet of retail shops and restaurants
 - 70,000 square foot lifestyle climbing gym
 - The linking and expansion of a regional trail system promoting active transportation, including walking promenade
- Increased development costs

- Increased costs include residential higher density and structure parking, affordable housing, and office higher density and structure parking.
- Combined total = \$237M
- \$122M of tax increment
- Even with full HTRZ participation, the developers will still need to cover a \$115M investment gap.

Marlin discussed how the Lehi Station HTRZ meets the objectives of the HTRZ statute. It will promote greater utilization of public transit through proximity, connectivity, and Last Mile Solutions (multi-use paths for active transportation options), including how the Lehi Station HTRZ fits within the major transit corridor and other planned TODs (i.e., The Point and Utah City). As highlighted earlier, the proposal provides affordable housing at 12%. The HTRZ also looks to 1) improve water conservation and air quality and 2) increase access to employment and educational opportunities that are already in the area (Silicon Slopes, Thanksgiving Point, UVU, etc.), as well as what is planned in the proposal, and 3) encourage transformative mixed-use development.

Lastly, Marlin compared the status quo vs. HTRZ – without HTRZ funding, densifying around the Lehi FrontRunner station is not financially feasible. Beth Holbrook commented that she appreciated the attention to the walkability piece, including having the walk be a pleasant experience.

Jim Grover asked about the standard non-HTRZ development (status quo). Marlin described the status quo as traditional garden-style, three stories, no elevators, surface parking with some coverings, 30 units to the acre. With HTRZ, they are looking at 76 units to the acre, five stories with internal structured parking (which also assists with the development's ambiance/ look & feel).

Elliot Clark, AG's office, asked for clarification on the statute that 51% of the developable area be residential. Marlin and David Denison (Gardner Group) confirmed that the residential will be over 51% of the developable area.

5. Review of Zions Public Finance Gap Analysis

Susan Becker of Zions Public Finance, Inc. (ZPFI) provided a review of ZPFI's gap analysis and review. ZPFI found a slightly different number for density – 66 units per acre on 51% of the total 53.4 parcel acres vs. the applicant's 76 – either way, both will comply with the statute. The gap included in this proposal results from affordable housing units, enhanced construction costs, and public infrastructure.

- Affordable housing:
 - \$91,000 per unit (higher in Tech Corridor)
- Enhanced construction costs
 - Office - \$417; multifamily - \$357 per gross sf
 - Comparable application - \$397

- Infrastructure
 - \$17M for power infrastructure

Susan indicated the increment generated outlined in the proposal is similar to the numbers ZPFI found:

80% increment (property tax): Applicant = \$122 million; ZPFI = \$116 million over 25 consecutive years on each parcel with a 45-year period

Susan reviewed the trigger dates, as this issue was discussed at length at the last HTRZ committee meeting. Susan indicated the assumed absorption to be over nine years, with nine trigger dates. Based on the discussion at the previous meeting, Susan included an additional valuation not included in the gap analysis report, which states \$98.7M with the Year 1 trigger date and 25 years total.

Susan reviewed the projections provided by the applicant for increased costs, and ZPFI found the applicant's projections within a reasonable range. ZPFI's total costs were slightly lower (\$233.5M) vs. applicant (\$237M).

6. Deliberation on a Motion

Jim Grover asked about how they plan to implement the affordable housing standard. Marlin indicated that discussion during the proposal process included that it is important to have the affordable housing units spread throughout the development, and the development agreement will consist of the affordable housing units being deed-restricted at least through the duration of the HTRZ.

The issue of ownership arose and was discussed various times throughout the meeting. One question was who would own the deed-restricted affordable units. Marlin indicated that the deed-restricted units would not be borne by one developer but dispersed to UTA, the Gardner Group, and STACK real estate. Marlin also stated that the project only has rental units but that there are many current and planned for-sale products in the area. Mayor Johnson indicated the City is currently writing code that will ensure a certain percentage (20%) of new builds will be for sale products.

Marlin clarified the trigger date issue that Jim and Susie brought up earlier. He indicated they are looking at possibly three trigger dates spaced about 3-4 years apart.

Senator Harper asked about parking ratios (shared parking with residential and amenities), office space, for-sale products (ownership opportunities), and the UTA project.

Representative Schultz commended Lehi City on completing this process and completing this HTRZ is the right place. He also applauded going above the statute for affordable housing units at 12% and going to 60% AMI for some of the units. Representative Schultz, Commissioner Powers Gardner, and Jim Evans commented on the need for housing options

and opportunities for future generations and how current/status quo housing is pricing many people out of the housing market.

Commission Powers Gardner also asked about the nearest grocery store and wants to make sure essential amenities are transit friendly in this area. She also discussed how this development project and other nearby development project, such as The Point and Utah City, are part of an overall strategy and are not competitors.

Shawn Lambert commented on water issues and indicated Lehi City has been a good partner and is understanding of the water issues.

Funding Request: 80% tax increment for personal and real property not to exceed 25 years per phase and not to exceed the state mandate of a total of 45 years for the entire project life. The proposal anticipates a total of 216 units of affordable housing which is a total of (12%). 9% of the units will be reserved for 80% AMI (162) and an additional 3% of the units reserved for 60% AMI (54). The units will be disbursed throughout all the development and all phases and not reserved for one building for the final phase.

Draft Motion: The Housing and Transit Reinvestment Zone Committee approves the project, as presented to the committee, located within 1/3 mile of the Frontrunner Lehi Station for the duration of 25 years per parcel, for a maximum of up to 45 years, for a maximum capture of 80% property tax increment with the requirement of 12% of affordable housing of at least 80% of AMI, estimated at \$237 million.

The motion was made by Senator Harper and seconded by Representative Schultz. The motion passed unanimously.

7. Adjourn

Exhibit B

HTRZ Application Proposal

Housing and Transit Reinvestment Zone

Applicant	Marlin Eldred
Applicant ID	APP-080426
Company Name	Lehi City Redevelopment Agency
Recipient Address	Lehi City Redevelopment Agency 153 North 100 East, P.O. Box 255 Lehi, UT 84043
Email	meldred@lehi-ut.gov
Status	Submitted

3. Applicant Information

Question: Name of the City

Lehi City

Question: Name of the HTRZ Project

Lehi Station HTRZ

Question: Contact name

Marlin Eldred

Question: Contact email address

meldred@lehi-ut.gov

Question: Contact telephone number

8017198234

Please provide the contact information of the person to assist in scheduling the meeting, if different from the contact person listed above

Question: Secondary Contact name

Not Answered

Question: Secondary Contact email address

Not Answered

Question: Secondary Contact telephone number

Not Answered

4. Project Details

Question: Please specify the county location of the project

Utah County

Question: Please specify if this application is a:

- ☒ Commuter rail station application
- ☐ Light rail station application
- ☐ County of a first class with a bus rapid transit station

Question: Please provide an executive summary of the project including the proposed location and benefit to the community

EXECUTIVE SUMMARY

- Includes over 53 acres within the heart of Silicon Slopes, directly adjacent to Thanksgiving Point and the Lehi Frontrunner Station
- Brings 1,800 residential units to the core of a major employment center
- Provides a total of 216 units of affordable housing (12%), including 25% of the units reserved for 60% AMI (54)

- Increases transit ridership through not only North/South connectivity, but also East/West connectivity and last mile solutions
 - Increases access to employment and reduces the need to drive to work
 - Lehi is the hub of Silicon Slopes, and it is estimated that 30,000 Utahns commute into Lehi for work daily
 - Increases access to education through UVU's Thanksgiving Point campus which is located 0.2 miles from Lehi Station and approximately 0.3 miles from the heart of the project
 - Provides ongoing support for Thanksgiving Point
 - As a partner on the project, Thanksgiving Point will benefit directly from nearly \$1B in investment
 - Each resident of the project will receive a Thanksgiving Point annual membership - Provides connectivity and options for active transportation through a robust trail system running throughout Lehi City
 - The project will be a true S.M.A.R.T Community (Sustainable, Mixed-use, Attractive, Realistic, and Transit-oriented)
- HTRZ Funds approximately half of the estimated \$237MM investment gap

Question: Please summarize the municipality proposed terms for approval. Consider the percentage rate, number of years and other requirements such as affordable housing that the committee will be asked to approve

As all development doesn't occur overnight it's requested that this project be phased. The city is asking for the max 80% participation from all taxing entities for personal and real property not to exceed 25 years per phase and not to exceed the state mandate of a total of 45 years for the entire project life.

The proposal anticipates a total of 216 units of affordable housing which is a total of (12%). 9% of the units will be reserved for 80% ami (162) and an additional 3% of the units reserved for 60% ami (54). The units will be disbursed throughout all the development and all phases and not reserved for one building for the final phase.

Question: Upload the proposal

[Lehi City Thanksgiving Station HTRZ Package Final.pdf](#) (5/30/2023, 12:26 PM)

5. Approval Committee Details

Please help us identify the following individuals, by providing a name, email address and telephone number, that are in-part required by 63N-3-605 (2) to participate in approving this application:

- one representative from each municipality that is a party to the proposed housing and transit reinvestment zone, designated by the chief executive officer of each respective municipality; a member of the board of trustees of a large public transit district; one member designated by the chief executive officer of each county affected by the housing and transit reinvestment zone; one representative designated by the school superintendent from the school district affected by the housing and transit reinvestment zone; and one representative, representing the largest participating local taxing entity, after the municipality, county, and school district.

Please use this [template](#) to provide your contacts

Question: Desired date of approval meeting (please allow 5 to 7 weeks for review of your application) 7/12/2023

Question: Please upload the contact list using the template provided in the section above.

[HTRZ Contacts Template GOEO.xlsx](#) (5/30/2023, 2:57 PM)

6. Declaration of Truth and Accuracy

Any misrepresentation or fraud made in connection with this application may result in criminal prosecution, civil liability, and/or other penalties, including disqualification from this program. The electronic signature below indicates my intent to be bound by the terms of this program and has the same force and effect of a non-electronic signature (see Utah Code § 46-4-201).

Question: Name

Marlin Eldred

Question: Title

Economic Development Director

Exhibit C
HTRZ

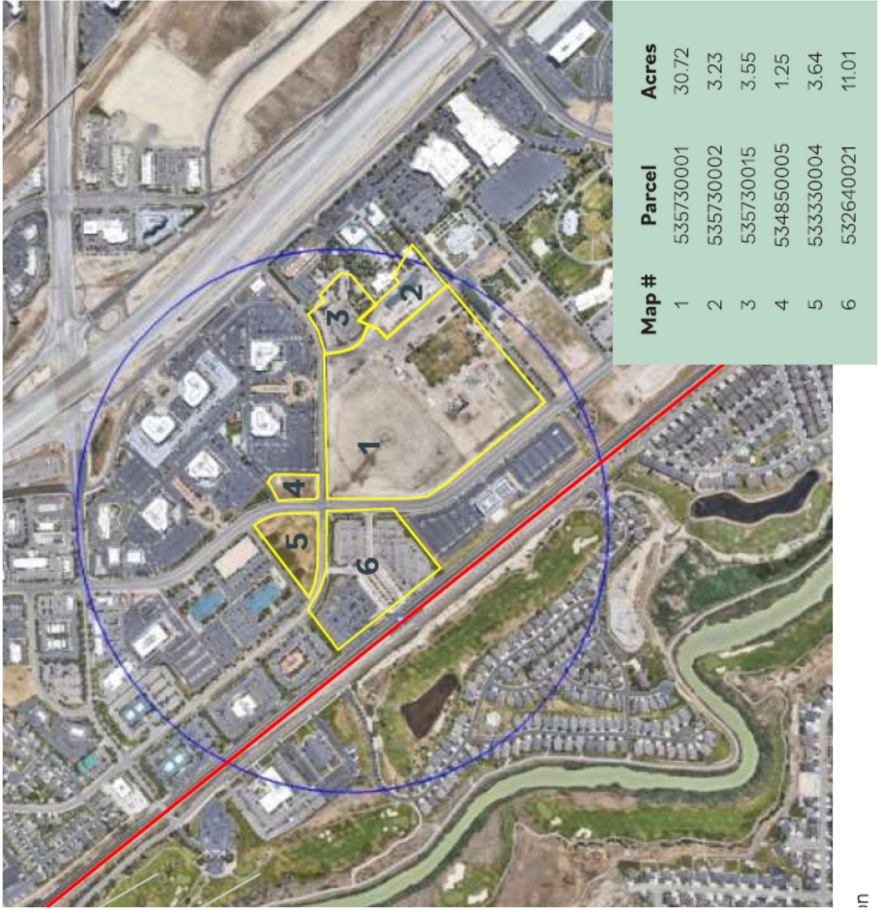


Exhibit D

Interlocal Agreement with City

(To be added)

