



COMBINED
CITY COUNCIL AND REDEVELOPMENT AGENCY
ELECTRONIC MEETING
AMENDED AGENDA
DECEMBER 6, 2016

Notice is hereby given that the South Jordan City Council will hold a Combined City Council and Redevelopment Agency Electronic meeting **Tuesday, December 6, 2016**, in the City Council Chambers at 1600 W. Towne Center Drive, South Jordan, Utah. In compliance with the American Disabilities Act, any individual who may need special accommodations including auxiliary communicative aides and services during this meeting shall notify the City Manager at 801-254-3742 at least 24 hours prior to the meeting. The order of Agenda Items may be changed if deemed appropriate by the Mayor or City Council. Timings listed are approximate and may be accelerated or delayed.

ELECTRONIC / REGULAR MEETING – 6:00 PM

6:00 p.m. **A. Welcome and Roll Call** – *Mayor David Alvord*

6:05 p.m. **B. Invocation** – *By Council Member Tamara Zander*

6:10 p.m. **C. Flag Ceremony / Pledge of Allegiance** – *By Cub Scout Packs 3054 & 4568*

6:15 p.m. **D. Minute Approval**

1. November 14, 2016 Council Study Meeting
2. November 15, 2016 City Council Meeting
3. November 22, 2016 Council Special Canvass of Votes Meeting

6:20 p.m. **E. Public Comment:** This is the time and place for any person who wishes to comment on items not scheduled on the Agenda for Public Hearing. Any person or group wishing to comment on any item not otherwise scheduled for Public Hearing on the Agenda may address the City Council at this point by stepping to the microphone and giving his or her name and address for the record. Comments should be limited to not more than three (3) minutes, unless additional time is authorized by the Governing Body. Groups wishing to comment will be asked to appoint a spokesperson. Items brought forward to the attention of the City Council will be turned over to staff to provide a response outside of the City Council meeting. Time taken on non-agenda items, interrupts the process of the noticed Agenda. In rare cases where it is determined appropriate to address items raised from Public Comments, these items will be noted and may be brought back at the conclusion of the printed agenda.

6:35 p.m. **F. Presentations:**

1. Mark Hooyer, Executive Director of TransJordan Landfill.
2. Cub Scout Packs 3054 and 4568 Make Presentation to Police Department as part of Service Project. *(By Cubmaster Lynne Newton)*

- 7:00 p.m. **G. Action Item:** Resolution R2016-81, designating visiting judges. *(By COS Cunningham)*
- 7:05 p.m. **H. Public Hearing:** Resolution R2016-74, Consideration for Adoption of a Resolution of the City of South Jordan, Utah (The “Issuer”), Authorizing the Issuance and Sale of not more than \$21,500,000 Aggregate Principal Amount of Sales Tax Revenue and Refunding Bonds, Series 2017; and related matters. *(By CFO, Sunil Naidu)*
- 7:20 p.m. **I. Public Hearing:** Ordinance 2016-29, amending Subsection 16.04.180.E (*Future Access and Landlocked Properties*) of the South Jordan City Municipal Code to create a limited exception to the City’s Street Connectivity Requirements. *(By City Attorney Ryan Loose)*
- 7:35 p.m. **J. Public Hearing:** Ordinance 2016-14, Zone Text Amendment, amending section 17.130.040 (Farm Animal Floating Zone) of the South Jordan Municipal Code. Melvin & Eileen Luker (Applicant) *(By Planner Jake Warner)*
- 7:35 p.m. Presentation by Staff
- 7:40 p.m. Applicant
- 7:45 p.m. Public Hearing
- 8:05 p.m. Applicant
- 8:10 p.m. Council questions, motion, discussion and votes

RECESS CITY COUNCIL AND MOVE TO REDEVELOPMENT AGENCY (RDA) MEETING

- 8:30 p.m. **K. Discussion Item:** SoJo Station T.O.D. – RDA Loan Request. *(By City Commerce Director, Brian Preece and RDA Attorney J. Craig Smith)*

ADJOURN RDA MEETING AND RETURN TO CITY COUNCIL MEETING

- 8:45 p.m. **L. Reports and Comments:** *(Mayor, City Council, City Manager, and City Attorney)*

ADJOURNMENT

I, Anna M. West, the duly appointed and qualified City Recorder of South Jordan City, Utah, certify that the foregoing City Council Agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body. The agenda was also posted at the principal office of the public body and also posted on the Utah State Public Notice Website <http://www.utah.gov/pmn/index.html> and on South Jordan City's website at www.sjc.utah.gov .
Dated and posted Monday, December 5, 2016.

