

**SALT LAKE COUNTY
COUNTY-WIDE POLICY
ON
PUBLIC INFRASTRUCTURE DISTRICT
APPLICATION & REVIEW
REQUIREMENTS**

Purpose

To establish procedures and guidelines for application to Salt Lake County for consideration and approval of a Public Infrastructure District as allowed under the Utah Public Infrastructure District Act.

1.0 Policy

It is the policy of Salt Lake County (the “County”) to provide a standard procedure to process, review, and approve requests to create a Public Infrastructure District (“PID”) Application.

2.0 Pre-Application Conference & Review. Applicant shall first meet with County staff for staff to explain process to applicant.

3.0 Pre-Application Documents & Review Process: The applicant desiring creation of a PID as well as County staff shall adhere to the following Pre-Application procedures:

3.1 PID Pre-Application Documents. After attending the pre-application conference, applicant shall submit the following information and documents to County’s Office of Regional Development (“Pre-Application Documents”):

- 3.1.1** A Petition that meets the requirements of the Utah Public Infrastructure District Act.
- 3.1.2** A description and map of the proposed PID boundaries and annexation area, if applicable, as more explicitly described in 3.2, including legal description, acreage, description of surrounding area (including significant natural and manmade features, major public improvements, adjacent development), and proposed development.
- 3.1.3** A summary of needed infrastructure, including anticipated development scenario, required local and regional infrastructure, and facilities for such development.
- 3.1.4** A description of infrastructure the PID proposes to provide and the standards of construction, including a statement of how the facility standards of the PID are compatible with County facility standards and the standards of

municipalities and districts that are determined by the County to be interested parties. Description shall include a discussion of the criteria, such as build-out rate or market conditions, which would be used to determine when the infrastructure would be utilized.

- 3.1.5 An estimation of construction costs for the proposed infrastructure.
- 3.1.6 A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other expenses related to the organization and initial operation of the PID.
- 3.1.7 A general description of phasing of construction (if any) based on development projections.
- 3.1.8 A description of any arrangement or proposed agreement with any political subdivision for the performance of any services arising from the proposed PID, and, if a form contract is available, it shall be included with the Pre-Application Documents.
- 3.1.9 A description of public benefits provided by creation of a PID.
- 3.1.10 Evidence of consent to creation of the proposed PID by all property owners within the PID boundaries.

3.2 Map of the Proposed PID. The Pre-Application Documents shall include a map of the proposed PID and the surrounding area with the following:

- 3.2.1 A vicinity map, showing the district boundaries, section lines, existing and proposed roads, all municipalities and districts/service providers within a three-mile radius of the proposed PID
- 3.2.2 A site plan, showing the district boundaries, any current improvements, the proposed improvements, and any development currently built or planned to be built within the district. The sheet size of the site plan shall be 18" vertical by 24" horizontal with a scale of 1" = 200' or other scale as approved by staff.
- 3.2.3 The map(s) shall be legible, shall contain explanatory legends, titles, and text. Accompanying the map(s) shall be a list of the infrastructure improvements proposed to be supplied by the PID that are provided by each of the municipalities and districts on the map.

3.3 Additional Information. The Applicant shall also provide all of the following additional Pre-Application Documents:

- 3.3.1 An explanation of the proposed PID's plan for the orderly extension of infrastructure to developable adjacent lands, including within the annexation area if applicable.
- 3.3.2 A list of the persons or organizations responsible for each section of the Pre-Application Documents and the anticipated persons or organizations to create the Application Documents (in the event Council requests a Formal Application), including the name and telephone numbers of the engineer, the legal counsel, the developer, and the financial analyst.
- 3.3.3 A legal description of the area to be included in the proposed PID and the annexation area, if applicable.
- 3.3.4 A list of all persons, corporations, and other private or public entities materially involved in the formation of the PID and an explanation of the role played by each of those involved.
- 3.3.5 A list of owners of real property within the PID and their current address.
- 3.3.6 If applicable, provide evidence that the proposal is in compliance with Title 14 of the Utah Code and the 2015 Integrated Watershed Plan
- 3.3.7 Disclosure of any conflicts of interest between Applicant and County's officers and employees

3.4 County Council Review of Pre-Application Documents. The County Office of Regional Development shall present the Pre-Application Documents to the County Council as part of an agenda item at a Council of the Whole meeting. Applicant may assist in this presentation. If Council is interested in pursuing the Applicant's filing of a Formal Application, it shall take a formal vote to invite Applicant to file a Formal Application. Such vote does not obligate the Council to approve creation of a PID.