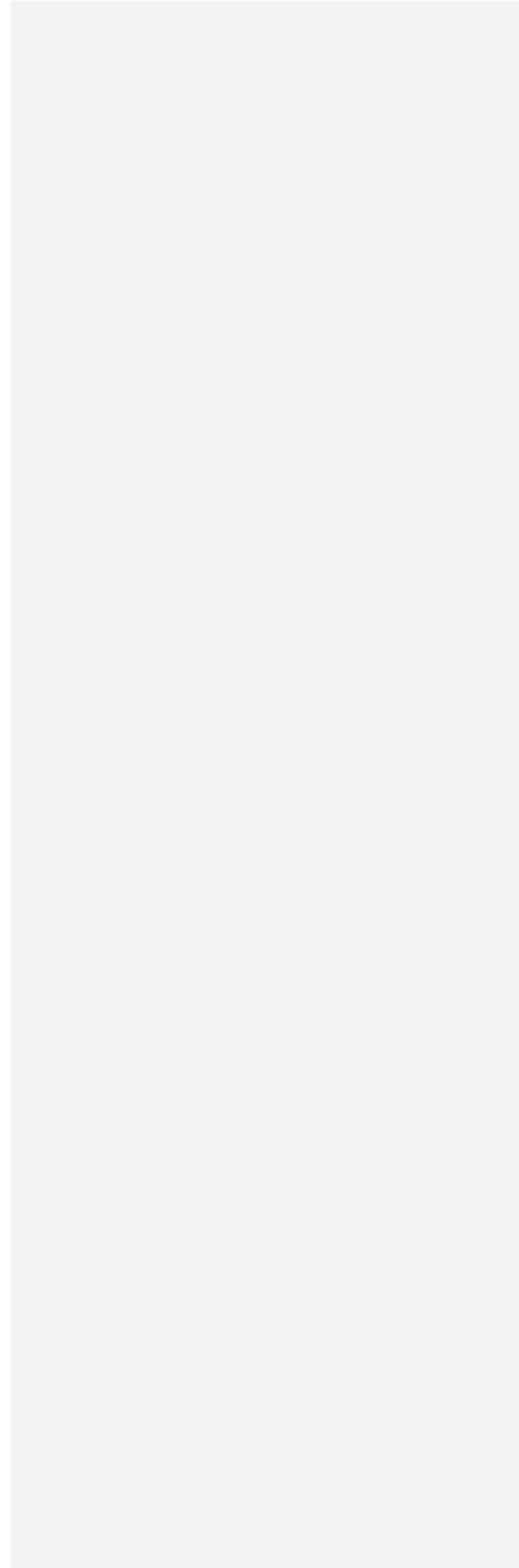


Exhibit E

Legal Description of Real Property Within the Project

Lot 4, Plat "C", THANKSGIVING POINT BUSINESS PARK, a vacation of Lots 9 and 10, Thanksgiving Point Business Park, Plat "A" Amended, Lehi, Utah, according to the official plat thereof on file and of record in the office of the Utah County Recorder.

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: July 14, 2026

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration of Resolution #R2026-07 approving a Participation Agreement between Lehi City and Thanksgiving Point Station Development Partners LLC.

Summary:

Attachments:

[RDA R2026-07.docx](#)

[Gardner Stack Thanksgiving Station Participation Agreement Redline Draft.pdf](#)

[Gardner Stack Thanksgiving Station Participation Agreement- Final.docx](#)

HTRZ Participation Agreement
between
The Lehi City Redevelopment Agency
and
Thanksgiving Station Development Partners, LLC

_____, 2026

HTRZ Participation Agreement

The Lehi City Redevelopment Agency, a political subdivision of the State of Utah (the “Agency”), and Thanksgiving Station Development Partners, LLC, a Utah limited liability company (the “Participant”, and with the Agency, may be referred to herein collectively as “Parties” or individually as a “Party”), agree as follows as of _____, 2026 (the “Effective Date”):

1. SUBJECT OF AGREEMENT

1.1 Purpose of the Agreement

The purpose of this HTRZ Participation Agreement (the “Agreement”) is to implement the Lehi City Housing and Transit Reinvestment Zone Proposal (the “HTRZ Proposal”) which was presented and adopted by the Housing and Transit Reinvestment Zone Committee on November 13, 2023 (the “HTRZ Approval”) which is attached hereto as Exhibit A, in accordance with the provisions of the Housing and Transit Reinvestment Zone Act set forth in Utah Code 63N-3-601 et seq. as in effect as of the date of the HTRZ Approval (the “Act”), and in accordance with Utah Code 63N-3-605(9) which requires the proposing municipality to enter into an agreement with the property owners within the HTRZ to implement the approved proposal, by specifying the terms and conditions under which the Agency may reimburse eligible costs incurred in connection with providing for the potential development of a Mixed Use Development (as defined in the Act) on approximately 30.72 acres of land, as more particularly described on Exhibit E (collectively, and together with any Additional Land (defined below), if any, the “Project”), located in the Lehi City, Utah (the “City”), and (b) to specify the terms and conditions pursuant to which the Agency and the Participant will cooperate in bringing about this the objectives of the Act, including the funds the Agency will provide to assist in the development of the Project. For purposes hereof, “Additional Land” means any real property (a) within the municipal limits of the City, (b) that is subject to the Thanksgiving Point Area Plan (defined below), (c) that is included within the HTRZ is within the legal boundary of the HTRZ as specifically described in Exhibit C, and (d) that is a taxing parcel expressly identified in the HTRZ Proposal, and (e) that the Participant or an affiliate of the Participant may from time to time acquire following the Effective Date. Any parcels located outside the approved HTRZ boundary, even if located within the one-third mile radius of the Lehi Frontrunner Station, may be added to the Project only pursuant to (a) an amendment to the HTRZ Proposal following the same procedure as approving a housing and transit reinvestment zone proposal in accordance with 63N-3-605(10) of the Act and all other applicable legal requirements, and (b) a written amendment to this Agreement approved by the Agency. The fulfillment of this Agreement is vital to and in the best interests of the City and the health, safety, and welfare of its residents, and in accord with public purposes and will provide a benefit to the City and its residents. This Agreement is carried out pursuant to the HTRZ Approval and HTRZ Act.

Formatted: Font: Bold, Underline

1.2 HTRZ

The HTRZ was created in accordance with the Lehi Station HTRZ Proposal (the “HTRZ Proposal”)~~Approval~~ which is attached hereto as Exhibit AB~~, based on the Lehi Station HTRZ Application which is attached hereto as Exhibit B (the “HTRZ Application”).~~ Which was presented to and approved by the Housing and Transit Reinvestment Zone Committee on November 13, 2023 (the “Approval” which is attached hereto as Exhibit A. The HTRZ is located within the boundaries of the City. The exact boundaries of the HTRZ are specifically and legally described in Exhibit C attached hereto.

1.3 Interlocal Agreement

On or before the Effective Date, in accordance with the requirements of Section 63N-3-607(2)(c)(ii) of the Act, the Agency has entered into an interlocal agreement with the City (the “**Interlocal Agreement**”) which is attached hereto as Exhibit D. Pursuant to the Interlocal Agreement, the City has agreed, among other things, to pay to the Agency eighty percent (80%) of the Tax Increment generated by the Project for a term of no more than twenty-five (25) consecutive years on each Triggered Parcel (defined below) within a forty-five (45) year period (the “Total Collection Period”) not to exceed one hundred twenty-two million one hundred forty-four thousand seven hundred sixty-nine dollars (\$122,144,769).

1.4 Parties to the Agreement

(a) Agency

The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Act. The address of the Agency for purposes of this Agreement is: Lehi City Redevelopment Agency, 131 North 100 East, Lehi City, Utah 84043, Attention: Re-Development Agency Administrator.

(b) The Participant

The Participant is Thanksgiving Station Development Partners, LLC, a Utah limited liability company. The address of the Participant for the purposes of this Agreement is: 4101 North Thanksgiving Way, Suite 300, Lehi, Utah 84048.

~~1.5 No Additional Approvals. Upon the approval of this Agreement by the Agency, and the expiration of all statutory notice and contest periods, no additional legislative action is required for the Agency to perform its obligations hereunder.~~

2. **ASSIGNMENT**

Except as permitted by Section 2.1 hereof, the Participant agrees for itself and any successor in interest that during the term of this Agreement the Participant shall not assign or transfer or attempt to assign or transfer all or any part of its obligations under this Agreement without the prior written consent of the Agency, which consent shall not be unreasonably withheld, conditioned or delayed. The Agency may withhold, condition, or delay its consent to such an assignment or transfer if, in the sole discretion of the Agency, such transfer or assignment would result in the economic development goals of the Agency not being met.

2.1 Permissible Transfers.

Notwithstanding the provisions of this Agreement to the contrary, the Participant shall not be required to obtain the Agency's consent, and the Agency shall not be permitted to terminate this Agreement, in connection with the following transfers or the assignment of the Agreement pursuant to the following transfers provided that the transfer does not release Participant or any transferee from obligations that run with the reimbursement rights, Property, Triggered Parcel, Project, or any portion thereof, and provided that Participant gives the Agency written notice within thirty (30) days after the transfer, together with reasonable documentation of the transfer and the party responsible for ongoing compliance: (a) the sale, exchange, issuance or redemption of any stock of the Participant or its parent that is listed on a public exchange; (b) transfers of less than a controlling interest in the Participant or its parent; (c) transfers of interests in either the Project or the Participant to an affiliate of the Participant; (d) changes in the organizational form of the Participant; (e) a transfer of the operational responsibilities of the Project to a third party provided that Participant remains responsible for compliance; (f) leasing, subletting or licensing of the Project; ~~(hg)~~ a sale and lease back or similar financing transaction of the Project; ~~(hl)~~ the granting of any lien, security interest, or other encumbrance upon the Project or the interests of the Participant in the Project or in this Agreement; ~~(hj)~~ a transfer of any portion of the Project to one or more entities which is controlling, controlled by or under common control with the Participant; ~~(kj)~~ an assignment to a Mortgagee (defined below) of Participant's right to receive all or a portion of the Tax Increment payable to Participant under this Agreement, or ~~(hk)~~ a sale (but not an assignment of the obligations of this Agreement, which assignment requires prior written consent of the Agency) of all or any portion of the Project to a third party provided, however, that no sale, assignment, pledge, transfer, or retention of Tax Increment Reimbursement, bond proceeds, or other HTRZ economic benefit shall be effective unless the party receiving, retaining, pledging, or collecting such benefit is bound by all corresponding obligations, conditions precedent, repayment obligations, audit requirements, reporting requirements, and public-benefit requirements associated with that benefit. Participant may not sell or convey the Property while retaining the right to receive HTRZ Funds or bond proceeds unless the Agency Board expressly approves the retained right in writing and the retaining party remains fully responsible for all obligations associated with the retained right, or ~~(ml)~~ the Participant may transfer real and personal property in the HTRZ and retain the Participant's rights to receive Tax Increment and proceed of bonds issued under this Agreement.

2.2 Continuing Obligations

Except as otherwise provided herein, and except for a transfer or assignment of this Agreement which has been consented to by the Agency, no assignment or transfer of this Agreement, any part hereof, any right herein, or approval hereof, by the Agency shall be deemed to relieve the Participant from any obligation under this Agreement. Upon the approval by the Agency of an assignment of this Agreement, and provided the assignee assumes the obligations of Participant from and after the date of such assignment, the assigning Participant will be relieved of all obligations under this Agreement arising from and after the date of such assignment and the Agency shall look solely to the assignee for performance of the obligations under this Agreement from and after the date of such assignment. All of the terms, covenants, and conditions of this

Agreement shall be binding upon and shall inure to the benefit of the Participant and its permitted successors and assigns.

3 FINANCING OF THE DEVELOPMENT OF THE PROJECT

3.1 Nature of Participant's Obligations

The Participant shall have the right to develop, at its own expense, or cause to be developed, the Project pursuant to and in accordance with the Thanksgiving Point Area Plan as adopted by the City Council on August 8, 2023 (the “**Area Plan**”) a copy of which is attached as Exhibit F and the HTRZ Proposal Approval, or as otherwise permitted by the Lehi City Development Code (the Development Code) and other applicable law.

3.2 Responsibility for Development Plans and Permits

For the avoidance of doubt, in the event the Participant elects to develop the Project, the Participant, but not the Agency, shall be responsible for preparing and completing any plans for the acquisition and construction of the Project.