Anna M. West
Anna M. West, CMC
City Recorder

MINUTE APPROVAL - D.1. 11/14/16 COUNCIL STUDY MTG

SOUTH JORDAN CITY
CITY COUNCIL SPECIAL STUDY MEETING
OAK CONFERENCE ROOM

November 14, 2016

Present: Mayor David Alvord, Council Member Chris Rogers, Council Member Don Shelton, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Tamara Zander, CM Gary Whatcott, Deputy Police Chief Jason Knight, Fire Chief Andy Butler, Administrative Services Director Dustin Lewis, City Attorney Ryan Loose, City Commerce Director Brian Preece, Finance Director Sunil Naidu, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, Public Works Director Jason Rasmussen, IT Director Jon Day, City Recorder Anna West

Others: Mark Vlastic, Julie Holbrook

STUDY SESSION – 12Noon

Mayor Alvord thanked everyone for attending the Study Session. He noted that all Council Members are present as well as many members of staff.

A. Invocation: *By Council Member Patrick Harris*

Invocation was given by Council Member Patrick Harris.

B. Council Packet Review (*Calendaring, Topics, Future Agenda Items*)

Summary Action Items:

1. Resolution R2016-54, Accepting receipt of the 2016 South Jordan Parks, Recreation, community arts, trails, and open space master plan and forwarding the Plan to the Planning Commission for its review, analysis, and recommendation.

CM Whatcott said we have Mark Vlastic present to review the Master Plan for us.

Mark Vlastic, President of Landmark Designs. He said we have been working on this project since April. We will walk you through the plan (Attachment A). The purpose of the Plan is to update the existing plan and to look forward 10 years. We are looking at your existing Parks, Open Space, Trails, Arts, and Cultural Amenities as well as what your needs will be in the future for growth.

Mr. Vlastic said this Plan is divided into six chapters:

Page 3: Plan Organization

- Chapter 1: Introduction
- Chapter 2: Parks and Open spaces
- Chapter 3: Recreation and Arts Facilities

- Chapter 4: Trails
- Chapter 5: Acquisition and Construction Costs
- Chapter 6: Goals, Policies and Implementation Actions

Page 4: Summary of Public Involvement

- South Jordan Parks & Recreation Master Plan Survey done by Y2 Analytics
- Project Webpage/Social Media
- Advisory Committee – met 4 times
- Meetings with Key Staff - =/- met 12 times
- Focus Group Interviews (8 individuals or groups)
- Public Scoping Meetings (2 evenings) weren't well attended but interesting perspective
- Public Workshop – SoJo SummerFest Booth (2 evenings)
- Draft Plan Open House (upcoming) Plan will be presented in the next coming weeks.

Page 5: Community Profile – Quick Facts

Current population 66,600 – projected population to 120,000 at buildout.
Current Median Household Size 3.6 – projected to decrease to 3.0 at buildout

Page 6: Existing Parks & Open Space by Type & Amenities

Page 7: Seven Types of Parks & Open Space – Regional, Community, Neighborhood, Mini, Special Use, Detention Basins, and Natural Open Spaces

Page 8: S. Jordan Parks, Recreation, Community Arts, Trails, and Open Space Master Plan Map

Page 9: Existing Park Acres – Currently 742.5 acres (excludes SL County Parks, Special Use Parks, Detention Basins, and Natural open spaces.

Page 10: Level of Service for Parks – Currently 4.37 acres/1000; Future proposed 4.45 acres/1000 people

Page 11: Comparable Community Level of Service – South Jordan is 3rd for LOS at 4.4/1000 people

Mayor Alvord asked if greenspace and schools were included in the LOS. Mr. Vlastic said we assessed them and documented them but did not include them in the LOS because you don't control them.