4.0 Application Documents & Review Process. If the Council invites Applicant to file a Formal Application, the Applicant shall submit the following documents ("Application Documents") and shall adhere to the following Formal Application procedures:

4.1 Infrastructure Plan. The Applicant shall submit the following:

- 4.1.1 A preliminary engineering or architectural survey showing how the proposed infrastructure is to be built.
- 4.1.2 A complete description of any facilities to be constructed. Detailed descriptions and cost estimates for all facilities and improvements shall be included. All materials and labor costs for each planned facility shall be

estimated at that time of construction and the facilities shall be shown to be compatible with the standards of the County and each interested party.

4.2 Long Term Operational & Financing Plan. The Applicant shall submit a long term operational and financing plan, which shall contain, but not be limited to:

- 4.2.1 A letter from the person or organization responsible for the financial plan attesting to the financial and economic presentation and identifying sources and methods used in estimating interest rates, build-out rates, mill levy, and other data submitted by Applicant.
 - 4.2.1.1 The organization responsible for the financial plan shall also provide a CV, outlining its experience with similar financial plans for similar purposes.
- 4.2.2 An estimate of the population and valuation for assessment of the proposed PID taking into account the time horizon for the proposed debt.
- 4.2.3 A pro-forma presentation of all projected expenses to be incurred and revenues to be generated by the proposed PID showing the year-end financial status of the district for each year from the organization of the district until the repayment of all proposed debt. The pro forma shall include a detailed description of all projected funding mechanisms to be employed by the PID and shall include base-case, optimistic, and pessimistic scenarios based on uniform variations from the base case. The pro forma shall list projected individual yearly totals for debt, debt service, operating and maintenance expenses, legal and administrative expenses, capital expenses, build-out rate, assessed valuation, mill levy, impact fees, facility fees, other fees, and all other costs and revenues. Any extraordinary or one-time expenses shall be explained, and the assumptions upon which such figures are based shall be set forth.
- 4.2.4 Maximum Debt proposed to be incurred by the PID and explanation of such amount of Debt taking into consideration the factors set forth in Section [2.8 – Authorized Amounts of Debt] of Countywide Policy #1702. If phasing of bonding is to be used, the phases and efforts at coordination shall be explained.
- 4.2.5 A detailed schedule of any other anticipated debt financing.
- 4.2.6 The amount of any reserve fund and the expected level of annual debt service coverage that will be maintained for any financing.
- 4.2.7 A description of the scheduling and phasing of capital improvements and their relationship to the financial stability of the PID. A long-term capital

improvement program may be required with a five-year time horizon.

- 4.2.8** If the financial plan identifies any contributions by the developer to the PID, any agreement or proposed agreement between the developer and the proposed PID explaining the developer's financial participation shall be included.
- 4.2.9** If the financial plan identifies any agreements concerning taxation or financing between or among the PID and other local governments, then a description and copies of such agreements shall be included and a narrative shall be provided establishing how such agreements satisfy the statutory criteria for formation of a PID.
- 4.2.10** A description of the flexibility that has been built into the financial plan, including alternative means of repaying the debt, if the estimated revenue is not realized.
- 4.2.11** A list of mill levies and other fees for entities supplying similar infrastructure for a similar market located in the region.
- 4.2.12** The maximum tax rate for all purposes, except for unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2), and the term for the taxes proposed by the PID.
- 4.2.13** The average and maximum total of all mill levies that are currently imposed on property within the proposed PID.
- 4.2.14** A list and written explanation of the potential risks of the district financing, to the extent known at the time of organization of the PID.
- 4.2.15** A list of items that will be purchased or leased by the PID from the developer/applicant (e.g. land, rights of way, water rights, etc.).
- 4.2.16** Plans to mitigate any shortfalls in the district's ability to meet financial obligations.
- 4.2.17** A description of the proposed administrative structure of the PID demonstrating the ability of the PID to meet the administrative requirements found in the Fiscal Procedures for Local Districts Part of the Utah Code Title for Limited Purpose Local Government Entities - Local Districts.
- 4.2.18** Existing or pending financial difficulties of the applicant, if it is a legal entity, including insolvency, bankruptcy or foreclosure proceedings.