3.3 Funding Responsibility

The Participant and the Agency acknowledge that the HTRZ Funds do not cover the funding gap between the costs of enhanced transit-oriented, mixed-use development required by the Act and the costs of market-rate, surfaced-parked development. Both Parties understand and agree that, except as otherwise expressly provided herein, if the Participant elects to develop the Project, funding for the development of the Project and its related improvements shall come from the Participant's internal capital or financing obtained by the Participant or by a third party. The Agency shall not be liable or responsible for providing, obtaining or guaranteeing any financing for the Project.

3.4 City Land Use Authority

Participant acknowledges that nothing in the Agreement shall be deemed to supersede, waive, or replace the City's authority over land use, zoning, and permitting within the City.

4 TAX INCREMENT

4.1 Tax Increment Reimbursement

The Project will be funded in part by Tax Increment generated by the Project and pursuant to the provisions of the Act. Under the Act and the Interlocal Agreement, the Agency is entitled to receive eighty percent (80%) of the Tax Increment (as defined below) generated by and within the HTRZ (collectively, the “**HTRZ Funds**”) for each Phase (as defined below) a duration of a over an initial period of twenty-five (25) full calendar years on each Triggered Parcel (as defined below) commencing with the Trigger Year (as defined below)

Formatted: List Paragraph, Indent: Left: 0.83", First line: 0"

Formatted: List Paragraph, Indent: First line: 0.44", Space Before: 12 pt

Formatted: Underline, Font color: Custom Color(191,0,65)

for such Triggered Parcel (each, an “Increment Period”), for a maximum of up to forty-five (45) years (“Total Collection Period”) not to exceed the total tax increment amount of one hundred twenty-two million one hundred forty-four thousand seven hundred sixty-nine (\$122,144,769) across all parcels and all collection periods combined as set forth in the HTRZ Proposal and according to 63N-3-609(2) of the Act.

for such Phase (each, an “Increment Period”) and a maximum period of forty-five (45) years for all Phases (“Total Collection Period”). The Total Collection Period shall begin to run at the same time the Increment Period for the first Phase commences. The Total Collection Period for the HTRZ shall begin to run at the same time as the first Increment Period commences but beginning no later than January 1, 2028, and ending no later than December 31, 2072. During the Total Collection Period, the Participant may elect to trigger the collection of Tax Increment from one or more parcels recognized by the Utah County Assessor as a tax parcel, as the same may be subdivided in the future, within the HTRZ by submitting notice to the Agency (“Triggering Notice”). Each Triggering Notice must identify the parcel(s) being triggered and identify the beginning date that Tax Increment will be collected from the applicable parcel(s). After the Participant submits a Triggering Notice to the Agency, the Agency shall, unless the Triggering Notice is unreasonable, request Utah County pay Tax Increment to the Agency from the parcel identified in the Triggering Notice for a period of twenty-five (25) consecutive years or until the termination of the Total Collection Period, whichever occurs first. The Base Taxable Value for each parcel comprising the Property shall be confirmed in each Triggering Notice. The Base Taxable Value among successor parcels resulting from subdivision, merger, or replating shall be deemed to inherit the proportionate share of the Base Taxable Value attributable to the original parcel from which it was created.

In accordance with the HTRZ Approval and the Interlocal Agreement, the Agency shall begin to receive the HTRZ Funds generated by each Phase in the Trigger Year for such Phase and shall continue for the entire Increment Period for such Phase. A parcel of land, or any portion thereof, which is included in a particular Phase Increment Period may not, for purposes of this Agreement, be included in another Phase Increment Period. HTRZ Funds are to be paid into a separate account of the Agency used solely for the Tax Increment Reimbursement (defined below) and other uses permissible hereunder and in accordance with the Act and shall be applied for the purposes described in the HTRZ Approval, the HTRZ Application Proposal, the Act, the Interlocal Agreement and this Agreement.

For purposes of this Agreement, the following terms shall have the following corresponding meaning:

(a) “Affordable Housing” means housing occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the applicable municipal or county statistical area for households of the same size; has the meaning set forth in the Act;

(b) **“Base Taxable Value”** means a property’s taxable value as shown upon the assessment roll last equalized during the base year;~~has the meaning set forth in the Act;~~

(c) **“Base Year”** means a year beginning the first day of the calendar quarter determined by the last equalized tax roll before the adoption of the housing and transit reinvestment zone. For the purposes of this Agreement and in accordance with the Act and the Approval, the base year is 2024~~has the meaning set forth in the Act;~~

(d) **“Enhanced Development”** means the construction of mixed uses including housing, commercial uses, and related facilities;~~has the meaning set forth in the Act;~~

(e) **“Enhanced Development Costs”** means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in the housing and transit reinvestment zone;~~has the meaning set forth in the Act;~~

(f) **“Horizontal Construction Costs”** means the additional costs associated with earthwork, over excavation, utility work, transportation infrastructure, and landscaping to achieve enhanced development in the housing and transit reinvestment zone.

(g) **“HTRZ Proposal”** means the Thanksgiving Station Housing and Transit Reinvestment Zone Proposal submitted by Lehi City to the Housing and Transit Reinvestment Zone Committee, as reviewed by Zions Public Finance, Inc. and approved by the HTRZ Approval, a copy of which is attached as **Exhibit B**. The HTRZ Proposal is a primary governing document of this Agreement and establishes the development project, affordable housing requirements, bedroom mix requirements, collection period, base year, and maximum tax increment capture approved for the HTRZ.

Formatted: Normal, Indent: Left: 0.56", First line: 0", Space Before: 12 pt

(h) **“Increment Period(s)”** means a property tax increment collection period of no more than twenty-five (25) consecutive years for a Triggered Parcel which collection period commences following the Trigger Date for that Triggered Parcel and ending no later than the expiration of the Total Collection Period. ~~The commencement of collection of Tax Increment following the Trigger Date for a Phase.~~ The parties acknowledge that as HTRZ Approval was adopted on November, 2023, and accordingly the limitation of three tax increment collection periods as set forth in the current version of 63N-3-603(4)(iii) is not applicable.

Formatted: Underline, Font color: Custom Color(191,0,65)

Formatted: Indent: Left: 0.56", Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Tab after: 1.5" + Indent at: 0"

(i) **“Net HTRZ Funds”** means the HTRZ Funds less the administrative reimbursement payable to the Agency hereunder;

(j) **“Phase”** shall mean each phase of the development of the Project as designated by the Participant, which Phase shall include at least one (1) building, and any associated Real Property identified and designated by the Participant;

(k) **“Tax Increment”** means the difference between: (a) the amount of property tax revenue generated each tax year by a taxing entity from the area within a housing and transit reinvestment zone designated in the housing and transit reinvestment zone proposal

as the area from which tax increment is to be collected, using the current assessed value and each taxing entity's current certified tax rate; and (b) the amount of property tax revenue that would be generated from that same area using the base taxable value and each taxing entity's current certified tax rate; shall have the meaning set forth in the Act;

(k) **"Trigger Date"** means, with respect to a particular Triggered Parcel~~Phase~~, the date on which a notice of commencement of collection of tax increment has been provided to (a) the tax commission; (b) the State Board of Education; (c) the state auditor; (d) the Utah County auditor; (e) each taxing entity affected by the collection of tax increment from the HTRZ; and (f) the Governor's Office of Economic Opportunity~~temporary certificate of occupancy is issued for a building in such Phase and notice thereof has been provided as required by the Act;~~

(j) (l) **"Triggered Parcel"** means a parcel within the approved HTRZ boundary, identified by legal description and Utah County assessor parcel number, for which collection of Tax Increment has commenced in accordance with this Agreement and the Act.

(m) **"Trigger Year"** means, with respect to a particular Phase~~Triggered Parcel~~, the calendar year immediately after the calendar year in which the Trigger Date for such Phase~~Triggered Parcel~~ occurs;

~~(k)~~(n) **"Vertical Construction Costs"** means the additional costs associated with construction above four stories and structured parking to achieve enhanced development in the housing and transit reinvestment zone; and~~and~~

In consideration for the Participant's election to construct the Project or cause the Project to be constructed, which will promote the objectives set forth in the Act~~as determined by the City council in 2023 when the HTRZ Approval was obtained~~, which include, without limitation, higher utilization of public transportation, encourage transformative mixed-use development, improving efficiencies in parking and transportation, including walkability, increasing availability of housing, including Affordable Housing, within the City and State of Utah, and will provide a public benefit to the State, the City and its residents, and subject to the Participant's fulfillment of all Conditions Precendent set forth in Section 4.2 and all other conditions of this Agreement, the Agency agrees to pay to the Participant (the **"Tax Increment Reimbursement"**) from the Net HTRZ Funds generated by the Project up to the amount calculated below and as Net HTRZ Funds allow. The costs types described below are for the purposes set forth in 63N-3-607(4) of the Act, including expressly: (a) income targeted housing costs; (b) structured parking; (c) enhanced development costs; (d) horizontal construction costs; and (e) vertical construction costs. ~~for each Phase the Net HTRZ Funds for reimbursement of all costs permitted to be reimbursed under Section 63N-3-607 of the Act which are incurred by the Participant or third parties in connection with the development of the Project (collectively, and for each Phase, the "Tax Increment Reimbursement").~~

Formatted: Normal, Indent: First line: 0", Space Before: 12 pt

Formatted: Underline, Font color: Custom Color(191,0,65)

Formatted: Indent: Left: 0.5", First line: 0.5", Outline numbered + Level: 3 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 1" + Tab after: 1.5" + Indent at: 0"

(o) **“Project Improvement Costs”** The Parties acknowledge that, pursuant to Section 63N-3-603 of the Act, the total tax increment that may be collected within the HTRZ during the Total Collection Period shall not exceed the maximum tax increment amount approved in the HTRZ Proposal. The Parties further acknowledge that multiple property owners within the HTRZ may qualify for reimbursement of up to eighty percent (80%) of the tax increment generated by their respective parcels, subject to the overall maximum tax increment authorized for the HTRZ. Accordingly, in order to preserve the availability of HTRZ funds for multiple eligible participants and to prevent any single property owner or affiliated group from exhausting the available tax increment, reimbursement eligibility and reimbursement percentages shall be determined based on the applicable product type, as set forth in this Agreement.

Formatted: Font: Bold

Formatted: Heading 3, Indent: Left: 0.5", First line: 0.5"

The amounts below represent the reimbursable costs permitted by 62N-3-602 and 607 of the Act. The amount of the HTRZ Reimbursement shall be limited to the amounts invested by the Participant into the Project for the following expenditures of the Participant which qualify for reimbursement under 63N-3-607(4) (collectively, the **“Project Improvement Costs”**):

HTRZ MULTIFAMILY HOUSING: The Participant may be reimbursed up to forty thousand five hundred seventy-three dollars (\$40,573) per residential dwelling unit to pay part of the costs associated with Enhanced Development, Horizontal Construction, Vertical Construction, and structured parking within the Project. If the residential dwelling unit is designated as Affordable Housing, the Participant may additionally receive reimbursement for Affordable Housing.

Formatted: Indent: Left: 0.5", First line: 0.5"

AFFORDABLE HOUSING: The Participant may be reimbursed up to fifty-five thousand six hundred sixty-two dollars (\$55,662) per dwelling unit designated as Affordable Housing to pay part of the costs associated with income targeted housing.

NON-RESIDENTIAL DEVELOPMENT: The Participant may be reimbursed up to forty-eight (\$48) per gross square foot for non-residential development, including but not limited to office and retail development, to pay part of the costs associated with Enhanced Development, Horizontal Construction, and structured parking within the Project.

The Agency shall make the payment to Participant representing the Tax Increment Reimbursement for the preceding year within sixty (60) days after the date on which the Agency reasonably determines all of the applicable conditions precedent as described in Section 4.2 are met. ~~The Tax Increment Reimbursement for each Phase will be paid by the Agency within thirty (30) calendar days of the receipt of the HTRZ Funds generated by such Phase by the Agency.~~ The Agency agrees to promptly provide, and in all events within thirty (30) days of the Trigger Date for each ~~Phase~~Increment Period, written notice of the occurrence of such Trigger Date for an ~~Phase~~Increment Period ~~as required by 63N-3-603(6) of the Act~~ to the Utah County Assessor and other applicable governmental entities as required by 63N-3-603(6) of the Act.

(p) **“Request for Payment”** The Participant shall submit in writing a request* for payment to the Agency by March 31 of the year following the year for which the Tax Incentive Reimbursement is being sought (the “Request for Payment”). All information regarding Project Improvement Costs shall be accompanied by supporting documentation that is sufficient, in the reasonable opinion of the Agency, to establish the details of construction and the actual costs of the Project Improvement Costs. If the Agency determines that a Request for Payment is not in accordance with the requirements of 63N-3-607 of the Act, incomplete, or otherwise legally deficient, the Agency shall notify the Participant within thirty (30) days of the Agency’s receipt of the Request for Payment. A deficient Request for Payment that is submitted by the date established in this section shall be treated as timely so long as the Participant provides an updated Request for Payment within fifteen (15) days of receiving notice of the deficiency from the Agency. In each Request for Payment, the Participant shall include a certification to the Agency that the Project Improvement Costs for which the Tax Incentive Reimbursement is requested complied with the Act.

