

Ordinance No. 06-84

**AN ORDINANCE ANNEXING APPROXIMATELY 157 ACRES OF PROPERTY LOCATED AT THE NORTHWEST CORNER OF THE STATE ROUTE 248/US-40 INTERCHANGE IN THE QUINNS JUNCTION AREA KNOWN AS THE INTERMOUNTAIN HEALTHCARE/USSA/BURBIDGE ANNEXATION, INTO THE CORPORATE LIMITS OF PARK CITY, UTAH.**

WHEREAS, on November 3, 2004, Intermountain Healthcare, United States Ski and Snowboard Association (USSA), and Burbs, LLC filed an annexation petition, as shown on the attached Annexation Plat, Exhibit A (Property), requesting Park City to annex the Property to the City subject to the Master Planned Development review process as outlined in the Land Management Code;

WHEREAS, the Property is included within the Park City Annexation Expansion Area; and

WHEREAS, the requested zoning, Community Transition (CT-MPD) is consistent with the Park City General Plan and Quinns Junction Joint Planning Principles; and

WHEREAS, an application for a Master Planned Development was submitted with the annexation petition, that includes a proposal for community hospital and support medical offices; USSA headquarters and training facility; one 15 acre lot deeded to the City upon which the City would contemplate future expansion of its recreation complex; and one 5 acre lot deeded to the City upon which the applicant will construct affordable/employee housing units.

WHEREAS, the proposed maximum density in the Community Transition District is 3 units/acre; and

WHEREAS, the proposed total density at build-out for the annexation area is 535,000 square feet; and

WHEREAS, the proposed maximum density for the annexation area is 2.64 units/acre; and

WHEREAS, the proposed annexation provides over 80% open space; and

WHEREAS, the City Council established the IHC/USSA/Burbidge Annexation Task Force (Resolution No. 21-05) on July 14, 2005 for purposes of formulating specific recommendations to the Planning Commission and City Council relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economic/fiscal impacts.

WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on a new zoning district to apply to the annexation area, the Community Transition (CT) District which includes specific provisions addressing affordable housing on October 27, 2005; and

**ENTRY NO. 00802748**

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ALAN SPRIGGS, SUMMIT COUNTY RECORDER

FEE \$ 0.00 BY PARK CITY MUNICIPAL CORPORATION



WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on the annexation's economic impact/fiscal analysis on November 10, 2005; and

WHEREAS, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation on December 8, 2005; and

WHEREAS, the Planning Commission, after proper notice, conducted a public hearing on May 10, 2006, following which the Planning Commission voted to forward a positive recommendation on the proposed annexation and zoning designation to the City Council; and

WHEREAS, the Park City Council accepted the Intermountain Healthcare/USSA/Burbidge petition for annexation on November 18, 2004; and

WHEREAS, the City reviewed the petition against the criteria stated in Sections 10-2-403 (2), (3), and (4) of the Utah Code, annotated 1953 as amended, and finds that the petition complies with all applicable criteria of the Utah Code; and

WHEREAS, On December 6, 2004, the City Recorder certified the annexation petition and delivered notice letters to the "affected entities" required by Utah Code, Section 10-2-405, giving notice that the petition had been certified and the required 30-day protest period had begun; and

WHEREAS, no protests have been filed by any "affected entities" or other jurisdictions; and

WHEREAS, an Annexation Agreement has been negotiated before the City and Petitioner pursuant to the Land Management Code, Section 15-8-5C setting forth further terms and conditions; and

WHEREAS, on December 7, 2006 after proper notice, the City Council conducted public hearings and took public testimony on the matter, as required by law; and

WHEREAS, the Property is not included within any other municipal jurisdiction;

NOW, THEREFORE BE IT RESOLVED by the City Council of Park City as follows:

**SECTION 1. ANNEXATION.** The Property is hereby annexed to the corporate limits of Park City, Utah and zoned Community Transition (CT-MPD) according to the Annexation Plat executed in substantially the same form as it attached hereto as Exhibit A. The Property so annexed shall enjoy the privileges of Park City as described in the Annexation Agreement attached as Exhibit B and shall be subject to all City levies and assessments as described in the terms of the Annexation Agreement. The Property shall be subject to all City laws, rules and regulations upon the effective date of this Ordinance. The property is not yet, however, annexed into the Park City Water Service District.

SECTION 2. ANNEXATION AGREEMENT. Council hereby authorizes the Mayor to execute the Annexation Agreement in substantially the same form as is attached hereto as Exhibit B and as approved by the City Attorney.

SECTION 3. COMPLIANCE WITH STATE LAW, GENERAL PLAN, AND ANNEXATION POLICY PLAN. This annexation meets the standards for annexation set forth in Title 10, Chapter 2 of the Utah Code, the Park City General Plan, and Land Management Code--Chapter 8: Annexation. The zoning is consistent with Ordinance 06-46.

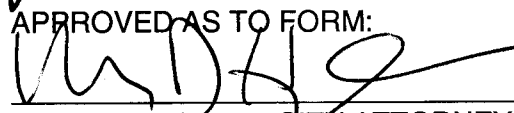
SECTION 4. EFFECTIVE DATE. Pursuant to Utah Code Section 10-3-712, the City Council hereby provides that this Ordinance shall be deemed enacted as of January 1, 2007. This Ordinance shall be effective upon publication and the Annexation shall be effective upon recordation and filing of this Ordinance and annexation plat pursuant to the Utah Code Annotated Section 10-2-425, but in no event shall the Ordinance be deemed "enacted" nor effective prior to January 1, 2007. Ordinance 06-47 is hereby repealed.

DATED this 7th day of December 2006.

PARK CITY MUNICIPAL CORPORATION

  
Dana Williams, MAYOR

ATTEST:  
  
Janet M. Scott, CITY RECORDER

APPROVED AS TO FORM:  
  
Mark D. Harrington, CITY ATTORNEY





When recorded, please return to:

PARK CITY MUNICIPAL CORPORATION  
City Recorder  
P O Box 1480  
Park City UT 84060

**COPY**

and to:

Guy P. Kroesche, Esq.  
STOEL RIVES LLP  
201 South Main Street, Suite 1100  
Salt Lake City, Utah 84111

and to:

Charles R. Brown, Esq.  
CLYDE SNOW SESSIONS & SWENSON  
201 South Main Street, Suite 1300  
Salt Lake City, Utah 84111

and to:

Ira B. Rubinfeld, Esq.  
RAY QUINNEY & NEBEKER  
36 South State Street, Suite 1400  
Salt Lake City, Utah 84145

### ANNEXATION AGREEMENT

This ANNEXATION AGREEMENT (this "Annexation Agreement") is made by and between Park City Municipal Corporation (hereinafter, the "City") and Burbs, L.L.C., a Utah limited liability company (hereafter, the "Petitioner") to set forth the terms and conditions under which the City will annex certain land owned by the Petitioner, consisting of approximately 157 acres and located in unincorporated Summit County, Utah, at the northwest corner of State Road 248 and Highway 40 (as further defined below, the "Property"), into the corporate limits of the City and extend municipal services to the Property. This Annexation Agreement is made under authority of §§ 10-2-401 et. seq. of the Utah Code, Annotated 1953, as amended, and shall serve as a supplemental annexation policy declaration when executed by all parties.

WHEREAS, the Petitioner entered into that certain Real Estate Acquisition Agreement, dated as of October 21, 2004, as amended by that certain Amendment to Real Estate Acquisition Agreement, dated as of October 21, 2005, as further amended by that certain Second Amendment to Real Estate Acquisition Agreement, dated as of October 27, 2005, as amended by that certain Third Amendment to Real Estate Acquisition Agreement, dated as of April 27, 2006, as amended by that certain Fourth Amendment to Real Estate Acquisition Agreement, dated as of August 11, 2006, as amended by that certain Fifth Amendment to Real Estate Acquisition Agreement, dated as of August 25, 2006, as amended by that certain Sixth Amendment to Real Estate Acquisition Agreement, dated as of September 27, 2006, as amended by that certain Seventh Amendment to Real Estate Acquisition Agreement, dated as of October 27, 2006, and as amended by that certain Eighth Amendment to Real Estate Acquisition Agreement, dated as of November 30, 2006, (collectively, the "Real Estate Acquisition Agreement"), for the sale of a portion of the Property (the "Intermountain Healthcare Property") to IHC Health Services, Inc., a Utah nonprofit corporation ("Intermountain Healthcare");

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WHEREAS, the Petitioner has previously notified to the United States Ski and Snowboard Association, a Utah nonprofit organization (the "USSA"), that the Petitioner desires to donate five (5) acres of the Property (the "USSA Property") to USSA, and USSA is willing to accept such donation;

WHEREAS, in furtherance of the foregoing, the Petitioner desires to annex the Property into the corporate limits of the City and, to that end, an annexation petition (the "Annexation Petition") for the Property was filed with the City on November 3, 2004, and accepted by the City on November 18, 2004;

WHEREAS, in connection with any such annexation (the "Annexation"), the Property is proposed to be zoned Community Transition District - Master Planned Development ("CT-MPD"), a new City zoning district that allows for a community hospital/medical facility, support medical offices, public/quasi-public institutional uses, United States Ski and Snowboard headquarters and a sports training complex, public recreation uses, affordable/employee housing, and open space land uses on the Property;

WHEREAS, to these ends, the City has issued certain Findings and Conditions with respect to the Property, which are attached as Exhibit "A" (the "Findings and Conditions");