4.2.19 Background information on the developer/Applicant and financial relationships between property owners, developer/Applicant and the PID.

4.2.20 If another entity is providing some or all of the infrastructure contemplated by the proposed PID, a detailed analysis comparing existing infrastructure to those of the proposed PID, including a detailed explanation of the inadequacies of the existing infrastructure to meet present and projected needs and how these needs will be met by the proposed PID.

4.2.21 The preliminary plan for the sale of bonds or other financing mechanisms to be employed, including contemplated types and timing of Debt to be issued, collateral pledge, amortization periods, financing team members, rating agencies to be used, if any, etc.

4.2.22 Any other information as may reasonably be requested by the County.

4.3 Service agreements. The Applicant shall provide a copy of any signed, proposed, or promised service agreements relating to the proposed or existing services to the PID area by any other district or other existing or proposed service provider and shall notify all service providers contiguous to or within the proposed PID boundaries and annexation area of the Application materials outlined in section 4.1 by certified mail.

5.0 PID Application Review Committee. After Applicant meets with County staff, has filed its petitions with the County as required by the Utah Public Infrastructure District Act, and submitted its Application Documents for consideration, a PID Application Review Committee shall be formed. The Committee shall include representatives from the MSD Planning and Development (Planning Director or designee), County Public Works, County Parks and Recreation, Mayor's Finance, County Office of Regional Development, and/or the District Attorney's Office. At its sole discretion, the County may engage consultants with subject matter expertise in public finance, engineering, development, legal or other applicable disciplines to advise the PID Application Review Committee on any of its duties, and/or to assist in preparing the governing documents outlined in Policy 1702, as determined by the County. Applicant shall pay the reasonable expenses of such consultants, which shall contract with the County, and the reasonable expenses of the County in reviewing and processing the PID Application and preparing the governing documents; payment of such expenses shall take place within 30 days of receipt of invoice, subject to the ability to dispute expenses under section 5.1 below, the failure to pay resulting in the Committee ceasing its review of the Application until expenses are paid. The Committee shall be tasked with reviewing Applicant's PID Application Documents and Pre-Application Documents for completeness and consistency with the Public Infrastructure District Act, this Policy and other applicable County policies and ordinances. The Committee shall also be tasked with making recommendations to the County Council, analyzing the soundness of assumptions, analysis, and conclusions outlined in the Application Documents and Pre-Application Documents ; and analyzing the extent that the Review Criteria set forth in County Policy #1701 are met.

5.1 Dispute Resolution. Disputes over the reasonableness of consultant expenses referenced in this section shall be resolved as follows:

5.1.1 County Office of Regional Development and Applicant shall meet and confer to attempt to resolve the dispute.

5.1.2 If the County and Applicant are unable to resolve the dispute, they shall jointly appoint a mutually acceptable expert in the discipline at issue. If the County and Applicant are unable to agree on a single acceptable mediator, each shall, within seven (7) days, appoint its own individual appropriate expert. These two experts shall, between them, choose the single mediator. Applicant shall pay the fees of the chosen mediator. The chosen mediator shall timely review the positions of the parties and promptly attempt to mediate the issue between the parties. If the parties are unable to reach agreement, the mediator shall notify the parties in writing of the resolution that the mediator deems appropriate. The mediator's opinion shall be binding on the parties.

6.0 Application Document Consideration Process. Within five days after receiving PID Application Documents and fees required by the County to review the documents and engage consultants, County's Office of Regional Development shall notify all municipalities and districts having a service area within or contiguous to the proposed PID and annexation area (referred to collectively herein as "Interested Parties") for information and comment. All Interested Parties to which the Application Documents and Pre-Application Documents are referred shall have thirty days to submit comments to the Office of Regional Development. All such comments shall then be referred to the Application Review Committee for further review.

6.1 The Office of Regional Development shall gather all comments and recommendations from Interested Parties and the Application Review Committee in the form of a Committee Report to the Applicant, the County Mayor's Office, and the County Council.

6.2 Upon receipt and an opportunity to review the Committee Report, the County Council shall apply the Review Criteria set forth in Countywide Policy #1701 to the Application Documents and Pre-Application Documents and if the Council is in favor of proceeding with the creation of a PID, it shall make findings of fact according to the Review Criteria and memorialize its findings in an Initiating Resolution during a regularly scheduled public meeting of the County Council, to initiate creation of governing documents for the PID. Neither the Initiating Resolution nor creation of governing documents shall obligate the Council to create a PID.