Formatted: Font: Bold

Formatted: Heading 3, Indent: Left: 0.5", Space Before: 12 pt

Notwithstanding the foregoing, the Agency shall have the right to retain one percent (1%) of the Tax Increment paid to the Agency in reimbursement for the Agency’s expenses in administering the HTRZ.

4.2 Conditions Precedent to Payment of the Tax Increment Reimbursement

In addition to the conditions stated elsewhere in this Agreement, the Agency shall have no obligation to make payment hereunder to the Participant for a particular PhaseTax Increment Reimbursement until the following conditions precedent are satisfied with respect to such Phasean applicable Triggered Parcel: (a) the Participant has obtained a building permit for the construction of the Phasewithin the Triggered Parcel; (b) the Agency has actually received payment of the HTRZ Funds generated by such Phasethe applicable Triggered Parcel during the Increment Period (or developer bond funds secured by HTRZ Funds generated, or to be generated, by such PhaseTriggered Parcel), and (c) the Participant has provided evidence to the Agency that approximately twelve percent (12%) of the Dwelling Units (as such term is defined in the Act) are Affordable Housing Units (it being acknowledged that a particular Phase-Triggered Parcel may contain more or less than twelve percent (12%) of Affordable Housing Units as long as twelve percent (12%) of the Dwelling Units constructed over all Phasesthe Project, once complete, are Affordable Housing Units, provided, in all events, and without limiting the obligations of Participant set forth in this Section 4.2 above, at least ten percent (10%) of the Dwelling Units constructed in each Phase-Triggered Parcel shall be Affordable Housing Units. In accordance with the HTRZ Approval Proposal (A) 9% of the proposed Dwelling Units will be occupied or reserved for occupancy by households with a gross household income equal to or less than 80% of the median gross income of the applicable municipal or county statistical area for households of the same size, and (B) three percent (3%) of the proposed Dwelling Units will be occupied or reserved for occupancy by households with a gross household income equal to or less than 60% of the median gross income of the applicable municipal or county statistical area for households of the same size. (d) Participant has provided evidence to the Agency that a reasonable percentage of the proposed Dwelling Units within the applicable Triggered Parcel has more than one bedroom in accordance with 63N-3-603(2)(d) of the Act and as determined by the HTRZ Proposal, including

not more than 10% studio apartments, not more than 52% one-bedroom apartments, at least 35% two-bedroom apartments, and at least 3% three-bedroom apartments. (e) Participant has provided evidence to the Agency that the Participant is developing the Project according to Area Plan and will achieve an overall density of at least 50 units per acre for at least 51% of developable area within the HTRZ in accordance with 63N-3-603(2)(b) of the Act. (f) In each request for payment, Participant shall include a certification to the Agency that the project improvement costs for which the Tax Increment Reimbursement is requested complies with the Act.

- a) “Effect of Failure to Meet Conditions Precedent to Payment of Incentive” If the Conditions Precedent are not met during the term of this Agreement, and the Participant is thus not entitled to receive the Tax Increment Reimbursement until the Condition Precedent is met, but the Participant is otherwise not in default under this Agreement, such failure of a Condition Precedent shall not constitute a Default under this Agreement. If a Condition Precedent has not been met, the Agency agrees to hold and account for the Tax Increment, in accounts, and to distribute timely the same to Participant upon satisfaction of the applicable Conditions Precedent.

Formatted: Font: Bold, Underline, Font color: Custom Color(RGB(191,0,65))

Formatted: List Paragraph, Numbered + Level: 1 + Numbering Style: a, b, c, ... + Start at: 1 + Alignment: Left + Aligned at: 0.25" + Indent at: 0.5"

The Agency acknowledges that the Participant cannot predict if, when or at what rate development of the Project or any particular Phase will occur. The timing and rate for development of the Project and each Phase will depend upon numerous factors outside of the control of the Participant such as market orientation and demand, competition, availability of qualified laborers to construct the Project, and/or weather conditions that may delay construction. The Agency hereby acknowledges that the Participant may develop the Project ~~and each Phase in such order and~~ at such rate and times as the Participant deems appropriate within the exercise of its sole and absolute discretion. The Agency acknowledges that this right is consistent with the intent, purpose, and understanding of the Parties. Except as provided in this Section 4.2, nothing in this Agreement shall be construed to require the Participant to proceed with the construction of or any other implementation of the Project or any portion thereof. The Dwelling Units in a ~~Phase parcel~~ that are required to be Affordable Housing shall remain Affordable Housing units for as long as Participant is receiving HTRZ funding for ~~such Phase~~ the Increment Period.

Notwithstanding anything to the contrary above or in the Act, ~~after the Participant understands that once~~ Participant has received certificates of occupancy for 750 residential units within the Project, the City will not issue any further building permits for residential units until Participant has constructed and received certificates of occupancy for at least ~~10,000~~ sixteen thousand (16,000) square feet of retail space (the “Initial Retail Space”). For purposes of this section 4.2, retail space is a sales tax generating development. After City has issued certificates of occupancy for the Initial Retail Space, Participant may construct an additional 600 residential units (for a total of 1,350 residential units) within the Project. However, prior to the issuance of certificates of occupancy for the final ~~phase-triggered parcel~~ of residential units within the Project (which final ~~phase-triggered parcel~~ must contain not less than 220 residential units), Participant shall be required to construct an additional ~~22,000~~ sixteen thousand (16,000) square feet of retail space within the Project. ~~Participant shall not be entitled to receive Tax Increment for costs incurred to construct residential units which exceed an aggregate of 1,350 residential units within the Project. In connection with the foregoing requirements of this Section, the Agency may, in its reasonable discretion, and as an administrative matter, provide a waiver or extension to~~

~~Participant's obligation to meet the foregoing requirements to construct retail space so long as Participant demonstrates that the construction and leasing of retail space is not supported by current market conditions.~~

Notwithstanding, in accordance to the Area Plan, no more than 800 multifamily residential units, or 610 multifamily residential units together with one 350,000 SF office building may be constructed in the HTRZ prior to the completion of the required power infrastructure upgrades and no more than 1,220 multifamily residential units may be constructed in the HTRZ prior to the completion of traffic improvements identified in the Lehi Thanksgiving Station Improvement and Trigger Summary and the Traffic Triggers Analysis, including but not limited to:

- Improvements on Triumph Blvd and 2100 North: Installation of east bound dual left turn lanes and side-by-side left turn lanes in the center, and extension of west bound storage length;
- Improvements at Ashton Blvd and Triumph Blvd: Installation of east bound and west bound dual left turn lanes and a third south bound thru lane”
- Ashton Blvd/Triumph Blvd addition of south bound and west bound right turn pockets and dual east bound right turn lanes and coordinate,
- Sycamore Lane and Ashton Blvd signalized, and
- the completion of the 2100 North Freeway.

Upon the request of the Agency, the Participant shall provide to the Agency details regarding the number of annual passes purchased by an owner of a Phase-Triggered Parcel and made available to the residents of such Phase pursuant to the separate agreement between Participant and Thanksgiving Point Institute, Inc., a Utah non-profit corporation.

4.3 Agency's Encumbrance of HTRZ Funds

The Agency agrees that the Agency shall not, without the prior written consent of the Participant, which may be withheld in the Participant's sole and absolute discretion, issue any bonds or other indebtedness that are secured by HTRZ Funds from the HTRZ which are generated by the Project ~~or otherwise take any action which could restrict or impede the payment of the Tax Increment Reimbursement to the Participant, in each case, in whole or in part, until the expiration of all Increment Periods.~~

4.4 Payment of Real Property and Ad Valorem Taxes

The Participant understands and agrees that the sole source of HTRZ Funds is the payment of the property tax revenue (“**Taxes**”) within the HTRZ. Nothing herein contained, however, shall be deemed to prohibit the Participant from contesting the validity or amount of any tax assessment, encumbrance, or lien, or to limit the remedies available to the Participant in respect thereto.

4.5 Reduction or Elimination of Property Area Funds

In the event that the provisions of Utah law which govern the payment of HTRZ Funds to the Agency are changed or amended so as to reduce or eliminate the amount paid to the Agency, the Agency's obligation to pay the HTRZ Funds to the Participant hereunder shall be accordingly reduced or eliminated. The Participant specifically reserves and does not waive hereunder any right it may have to challenge any law change that would reduce or eliminate the payment of HTRZ Funds to the Agency. The Participant acknowledges, understands and agrees that the Agency is under no obligation to challenge a change in law that reduces or eliminates the payment of HTRZ Funds to the Agency; ~~provided, the Agency will not oppose the Participant,~~ and, if requested by the Participant, Agency will, at no out of pocket cost or expense to the Agency, cooperate with the Participant, if the Participant challenges a change in the law that reduces or eliminates the payment of HTRZ Funds to the Agency. In the event any change in law invalidates the Tax Increment Reimbursement provided in support of the Project, the Participant is hereby released from any and all obligations made by the Participant to the Agency. For further clarity, the Participant at its sole and exclusive discretion may, without penalty, terminate its obligations under this Agreement if any change in law invalidates the Participant's right to receive all or any portion of the Tax Increment Reimbursement. For purposes of this Section 4.5 and Section 4.6 below, the Agency's agreement to cooperate means the Agency agrees to (i) to provide information and data necessary to defend against such action, and (ii) not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights against the other Party.

4.6 Declaration of Invalidity

In the event a court of competent jurisdiction after final adjudication (by the highest court to which the matter may be appealed) (i) declares that the Agency cannot receive HTRZ Funds or reimburse the Participant from HTRZ Funds as provided in this Agreement, (ii) invalidates the HTRZ, or (iii) takes any other action which eliminates or reduces the amount HTRZ Funds paid to the Agency, the Agency's obligation to pay the Tax Increment Reimbursement to the Participant hereunder shall be accordingly reduced or eliminated. The Participant specifically reserves and does not waive hereunder any right it may have to challenge a ruling, decision or order by any court that would reduce or eliminate the payment of HTRZ Funds to the Agency. The Participant acknowledges, understands and agrees that the Agency is under no obligation to challenge a ruling, decision or order by any court that reduces or eliminates the payment of HTRZ Funds to the Agency; ~~provided, the Agency will not oppose the Participant~~ and, if requested by the Participant, will, ~~with no out of pocket costs to the Agency,~~ -cooperate with the Participant if the Participant challenges a ruling by any court. Additionally, if any court invalidates the HTRZ, the Interlocal Agreement or this Agreement as a result of a procedural defect, the Agency shall take such actions as are necessary to correct such procedural defect. In the event any court invalidates the Tax Increment Reimbursement provided in support of the Project, the Participant is hereby released from any and all obligations made by the Participant to the Agency. For further clarity, the Participant at its sole and exclusive discretion may, without penalty, terminate its obligations under this Agreement if any court invalidates the Participant's right to receive all or any portion of the Tax Increment Reimbursement.

4.7 New Taxes

The Agency shall not consent to an amendment or modification of any existing Taxes which excludes such any existing Taxes from collection under the HTRZ, and if existing Taxes are so amended or modified, the Agency shall seek to amend the Interlocal Agreement to include such Taxes and will make economic development payments subject to the requirements of this this Agreement, equal to all such Taxes to the Participant to the fullest extent the Agency is legally able to do so. The Agency will not consent to any increase in the applicable rate, as of the Effective Date, of any Tax affecting the HTRZ unless such increase is pursuant to, and in proportion with, an across-the-board increase in all rates for such Tax.

5 DEVELOPMENT OF THE PROJECT

The Project shall be a Mixed Use Development (as defined in the Act). If and to the extent the Participant elects to develop the Project, the Participant agrees to develop, or cause to be developed, the Project as permitted by the Area Plan, consistent with the HTRZ Proposal, and in accordance with the Development Code. The Participant shall be responsible for development-related roadway improvements, mitigation, traffic impacts, utility impacts, and public improvements caused by or required for the Project, subject to applicable law, impact fees, development approvals, and project-specific exactions. Nothing in this Agreement places responsibility for future failure, inadequacy, or mitigation of development-related roadways on the city except to the extent separately approved by the City Council or Agency Board in a written agreement. The Project is intended to consist of a transit-oriented, mixed-use development comprising up to one thousand three hundred fifty (1,350) residential dwelling units, of which not less than twelve percent (12%) shall qualify as Affordable Housing, together with a mix of dwelling unit types such that a reasonable proportion of the dwelling units contain more than one bedroom; approximately thirty-two thousand (32,000) square feet of ground-floor retail space; structured parking facilities; open space; and related infrastructure. Notwithstanding, the aggregate number of residential dwelling units authorized within the Project and the Soccer Field Parcel shall not exceed one thousand six hundred (1,600) dwelling units. The Project shall not exceed one thousand three hundred fifty (1,350) dwelling units, and any increase in the number of dwelling units above two hundred fifty (250) dwelling units authorized for the Soccer Field Parcel shall reduce, on a one-for-one basis, the number of dwelling units authorized for the Project as necessary to maintain compliance with the aggregate one thousand six hundred (1,600) dwelling unit limitation. — Developer will support transportation solutions that do not adversely affect the Thanksgiving Point Golf Course or the Project. Support includes showing verbal and written support through attending meetings, submitting letters and/or reasonable non-monetary support requested by the City.