WHEREAS, the parties understand, acknowledge and agree that the Annexation of the Property is conditioned upon, among other matters, the satisfaction of the terms and conditions set forth in the Findings and Conditions and this Annexation Agreement, as well as the completion of the master plan development for the Intermountain Healthcare Property or the USSA Property, as the case may be (in either case an "MPD") and subdivision (the "Subdivision") of the Property, all to the satisfaction, in their respective discretion, of the Petitioner, Intermountain Healthcare, USSA, and the City, as applicable, and as evidenced by the Subdivision plat for the Property (as accepted by the City and filed in the official real estate records of Summit County, Utah, the "Subdivision Plat"); and

WHEREAS, except as otherwise defined herein, capitalized terms shall be as defined in the Findings and Conditions;

NOW, THEREFORE, in furtherance of the Annexation Petition, in consideration of the City's agreement to annex the Property and in consideration of the mutual promises contained herein, as well as the mutual benefits to be derived herefrom, the parties agree that the terms and conditions of Annexation shall be as follows:

1. **Property.** The Property to be annexed is approximately 157 acres in size, as depicted on the annexation plat attached as Exhibit "B" (the "Annexation Plat") and as more fully described in the legal description attached as Exhibit "C."
2. **Zoning.** Upon Annexation, the Property will be zoned CT-MPD, as shown on Exhibit "B."
3. **Master Plan Approval; Phasing.** Pursuant to Land Management Code Section 15-8-3 (D), an application for a Master Planned Development of the Property (as submitted, the "MPD"), a copy of which is attached as Exhibit "D," was filed with the City on November 3, 2004, and accepted by the City on November 18, 2004. This Annexation Agreement does not represent approval or vesting of the MPD. Rather, the MPD and the use and development of the Intermountain Healthcare Property and the USSA Property shall be governed by the zoning designations provided herein and, consistent with this Annexation Agreement and the Findings and Conditions, shall be finalized (and, as necessary, amended) as soon as reasonably practicable following completion of the Annexation pursuant to Utah Code Annotated § 10-2-425(5) (as applicable to the Intermountain Healthcare Property, the USSA Property or the remainder of the Property, the "Final MPD").

Any substantive amendments to the MPD or this Annexation Agreement shall be processed in accordance with the Park City Land Management Code. Further, as part of the MPD review and approval process, again consistent with this Annexation Agreement and the Findings and Conditions, the phasing of the development of the Intermountain Healthcare Property or the USSA Property, as the case may be, shall be determined, to ensure the adequacy of public facilities that may be required to support any such development.

4. **Trails.** A condition precedent to the Annexation and the Final MPD for the Intermountain Healthcare Property or the USSA Property, as the case may be, is the grant to the City of public easements (collectively, the "Trail Easements") for the construction of non-vehicular pedestrian trails (collectively, the "Trails"), the location, width and use of which shall be determined during the MPD review and approval process, and which shall be documented in one or more development agreements for the Intermountain Healthcare Property the USSA Property, as the case may be, or any portions thereof (in any case, a "Development Agreement"). The Trail Easements shall include, but are not limited to, those easements necessary to extend and/or relocate certain of the existing non-vehicular pedestrian trails to connect to other public trail easements existing on adjacent properties. Any obligations with respect to the construction of any such trails shall be governed by the terms and conditions of the Development Agreement for the USSA Property, the Intermountain Healthcare Property or any other part of the Property, as the case may be, and, further, unless otherwise provided in any such Development Agreement, shall be the responsibility of the owner of the USSA Property, the Intermountain Healthcare Property, or any other part of the Property, as the case may be.

5. **Fire Prevention Measures.** Because of significant wild land interface issues on the Property, the Petitioner (or, as specified in connection with any such assignment, its assigns) agrees to implement a fire protection and emergency access plan, to be submitted prior to the issuance of any building permits, and to be reviewed and approved by the Fire Marshall and Chief Building Official for compliance with applicable building and fire codes.

6. **Roads, Road Design and Access.** All streets and roads within the Property shall be designed according to the City's road design standards and, as soon as reasonably practicable following the construction thereof (to the extent, as determined during the MPD review and approval process, to be dedicated to the City), shall be dedicated to the City for purposes of public thoroughfares and, upon acceptance thereof by the City, the maintenance and repair thereof by the City. Until such time as any such streets and roads shall be dedicated to, and accepted by, the City pursuant to the City's applicable ordinances governing any such dedication, maintenance and repair of all such streets and roads shall remain with the Petitioner (or, as specified in connection with any such assignment, its assigns). All roads and streets within the Property shall be not less than thirty feet (30') wide, back of curb to back of curb, unless, consistent with this Annexation Agreement, applicable City ordinances and the Findings and Conditions, otherwise reduced by the City for pedestrian traffic calming or other public purposes. The terms and conditions of grading and constructing access roads and streets across any City property shall be agreed to as part of the MPD review and approval process.

Notwithstanding any other term or condition of this Annexation Agreement and as and to the extent reasonably necessary or appropriate for, consistent with this Annexation Agreement and the Findings and Conditions, use of the Intermountain Healthcare Property, the City, without additional consideration therefor, agrees to (a) by means of (i) a publicly-dedicated roadway and/or (ii) a nonexclusive, perpetual easement and right of way for the benefit of the Intermountain Healthcare Property, provide access to and from the Intermountain Healthcare Property to State Road 248 in Summit County, Utah (all as shown on attached Exhibit "E" road design plan, prepared by Horrocks Engineers on November 6, 2005, and approved by the City Engineer), for main and primary vehicular and pedestrian access (the "Main Access Roadway"), and (b) by means of a nonexclusive, perpetual easement and right of way for the benefit of the Intermountain Healthcare Property, provide access to and from the Intermountain Healthcare Property for emergency and secondary vehicular and pedestrian access (the "Secondary Access

Easement"). The Main Access Roadway and the Secondary Access Easement each shall be not less than thirty feet (30') wide, back of curb to back of curb, exclusive of any sidewalks or other improvements and, further, shall be in such locations as shall be mutually acceptable to the City and Intermountain Healthcare. Except as and to the extent consistent with the use of the Intermountain Healthcare Property (and as, to the extent practicable, confirmed in connection with the sale and acquisition of the Intermountain Healthcare Property), neither the Main Access Roadway nor the Secondary Access Easement shall be subject to any use restrictions, conditions, limitations, or encumbrances (other than, to the extent the Secondary Access Easement shall not be on the City's property, general property taxes or assessments not yet due and payable) and, in addition, shall provide insurable access to and from the Intermountain Healthcare Property; provided, however, that, as specified during the MPD review and approval process, a locked gate may restrict use of the Secondary Access Easement to emergency and fire use only.

The Petitioner (or, except as otherwise may be agreed in writing in connection with any such assignment, its assigns) shall not have any obligation or liability for the Main Access Roadway or the Secondary Access Easement until review and approval by the City of the Final MPD. The City further agrees that roadway and street construction costs and expenses incurred by the Petitioner (or its assigns) shall be credited against any other impact or other development fees and costs for which the Petitioner (or its assigns) may be liable by reason of this Annexation Agreement or, consistent with the Findings and Conditions, otherwise with respect to the Intermountain Healthcare Property, the improvement of State Road 248, or the USSA Property, including without limitation any costs or expenses incurred in connection with the obligations under Section 17, below. The Petitioner (or, as specified in connection with any such assignment, its assigns) may require other or third parties to enter into a latecomer's agreement to reimburse the Petitioner for a portion of its costs in extending roads, traffic infrastructure and access to the Property.

7. **Sanitary Sewer, Line Extensions and Related Matters.** Construction and alignment of the sanitary sewer shall be determined as part of the MPD review and approval process. The preferred alignment of the sanitary sewer shall be that which results in the least visual impact and site disturbance while meeting the site design and construction requirements of the Snyderville Basin Water Reclamation District. Further, as part of a Development Agreement, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall enter into a latecomer's agreement to reimburse the City for a portion of its costs in extending sewer facilities adjacent to the Intermountain Healthcare Property or the USSA Property, as the case may be.

8. **Water Rights and Water Source Capacity.** The Petitioner (or, as specified in connection with any such assignment, its assigns) hereby agrees to purchase culinary water and, as appropriate, irrigation water from the City, subject to the provisions of this Section 8. The City shall and hereby agrees, upon payment therefor as specified in and contemplated under this Section 8, to provide such culinary water and, as appropriate, irrigation water, as shall be sufficient to meet the projected peak daily water demand for (a) the Intermountain Healthcare Property, which the parties understand, acknowledge and agree is 101,528 gallons per day at full build-out (the "Intermountain Healthcare Peak Water Demand") and (b) the USSA Property, which the parties understand, acknowledge and agree is 8,759 gallons per day at full build-out (the "USSA Peak Water Demand"). The Petitioner (or, as specified in connection with any such assignment, its assigns) agrees to pay the City for such water in the amount of SIXTEEN THOUSAND AND NO/100 DOLLARS (\$16,000) per Equivalent Residential Unit ("ERU"), inclusive of (i) a proportionate share of any capital costs incurred by the City through the Snyderville Importation Project, (ii) any water share acquisition costs for water from the Weber Basin Water Conservancy District, (iii) a proportionate share of any water treatment costs based on the Intermountain Healthcare Peak Water Demand and the USSA Peak Water Demand, (iv) any City water impact fees therefor, and (v) any City water connection impact fees (collectively, the "Water Cost").<sup>1</sup> Such Water Cost, respectively, shall be paid to the City within ten (10) business days following the Final MPD. Based

<sup>1</sup> The Water Cost was calculated by the City, as shown on attached Exhibit "G."



upon the peak water demand figures submitted to the City by Intermountain Healthcare and the USSA, at the City's request, the City calculated and hereby confirms that, the number of ERUs respectively, is equivalent to 63.455 ERUs and 5.47 ERUs.