6.3 Upon issuance of an Initiating Resolution, the Application Review Committee shall create draft Governing Documents incorporating the Application Documents and Pre-Application Documents, all necessary elements required by Countywide Policy

#1702 and U.C.A. 17B-2a Part 12, applicable negotiations with the Applicant, and other terms recommended by the Committee for Council adoption.

- 6.4 The Application Documents, Pre-Application Documents, and draft Governing Documents shall be available for public review on a County website upon their submittal or completion. The County Council shall hold a public hearing to obtain public comment on whether a PID should be created and on the Governing Documents creating the PID. The County Council may then, in its sole discretion, adopt a Creating Resolution to formalize the draft Governing Documents, thereby creating the Public Infrastructure District. The County Council may modify as it sees fit the terms of the draft Governing Documents at such time.
- 6.5 An Applicant may request the formation of multiple PIDs for the same development (and annexation area, if applicable) by following the requirements outlined herein for each PID requested; provided that such formation may be accomplished through a combined application. The County may place a combined maximum tax rate limit for an area included in multiple PIDs that is lower than the sum of the limit on each individual PID.

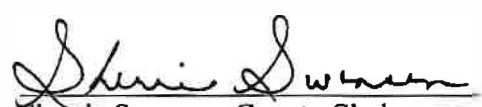
APPROVED and PASSED this 13 day of October, 2020

SALT LAKE COUNTY COUNCIL




Max Burdick, Chair

ATTEST:


Sherrie Swensen, County Clerk

APPROVED AS TO FORM:

 10-7-20
District Attorney's Office Date

**SALT LAKE COUNTY
COUNTY-WIDE POLICY
ON
PUBLIC INFRASTRUCTURE DISTRICT
REVIEW CRITERIA**

Purpose

To establish guidelines for the County Council to review Public Infrastructure District Pre-Application and Application Documents to determine whether to issue an Initiating Resolution to proceed with a Governing Document to establish a Public Infrastructure District as allowed under the Utah Public Infrastructure District Act.

1.0 Policy

It is the policy of Salt Lake County (the “County”) to provide standard criteria with which to review and issue an Initiating Resolution to proceed with Governing Documents and to create one or more Public Infrastructure Districts (“PID”).

2.0 Review Criteria:

This section is intended to identify criteria that are consistent with the County’s public policy goals with respect to PIDs.

2.1 Recommended Findings. The County Council may use its discretion to issue an Initiating Resolution and thus proceed with a Governing Document if the Application Documents present satisfactory evidence of each of the following:

- 2.1.1** There is sufficient existing and projected need for infrastructure in the area to be serviced by the proposed PID;
- 2.1.2** The existing infrastructure in the area to be served by the proposed PID is inadequate for present and projected needs;
- 2.1.3** The proposed PID is capable of providing economical and sufficient infrastructure to the area within its proposed boundaries; and
- 2.1.4** The area to be included in the PID has, or will have, the financial ability to discharge the proposed Debt (as such term is defined in Countywide Policy No. 1702) on a reasonable basis.
- 2.1.5** The proposed PID otherwise provides significant public benefit.

2.2 Discretionary Findings. The County Council, at its discretion, should not issue an Initiating Resolution unless satisfactory evidence of the following is present:

- 2.2.1 Adequate infrastructure is not, or will not be, available to the area through the County or other existing district or municipal corporation within a reasonable time and on a basis that is comparable to similar areas or developments;
- 2.2.2 The infrastructure standards of the proposed PID are compatible with the infrastructure standards of the County and each municipality and district which is an interested party;
- 2.2.3 The proposed PID is in compliance with the County's master plans or any regional plan governing the area to be included in the PID;
- 2.2.4 The proposal complies with Title 14 of the Utah Code and the 2015 Integrated Watershed Plan (as applicable); and
- 2.2.5 The creation of the proposed PID will be in the best interests of the area proposed to be included (including any applicable annexation area).
- 2.2.6 The proposed PID only provides System Improvements for one or more of the following infrastructure types: roads, water, sewer, stormwater, parks, and trails. The proposed PID does not include recreation centers, golf courses, or lakes unless a lake is an integral part of and necessary for a stormwater or water system.
 - 2.2.6.1 For purposes of this section, System Improvements means those improvements that are designed to provide infrastructure for services to the community (inside and outside of the PID) at large and that are not merely a part of the development of any particular subdivision or commercial site plan.