Formatted: Indent: First line: 0", Space Before: 12 pt

6 DEFAULTS, REMEDIES AND TERMINATION

6.1 Default

If either the Agency or the Participant fails to perform or delays performance of any term or provision of this Agreement or any representation or warranty made herein proves to be false or misleading in any material respect when made, such conduct shall constitute default hereunder. The Party in default must commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy within the periods provided in Section 6.3 hereof.

6.2 Notice

If a default under this Agreement occurs, the non-defaulting Party shall give written notice of the default (a “**Default Notice**”) to the Party in default, specifying the nature of the default. Failure or delay in giving a Default Notice shall not constitute a waiver of any default or operate as a waiver of any rights or remedies of the non-defaulting Party; but the non-defaulting Party shall have no right to exercise any remedy hereunder without delivering the Default Notice as provided herein. Delays by either Party in asserting any right or remedy hereunder shall not deprive either Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

6.3 Cure Period

The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of ninety (90) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot reasonably be cured within such ninety (90) day period, the defaulting Party fails to commence such cure within ninety (90) days after delivery of the Default Notice and to diligently proceed to complete the same. A default that can be cured by the payment of money shall be cured within thirty (30) days after delivery of the Default Notice. For non-monetary defaults, including failures relating to affordable housing, bedroom mix, retail or non-residential milestones, transportation conditions, density caps, reporting, audit, cost documentation, or Thanksgiving Point memberships, the cure period shall begin on delivery of the Default Notice and shall not be delayed until final adjudication. During the continuance of any Participant default after the applicable notice and cure period, the Agency may suspend payment of any Tax Increment Reimbursement related to the default or affected Triggered Parcel, phase, building, reimbursement request, or public-benefit obligation until the default is cured or otherwise resolved. If a final non-appealable judgment determines that any suspended or withheld amount was required to be paid, the Agency shall pay such amount from legally available HTRZ Funds actually received by the Agency. If a final non-appealable judgment determines that Participant received Tax Increment Reimbursement to which it was not entitled, Participant shall repay such amount to the Agency within sixty (60) days after the judgment.

~~The non-defaulting Party shall have no right to exercise a right or remedy hereunder unless the subject default continues uncured for a period of one hundred eighty (180) days after delivery of the Default Notice with respect thereto or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting Party fails to commence such cure within one hundred eighty (180) days and to diligently proceed to complete the same. A default which can be cured by the payment of money is understood and agreed to be among the types of defaults which can be cured within one hundred eighty (180) days. Notwithstanding the foregoing, with respect to any event of default arising with respect to a non-monetary obligation of a Party hereunder, the non-defaulting Party shall have no right to exercise a right or remedy hereunder unless and until the defaulting Party fails to fully rectify and cure the default within one hundred and eighty (180) days after final adjudication (by the highest court to which the matter may be appealed) that the defaulting Party is in default under this Agreement (or, where the default is of a nature which cannot be cured within such one hundred eighty (180) day period, the defaulting party fails to commence such cure within one hundred eighty (180) days, if reasonably possible,~~

Formatted: Font color: Auto, Pattern: Clear

Formatted: Space Before: 0 pt

and to diligently proceed to complete the same). During the period of time, if any, that a determination of an alleged default by the Participant beyond all applicable notice and cure periods is continuing with respect to a particular Phase, the Agency's obligation to pay to the Participant that portion of the Tax Increment Reimbursement which is at issue with respect to such Phase shall be suspended unless either (a) such default shall have been cured, or (b) a final non-appealable judgement determines that the Agency had an obligations to pay all or a portion of the Tax Increment Reimbursement, in which event, the Tax Increment Reimbursement which has been suspended shall be paid by the Agency to the Participant to Agency within 30 days of such event. The foregoing right to suspend reimbursement shall apply only to the particular Phase(s) in which such default is alleged to have occurred, and shall not suspend reimbursement on other Phases for which no such default is alleged to have occurred.

6.4 Rights and Remedies

Upon the occurrence and during the continuance of an Event of Default beyond all applicable notice and cure periods here under, the non-defaulting Party shall have all rights and remedies available at law or in equity, subject to the limitations of this Agreement. In addition to any other remedies, upon an Event of Default by Participant the Agency may suspend or terminate Tax Increment Reimbursement for the affected Triggered Parcel, phase, building, reimbursement request, or obligation; require repayment of unsupported, ineligible, or overpaid amounts; seek specific performance of public-benefit obligations; terminate this Agreement in whole or in part; or pursue any other remedy consistent with the purposes of this Agreement. Such rights and remedies are cumulative, and the exercise of one or more rights or remedies shall not preclude the exercise of any other rights or remedies for the same or any other Event of Default.

Upon the occurrence and during the continuance of an event of default beyond all applicable notice and cure periods hereunder (an "Event of Default") by the Agency, the Participant shall have all rights and remedies against Agency as may be available at law or in equity, including, without limitation, the right to obtain specific performance, to recover damages for any default, or to obtain any other remedy consistent with the purposes of this Agreement. If Participant has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Participant may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement which were required to be paid to the Participant. Upon the occurrence and during the continuance of an Event of Default by the Participant, the Agency may terminate this Agreement and, if the Agency has actual damages (excluding any consequential, punitive, or special damages) as a result of such Event of Default the Agency may seek to recover such damages in an amount not to exceed the amount of the Tax Increment Reimbursement actually received by the Participant. Such rights and remedies are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise, at the same or different times, of any other rights or remedies for the Event of Default or any other Event of Default by the defaulting Party.

6.5 Legal Actions

6.5.1 Venue

All legal actions must be instituted in the Fourth Judicial District Court for the State of Utah, unless they involve a case with mandatory federal jurisdiction, in which case they must be instituted in the Federal District Court for the District of Utah.

6.5.2 Services of Process

Service of process on the Agency shall be made by personal service upon the Executive Director of the Agency, or in such other manner as may be provided by law.

Service of process on the Participant shall be by personal service upon the Participant at the address provided herein. The Participant shall notify Agency of any change in its address by delivering written notice to Agency.

6.5.3 Applicable Law

The laws of the State of Utah shall govern the interpretation and enforcement of this Agreement.

6.5.4 Waiver of Jury Trial

Each Party hereto hereby irrevocably waives any and all rights it may have to demand that any action, proceeding or counterclaim arising out of or in any way related to this Agreement be tried by jury. This waiver extends to any and all rights to demand a trial by jury arising from any source, including but not limited to the Constitution of the United States, the Constitution of any state, common law or any applicable statute or regulation. Each Party hereby acknowledges that it is knowingly and voluntarily waiving the right to demand trial by jury.

6.5.5 Early Termination by Participant

The Participant may at any time elect to terminate this Agreement by providing written notice to the Agency, in which event, this Agreement shall terminate as of the date of the delivery of such notice to the Agency.

7 GENERAL PROVISIONS

7.1 Notices, Demands, and Communications Among the Parties

Notices, demands, and communications between the Agency and the Participant shall be sufficiently given if personally delivered or if dispatched by registered or certified mail, postage prepaid, return receipt requested, or an overnight commercial delivery service to the principal offices of the Agency and the Participant, as designated in Section 1.4 hereof. Either Party hereto may change its address specified for notices herein by designating a new address by notice in accordance with this Section. All such notices and other communications shall be effective upon actual receipt by the relevant Party or, if delivered by overnight courier service, upon the first business day after the date deposited with such courier service for overnight (next-day) delivery or, if mailed, upon the third business day after the date deposited into the mail or, if delivered by hand, upon delivery.

7.2 Severability

In the event that any condition, covenant or other provision herein contained is held to be invalid or void by a court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other condition, covenant or provision herein contained unless such severance shall have a material effect on the terms of this Agreement. If such condition, covenant or other provision shall be deemed invalid due to its scope, all other provisions shall be deemed valid to the extent of the scope or breadth permitted by law.

7.3 Nonliability of Agency Officials and Employees

No member, director, officer, agent, employee, or consultant of the Agency shall be personally liable to the Participant, or any successor in interest, in the event of any default or breach by the Agency or for any amount which may become due to the Participant or its successors or on any obligations under the terms of this Agreement. No member, director, officer, agent, employee, or consultant of the Participant shall be personally liable to the Agency, or any successor in interest, in the event of any default or breach by the Participant or for any amount which may become due to the Agency or its successors or on any obligations under the terms of this Agreement.

7.4 Enforced Delay; Extension of Time and Performance

In addition to the specific provisions of this Agreement, neither Party shall be deemed to be in default hereunder when it fails to perform or delays performance of any non-monetary obligations under this Agreement to the extent due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of a public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, newly enacted governmental restrictions unusually severe weather, inability to secure necessary labor, materials or tools, acts or failure to act of the Agency (with respect to the Participant only) or any other public or governmental entity. An extension of time to perform shall be granted as a result of any of the foregoing causes, which extension shall be for the period of the forced delay and shall run from the time of the commencement of the cause, if notice is sent by the Party claiming such extension to the other Party within thirty (30) days of actual knowledge of the commencement of the cause. Time of performance under this Agreement may also be extended in writing by the Agency and the Participant by mutual agreement. Notwithstanding anything to the contrary in this Agreement, enforced delay shall not extend the HTRZ-wide Cap, the Total Collection Period outside expiration date, the affordability term, any recorded covenant, or any transportation hard backstop unless the extension is legally permissible and expressly approved by the Agency Board in an open and public meeting after legal review.

7.5 Approvals

Whenever the consent or approval is required of any Party hereunder, such consent or approval shall not be unreasonably withheld, delayed or conditioned except as otherwise specifically provided herein, and shall be in writing.

7.6 Time of the Essence

Time shall be of the essence of this Agreement.

7.7 Interpretation

The Parties hereto agree that they intend by this Agreement to create only the contractual relationship established herein, and that no provision hereof, or act of either Party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise among the Parties hereto.

7.8 No Third-Party Beneficiaries

It is understood and agreed that this Agreement shall not create in either Party hereto any independent duties, liabilities, agreements, or rights to or with any third party, nor does this Agreement contemplate or intend that any of the benefits hereunder should accrue to any third party.

7.9 Effect and Duration of Covenants; Term of Agreement

The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participant and Agency and any of their respective successors in interest. The covenants contained in this Agreement shall run with any portion of the Project that receives or is eligible to receive HTRZ Funds to the extent necessary to enforce affordable-housing obligations, bedroom-mix obligations, density caps, retail or non-residential obligations, transportation obligations, Thanksgiving Point membership obligations, reporting obligations, audit obligations, repayment obligations, and all conditions precedent to reimbursement. Participant shall execute and record any affordable-housing agreement, covenant, declaration, reimbursement covenant, or other instrument reasonably required by the Agency to make such obligations enforceable against successors and assigns. This Agreement shall remain in effect until the later of: (a) the expiration of all Increment Periods; (b) the payment, denial, or final resolution of all reimbursement requests; (c) completion of all audit and repayment periods; and (d) expiration of all recorded affordability or public-benefit covenants.