Council Member Zander asked if the Welby Park is included in here. Mr. Vlastic said no; it is not included because it is a County Park and currently the City doesn't have a formal agreement with them. If we were to count Welby it would push the number up to about 6.

Page 12: Distribution Analysis – radius shows patterns of use within the City

Page 13: Filling Existing & Future Public Park Gaps – we recommend developing a 5-acre park in eastern part of city; develop 80-acres of active parks within Daybreak through buildout. Welby Regional Park will be 168 acres and will take up to 10 years to develop. No additional public parks are required to be acquired to meet future needs through buildout.

Page 14: Park Standards – Existing parks should be upgraded as necessary to meet the minimum requirements for amenities and features. Future Parks should be designed and developed from the outset with amenities and features that meet the standard.

Page 15: Diversify the Open Space Profile of the City – continue to focus on the Jordan River Parkway and Bingham Creek. The Master Plan includes a variety of tools to preserve agricultural land and similar “heritage” open spaces for the benefit of future generations.

Page 16: Analysis of Park & Recreation Needs at Daybreak – Did a very thorough analysis on Daybreak. We were concerned that the 80 acres would not be sufficient to meet the active park needs for the future. The level of service for Daybreak is higher than the rest of the city.

Page 17: Recreation & Community Arts/Facilities/Programs – there is a need for improved and expanded indoor recreation facilities, aquatics and fitness training. We recommend the existing South Jordan Fitness and Aquatics Center be expanded during the 10-year plan. It is also recommended that the development of a stand-alone senior center be considered and that the existing community center/senior center be transformed into a stand-alone community center in the long term.

Page 18 & 19: Existing & Future Trails – trails are highly valuable to the public. Current existing non-Daybreak trails 49.3 miles. Proposed additional non-Daybreak trails are 40.0 miles; Total of 89.3 miles.

Page 20: Acquisition & Construction Costs – there will be details included for all of the costs shown

Page 21: Goals, Policies and Action Plan – The Master Plan provides specific policy direction to help ensure the future parks, recreation facilities, open spaces, trails and art facilities are implemented as required to meet future needs. We have been working closely with Lewis Young on their Impact Fee and Level of Service to make sure that the Master Plan is integrated.

Mayor Alvord said this Item will go to the Planning Commission and then will come back to us for final adoption.

CM Whatcott said what you are voting on tomorrow is to accept their product that they finished so we can terminate the consultant’s agreement. Then we pass it on to the Planning Commission to further analyze it. Then it will come back again for final adoption and approval.

Summary Action Item:

2. Confirm decision made by City Council to not assume the maintenance of the park strip on the east side of Summer Heights Drive along the Cottages at the North District Development. (*By Development Services Director, Brad Klavano*)

CM Whatcott we are just asking for a formal vote on this item to solidify it.

Director Brad Klavano said Summer Heights Drive is not a collector street otherwise it would be a different deal.

Summary Action Item:

3. **Resolution R2016-78**, approving the authorization of the implementation of certain infrastructure improvement, maintenance and operation projects as budgeted in the 2016/2017 approved budget. *(By Administrative Services Director, Dustin Lewis)*

Administrative Services Director, Dustin Lewis, said these are just items that have already been approved in the budget and need your approval to move forward with them.

- G. Action Item:** **Resolution R2016-77**, appropriating \$43,809 from the Park Impact Fee account for the match on a grant to construct the Welby Canal Trail from South Jordan Parkway to 10200 South. *(By Development Services Director, Brad Klavano)*

Council Member Zander asked what type of product is used on the trail; is it concrete or asphalt.

Colby Hill said every single trail is asphalt; they are typically 8-10 feet wide.

CM Whatcott said this is the first Canal Trail we will be building. The reason we chose this one is because we have most of the right-of-ways. A lot of the other property lines go to the center of the canal which makes it harder to get right-of-way access. We went to the legislature back a few years ago and we ran a bill that gave immunity to the canal companies if they built a trail on there. This will be the first one and we got a grant for half of it.

Council Member Zander said Mr. Vlastic's comment about trails being very important to the public is spot on.