The City shall not be obligated to provide any water in excess of (A) the Intermountain Healthcare Peak Water Demand for the Intermountain Healthcare Property and (B) the USSA Peak Water Demand for the USSA Property and, notwithstanding any other term or condition hereof, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall not be obligated to pay any amounts in excess of SIXTEEN THOUSAND AND NO/100 DOLLARS (\$16,000) per ERU. Further, the Petitioner (or, except as otherwise may be agreed in writing in connection with any such assignment, its assigns) and the City agree to enter into a separate agreement, mutually acceptable to the parties thereto, which shall document and provide for the implementation of the material terms of Sections 8, 9, and 10 of this Annexation Agreement, before the Final MPD; provided, however, that the Petitioner (or its assigns) shall not have any obligation or liability to purchase any water from the City until after the Final MPD. The Petitioner (or, as specified in connection with any such assignment, its assigns) is separately responsible for any redundant water rights, source capacity and/or systems as may be required in connection with the use and development of the Intermountain Healthcare Property or the USSA Property, as the case may be, and as required by applicable laws, rules or regulations relating thereto.

In conjunction with the construction of the Units by Petitioner on the City Donated Parcel or the Alternative Affordable Housing Location, as further described in Section 11, the City agrees that it will provide culinary water and, as appropriate, irrigation water, as shall be sufficient to meet the projected peak daily water demand for the Units, as ultimately determined by Petitioner and the City and approved for construction by the City. Petitioner agrees to pay to the City normal and customary charges for such water, which Water Cost shall not be in excess of the Water Cost to be paid the City for water to the Intermountain Healthcare Property and USSA Property, as set forth above in this Section 8.

9. **Water Impact Fees and Credits.** The City confirms that the total water impact fee was calculated by the City in the same manner and in the same comparative amount as with other developments within municipal boundaries. Any applicable credits that the Petitioner (or its assigns) may be eligible for will be determined by the City in the same manner and in the same comparative amount as with other developments within the City.

10. **Other Water Facilities, Infrastructure and Systems Costs.** As a condition precedent to the effectiveness of this Annexation Agreement, certain water facilities and systems, including an upgrade to the Fairway Hills pump station, shall be required to be constructed to service the Intermountain Healthcare Property and the USSA Property, and, to the extent to be dedicated to the City, easements therefor granted to the City, all of which shall be determined, and agreed to, by the affected parties and the City during the MPD review and approval process (the "Water Facilities and Systems"). Any and all such Water Facilities and Systems shall be constructed in accordance with specifications reasonably required by the City Engineer. Notwithstanding any term or condition of this Annexation Agreement, the City shall be responsible for the cost of any over-sizing of any Water Facilities and Systems, and, as and to the extent the Petitioner (or its assigns) shall pay or be liable for any such costs, the Petitioner (or, as applicable, Intermountain Healthcare or USSA) shall receive an appropriate credit or contribution from the City (as determined during the MPD review and approval process) for any over-sized Water Facilities and Systems designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity.

In connection with the MPD and the Subdivision<sup>2</sup> review and approval processes, on-site storm runoff detention facilities, or approved alternatives, as approved by the City Engineer, may be required. The timing for the construction of such storm run-off improvements shall be determined during the MPD review and approval process (the "Storm Detention Facilities"). The City shall be responsible for the cost of any over-sized on-site Storm Detention Facilities required as determined as part of the MPD (as sized and located to the reasonable satisfaction of Intermountain Healthcare and USSA), and, as and to the extent the Petitioner (or its assigns) shall pay or be liable for any such costs, the Petitioner (or, as applicable, Intermountain Healthcare or USSA) shall receive an appropriate credit or contribution from the City (as determined by the Petitioner and the City during the MPD review and approval process) for any such facilities designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity.

As part of the MPD review and approval process, the Petitioner (or, as specified in connection with any such assignment, its assigns), the City and the affected parties shall determine and agree on the proportionate costs and/or appropriate credits or contributions from the City for the installation, construction, repair, and maintenance of any excess length, size or capacity storm sewer and/or sanitary sewer lines, power, sewer, and other utility line extensions and related facilities (including without limitation the Storm Retention Facilities and the Water Facilities and Systems, the "Sewer and Related Facilities"), which may be required for the use and development of the Property, or any part thereof, and the provision of municipal services related thereto (with the understanding that the Petitioner (or, as applicable, the respective owners of the Intermountain Healthcare Property or the USSA Property) shall receive an appropriate credit or contribution from the City for the cost of any Sewer and Related Facilities designed, constructed or configured for the benefit of or to accommodate the needs of the City or any other person or entity. The extent to which such Sewer and Related Facilities shall be dedicated to the City, and the required granting of easements therefor, shall also be determined, and agreed to, by the Petitioner (or, as specified in connection with any such assignment, its assigns), the affected parties and the City during the MPD review and approval process.

11. **Affordable Housing Requirement.** Affordable/employee housing shall be provided in a manner consistent with the Findings and Conditions (the "Employee/Affordable Housing"), with the understanding and agreement of the parties that:

a. The Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital (300,000 square feet) is 44.78 "Affordable Unit Equivalents" (as defined in the City's Land Management Code) (the "Units"). Petitioner previously notified the City that it desires to and will donate five (5) acres of the Property (the "City Donated Parcel") to the City. Intermountain Healthcare, the City and the Petitioner have agreed that the foregoing Employee/Affordable Housing requirement shall be satisfied by the Petitioner's donation of the City Donated Parcel to the City as previously committed to by Petitioner, and the other terms and conditions of this Section 11. Within twelve (12) months of the effective date of this Agreement, the City shall determine if the Units are to be located on the City Donated Parcel or at some alternate location within the City, as agreed to by Petitioner (or its assignees), which agreement shall not be unreasonably withheld, conditioned or delayed, (an "Alternate Affordable Housing Location"); provided that, in the event of an Alternate Affordable Housing Location, the Petitioner (and any assignee thereof) shall not have any obligation, cost or otherwise, for the acquisition of any such Alternate Affordable Housing Location; and provided that, in the event the Units are located on any Alternate Affordable Housing Location, the Petitioner (or any assignee thereof) shall not

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<sup>2</sup> The Subdivision review and approval process will be a two-part process. The first part of the Subdivision review and approval process will establish the lot lines of the Intermountain Healthcare Property, the USSA Property, the City Donated Parcel, and the City Recreation/Open Space Parcel and, in that connection, allow for the recording of the Subdivision Plat in the official real estate records of Summit County, Utah. The second part of the Subdivision review and approval process will include an amendment to the Subdivision Plat, which will be processed during the MPD review and approval process and, to the extent appropriate, will incorporate any necessary requirements of this Section 10.

incur, or be obligated for, any costs or expenses in excess of those that would be incurred if the Units were located and constructed on the City Donated Parcel. Subject to the foregoing, within twenty-four (24) months of the effective date of this Agreement, the Petitioner (or any assignee thereof) shall either (i) begin construction of the Units on the City Donated Parcel or at the Alternate Affordable Housing Location or (ii) post a financial guarantee in favor of the City in a form, on terms and in the amount set forth in attached Exhibit "F" (the "Financial Guarantee").<sup>3</sup>

The City shall not issue building permits for development of the Intermountain Healthcare hospital in excess of 149,000 square feet until (A) the commencement of construction of the Units on the City Donated Parcel or an Alternate Affordable Housing Location within twenty-four (24) months following the Annexation, (B) a decision is made to locate the Units on property other than the City Donated Parcel, (C) the satisfaction of the Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital by financing or some other arrangement, or (D) the delivery by Petitioner (or its assigns) and acceptance by the City of the Financial Guarantee.<sup>4</sup> Any such Units constructed shall be sold or rented by the Petitioner (or any assignee thereof) at deed restricted prices or otherwise financed consistent with the City affordable housing guidelines.

b. The Employee/Affordable Housing requirement for development associated with the a proposed United States Ski and Snowboard Association, a Utah nonprofit organization ("USSA") facility (85,000 square feet) is 10.71 Affordable Unit Equivalents. The Petitioner previously notified USSA that it desires to and will donate the USSA Property, upon which USSA intends to construct its facilities, to USSA. A total deferral of the required 10.71 Affordable Unit Equivalents will be granted by the City upon, and in exchange for, the donation of the USSA Property by the Petitioner to USSA as previously committed to by Petitioner. The deferral is contingent upon continued ownership and occupancy by the facility by USSA or another community-based nonprofit organization. Any change in use to a non-community-based nonprofit organization may require that the deferred Employee/Affordable Housing requirements be met by the owner of the USSA Property as contemplated under the Affordable Housing Guidelines and Standards Resolution 10-06.

c. The Employee/Affordable Housing requirement for development associated with the Support Medical Office area (150,000 square feet) is 34.98 Affordable Unit Equivalents. This requirement shall be satisfied with either on-site or off-site units as determined in connection with the development of the Property to which such area relates and, in any case, shall not reduce the square footage available for the Support Medical Office area. The units shall be sold or rented at deed restricted prices or otherwise financed consistent with the City's affordable housing guidelines. Construction of the affordable units may be phased with the construction of the Support Medical Office area; provided that no certificate of occupancy for the Support Medical Office area in excess of 25,000 square feet shall be issued unless construction has commenced on the required Affordable Unit Equivalents hereunder or a financial guarantee (see footnote no. 2, above) has been posted therefor in a form and in an amount acceptable to the City.

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<sup>3</sup> The form and amount of any bond or other financial assurance required by the City hereunder shall be determined by reasonably estimating the City's administrative costs (which are estimated to be ten percent (10%) of the total cost of construction of the Units), if the City were required to proceed with construction of the Units or any other affordable housing units/equivalents hereunder, and no more.