~~The covenants contained in this Agreement shall, without regard to technical classification and designation, bind the Participant and Agency and any of their respective successors in interest. The covenants contained in this Agreement shall inure to the benefit of and in favor of the Agency and the Participant and to their respective successors and assigns during the term of this Agreement. Except as otherwise provided herein, the term of this Agreement shall run from the Effective Date until the expiration of the last Increment Period, provided, the Parties shall continue to have the right to seek to enforce, or commence proceeding to enforce, the obligations of the other Party that arose prior to the termination of this Agreement.~~

8 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

- 8.1 This Agreement may be executed in duplicate originals, each of which shall be deemed an original. This Agreement, including all Exhibits hereto, constitutes the entire understanding and agreement of the Parties with respect to the matters set forth herein. All Exhibits attached hereto are hereby incorporated herein by reference and are made a part hereof as though fully set forth herein.
- 8.2 When executed by both Parties, this Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between or among the Parties with respect to this Agreement.
- 8.3 All waivers of the provisions of this Agreement must be in writing. This Agreement and any provisions hereof may be amended only by mutual written agreement by the Participant and the Agency: after approval by the Agency Board in an open and public meeting. No waiver, amendment, estoppel certificate, staff interpretation, administrative action, or course of dealing shall modify the HTRZ-wide Cap, the Total Collection Period, parcel-specific caps, product-type reimbursement caps, the Allocation Schedule, affordable-housing requirements, bedroom-mix requirements, retail or non-residential milestones, transportation conditions, or other material public protections unless expressly approved by the Agency Board and, where required, the City Council.
- 8.4 Each Party hereto hereby represents and warrants unto the other as of the Effective Date that (i) this Agreement has been duly authorized by such Party and when executed and delivered will constitute the valid, legal and binding agreement and obligation of such Party enforceable against such Party in accordance with the terms hereof, and (ii) each person signing on behalf of such Party has been duly authorized by the governing body or board of such Party to bind such Party to the terms and conditions hereof.
- 8.5 In the event any litigation ensues with respect to the rights, duties and obligations of the Parties under this Agreement, the unsuccessful Party in any such action or proceeding shall pay for all costs, expenses and reasonable attorney's fees incurred by the prevailing party in enforcing the covenants and agreements of this Agreement. The term "prevailing party," as used herein, shall include, without limitation, a Party who obtains legal counsel and (a) brings action against the other Party by reason of the other Party's breach or default and obtains substantially the relief sought, whether by compromise, settlement or judgment or (b) defends an action against brought by the other Party and the other Party fails to obtain substantially the relief sought, whether by compromise, settlement or judgment.

9 MORTGAGEE PROTECTIONS; ESTOPPEL

- 9.1 The Parties hereto agree that this Agreement shall not prevent or limit Participant from encumbering the Project, any estate or interest therein, any portion thereof,

any improvement thereon, or Participant's right to receive Tax Increment Reimbursement by one or more mortgages, deeds of trust, assignments, security interests, sale and leaseback arrangements, or other forms of secured financing (each, a "Mortgage") with respect to the construction, development, use, or operation of the Project or parts thereof; provided, however, that any Mortgage, assignment, security interest, or lender right shall be subject and subordinate to this Agreement, the HTRZ Approval, the HTRZ Proposal, the Interlocal Agreement, the Allocation Schedule, the HTRZ-wide Cap, the Total Collection Period, all parcel-specific and product-type caps, all conditions precedent, all audit and reporting rights, all repayment obligations, all default rights, and all governmental, land-use, public-records, and enforcement authority retained by the Agency and the City. The Agency may consider any lender-requested interpretation, consent, estoppel, amendment, or modification in good faith, but the Agency shall have no obligation to approve any interpretation, consent, amendment, or modification unless approved in the Agency's sole discretion and, where required, by the Agency Board in an open and public meeting after legal review. The Parties hereto agree that this Agreement shall not prevent or limit the Participant from encumbering the Project or any estate or interest therein, portion thereof, or any improvement thereon, in any manner whatsoever by one or more mortgages, deeds of trust, sale and leaseback, or other form of secured financing ("Mortgage") with respect to the construction, development, use or operation of the Project and parts thereof. The Agency acknowledges that the lender(s) providing such Mortgages may require certain interpretations and modifications to this Agreement and the Agency agrees, upon request, from time to time, to meet with the Participant and representatives of such lender(s) to negotiate in good faith any such request for interpretation or modification. The Agency will not unreasonably withhold its consent to any such requested interpretation or modification, provided such interpretation or modification is consistent with the intent and purposes of this Agreement.

9.1

9.2 Participant may assign its right to receive all or a portion of Tax Increment Reimbursement to one or more holders of a Mortgage (each a "Mortgagee") only to the extent the assigned right remains subject to all caps, conditions precedent, allocation schedules, audit rights, reporting requirements, repayment obligations, offsets, defenses, defaults, and public-benefit obligations applicable to Participant under this Agreement. No assignment to a Mortgagee shall release Participant, any transferee, or any other obligated party from any duty or obligation under this Agreement, and no Mortgagee shall receive greater rights to Tax Increment Reimbursement than Participant would have had absent the assignment. Any assignment that purports to modify this Agreement, change payment priority, release obligations, impair Agency or City enforcement rights, or bind the Agency or City to additional duties shall require prior written approval by the Agency Board.

Formatted: Normal, Left, Space Before: 12 pt, No bullets or numbering

Formatted: Underline, Font color: Custom Color(191,0,65)

Formatted: Indent: Left: 0.5", Hanging: 0.5"

Formatted: Indent: Left: 0.33", No bullets or numbering

~~9.2 Notwithstanding any of the provisions of this Agreement to the contrary, the Participant shall have the right to assign its rights to receive all or a portion of Tax Increment payable to Participant hereunder to one or more holders of a Mortgage (each a "Mortgage") without the consent of the RDA. Notwithstanding the assignment of such rights to a Mortgage, a Mortgagee shall not have any obligation or duty to perform pursuant to the terms set forth in this Agreement.~~

~~9.3 If requested in writing by a Mortgagee, the Agency shall deliver to such Mortgagee any Default Notice delivered to Participant under this Agreement. A Mortgagee shall have the right, but not the obligation, to cure the default affecting the Triggered Parcel, parcel, building, reimbursement right, or portion of the Project subject to the Mortgage within thirty (30) days after the Mortgagee receives such Default Notice, or such longer period as may be reasonably necessary for the Mortgagee to obtain possession or control of the affected property and diligently prosecute the cure to completion; provided that such cure rights shall not require the Agency to continue paying Tax Increment Reimbursement during an uncured default, shall not limit the Agency's rights against Participant or any other obligated party, and shall apply only to the affected Triggered Parcel, parcel, building, reimbursement right, or portion of the Project encumbered by such Mortgage.~~

~~9.3 If requested in writing by a Mortgagee, the RDA shall deliver to such Mortgagee any notice of default delivered to the Participant hereunder. A Mortgagee shall have the right, but not the obligation, to cure such default within thirty (30) days after such Mortgagee receives such notice, or such longer periods as may be reasonably necessary for the Mortgagee to exercise its remedies with respect to the Phase(s) subject to the Mortgage held by such Mortgagee so long as such Mortgage promptly commences the cure of such default following Mortgage's obtaining possession of the applicable Phases and diligently prosecutes the same to completion, during which period the RDA shall not exercise any remedies hereunder with respect to the Phase encumbered by such Mortgage.~~

~~9.4 If this Agreement is terminated as to any portion of the Project by reason of an Event of Default, bankruptcy proceeding, receiver, liquidator, trustee, disaffirmance, or other similar proceeding, the Agency may, in its sole discretion, consider entering into a new HTRZ participation agreement with a Mortgagee or successor for the affected portion of the Project. Nothing in this Section obligates the Agency, the Agency Board, the City, the City Council, or any future governing body to negotiate, approve, or enter into a new HTRZ participation agreement, replacement agreement, amendment, reimbursement agreement, or other arrangement, and no such agreement shall be effective unless separately approved in accordance with applicable law and in an open and public meeting where required.~~

~~9.4 If this Agreement is terminated as to any portion of the Project by reason of (i) any Event of Default or (ii) as a result of a bankruptcy proceeding of the Participant, or if this Agreement is disaffirmed by a receiver, liquidator, or trustee for the~~

Formatted: Indent: Left: 0.5", Hanging: 0.5", Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 3 + Alignment: Left + Aligned at: 0.33" + Indent at: 0.58", Tab stops: 0.5", Left + 1", Left

~~Participant or its property, the Agency, if requested by any Mortgagee, shall negotiate in good faith with such Mortgagee for a new CRA Participation Agreement for the Project as to such portion of the Project with the most senior Mortgagee requesting such new agreement.~~

~~9.5 At any time, and from time to time, the Participant may deliver written notice to the Agency, and the Agency may deliver written notice to the Participant, requesting that such Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended, or if amended, the identity of each amendment; (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach; and (iv) any other factual matters reasonably requested (an "Estoppel Certificate"). The Executive Director of the Agency may execute, on behalf of the Agency, an Estoppel Certificate requested by Participant that complies with this Section 9.5 within thirty (30) days after a complete written request; provided, however, that any Estoppel Certificate addressing compliance with affordable housing, bedroom mix, retail or non-residential milestones, transportation conditions, density caps, product-type caps, cost eligibility, reimbursement availability, or the Allocation Schedule may be issued only after reasonable review by the Agency and City staff and legal counsel. Failure to furnish an Estoppel Certificate within the requested period shall not be deemed or conclusively presumed to mean that this Agreement is unmodified, that no default exists, that Participant is entitled to reimbursement, or that any public-benefit obligation has been satisfied. An Estoppel Certificate may be relied upon only to the extent of the factual matters expressly certified therein and shall not waive the Agency's or City's governmental, land-use, audit, enforcement, or public-records authority.~~

~~9.5 At any time, and from time to time, the Participant may deliver written notice to the Agency, and the Agency may deliver written notice to the Participant, requesting that such Party certify in writing that, to the knowledge of the certifying Party (i) this Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Agreement has not been amended, or if amended, the identity of each amendment, (iii) the requesting Party is not then in breach of this Agreement, or if in breach, a description of each such breach, and (iv) any other factual matters reasonably requested (an "Estoppel Certificate"). The Executive Director of the Agency shall be authorized to execute, on behalf of the Agency, any Estoppel Certificate requested by the Participant which complies with this Section 9.5 within fifteen (15) days of a written request for such Estoppel Certificate. The Agency's failure to furnish an Estoppel Certificate within fifteen (15) days after request therefor shall be conclusively presumed that: (a) this Agreement is in full force and effect without modification in accordance with the terms set forth in the request; and (b) that there are no breaches or defaults on the part of the Participant. The Agency acknowledges that an Estoppel Certificate may be relied upon by transferees or successors in interest to the Participant and by Mortgagees holding an interest in the Property.~~

10 CONFIDENTIALITY

10.1 Public Records: GRAMA Compliance

~~The Parties acknowledge and agree that this Agreement shall become a public record under Utah law.~~ The Parties acknowledge that this Agreement and records relating to this Agreement may constitute public records subject to the Utah Government Records Access and Management Act, Utah Code 63G-2-101 et seq. ("GRAMA") and that discussion regarding this Agreement shall take place before the Agency board in open session. ~~Nothing in this Agreement shall be construed to require the Agency to withhold, disclose, classify, or reclassify any record in a manner inconsistent with GRAMA. The Agency shall comply with GRAMA and all applicable laws in responding to requests for records. The Agency shall use reasonable efforts to maintain the confidentiality of records submitted by Participant that Participant claims are protected under GRAMA, but only to the extent permitted by GRAMA and other applicable law.~~

~~10.1 The Agency covenants that it will hold all information obtained by it that Participant has designated Confidential Business Information under Section 10.2 below, or any person employed by or representing the Agency, related to the Participant's business in strictest confidence and the Agency covenants not to disclose, divulge or otherwise communicate in any manner to any person or entity, other than to those parties necessary to verify compliance with this Agreement, provided that such parties are likewise under reasonable confidentiality obligations and not subject to public disclosure unless otherwise required by applicable laws.~~

10.2 Confidential Business Information

~~To the extent permitted by GRAMA, Participant may identify and clearly mark specific records or portions of records submitted to the Agency that Participant believes qualify as protected records under Utah Code § 63G-2-305, including trade secrets, commercial information, or other confidential business information protected from disclosure by law. Any such designation shall be made in writing and shall include a concise statement of the basis for protection under GRAMA. Participant acknowledges that any designation of a record as confidential, proprietary, trade secret, or protected shall not be binding upon the Agency and that the Agency shall independently determine the proper classification of records in accordance with GRAMA.~~

10.3 Notice of GRAMA Requests

~~If the Agency receives a GRAMA request seeking records that Participant has designated as protected under Section 10.2, the Agency shall, to the extent reasonably practicable and permitted by law, provide prompt notice to Participant of the request. Failure to provide such notice shall not impair the Agency's obligations under GRAMA or create any liability on the part of the Agency. The Agency shall respond to all GRAMA requests within the time periods required by GRAMA, including the requirement to respond no later than ten (10) business days after receipt of a request, unless a shorter period is required by law.~~

10.4 Challenges to Disclosure

Formatted: Outline numbered + Level: 1 + Numbering
Style: 1, 2, 3, ... + Start at: 9 + Alignment: Left + Aligned at:
0" + Indent at: 0.25"

Formatted: Indent: Left: 0.75"

Formatted: Indent: Left: 0.25", No bullets or numbering

Formatted: Outline numbered + Level: 2 + Numbering
Style: 1, 2, 3, ... + Start at: 2 + Alignment: Left + Aligned at:
0.5" + Indent at: 0.79"

Formatted: Font: Not Bold

Formatted: Indent: Left: 0.5", No bullets or numbering,
Tab stops: 0.5", Left

Formatted: Font: Not Bold

Formatted: Indent: Left: 0.5", No bullets or numbering

If Participant disagrees with the Agency's determination regarding the classification or disclosure of any record, Participant may pursue any administrative or judicial remedies available under GRAMA. Participant shall be solely responsible for all costs, expenses, damages, and attorneys' fees incurred by Participant in connection with any effort to prevent disclosure of records. Nothing in this Agreement shall require the Agency to commence or participate in litigation to prevent disclosure of records, nor shall the Agency be required to delay responding to a GRAMA request beyond the time periods prescribed by GRAMA.