2.3 No Obligation to Create. The County Council's discretion to issue an Initiating Resolution and to proceed with a Governing Document is not limited to the Review Criteria indicated in this policy nor does compliance with all of the criteria outlined in this Policy obligate the County Council to issue an Initiating Resolution. This Policy is only intended to provide the Council with minimal recommended criteria for deciding whether the Application Documents are sufficient for a successful District, not necessarily whether the District is in the best long-range interest of the County. An Initiating Resolution does not obligate the Council to issue a resolution formalizing the draft Governing Documents and creating a public infrastructure district.

2.4 Good Faith. As to each application for a PID, the County shall, in good faith, diligently conduct the review, consideration and decision process set forth herein, and shall do so in a reasonably timely manner, considering the scope and complexity of

C. 27(2)

the requested PID and the County's experience in reviewing the same. This requirement does not obligate the County to proceed with creation of a PID.

APPROVED and PASSED this 13 day of October, 2020

SALT LAKE COUNTY COUNCIL



Max Burdick, Chair

ATTEST:


Sherrie Swensen, County Clerk

APPROVED AS TO FORM:

Zack Shaw 10-7-20
District Attorney's Office Date

**SALT LAKE COUNTY
COUNTY-WIDE POLICY
ON
PUBLIC INFRASTRUCTURE DISTRICT
GOVERNING DOCUMENTS
STANDARDS & REQUIREMENTS**

Purpose

To establish standards and requirements for the County to include in Governing Documents approved for an Applicant to establish a Public Infrastructure District as allowed under the Utah Public Infrastructure District Act.

1.0 Policy

It is the policy of Salt Lake County (the “County”) to provide minimum standards and requirements to include in governing documents to create a Public Infrastructure District.

2.0 Minimum Standards:

This section is intended to identify minimum standards that are required to be included in governing documents with an Applicant to create a Public Infrastructure District.

2.1 Statutory Requirements. Governing documents shall include a boundary description, map of the PID, and number of board members. The governing documents shall also describe divisions of the PID, establish any applicable tax rate limit for the PID for all purposes, except unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2), and establish limitations on the principal amount of bonds or other multiple fiscal year obligations for the payment of which the PID may impose an ad valorem property tax rate (“Bonds” or “Debt”).

2.2 Agreements. Governing documents shall prohibit the PID from agreeing to guarantee repayment of money spent during infrastructure construction except from proceeds of Bonds and upon acceptance (if any) of such infrastructure.

2.3 Pricing. Governing documents shall require the PID to be subject to State of Utah’s procurement statutes and regulations or alternatively require all construction project bids paid for or reimbursed by the PID to be reviewed by a third party engineer prior to construction and at the time of pricing for the reasonableness of specifications and price. At a minimum, the acquisition of completed or partially completed improvements shall be for fair market value, as reasonably determined by a surveyor or engineer that the County contracts with, the reasonable costs of which shall be reimbursed by Applicant. Disputes regarding the reasonableness of such costs shall be resolved per Countywide Policy 1700, Section 5.1.

2.4 Reimbursement requests. Governing documents shall require requests to reimburse the Developer to be subject to an independent auditor's review to ensure the request is within the scope of the Bonds, complies with County policies 1700 *et seq* and the governing documents, and that the expense was incurred according to the State of Utah's competitive procurement rules or in accordance with U.C.A. 17B-2a-1206(3). Governing documents shall specify remedies for material violations uncovered by an audit, including that the District shall not the release certain funds until violations are cured.

2.5 Notice to Home Buyers. Governing documents shall mandate all PID Board members, their Affiliates, or homebuilders that contract with PID board members or their Affiliates, who sell real property located within the PID to notify in association with their real estate purchase contracts, in a bold and conspicuous manner, of the following matters:

2.5.1 Maximum tax rate for the PID for all purposes, except unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2), set by the Governing Documents, including the cost to the buyer to pay the taxes on that maximum tax rate charged by the PID on an average valued property within the PID.

2.5.2 That the property taxes outlined in section 2.5.1 are in addition to any property taxes that a city, county, or other districts may impose.

2.5.3 That property owners within the PID may be subject to additional property taxes for the payment of unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2).