<sup>4</sup> By the execution hereof, the City hereby acknowledges and confirms, as of the Effective Date, the delivery by the Petitioner and the acceptance by the City of the Financial Guarantee for the Units, which is in the form, on terms and in an amount required by the City. With the Financial Guarantee, the Employee/Affordable Housing requirement for development associated with the Intermountain Healthcare hospital has been satisfied in its entirety and, as such, is not a condition precedent to the issuance of building permits for development of the Intermountain Healthcare hospital in excess of 149,000 square feet.

d. If the "Units" (as defined in subsection 11(a), above), in fact, are located on the City Donated Parcel, the "Units" will be situated, designed and constructed on the City Donated Parcel in a manner approved, in writing and in advance, by Intermountain Healthcare, in Intermountain Healthcare's reasonable discretion. Any proceeds from the sale or lease of the "Units" on the City Donated Parcel or any Alternate Affordable Housing Location, following their design and construction, shall be retained by and constitute the exclusive property of the entity which constructs the "Units," being either the Petitioner, or any assignee thereof, as the case may be. All utilities shall be stubbed to the City Donated Parcel or any Alternate Affordable Housing Location, on which the Units may be constructed, at no cost to Petitioner (or its assigns) or any other party hereto. Further, neither the Petitioner (and its assigns) nor any other party hereto shall have any obligation, cost or otherwise, for any water rights or interests, nor for any other public fees, except for standard planning review and building permit fees necessary for construction of the Units on the City Donated Parcel (or any Alternate Affordable Housing Location).

12. **Planning Review Fees.** Except as otherwise agreed by the City, otherwise specified in a Development Agreement or in this Annexation Agreement, or as part of the MPD review and approval process (including without limitation any applicable credits and/or "in lieu of tax payments"), the Petitioner (or its assigns) shall be responsible for all standard and customary, and generally-applicable planning, building, subdivision and construction inspection fees imposed by the City from time to time.

13. **Impact and Building Fees.** Except as otherwise agreed by the City, otherwise specified in a Development Agreement or in Sections 8, 9 and 10 of this Annexation Agreement, or as part of the MPD review and approval process (including any applicable credits and/or "in lieu of tax payments"), the Petitioner (or its assigns) shall be responsible for all standard and customary, and generally-applicable, fees, such as development, impact, park and recreation land acquisition, building permit and plan check fees due and payable for construction on the Intermountain Healthcare Property, the USSA Property or the remainder of the Property at the time of application for any building permits.

14. **Acceptance of Public Improvements.** Subject to fulfillment of all the conditions of the applicable City ordinances and, further, the City's final approval of the construction of any such public improvements, those roads, streets, water facilities, utilities, and easements as may be agreed by the City, Intermountain Healthcare and/or USSA in connection with the MPD review and approval process (the "Public Improvements"), shall be conveyed and dedicated to the City, for public purposes. Following any such dedication, the City shall be responsible for the maintenance, repair and replacement of any and all such Public Improvements.

15. **Snow Removal and Storage.** Other than as the City may determine necessary or appropriate for the Trails, the City shall not be obligated to remove snow from roads, streets or similar improvements within the Property, until acceptance of the dedication thereof pursuant to the applicable City ordinances or this Annexation Agreement.

16. **Fiscal Impact Analysis.** The fiscal impact analysis prepared by the City Budget, Debt and Grants Department was reviewed, accepted and approved by the City Planning Commission on November 10, 2005. The analysis includes revenue and cost assumptions related to the Annexation and development of the Property and it is hereby accepted and approved by the City as part of this Annexation Agreement.

17. **Traffic Mitigation.** A comprehensive traffic review and analysis of the surrounding properties and jurisdictions was performed by a traffic consultant, Horrocks Engineers, and additional analysis was performed by the City's consultant, Rosenthal and Associates (together referred to herein as the "Traffic Studies"). Any such mitigation measures (inclusive of the "Roadway Access Costs" (as defined below and contemplated under the Findings and Conditions, the "Traffic Mitigation Measures")) shall be implemented in a manner consistent with the Findings and Conditions; provided that any costs or expenses shall be proportionately allocated among all affected persons and entities, including without limitation the City; and provided that neither the Petitioner nor its assigns shall be obligated to take or

cause to be taken any such measures until such time as they shall be satisfied that the measures shall have been adequately specified, the costs (and the allocation) thereof determined, the persons and entities participating therein identified, and the payment of any such costs assured to the reasonable satisfaction of the City and the Petitioner (and, as specified in connection with any such assignment, its assigns). Subject to the Findings and Conditions, the parties anticipate that the Petitioner (or, as specified in connection with any such assignment, its assigns) shall incur the financial costs, except land acquisition costs, for the construction of a signalized intersection on State Road 248 and the connection of that intersection with a roadway to the Property, all as shown in the analysis of Horrocks Engineers. The total cost of any and all Traffic Mitigation Measures shall not exceed TEN MILLION AND NO/100 DOLLARS (\$10,000,000), and the Petitioner's (or, as specified in connection with any such assignment, its assigns') proportionate share of the Traffic Mitigation Measures shall be between eleven percent (11%) and twenty-one percent (21%) and, further, shall be determined and documented as part of the MPD review and approval process.

18. **Effective Date.** This Annexation Agreement is effective as of the date the City Council adopts a resolution authorizing the execution of this Annexation Agreement and, further, the City provides notice of the adoption of such resolution to the parties to this Annexation Agreement.

19. **Governing Law; Jurisdiction and Venue.** The laws of the State of Utah shall govern this Annexation Agreement. Jurisdiction and venue are proper in Summit County.

20. **Real Covenant, Equitable Servitude.** This Annexation Agreement constitutes a real covenant and an equitable servitude on the Property. The terms of this Annexation Agreement touch and concern and both benefit and burden the Property. The benefits and burdens of this Annexation Agreement run with the land, and are intended to bind all successors in interest to any portion of the Property. This Annexation Agreement, a certified copy of the ordinance approving the Annexation (the "Annexation Ordinance"), and the Annexation Plat shall be recorded in the official real estate records of Summit County, Utah.

21. **Assignment.** Neither this Annexation Agreement nor any of the provisions, terms or conditions hereof may be assigned to any other party, individual or entity without assigning the rights as well as the responsibilities under this Annexation Agreement and without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed. Any such request for assignment may be made by letter addressed to the City and the prior written consent of the City may also be evidenced by letter from the City to the Petitioner or its successors or assigns; provided that, notwithstanding the foregoing, the City hereby consents to the assignment of the rights and responsibilities, and the benefits, of this Annexation Agreement, in whole or in part, to Intermountain Healthcare (or any affiliate thereof) or to USSA, upon written notice to the City; and provided that, in connection with and to the extent specified in any such assignment, the Petitioner shall not have any further rights or responsibilities under this Annexation Agreement as and to the extent accruing from and after the date of any such assignment.

22. **Compliance with the City Code.** Notwithstanding Section 18 of this Annexation Agreement, from the time of the City Council (the "City Council") approves of this Annexation Agreement and upon completion of the Annexation, the Property shall be subject to compliance with any and all of the City's Codes and Regulations pertaining to the Property.

23. **Full Agreement.** This Annexation Agreement, together with the recitals and exhibits attached to this Annexation Agreement (which are incorporated in and made a part of this Annexation Agreement by this reference), contains the full and complete agreement of the City and the Petitioner regarding the Annexation of the Property into the City. Only a written instrument signed by all parties hereto, or their successors or assigns, may amend this Annexation Agreement.

24. **No Joint Venture, Partnership or Third Party Rights.** This Annexation Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto. Except as otherwise specified herein, this Annexation Agreement, the rights and benefits under this Annexation Agreement, and the terms or conditions hereof, shall not inure to the benefit of any third party.

25. **Vested Rights.** Subject to the provisions of this Annexation Agreement, the Petitioner (or its assigns) shall have the right to use and develop the Intermountain Healthcare Property, the USSA Property or the remainder of the Property, as the case may be, in accordance with the uses, densities, intensities, and general configuration of development approved by these Findings and Conditions and, subject to the Findings and Conditions unless otherwise agreed by any affected parties, the Final MPD, subject to and in compliance with other applicable ordinances and regulations of the City.

26. **Reserved Legislative Powers.** The Petitioner acknowledges that the City is restricted in its authority to limit its police power by contract and that the limitations, reservations and exceptions set forth herein are intended to reserve to the City all of its police power that cannot be so limited, and the Petitioner shall ensure that each of its assigns is aware of such restriction in connection with any assignment of any rights or obligations hereunder. Notwithstanding the retained power of the City to enact such legislation under the police powers, such legislation shall only be applied to modify the Land Management Code and zoning Map of the City, as in existence on the date hereof, copies of which have been provided or otherwise made available by the City to the Petitioner, Intermountain Healthcare and USSA on or before the date hereof, and which are applicable to the Property under the terms of this Annexation Agreement based upon policies, facts and circumstances meeting the compelling, countervailing public interest exception to the vested rights doctrine in the State of Utah. Any such proposed legislative changes affecting the Property and terms and conditions of this Annexation Agreement applicable to the Property shall be of general application to all development activity in the City; and, unless the City declares an emergency, the Petitioner, Intermountain Healthcare and USSA (and their respective assigns) shall be entitled to the required notice and an opportunity to be heard with respect to the proposed change and its applicability to the Property under the compelling, countervailing public interest exception to the vested rights doctrine.