~~10.2 The Participant may designate any trade secrets or confidential business information included in any report or other writing delivered to the Agency pursuant to or in connection with this Agreement by any method intended to clearly set apart the specific material that the Participant claims to be either its trade secrets or confidential business information that, if released, would give an advantage to competitors of the Participant and serve no public purpose (such information, collectively, "Confidential Business Information"). The Agency shall redact or delete from any records it makes available for inspection or of which it provides copies any material designated by the Participant as Confidential Business Information. Promptly following the Agency's receipt of any request to provide copies of public records relating to this Agreement or the Project or for inspection of the same by any third party, the Agency shall give written notice and a copy of such request to the Participant. The Agency shall not allow inspection or provide copies of any such records until the Agency shall have had not less than ten (10) business days excluding the day of receipt to determine whether to contest the right of any party to inspect or receive copies of the records or to inspect such records without redaction of the Confidential Business Information. Any such action to enjoin the release of Confidential Business Information may be brought in the name of the Participant or the Agency. The costs, damages, if any, and attorneys' fees in any proceeding commenced by the Participant or at its request by the Agency to prevent or enjoin the release of Confidential Business Information in any public records relating to this Agreement or the Project shall be borne by the Participant.~~

Formatted: No bullets or numbering

[SIGNATURES ON THE FOLLOWING PAGE]

SIGNATURE PAGE TO THE PARTICIPATION AGREEMENT

LEHI CITY REDEVELOPMENT AGENCY, a
political subdivision of the State of Utah

By: _____

Attest:

By: _____

THANKSGIVING STATION DEVELOPMENT
PARTNERS, LLC, a Utah limited liability company,
by its managers

KC Gardner Company, L.C.,
a Utah limited liability company

By: _____
Name:
Its: Manager

STACK Real Estate, LLC,
a Utah limited liability company

By: _____
Name:
Its: Manager

Exhibit A
HTRZ Approval

DRAFT

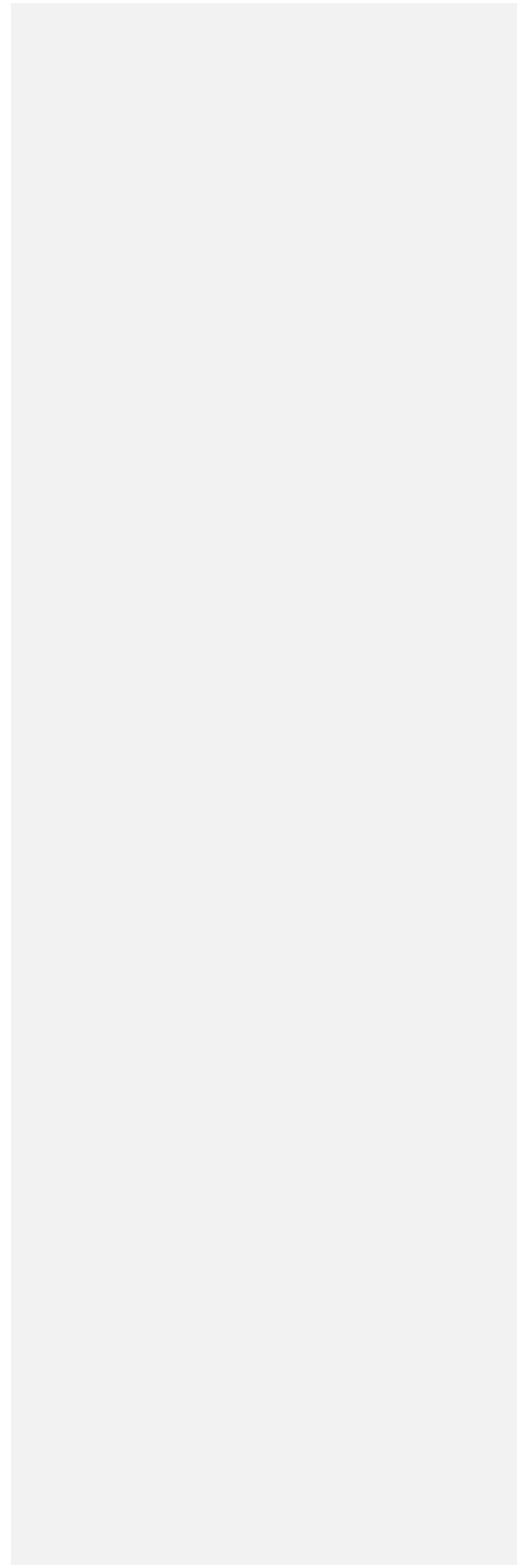
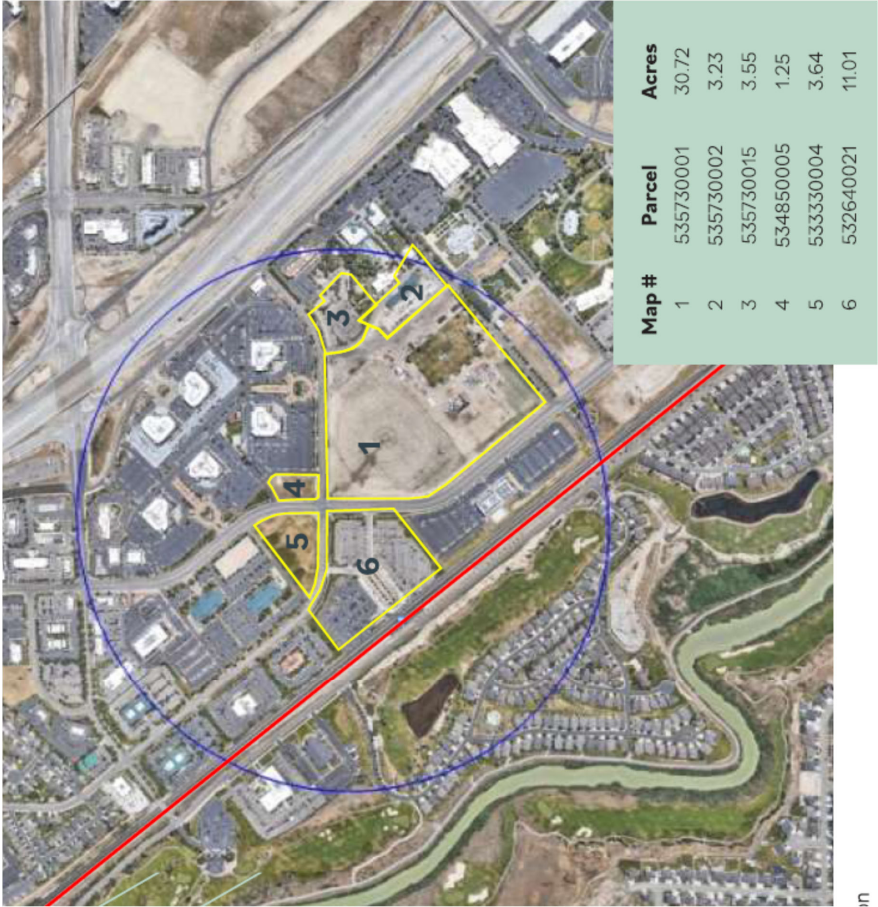


Exhibit B

HTRZ ~~Application~~ Proposal

DRAFT

Exhibit C
HTRZ



in

Exhibit D

Interlocal Agreement with City

DRAFT

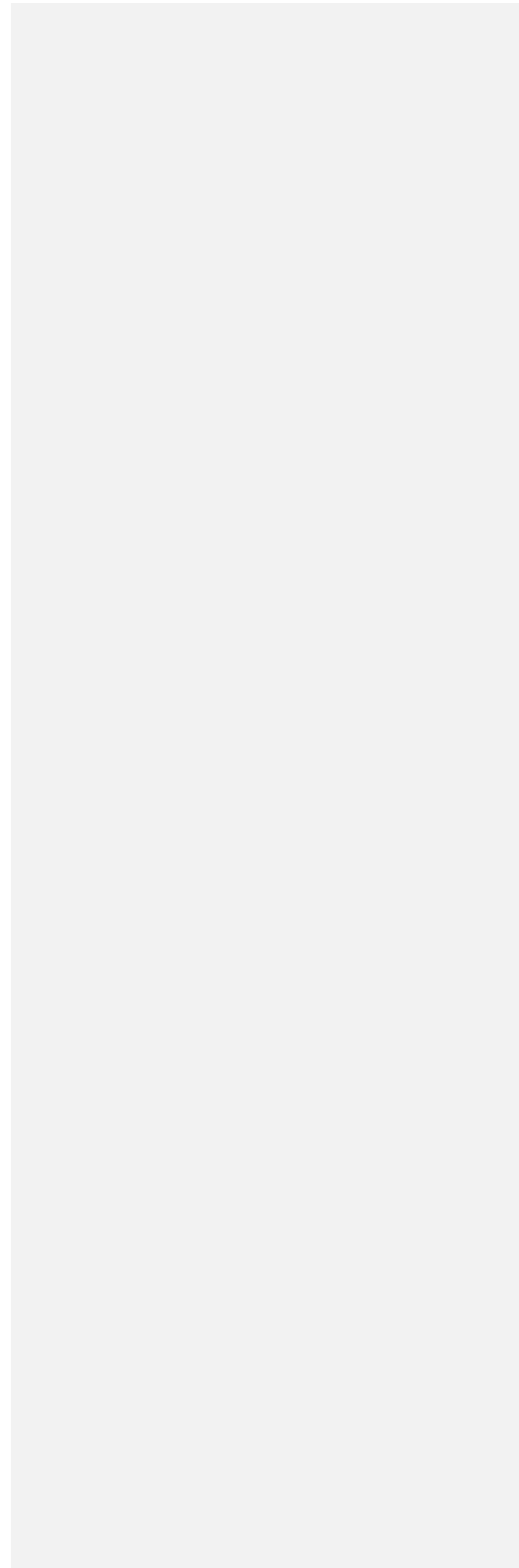


Exhibit E

Legal Description of Real Property Within the Project

Lot 1, Thanksgiving Point Plat 'G' Amended, Amending Thanksgiving Point Plat 'G', Commercial Development, as shown on the official plat thereof recorded in the office of the Utah County Recorder on September 25, 2018, as Entry No. 91822:2018.

DRAFT

Exhibit F

Thanksgiving Point Area Plan

Formatted: Font: Bold

Formatted: Centered

Formatted: Font: Bold

DRAFT

Redevelopment Agency of Lehi Agenda Item Report

Meeting Date: July 14, 2026

Submitted By: Teisha Wilson

Submitting Department:

Item Type: Resolution

Agenda Section: Regular Agenda

Subject:

Consideration Resolution #R2026-08 approving an Interlocal Agreement between Lehi City and the Lehi City Redevelopment Agency regarding the Thanksgiving Point Housing Transit Reinvestment Zone.

Summary:

Attachments:

[RDA R2026-08.docx](#)

[Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ - 8.doc](#)

[Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ \(redline\).pdf](#)

**THANKSGIVING POINT
HOUSING TRANSIT REINVESTMENT ZONE (HTRZ)
INTERLOCAL AGREEMENT
by and between the
LEHI CITY REDEVELOPMENT AGENCY
and
LEHI CITY**

THIS INTERLOCAL AGREEMENT is entered into as of this _____ day of _____, 2026, by and between the **LEHI CITY REDEVELOPMENT AGENCY** (the “**Agency**”) and Lehi City (the “**Taxing Entity**”) (collectively, the “**Parties**”).