- H. Action Item:** **Resolution R2016-75**, authorizing the process to begin a phased approach to implement Mulligans Revitalization Plan formerly known as Staples Golf Plan B, increase marketing line item budget, and dissolve the Mulligans Commission. *(By Strategic Services Director, Don Tingey)*

Mayor Alvord asked Council Member Shelton how he thought the meeting should run with this item not being a public hearing.

Council Member Shelton said I envision Mr. Tingey will make the presentation and then we would make a motion and have some discussion. I am guessing there will be some public comment during the Citizen Comment period and we can respond to that at that time. I wasn't planning on doing a formal presentation but I could show the proformas if that would be helpful.

Mayor Alvord said it would be nice for you to present your vision for the Revitalization Plan and possible scenarios for funding that.

Council Member Shelton said could do that and I would really like to express my gratitude to Max Shoura and all of the Mulligan's Commission members for their time in studying this. I think it is important that we give them some direction. They have gone without direction for about two and a half years now and that is very unhealthy for any business. I would like to see the resolution pass as it stands and then we can figure out how we want the structure of the advisory board and all of those details. We have a lot of things to figure out still.

I. Public Hearing: Ordinance 2016-27, approving the vacation and relocation of the trail access easement in the West River Estates, Phase IV Subdivision. *(By City Planner, Greg Schindler)*

City Planner Greg Schindler said we did have some opposition at the Planning Commission meeting on this. The property owners of lot 408 had concerns about kids playing in the front yard and he will probably be there to oppose this. I think it should stay right where it is proposed.

J. Public Hearing: Ordinance 2016-28, approving a 15 foot wide secondary water easement and 30 foot wide snow easement vacation and relocation at 9663 South Spratling Elm Court. *(By City Planner Greg Schindler)*

City Planner Schindler said there is not controversy on this. The developer of the subdivision is looking at purchasing one or two of the lots to build his home on and wanted to adjust the lot lines to have the easement vacated and then re-established in a new location. He owns all of the lots so it should not be an issue.

City Attorney Loose said part of the reason you are seeing this is because by state law to vacate an easement that the city has needs to be done by the City Council.

City Planner Schindler said on both of these ordinances they were written so that the vacation doesn't take place until the new plat is recorded.

C. Presentation: V.O.C.A. *(By Police Chief, Jeff Carr)*

Deputy Police Chief, Jason Knight, said this is on our Victims of Crime Grant. He passed around a listing that shows the Victims served by type of victimization for the period of July 2016 to October 2016 (Attachment B). He said we have a legislative requirement to present this information to you.

Council Member Shelton asked how these numbers compare to last year.

Mr. Knight said I don't have those numbers with me. I could get them for you if you would like.

Mayor Alvord said we recently had an interesting election that affects our community. The School Bond passed and there were two schools for South Jordan included on that. Also, the County Recreation Parks Bond passed. He asked Mr. Tingey if that is a guarantee that Welby gets funding.

Don Tingey said they will issue the general obligation bond and we will have 12 million that will go towards the first phase of Welby. We will have to figure how to get the biggest bang for our buck with the funding we have.

Mayor Alvord asked the time frame for shovels to hit the dirt on this. Mr. Tingey said they will need to do construction drawings now. I heard they would start as soon as they heard everything was a go. They wanted to get the entire mass grading done first and that is a significant amount of money. It will probably be 4-6 months.

Council Member Zander asked if we can advocate for it to go faster.

CM Whatcott said we told them if you want our money in the mix then you are going to have to create a different body of authority than you have in the past. It can't just be a County run program.

D. Presentation: Parks and Recreation Master Plan Presentation. *(By Assoc.Dir., Colby Hill)*

This was done earlier in the meeting.

ADJOURNMENT

Council Member Rogers made a motion to adjourn. Council Member Marlor seconded the motion. The vote was unanimous in favor.

The November 14, 2016 City Council Special Study meeting adjourned at 1:20 p.m.