27. **Severability.** If any part or provision of this Annexation Agreement shall be determined to be unconstitutional, invalid or unenforceable by a court of competent jurisdiction, then such a decision shall not affect any other part or provision of this Annexation Agreement except that specific provision determined to be unconstitutional, invalid or unenforceable. If any condition, covenant or other provision of this Annexation Agreement shall be deemed invalid due its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law. Notwithstanding the foregoing, given the interdependence of many of the provisions of this Annexation Agreement, this Section 26 shall only be applied to the extent the purpose and intent of this Annexation Agreement is not frustrated.

28. **Quinn's Junction Area Study.** The City hereby confirms that the Property is located within the Quinn's Junction Area Study ("QJAS") and the findings and conclusions of the QJAS are consistent with the provisions of this Annexation Agreement and the Findings and Conditions.

1<sup>st</sup> IN WITNESS WHEREOF, the parties hereto have executed this Annexation Agreement as of the  
1 day of JANUARY, 2008. 7

*[signature pages follow]*

PARK CITY MUNICIPAL CORPORATION

By: Dana Williams  
Dana Williams, Mayor

DATED this 1<sup>st</sup> day of January, 2006. 7

ATTEST: City Clerk

By: Janet Scott  
Janet Scott, City Recorder

DATED this 1<sup>st</sup> day of January, 2006. 7

APPROVED AS TO FORM:

Mark Harrington  
Mark Harrington, City Attorney

DATED this 1<sup>st</sup> day of January, 2006. 7

PETITIONER:

Burbs, L.L.C., a Utah limited liability company

Vaughn Burbidge  
By: Vaughn Burbidge  
Title: Manager

DATED this \_\_\_ day of \_\_\_\_\_, 2006.

David Burbidge  
By: David Burbidge  
Title: Manager

DATED this \_\_\_ day of \_\_\_\_\_, 2006.



**ACKNOWLEDGEMENT AND CONSENT TO AGREEMENT**

By the execution hereof and as of the 27 day of November, 2006, the undersigned, hereby acknowledges and consents to the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) Intermountain Healthcare shall have the right to review and approve, in advance, any matters which affect any part or all of the Intermountain Healthcare Property and any adjacent property to be owned, used and/or developed by the undersigned, (b) Intermountain Healthcare shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by Intermountain Healthcare in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) Intermountain Healthcare shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

IHC HEALTH SERVICES, INC., a Utah nonprofit corporation

By: Jon D. Hodges  
Name: Jon D. Hodges  
Title: Regional Vice President

DATED this 27 day of November, 2006

**ACKNOWLEDGEMENT, CONSENT AND JOINDER TO AGREEMENT**

By the execution hereof and as of the \_\_\_ day of \_\_\_\_\_, 2006, the undersigned, hereby acknowledges, consents to and joins in the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) USSA shall have the right to review and approve, in advance, any matters which affect any part or all of the USSA Property, (b) USSA shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by USSA in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) USSA shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

UNITED STATES SKI AND SNOWBOARD ASSOCIATION, a Utah nonprofit organization

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATED this \_\_\_ day of \_\_\_\_\_, 2006

Exhibits:

- A) Findings and Conditions
- B) Annexation Plat
- C) Legal Descriptions
- D) Copy of MPD Application
- E) Road Design Plans
- F) Form, Terms and Amount of Financial Guarantee



**ACKNOWLEDGEMENT AND CONSENT TO AGREEMENT**

By the execution hereof and as of the \_\_\_ day of \_\_\_\_\_, 2006, the undersigned, hereby acknowledges and consents to the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) Intermountain Healthcare shall have the right to review and approve, in advance, any matters which affect any part or all of the Intermountain Healthcare Property and any adjacent property to be owned, used and/or developed by the undersigned, (b) Intermountain Healthcare shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by Intermountain Healthcare in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) Intermountain Healthcare shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

IHC HEALTH SERVICES, INC., a Utah nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATED this \_\_\_ day of \_\_\_\_\_, 2006

**ACKNOWLEDGEMENT, CONSENT AND JOINDER TO AGREEMENT**

By the execution hereof and as of the \_\_\_ day of \_\_\_\_\_, 2006, the undersigned, hereby acknowledges, consents to and joins in the terms of this Annexation Agreement, with the understanding and agreement of the City, USSA and the Petitioner that (a) USSA shall have the right to review and approve, in advance, any matters which affect any part or all of the USSA Property, (b) USSA shall not have any liability or obligation of any kind or nature under this Annexation Agreement except as and to the extent specified and agreed by USSA in a partial assignment from the Petitioner of the Annexation Agreement (the "Assignment"), and (c) USSA shall not have any obligation under the Assignment until the terms and conditions thereof shall have been agreed to by Intermountain Healthcare, the Petitioner and USSA.

UNITED STATES SKI AND SNOWBOARD ASSOCIATION, a Utah nonprofit organization

By: William C. Marsit  
Name: William C. Marsit  
Title: President CEO

DATED this 22 day of November, 2006

Exhibits:

- A) Findings and Conditions
- B) Annexation Plat
- C) Legal Descriptions
- D) Copy of MPD Application
- E) Road Design Plans
- F) Form, Terms and Amount of Financial Guarantee

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Exhibit A  
(Findings and Conditions)

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## Intermountain Healthcare/USSA/Burbs Annexation Agreement

### Findings/Annexation Agreement Points<sup>4</sup>

1. Burbs, L.L.C. (the "Petitioner"), IHC Health Services, Inc. ("Intermountain Healthcare"), and the United States Ski and Snowboard Association ("USSA") filed an Annexation Petition on November 3, 2004.
2. The City Council of Park City Municipal Corporation (the "City Council") accepted the Annexation Petition on November 18, 2004.
3. The City Council established the Intermountain Healthcare/USSA/Petitioner Annexation Task Force on July 14, 2005 (Resolution No. 21-05) for purposes of formulating specific recommendations relating to the annexation's proposed zoning, land uses, affordable housing, transportation, and community economics/fiscal impacts.
4. On October 27, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on a new zoning district to apply to the annexation area, the Community Transition District - Master Planned Development ("CT-MPD"), which includes specific provisions addressing affordable housing.
5. On November 10, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on the economic impact/fiscal analysis relating to the Annexation.
6. On December 8, 2005, the Task Force forwarded a unanimous positive recommendation to the Planning Commission on traffic and transportation impacts and mitigation.
7. The Property subject to the Annexation Petition (the "Annexation Property") is currently vacant, 157 acres in size, and located in unincorporated Summit County, Utah, at the northwest corner of the State Road 248/Highway 40 interchange.
8. The Annexation Property currently is zoned in Summit County Developable Lands (DL), with a base density of 1 unit/20 acres and 1 unit/40 acres (depending on the extent of any environmentally sensitive lands, which need to be managed or preserved in compliance with any applicable laws, rules and regulations, including without limitation the City's Sensitive Lands Overlay code.
9. The Annexation Property is to be zoned, as shown on the attached Annexation Plat, Community Transition District-Master Planned Development ("CT-MPD"). The CT-MPD has a base density of 1 unit/20 acres. The Community Transition District permits density bonuses up to a maximum of 3 units/acre provided specific standards are met relating to open space, Frontage Protection Zone (FPZ) setbacks, parking, affordable housing, and public land/facilities.
10. The land uses proposed on the Annexation Property include a community hospital/medical facility; support medical offices; public/quasi-public and institutional uses; United States Ski and Snowboard (USSA) headquarters and sports training complex; public recreation uses; affordable/employee housing; and open space.
11. The MPD shall substantially comply with the Annexation Plat. The proposed total density at build-out for the Annexation area is 535,000 square feet (gross), equates to 2.64 units/acre and consists of the following:  

<u>Intermountain Healthcare Hospital:</u>	<u>300,000 square feet (180 Unit Equivalentents)</u>
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<sup>4</sup> Except as otherwise defined herein, capitalized terms shall be as defined in the Annexation Agreement.

United States Ski and Snowboard Offices  
and Training Center:

85,000 square feet (85 Unit Equivalents)

Support Medical Office:

150,000 square feet (150 Unit Equivalents)

12. The City has agreed that up to 50,000 square feet of the total Support Medical Office area may be developed within, and in addition to, the 300,000 square foot hospital. The City identified a public policy preference that up to 50,000 square feet of the Support Medical Office area should primarily be utilized for public/quasi-public and other institutional uses reasonably related to the Support Medical Office area, including without limitation, athletic national governing body offices, non-profit community wellness facilities, and/or education uses. A specific allocation of such uses shall be determined and agreed to by the Petitioner (or its assigns) and the City as part of the MPD review and approval process.

13. The Petitioner has previously notified the United States Ski and Snowboard Association (USSA) that the Petitioner desires to donate five (5) acres of the Property (the "USSA Property") to USSA for the purposes of developing an 85,000 square foot athletic national governing body (NGB) and training complex. Land uses within the USSA Property are limited to USSA administrative, athlete training, and/or other national governing body uses, with deed restrictions to that effect to be recorded against such property. Subject to any such deed restrictions, the City shall have the right of first refusal to purchase the USSA Property and facilities in the event that, as an authorized assignee of the Petitioner, USSA sells and/or relocates from such property. In addition to the deed restrictions, any change of use will require approval of an amended Master Planned Development and Conditional Use Permit. Further, any uses other than athletic national governing body office/training facilities, public/quasi-public, institutional, and/or recreation uses will require employee/affordable housing mitigation conforming to the Affordable Housing Guidelines and Standards Resolution in effect at the time of application.