A. WHEREAS, the Agency was created pursuant to the provisions of the Utah Redevelopment Law and the Agency continues to operate under the Limited Purpose Local Government Entities – Community Development and Renewal Agencies Act, Title 17C of the Utah Code (the “**Act**”), and is authorized thereunder to conduct urban renewal, economic development, and community reinvestment activities within the Lehi, Utah, as contemplated by the Act; and

B. WHEREAS, the Taxing Entity made application for a housing and transit reinvestment zone in conjunction with the Developer (defined below) to the Governor’s Office of Economic Opportunity (“**GOEO**”) which application was approved by GOEO on November 13, 2023 (the “**Approval Date**”) which approval (the “**HTRZ Approval**”) created the Thanksgiving Point Housing and Transit Reinvestment Zone in accordance with the requirements of Utah Code Annotated (“**UCA**”) §63N-3-605(9)(hereinafter “**HTRZ**”) a copy of which approval and application for the HTRZ is attached hereto as **EXHIBIT A**. Exhibit A includes the legal description and a map of the HTRZ, pursuant to which the Agency desires to encourage, promote and provide for the development by Developer of a mixed use project which may, or to the extent required by the HTRZ Approval, shall, consist of Class-A office space, retail, restaurants, and/or multi-family housing (the “**Project**”); and

C. WHEREAS, per UCA §63N-3-607(2)(c)(i) the Agency has been designated as the administering agent for the housing and transit reinvestment zone funds; and

D. WHEREAS, the Taxing Entity and the Agency have determined that it is in the best interests of the Taxing Entity and its citizens to provide certain financial assistance to the Developer for the development of the Project through the use of Tax Increment (as defined below) in connection with the development of the Project in the HTRZ as set forth in the HTRZ application; and

E. WHEREAS, the Agency anticipates providing a portion of the property tax increment (as defined in UCA §63N-3-602(32)(hereinafter “**Tax Increment**”), created by the HTRZ, to assist in the development and completion of the Project as provided in the HTRZ application; and

F. **WHEREAS**, UCA §63N-3-607(2)(c)(i) authorizes a county that collects property tax on property located within the HTRZ to distribute to the Taxing Entity any property tax increment the Taxing Entity is authorized to receive up to the maximum amounts set forth in the HTRZ approval (the “**HTRZ Funds**”); and

G. **WHEREAS** UCA §63N-3-607(2)(c)(ii) requires that before the Agency receive HTRZ Funds that the Taxing Entity and Agency enter into an interlocal agreement which is consistent with the HTRZ approval; and

H. **WHEREAS**, in order to facilitate development of the HTRZ, the Taxing Entity desires to pay to the Agency a portion of the Taxing Entity’s share of Tax Increment generated by the HTRZ in accordance with the terms of this Agreement; and

I. **WHEREAS**, the provisions of applicable Utah State law shall govern this Agreement, including the Act and the Interlocal Cooperation Act, Title 11 Chapter 13 of the UCA, as amended (the “**Cooperation Act**”).

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Taxing Entity’s Consent.**

a. Pursuant to UCA §63N-3-605(9) and Section 11-13-215 of the Cooperation Act, the Taxing Entity hereby agrees and consents that the Agency shall be paid 80% of the Tax Increment generated within the HTRZ (the “**Taxing Entity’s Share**”) for a period of 45 years (the “**Total Collection Period**”), which ~~Tax~~**Total** Collection Period shall be commenced by the Agency in accordance with the Participation Agreement (defined below). The Taxing Entity’s Share payable to the Agency shall not exceed One hundred twenty-two million, one hundred forty-four thousand, seven hundred and sixty-nine dollars (\$122,144,769.00). The Taxing Entity’s Share shall be used for the purposes set forth in UCA §63N-3-607(5)(a) as reflected herein and in the HTRZ approval and shall be disbursed as specified herein. The calculation of annual Tax Increment shall be made using the actual Tax Increment received by Taxing Entity from the HTRZ.

b. Notwithstanding the foregoing, if the Agency receives in less than forty-five (45) years Tax Increment from the HTRZ in amounts sufficient to retire, pay, or otherwise satisfy in full all of the payment and reimbursement obligations of the Agency with regard to the HTRZ, including but not limited to obligations under the Participation Agreement the Agency shall cease collecting the Taxing Entity’s Share under this Agreement. It is the intent of the Parties that the payment and use of Tax Increment from the HTRZ for eligible Project costs will not extend over a period longer than forty-five (45) years following UCA §63N-3-603(4)(a)(ii).

c. The Project may be developed in one or more Phases. A “Phase” means each phase of the development of the Project as determined by the Developer, which Phase shall include at least one (1) Building and any associated real property identified and designated by the Developer. The first year of

payment of the Taxing Entity's Share of Tax Increment to the Agency shall be determined by the Agency. The Agency may trigger the collection of Tax Increment for a Phase by delivering a letter or other written request to the Taxing Entity identifying such Phase (the "**Trigger Notice**"). The Agency shall be entitled to receive Tax Increment for each Phase for an initial period of twenty-five (25) full calendar years commencing with the year after the Agency delivers a Trigger Notice for such Phase (each, an "**Increment Period**"); provided, however, notwithstanding anything contained in this Agreement to the contrary, the Agency will no longer be entitled to receive tax increment on any Phase after the forty-fifth (45th) tax year following the trigger year of the first Increment Period.

2. Authorized Uses of Tax Increment. The Parties agree that the Agency may apply the Taxing Entity's Share to the payment of any of the components of the HTRZ as described herein and contemplated in the HTRZ application, including reimbursements of costs incurred by developers or participants within the project area as permitted by UCA §63N-3-607(5)(a), administrative, overhead, legal, and other operating expenses of the Agency, and any other purposes deemed appropriate by the Agency, all as authorized by the Act. Without limiting the generality of the foregoing, the Agency shall be permitted to enter into a participation agreement (the "Participation Agreement") with Thanksgiving Point Development Partners, LLC (together with its successors and/or assigns, the "Developer"), pursuant to which the Agency will agree to reimburse the Developer for costs incurred by Developer in connection with the development of the Project and which are permitted to be reimbursed to Developer under UCA §63N-3-607(5)(a) and the HTRZ approval; provided, the foregoing will not prevent the Agency from entering into additional participation agreements with other parties for development of projects within the HTRZ. Amounts reimbursed by the Agency shall only be paid from HTRZ Funds actually paid to the Agency. Such Participation Agreement shall be consistent with the terms and conditions of this Agreement and the HTRZ approval.

3. Property Tax Increase. This Agreement provides for the payment of the increase in real, personal property, and centrally assessed property taxes collected from the HTRZ. Without limiting the foregoing, this Agreement includes Tax Increment resulting from an increase in the tax rate within the HTRZ. It is expressly understood that the Tax Increment which is the subject of this Agreement is only the Tax Increment actually collected from the HTRZ.

4. Roadways. The City acknowledges that public roadways providing direct access to the Project must exist and remain adequately maintained to allow for the successful development and operation of the Project, without which the Developer would be unable to locate the Project on the Property. The City will use commercially reasonable efforts to work with a traffic engineer to develop a transportation plan to address the future failure of Triumph Boulevard.

5. ~~4.~~ No Third-Party Beneficiary. Except with respect to the Developer under the Participation Agreement, nothing in this Agreement shall create or be read or interpreted to create any rights in or obligations in favor of any person or entity not a party to this Agreement. Except for the parties to this Agreement and the Developer pursuant to the Participation Agreement, no person or entity is an intended third-party beneficiary under this Agreement.

6. ~~5.~~ Due Diligence. Each of the Parties acknowledges for itself that it has performed its own review, investigation, and due diligence regarding the relevant facts upon which this Agreement is

based, including representations of the Agency concerning the Project and the Project's benefits to the community and to the Parties, and each Party relies upon its own understanding of the relevant law and facts, information, and representations, after having completed its own due diligence and investigation.

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

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

b. This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party pursuant to and in accordance with the Section 11-13-202.5(3) of the Cooperation 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 Cooperation Act;

d. The Chair of the Agency is hereby designated the administrator for all purposes of the Cooperation Act, pursuant to Section 11-13-207 of the Cooperation Act;

e. The term of this Agreement shall commence on the publication of the notice required by Section 17C-5-204(2) of the Act and shall continue through the date on which all of the Taxing Entity's Share has been paid to and disbursed by the Agency as provided herein or the Agency ceases to receive such Tax Increment pursuant to Section 1.b. hereof.

f. Should a Party to this Agreement desire to terminate this Agreement, in part or in whole, each Party to the Agreement must adopt, by resolution, an amended Interlocal Cooperation Agreement stating the reasons for such termination. Any amended Interlocal Cooperation Agreement must be in harmony with any development/participation agreement(s) entered into by the Agency as described in this Agreement. Upon the amendment of any development/participation agreement(s), if required, the RDA shall amend the Interlocal Cooperation Agreement.

g. Following the execution of this Agreement by both Parties, each Party shall cause a notice regarding this Agreement to be published in accordance with Section 11-13-219 of the Cooperation Act and Section 17C-5-205(2) of the Act.

8. ~~6.~~ **Modification and Amendment.** Any modification of or amendment to any provision contained herein shall be effective only if the modification or amendment is in writing and signed by both Parties. Any oral representation or modification concerning this Agreement shall be of no force or effect.

9. ~~7.~~ **Further Assurance.** Each of the Parties hereto agrees to cooperate in good faith with the other, to execute and deliver such further documents, to adopt any resolutions, to take any other official action, and to perform such other acts as may be reasonably necessary or appropriate to

consummate and carry into effect the transactions contemplated under this Agreement.

10. ~~8.~~ **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

11. ~~9.~~ **Interpretation.** The terms “include,” “includes,” “including” when used herein shall be deemed in each case to be followed by the words “without limitation.”

12. ~~10.~~ **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction or as a result of future legislative action, and if the rights or obligations of any Party hereto under this Agreement will not be materially and adversely affected thereby,

- a. such holding or action shall be strictly construed;
- b. such provision shall be fully severable;
- c. this Agreement shall be construed and enforced as if such provision had never comprised a part hereof;
- d. the remaining provisions of this Agreement shall remain in full force and effect and shall 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 shall 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.

13. ~~11.~~ **Authorization.** Each of the Parties hereto represents and warrants to the other that the warranting Party has taken all steps, including the publication of public notice where necessary, in order to authorize the execution, delivery, and performance of this Agreement by each such Party.

14. ~~12.~~ **Further Documents and Acts.** Each of the Parties hereto agrees to cooperate in good faith with the others, and 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 transactions contemplated under this Agreement.

15. ~~13.~~ **Time of the Essence.** Time shall be of the essence of this Agreement.

16. ~~14.~~ **Incorporation of Recitals.** The recitals set forth above, “A” through “I,” are hereby incorporated by reference as part of this Agreement.

17. ~~15.~~ **Time of the Essence.** Time shall be of the essence of this Agreement.

18. ~~16.~~ **Incorporation of Exhibits.** The exhibits to this Agreement are hereby incorporated

by reference as part of this Agreement.

19. ~~17.~~ Entire Agreement. This Agreement is the final expression of and contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understandings of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.

20. ~~18.~~ Construction. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural, and the masculine shall include the feminine and vice versa. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Agreement. In the event the date on which any of the parties is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day.

21. ~~19.~~ Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

22. ~~20.~~ Assignment. No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from all parties. Notwithstanding the foregoing, such consent shall not be unreasonably withheld or delayed so long as the assignee thereof shall be reasonably expected to be able to perform the duties and obligations being assigned.

23. ~~21.~~ Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

ENTERED into as of the day and year first written above.

LEHI CITY REDEVELOPMENT AGENCY

By: _____
Name: Paul Binns
Title: Chair, Redevelopment Agency

ATTEST:

By: _____
Name: Jason Walker
Title: Redevelopment Agency Administrator

Attorney Review for the Agency:

The undersigned, as counsel for the Lehi City Redevelopment Agency, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for the Lehi City Redevelopment
Agency

[Signatures continue on next page.]

ADDITIONAL SIGNATURES TO INTERLOCAL AGREEMENT

LEHI CITY

By: _____
Name: Paul Binns
Title: Mayor

ATTEST:

Name: Teisha Wilson
Title: City Recorder

Attorney Review for the Taxing Entity:

The undersigned, as counsel for Lehi City, has reviewed the foregoing Interlocal Agreement and finds it to be in proper form and in compliance with applicable state law.

Attorney for Lehi City

EXHIBIT A
Thanksgiving Point HTRZ Approved Application

Summary report: Litera Compare for Word 11.2.0.54 Document comparison done on 5/29/2026 7:57:17 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: nd://4915-6675-9315/7/Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ.doc	
Modified DMS: nd://4915-6675-9315/8/Interlocal Agreement With Lehi City and RDA Thanksgiving Point HTRZ.doc	
Changes:	
Add	23
~~Delete~~	20
~~Move From~~	0
<u>Move To</u>	0
<u>Table Insert</u>	0
~~Table Delete~~	0
<u>Table moves to</u>	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	43