2.5.4 Date, times, and locations for PID Board meetings

For purposes of this section, Affiliate means any person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a board member – via voting power, contract or otherwise.

2.6 Recorded Notice. Governing documents shall mandate that the recorded notice required by the Utah Public Infrastructure District Act shall also include the following statement in a bold and conspicuous manner: "This property is located within a Public Infrastructure District. As such, this property is subject to property taxes in addition to those imposed by a city, Salt Lake County, and other districts. The maximum property tax rate for this Public Infrastructure District is ____%. At this maximum tax rate, the property taxes on a home valued at \$400,000 would be \$ _____ annually. The PID may also impose property taxes through unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2)."

2.7 Bond Sales.

2.7.1 Prior to the issuance of any Debt issued by the District, the District shall obtain the certification of a registered Municipal Advisor substantially as follows:

2.7.1.1 We are a Municipal Advisor registered with the Securities Exchange Commission and Municipal Securities Rulemaking Board. We certify that (1) the net effective interest rate, defined as the True Interest Cost (TIC), to be borne by [Insert issuing entity] does not exceed a reasonable current [Tax-Exempt] [Taxable] interest rate, using criteria deemed appropriate by us and based upon our analysis of comparable yield securities and (2) the bond structure of [Insert issuing entity], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

2.7.2 Bonds may not be purchased via private placement or limited offering by parties who have a material conflict of interest related to the ownership of the property within the District.

2.8 Authorized amounts of Debt. Governing documents shall prohibit the PID from authorizing more Debt than needed to design, acquire, construct, install, complete, and finance the infrastructure required for the development of property within the PID, identified as maximum bonded indebtedness in the District's Application Documents. Such maximum shall be no more Debt than the costs of the design, acquisition, construction, installation, and completion of the infrastructure required for the development of property within the PID to be financed by the Debt, plus contingencies, reserves, surplus funds, capitalized interest, costs of issuance. Governing Documents shall establish that Debt issued to refund outstanding Debt of the PID shall not count against such maximum indebtedness and that any such refunding shall not extend the final maturity of the initial bond issue without authorization from the creating entity.

2.9 Tax Rates. Governing documents shall establish the maximum tax rate that the PID may impose for all purposes, except unlimited tax general obligation bonds referenced in Utah Code Section 17B-2a-1209(2), and maximum terms of those tax rates. The maximum tax rates and maximum terms shall be based on the pro formas described in section 4.2.3 of Policy 1700, subject to review and recommendation by the PID Application Review Committee and ultimate determination of the County Council. The County Council may also establish a maximum combined tax rate for multiple PIDs overlapping the same property in accordance with Countywide Policy 1700, Section 6.5.

2.10 Not to exceed date. Governing documents shall establish maximum terms for all Bonds.

2.11 Milestones for PID's release of Bond proceeds. To ensure that development of a property tax base keeps pace with Debt obligations, governing documents shall

provide for milestones in the construction of residential and commercial properties (in the form of number of dwelling units and amount of square footage, respectively), completion of which shall be conditions on the District's issuance of any additional Bonds, excluding refunding Bonds.

2.12 District Sunset. Governing documents shall provide a sunset clause to address dissolution of the PID upon completion of infrastructure buildout and paying off all Bonds used to finance the infrastructure or in the event that the PID does not issue any Bonds. Such clauses shall make reference to statutorily prescribed dissolution procedures set forth in the Utah Code Title for Limited Purpose Local Government Entities - Local Districts and any such dissolution procedures that would be carried out accordingly. The clause may address dissolution prior to any levy of taxes and issuance of Bonds for occurrences and conditions outside of the control of the Developer, such as recessions, economic and market conditions, and acts of god; once taxes have been levied and Bonds issued, there shall be no dissolution of the PID except as prescribed under U.C.A. 17B-1-1301 et seq.

2.13 Ownership and maintenance of public infrastructure. Governing documents shall require that infrastructure be dedicated to the proper entity. The District shall be subject to infrastructure standards that are compatible with the infrastructure standards of the County, districts and municipalities to which such infrastructure shall be dedicated.

2.14 Consultant and Attorney Fees. Governing documents shall provide for Developer to reimburse County's reasonable contract costs for consultants and attorneys required to create the governing documents. Disputes regarding the reasonableness of such costs shall be resolved per Countywide Policy 1700, section 5.1.