14. The Property is subject to the Employee/Affordable Housing requirements of the Affordable Housing Guidelines and Standards Resolution 17-99, as amended. The base employee/affordable housing requirement for development associated with the Intermountain Healthcare hospital (300,000 square feet) is 44.78 Affordable Unit Equivalents. The base employee/affordable housing requirement for development associated with USSA (85,000 square feet) is 10.71 Affordable Unit Equivalents. The base employee/affordable housing requirement for development associated with the Support Medical Office (150,000 square feet) is 34.98 Affordable Unit Equivalents. The total Affordable Unit Equivalents required for the Property is 90.47. Intermountain Healthcare, as an authorized assignee of the Petitioner, shall be entitled to, and has received, a reduction of 27.49 Affordable Unit Equivalents for the hospital portion of the development of the Intermountain Healthcare Property, in recognition of the non-commercial, non-residential nature of the hospital portion of the development. One Affordable Unit Equivalent equals 800 square feet.

15. The City agrees that a deferral of the required 10.71 Affordable Unit Equivalents of employee/affordable housing for the USSA Property will be granted to USSA in consideration of, as previously agreed to by the Petitioner, the donation by the Petitioner of five (5) acres of the Property to USSA, as a community-based nonprofit organization, upon which USSA intends to construct its facilities. This deferral is contingent upon the continued ownership and occupancy of the facility by USSA or another community-based nonprofit organization approved by the City. Any change in use to a non-community-based nonprofit organization may require USSA to meet the deferred employee/affordable housing requirements. In addition, any change in use or redevelopment of the USSA Property that creates additional presumed "employee generation" on the USSA Property (as contemplated under the Affordable Housing Guidelines and Resolution 10-06) may require an employee/affordable housing contribution to address that increment of presumed employee generation.

16. The City agrees that the 44.78 Affordable Unit Equivalent requirement associated with the Intermountain Healthcare hospital (300,000 square feet) shall be satisfied by, as previously agreed to by the Petitioner, the donation by the Petitioner of a five (5) acre parcel of the Property to the City and the other terms and conditions of Section 11 of the Annexation Agreement, in any case, shall conform to the Affordable Housing Guidelines and Standards Resolution 17-99, as amended. Further, with the City's approval, as part of the MPD review process or otherwise, additional Affordable Unit Equivalents may be included in the five (5) acre parcel and shall be applied toward the 34.98 Affordable Unit Equivalents associated with the Support Medical Office.

17. In addition to the five (5) acre donation referenced in Section 11 of the Annexation Agreement and Section 16 herein above, the Petitioner has previously notified the City that the Petitioner desires to and will donate a separate, additional fifteen (15) acres of the Annexation Property to the City for public recreation and open spaces purposes (the "City Recreation/Open Space Parcel").

18. On December 8, 2005, the Task Force forwarded a unanimous recommendation to the Planning Commission on traffic and transportation mitigation. The Task Force recommendation is based, in part, on an access study provided by the Petitioner's traffic consultants--Horrocks Engineers (dated November 6, 2005) and additional analysis prepared by the City consultant, Rosenthal and Associates (dated November 7, 2005). It was the Task Force recommendation that it is reasonable for all developers within the City Annexation boundary to pay for or otherwise offset their share of costs (to the City) of all roadway and other necessary traffic mitigation improvements. The Task Force determined that the proposed medical campus, offices, and athletic training complex require access to SR248 intersection improvements. The current design and anticipated traffic generation from the City recreation and ice rink complex does not warrant a signalized intersection.

19. Except as otherwise specified in the Annexation Agreement, the Petitioner (or, as specified in connection with any such assignment, its assigns) will be responsible for providing all necessary access to the property from SR 248 and all necessary intersection improvements including, but not limited to, one (1) signalized intersection at SR 248. The Petitioner (or, as specified in connection with any such assignment, its assigns) will be responsible for all coordination and costs associated with providing access to the Property, other than land acquisition costs for the Main Access Roadway and Secondary Access Easement (the "Roadway Access Costs"), as required in the Subdivision Chapter of the LMC Sections 15-7.2 & 15-7.3, including the Traffic Mitigation Measures, all of which shall be determined and agreed to as part of the MPD review and approval process. The total cost of the Traffic Mitigation Measures shall not exceed TEN MILLION AND NO/100 DOLLARS (\$10,000,000) and the Petitioner's (or, as specified in connection with any such assignment, its assigns) proportionate share shall be between eleven percent (11%) and twenty-one percent (21%). To the extent the Property is adjacent to a frontage road to Silver Summit, the Petitioner (or, as specified in connection with any such assignment, its assigns) shall cooperate with the City in the dedication of a nonexclusive right-of-way over and across the Property to access such frontage road.

20. The Petitioner (or, as specified in connection with any such assignment, its assigns) will proportionally share in the cost for future necessary road improvements to SR 248, as and to the extent specified and agreed by the Petitioner or any affected parties from time to time. In addition to the cost of any Traffic Mitigation Measures, the City agrees to apply the costs associated with installing the traffic signal at the future Annexation Property access/SR 248 intersection towards the proportional share of future overall SR 248 improvements.

21. The Petitioner (or, as specified in connection with any such assignment, its assigns), in addition to the other reimbursement, credit or contribution rights, reserves the right to develop a latecomers agreement or take or cause to be taken such other actions as may be necessary or appropriate to recover and/or ensure reimbursement for any costs incurred by in connection with the Traffic Mitigation Measures, the Main Access Roadway, the Secondary Access Easement, the Roadway Access Costs, as well as the cost of any

water impact fees and any water connection fees, and, further (as confirmed by the City's execution of the Annexation Agreement), any obligation of the Petitioner (or, as specified in connection with any such assignment, its assigns) in this regard shall be subject thereto.

22. The City has agreed to consider other potential cost-sharing traffic and transportation mitigation strategies which may include, but are not limited to the development of additional employee/affordable housing linked to the community transit system; physical improvements such as, but not limited to a transit hub, park and ride lot, and van/shuttle programs; and/or employee traffic/transit programs, adjusted shift times and ridesharing incentives, without any obligation, cost or otherwise, to the Petitioner (or its assigns).

23. The Petitioner, Intermountain Healthcare, USSA, and the City have agreed that, as contemplated hereunder, final approval of detailed traffic and transportation mitigation and any cost sharing for road/highway improvements shall be agreed to by the affected parties and approved through a technical report approved by the Planning Commission and the City Council as a part of the MPD review and approval process.

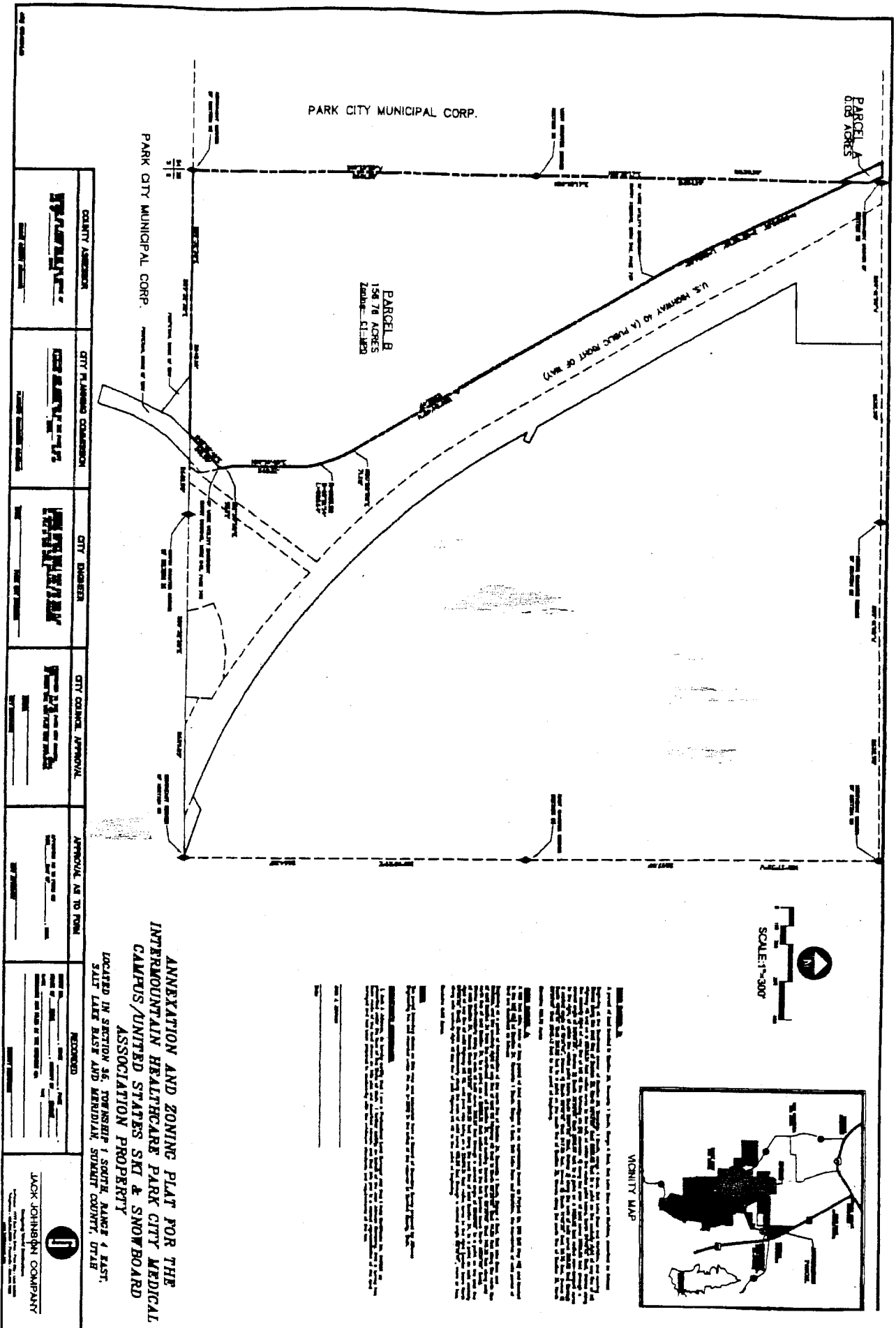
24. The Planning Commission held a public hearing on the Annexation Agreement on May 10, 2006.

25. The City, the Petitioner and any affected parties, including Intermountain Healthcare and USSA, shall and hereby acknowledge and agree that, except as may be otherwise specified in the Annexation Agreement with respect to the Annexation, the vested uses, densities, intensities, and general configuration of development approved in the Annexation, the Annexation Agreement and these Findings and Conditions, the Water Rights, the Main Access Roadway and the Secondary Access Easement, the Annexation, the Annexation Agreement and the obligations of the Petitioner (and its successors or assigns) hereunder are subject to, all as acceptable to the parties in their respective, reasonable discretion, confirmation, determination and agreement of the parties with respect to the Final MPD and Subdivision Plat; any necessary Development Agreements for each parcel of the Property; Construction Mitigation; Landscaping Plans; Lighting; and Related Access, Development and Use Matters.

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Exhibit B  
(Copy of Annexation Plat)

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**ANNEXATION AND ZONING PLAT FOR THE  
INTERMOUNTAIN HEALTHCARE PARK CITY MEDICAL  
CAMPUS/UNITED STATES S&I & SNOWBOARD  
ASSOCIATION PROPERTY**

LOCATED IN SECTION 36, TOWNSHIP 1 SOUTH, RANGE 4 EAST,  
SALT LAKE BLISS AND MERIDIAN, SUDBURT COUNTY, UTAH

**Exhibit B - Annexation Map**



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Exhibit C

(Legal Description of the Property)

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Property located in Summit County, Utah, particularly described as follows:

**PARCEL NO. 1:**

A parcel of land located in Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, described as follows:

BEGINNING at the Southwest Corner of Section 35, Township 1 South, Range 4 East, Salt Lake Base and Meridian, and running thence along the West line of Section 35 North  $00^{\circ}13'59''$  East 5086.08 feet to a point on the Westerly Right of Way line of US Highway 40 and on a 23138.31 foot radius curve to the left, of which the radius point bears North  $64^{\circ}40'12''$  East; thence along the Westerly Right of Way line of US 40 the following six (6) courses: 1) along the arc of said curve 2055.08 feet through a central angle of  $05^{\circ}05'20''$ ; thence 2) South  $30^{\circ}25'08''$  East 2393.67 feet to a point on a 1025.92 foot radius non-tangent curve to the right, of which the radius point bears South  $63^{\circ}24'52''$  West; thence 3) along the arc of said curve 328.80 feet through a central angle of  $18^{\circ}21'46''$ ; thence 4) South  $00^{\circ}10'18''$  West 547.99 feet; thence 5) South  $11^{\circ}42'39''$  East 93.75 feet; thence 6) South  $45^{\circ}02'16''$  West 361.62 feet to a point on the South line of Section 35; thence along the South line of Section 35 North  $89^{\circ}53'00''$  West 2048.43 feet to the point of beginning. *SS 62-F*

**PARCEL NO. 2:**

**PARCEL A:**

A 100 foot wide, more or less, parcel of land contiguous to an expressway known as Project No. 019 (U.S. Hwy-40) and located in the NE1/4NE1/4 of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian. The boundaries of said parcel of land are described as follows:

BEGINNING at a point of intersection of the North line of Section 34, Township 1 South, Range 4 East, Salt Lake Base and Meridian, and the Westerly Right of Way line of said Highway U.S. 40 that is North  $89^{\circ}39'00''$  West 44.88 feet along the North line of said Section 34 from the Northeast Corner of said Section 34; and running thence North  $89^{\circ}39'00''$  West 110.38 feet along said North line of said Section 34 to a point on a 23178.31 foot radius curve to the left (center bears North  $65^{\circ}21'40''$  East); thence Southeasterly along the arc of said curve 363.27 feet through a central angle of  $00^{\circ}53'53''$  to a point on the East line of said Section 34; thence North  $00^{\circ}13'57''$  East 232.20 feet along said East line of said Section 34 to point on said Westerly Right of Way line of said Highway U.S. 40, said point also being on a 23078.31 foot radius curve to the right (center bears North  $64^{\circ}58'56''$  East); thence Northwesterly along the arc of said curve 105.96 feet through a central angle  $00^{\circ}15'47''$ , more or less, along said Westerly Right of Way line of said Highway U.S. 40 to point of beginning.

Tax Parcel No. SS-65-A-4

**PARCEL B:**

A perpetual Easement and Right of Way being described as follows:

BEGINNING at a point of intersection of the North line of Section 2, Township 2 South, Range 4 East, Salt Lake Base and Meridian, and the Northwesterly Right of Way line of Highway U 248 and running thence South  $45^{\circ}02'17''$  West 202.91 feet, more or less; thence South  $25^{\circ}41'05''$  West 82.60 feet, more or less; thence North  $53^{\circ}00'00''$  West 361.94 feet, more or less, to a point on said North line of Section 2; thence East 468.43 feet, more or less, along said North line to the point of beginning.

Tax Parcel No. SS-65-A-4

PARCEL C:

A perpetual Easement and Right of Way being described as follows:

BEGINNING in the North line of said Section 2 at a point 2048.43 feet South  $89^{\circ}53'00''$  East from the Northwest Corner of said Section 2; thence South  $45^{\circ}02'17''$  West 202.91 feet to a point 80 feet radially distant Northwesterly from the center line of said access road known as "H" Line at Engineer Station 34+55.84; thence South  $25^{\circ}41'05''$  West 382.42 feet; thence South  $21^{\circ}43'39''$  West 203.44 feet; thence South  $75^{\circ}00'00''$  East 146.13 feet; thence North  $17^{\circ}42'46''$  East 274.91 feet; thence North  $28^{\circ}04'06''$  East 200 feet; thence North  $37^{\circ}37'06''$  East 115.81 feet; thence North  $42^{\circ}52'13''$  East 57.93 feet; thence North  $46^{\circ}13'24''$  East 205.10 feet to said North line; thence West (North  $89^{\circ}53'00''$  West Highway bearing) 192.46 feet along said North line to the point of beginning.

Tax Parcel No. SS-65-A-4

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Exhibit D  
(Copy of MPD Application)

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Park City Municipal Corporation  
 445 Marsac Avenue • PO Box 1480 • Park City UT 84060 • (435) 615-5060 • (435) 615-4906-fax • www.parkcity.org

## MASTER PLANNED DEVELOPMENT

PLANNING COMMISSION

Approved \_\_\_\_\_

Denied \_\_\_\_\_

APPLICATION # \_\_\_\_\_

RECEIPT # \_\_\_\_\_

DATE RECEIVED \_\_\_\_\_

### I. PROJECT INFORMATION

Name: IHC Summit Community Medical Campus

Address/Location: Quinn's Junction, Northwest Corner of the Intersection of State Highway 248 and US 40

Legal Description: Tax ID          Please see Sheets S1 & S2/SS-65-A-4

Subdivision & Lot #, or Survey, Lot & Block #         

### II. APPLICANT

Please check one of the following:  owner  optionee  buyer  agent  other

Name: IHC Hospitals, Inc.

Mailing Address: 36 South State Street  
Salt Lake City, UT 84111


Phone #: (435)657-4370 Fax #: (435)654-2576 E-mail hvrprobs@ihc.com

If you have any questions regarding the requirements on this application please contact a member of the Park City Planning staff (435) 615-5060.

**III. SUBMITTAL REQUIREMENTS:**

1. Completed and signed application form
2. Review fees – see **Fee Schedule** in Planning Department
3. Two (2) complete sets of all plans including an area map, with the project location, existing vegetation, service providers identified and a slope analysis.
4. One (1) set of reduced plans (8½" x 11")
5. Current Title Report (not older than 30 days)
6. Copies of any previous agreements between the City and the property owners or between the property owners and a third party.
7. *The applicant should be aware that there may be a request to provide presentation material for Planning Commission meetings. The presentation material may, or may not, include the following:*
  - 20" x 30" presentation boards
  - elevations and/or perspectives
  - location map
  - 8½" x 11" overheads of materials outlined above
  - view analysis
  - massing models
  - photographs/graphic illustrations
8. Stamped, addressed **envelopes** for property owners within 300 feet.
  - a. Envelopes (addressed to property owners as described above) with mailing labels and stamps affixed (we do not accept metered envelopes). Please do not include a return address on the envelope.
  - b. List of property owners, names and addresses as described above. The distance is measured from the property line, not the location of the request. Please provide the Summit County Assessor's Parcel Number for each property owner if possible

**Sample Envelope**

No return address	
JOHN DOE PO BOX 2002 PARK CITY UT 84060	

## IV. MASTER PLANNED DEVELOPMENT FACT SHEET

## PROJECT DESCRIPTION

1. On a separate sheet of paper, give a general description of the proposal and attach it to the application. Provide a written statement describing the request and any other information pertaining to the proposed project.
2. Existing Zoning DL in Summit County; CC/MPD when annexed into City
3. Is project within Sensitive Lands Overlay Zone?  yes  no
4. Current use of property: Vacant Land
5. Total project area: acres 52 square feet 2,265,120
6. Number of unit equivalents: allowed 450 proposed 450 (inclusive of common areas)  
(See Title 15, LMC, Master Planned Development, Chapter 6)
7. Number and configuration of residential units:  
Existing 0 Proposed 0
8. Commercial area: 450,000 (gross floor area)  
Unknown at this time (net leasable area)
9. Type(s) of business activity: Hospital, General; Medical Clinic; Support Commercial
10. Number of parking spaces required:            proposed (to be determined)  
(see Title 15 LMC, Off-Street Parking, Chapter 3)
11. Project accessed by (check one)  
 public road  private road  private driveway
12. Ownership type (check one)  
 owner occupied  lease  nightly rental
13. Water service availability: (check one)  
 existing  requires extension of city service
14. Is this project part of an existing approval (MPD, subdivision, etc.)?  
 yes  no
15. Are there any previous agreements between the City and property owners or between the property owners and a third party?  
 yes  no Burbs, LLC with HMC Hospitals, Inc.