2.15 District Report. Governing documents shall require the District to report to the County upon request the following information:

2.15.1 Contact information for the District, its general counsel, its accountant, and its trustees and officers including the dates on which the current terms of office of each trustee will expire.

2.15.2 A narrative summary of the progress of the district in implementing its plans for the report year.

2.15.3 The annual financial statements or financial reports of the district required to be submitted to the State Auditor's office for the fiscal year.

2.15.4 A copy of the adopted budget of the District for the current fiscal year, and any amendments or supplements to said budget adopted prior to the date on which the annual report is filed.

2.15.5 A summary of the capital expenditures made by the District in the fiscal year, identifying the major public improvements constructed and amounts and sources of the funds expended therefor.

2.15.6 A full and complete accounting for all other expenditures made during the report year of the proceeds of district Debt.

2.15.7 A list of all rates, fees, and charges imposed and received by the District as of the date on which the report is filed.

2.16 PID Board of Trustees. Governing documents shall indicate how the County will appoint board members and shall establish when board seats shall be transitioned to elected as opposed to appointed seats, consistent with the following subsections:

2.16.1 Qualification for Appointment or Election. If consented to by all property owners within the PID, and no qualified candidate timely files for appointment or declares candidacy, a non-resident may serve on a PID Board of Trustees. For a non-resident to qualify for appointment to the Board, the individual must be an owner of land within the PID, or an agent or officer of the landowner AND the individual must be registered to vote at his or her primary residence. Employees, former employees, or family members of employees/former employees of the District or of any District Board Member desiring to run for election to the District Board shall disclose such relationship in their candidacy filings.

2.16.2 Board Member Terms. A simple majority of the initial appointed board members shall serve a four-year term. The remaining initially appointed members shall serve a six-year term. Thereafter, all terms shall be for four-years.

2.16.3 Term Commencement. The term of each member of the initial board of trustees shall begin upon appointment. The term of all other members of the board of trustees shall begin at noon on January 1 following the member's election or appointment. Initial terms beginning later than January 1 shall be adjusted as necessary to allow for successive terms to begin on January 1 after the municipal general election at least three-years after appointment.

2.16.4 Appointed Board Members. Except as provided in this Policy, appointed board members shall not serve a particular division but instead shall serve at large. At the expiration of an appointed board member's term, the County shall appoint or reappoint such seat from candidates qualified pursuant to paragraph 2.16.1 herein. Consent of property owners at the time of formation of the PID to non-resident board members shall be sufficient to allow the County to appoint a non-resident board member at the time of appointment or reappointment.

2.16.5 Milestones to Establish Divisions. The Governing Documents shall provide whether a PID shall have divisions, and if so, the population thresholds for forming divisions, the number of divisions, how the boundaries of divisions are determined, the approval process of divisions, and the timing of elected division board members in relation to appointed board members.

2.16.6 Transition from Appointed to Elected Board Seats. The transition of a seat from appointed to elected shall take place at the municipal general election but after the relevant milestone for such seat has occurred.

2.16.7 Board Member Elections. PID board member elections shall be conducted as required by Title 17B Chapter 1 of the Utah Code "Provisions Applicable to All Local Districts."

2.16.8 The number of board seats shall always be uneven.

2.16.9 Division Boundaries. Governing documents shall prohibit a majority-appointed board from altering division boundaries without consent of the County.

2.17 Annexation Area. The Governing Document may allow for annexation to and withdrawal from the initial District boundaries within a pre-determined area ("Annexation Area") without the additional approval of the Creating Entity pursuant to Section 17B-2a-1204 of the Utah Code. Multiple PIDs may be created with the same Annexation Area to allow for flexibility in phasing of development and land use.

3.0 Future Changes to State Law. This Policy recognizes and automatically incorporates all future amendments, modifications, and recodifications of the Utah Code provisions referenced in Policies 1700, 1701, and 1702.

4.0 Good Faith. As to each governing document for a PID, the County shall, in good faith, diligently work with the Applicant in creating the governing document, and shall do so in a reasonably timely manner, considering the scope and complexity of the requested PID and the County's experience in reviewing the same. This requirement does not obligate the County to approve a governing document.

APPROVED and PASSED this 13 day of October, 2020

SALT LAKE COUNTY COUNCIL



Max Burdick, Chair

ATTEST:



Sherrie Swensen, County Clerk

APPROVED AS TO FORM:



10-7-20

District Attorney's Office

Date