## V. ACKNOWLEDGMENT OF RESPONSIBILITY

This is to certify that I am making an application for the described action by the City and that I am responsible for complying with all City requirements with regard to this request. This application should be processed in my name and I am a party whom the City should contact regarding any matter pertaining to this application.

I have read and understood the instructions supplied by Park City for processing this application. The documents and/or information I have submitted are true and correct to the best of my knowledge. I understand that my application is not deemed complete until a Project Planner has reviewed the application and has notified me that it has been deemed complete.

I will keep myself informed of the deadlines for submission of material and the progress of this application. I understand that a staff report will be made available for my review the week prior to any public hearings or public meetings. This report will be on file and available at the Planning Department in the Marsac Building.

I further understand that additional fees may be charged for the City's review of the proposal. Any additional analysis required would be processed through the City's consultants with an estimate of time/expense provided prior to an authorization with the study.

Signature of Applicant: *John Higgins*  
 Name of Applicant (please print) III Hospitals, Inc.  
 Mailing Address 36 South State Street, SLC, UT 84111  
 Phone (435) 657-4370 Fax (435) 654-2576  
 E-mail hvrprobs@ihc.com  
 Type of Application Master Planned Development

## AFFIRMATION OF SUFFICIENT INTEREST

I hereby affirm that I am the fee title owner of the below described property or that I have written authorization from the owner to pursue the described action.

Name of Applicant (please print) BURBS LLC  
 Mailing Address P. O. Box 65571, SLC, UT 84165  
 Street Address/Legal Description of Subject Property:  
See Sheets S1 & S2  
 Signature *[Signature]* Date November 1, 2004

1. If you are not the fee owner, attach another copy of this form that has been completed by the fee owner, or a copy of your authorization to pursue this action.
  2. If a corporation is fee titleholder, attach copy of the resolution of the Board of Directors authorizing this action.
  3. If a joint venture or partnership is the fee owner, attach a copy of agreement authorizing this action on behalf of the joint venture or partnership.
- Please Note: This affirmation is not submitted in lieu of sufficient title evidence. You will be required to submit a title opinion, certificate of title, or title insurance policy showing your interest in the property prior to final action.

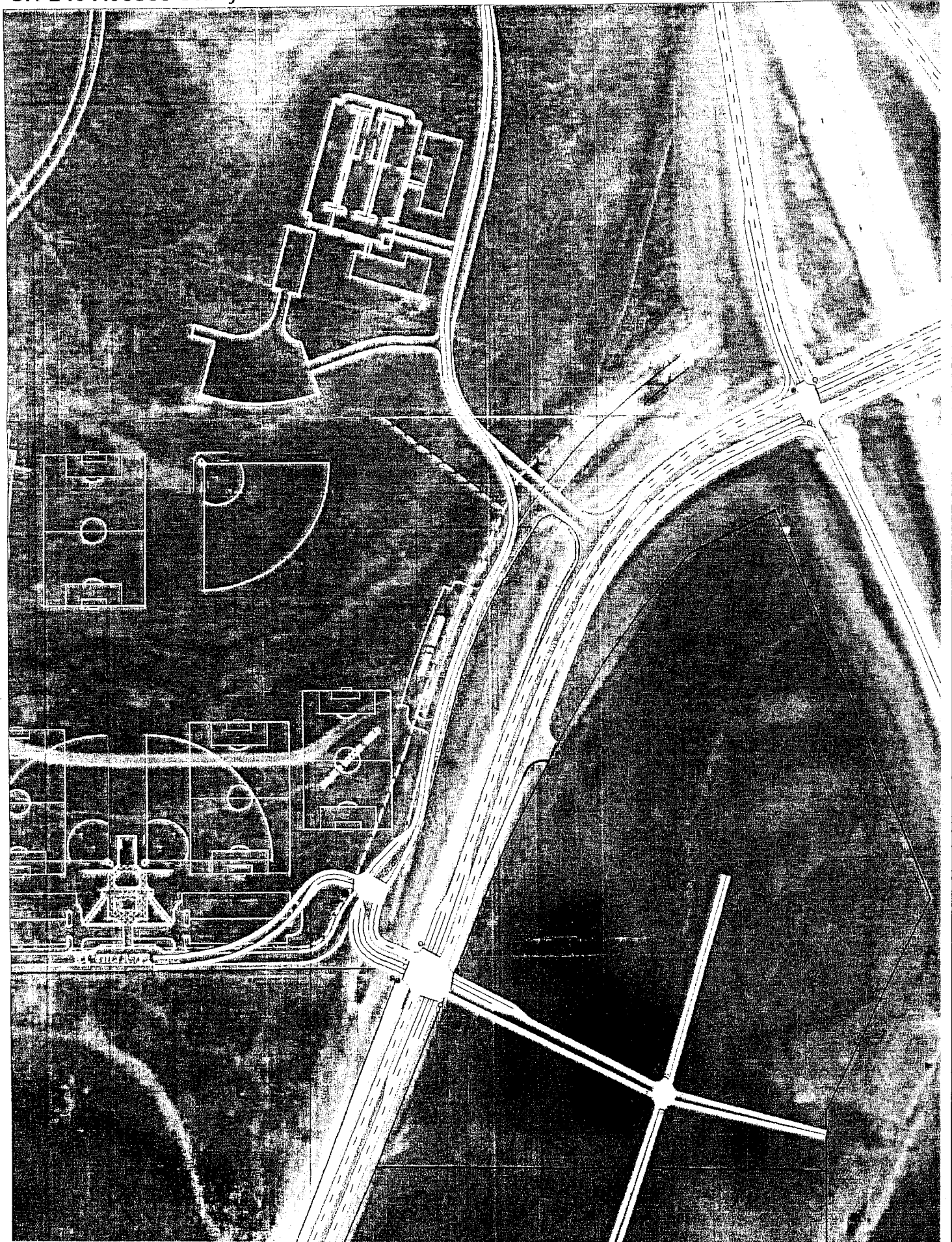
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Exhibit E  
(Road Design Plans)

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SR-248 Access Study



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Exhibit F

(Form, Terms and Amount of Financial Guarantee)

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EXHIBIT "F"

# IVORY HOMES

978 East Woodoak Lane, Salt Lake City, Utah 84117; phone (801) 747-7000; fax (801) 747-7090

November 27, 2006

Via First Class Mail

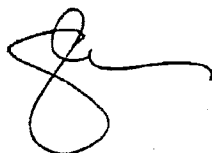
Park City Municipal Corporation  
P.O. Box 1480  
Park City, UT 84060

*RE: Park City Affordable Housing Bond*

To Whom It May Concern:

Ivory Homes, Ltd. will cause a performance bond to be issued for the affordable housing requirement under the Annexation Agreement in the amount of \$626,920.00 by Wells Fargo Bank. The performance bond will be issued in conjunction with the Annexation Agreement becoming affective and not later than the closing of the Real Estate Acquisition Agreement between Petitioner and IHC Health Services, Inc.

Sincerely,



Glenn Girsberger

cc: David Burbidge  
Richard Burbidge  
Vaughn Burbidge  
Chris Gamvroulas  
Clark Ivory  
Dave Wolfgramm

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Exhibit G  
(Water Cost Calculations)

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### October 12, 2006 IHC Water Cost Calculation

The idea is that PCMC would agree to provide culinary water to IHC from PCMC's existing sources. PCMC would charge a total water impact fee based on PCMC's cost to replace that water with Weber Basin Water Conservancy District (WBWCD) water to be delivered through the Snyderville Importation Project and treated by PCMC.

The total water impact fee would be \$16,000 per ERU, calculated as follows (numbers are based on engineer's estimates and rounded up):

Total Capital Costs for the pipeline project:	\$14,743,000
<u>59 acre feet IHC Demand</u>	
2,500 acre feet total project	2.36% of total project size
2.36% X Total Capital Cost of \$14,743,000	\$347,935
WBWCD Share Cost (assumes \$150/share X 59 ac ft X 3% annual increase over 50 year project life)	\$227,708
Added to IHC's capital cost contribution of \$347,935	\$575,643
Water Treatment Cost (Assuming 3,000 gpm (4.3M gpd) capacity; and excluding land acquisition costs)	\$8,000,000
<u>IHC Peak Day Demand of 101,528 gpd</u>	2.36%
Total Treatment Capacity of 4.3M gpd	
2.36% X Water Treatment Cost	\$188,800
Added to IHC's capital cost contribution and WBWCD Share Cost	\$764,443
<u>\$764,443</u>	
IHC's Demand of 63.455 ERU's*** (Equals the Water Development Impact Fee)	\$12,049
Add Water Connection Impact Fee	\$3834
<b>Total Water Impact Fee per ERU</b>	<b>\$15,883</b>

\*\*\* ERU's were determined by dividing IHC's Peak Day Demand of 101,528 gpd by 1,600 gpd, which is the amount of water provided per ERU.