UNAPPROVED

MINUTE APPROVAL - D.2.: 11/15/16 CITY COUNCIL MEETING

SOUTH JORDAN CITY
CITY COUNCIL MEETING

November 15, 2016

Present: Mayor David Alvord, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, CM Gary Whatcott, Fire Chief Andrew Butler, Administrative Services Director Dustin Lewis, Public Works Director Jason Rasmussen, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, City Attorney Ryan Loose, City Commerce Director Brian Preece, Finance Director Sunil Naidu, IT Director Jon Day, Police Chief Jeff Carr, City Council Secretary MaryAnn Dean

Others: Attachment A

REGULAR MEETING

A. Welcome and Roll Call – *Mayor David Alvord*

Mayor Alvord welcomed everyone present. He noted that Council Member Zander is out sick and won't be at the meeting tonight. Council Member Harris will be arriving shortly.

B. Invocation

Council Member Marlor offered the invocation.

C. Pledge of Allegiance

Brewster Madison, pack 4544, led the audience in the Pledge of Allegiance.

Mayor Alvord recognized all scouts that were present.

D. Minute Approval

1. October 27, 2016 Strategic Planning Meeting
2. October 31, 2016 Council Study Meeting
3. November 1, 2016 City Council Meeting

Council Member Shelton made a motion to approve the October 27, 2016 Strategic Planning Meeting minutes, the October 31, 2016 Council Study Meeting minutes, and the November 1, 2016 City Council Meeting minutes, as printed. Council Member Rogers seconded the motion. The vote was 3-0 in favor.

E. Public Comment:

Halsten Preece, Herriman, said he plays at Mulligans Golf Course. He feels they could benefit from better customer service. He feels Mulligans will be profitable when they get the right people there. It is not about the owners, it is about the management. He said he would hate to see Mulligans vanquish. Mulligans serves the average person because it is affordable. He said the course is looking nice and has improved. The meadow has issues. He said he feels the issue is public service and marketing. They want kids to have a fun, safe, productive activity. He said golf teaches you to slow down and enjoy the moment. He said this is about families. He said they should make people there feel important and equal.

Jennifer Beohme, Treasurer of Save Mulligans, read a prepared statement (Attachment B).

Janalee Tobias, 1238 W. Jordan River Dr., concurred with the previous comments. She said the City wanted to lower the debt to save Mulligans. Adding additional debt would not be good. She said they should use the profits from Mulligans to phase in the maintenance. People still come to Mulligans, even with the deferred maintenance. People are happy that the City Council listened to them and kept Mulligans. She does not feel that there is a lot that needs to be done to make Mulligans profitable. She said they need to keep Mulligans affordable, and not burden Mulligans with more debt.

F. Summary Action Items:

1. Resolution R2016-54, Accepting receipt of the 2016 South Jordan Parks, Recreation, community arts, trails, and open space master plan and forwarding the Plan to the Planning Commission for its review, analysis, and recommendation. *(By Parks & Recreation Associate Director, Colby Hill)*
2. Confirm decision made by City Council to not assume the maintenance of the park strip on the east side of Summer Heights Drive along the Cottages at the North District Development. *(By Development Services Director, Brad Klavano)*
3. Resolution R2016-78, approving the authorization of the implementation of certain infrastructure improvement, maintenance and operation projects as budget in the 2016/2017 approved budget. *(By Administrative Services Director, Dustin Lewis)*

Mayor Alvord noted that the Summary Action items were previously discussed.

Council Member Rogers made a motion to approve Summary Action Items F.1., F.2., and F.3.. Council Member Marlor seconded the motion. The vote was 4-0 in favor.

- G. Action Item:** Resolution R2016-77, appropriating \$43,809 from the Park Impact Fee account for the match on a grant to construct the Welby Canal Trail from South Jordan Parkway to 10200 South. *(By Development Services Director, Brad Klavano)*

It was noted that this item was previously discussed.

Council Member Shelton made a motion to approve Resolution R2016-77. Council Member Harris seconded the motion. Roll call vote. The vote was unanimous in favor.

H. Action Item: Resolution R2016-75, authorizing the process to begin a phased approach to implement Mulligans Revitalization Plan formerly known as Staples Golf Plan B, increase marketing line item budget, and dissolve the Mulligans Commission.
(By Strategic Services Director, Don Tingey)

Strategic Services Director Tingey reviewed some of the background on the revitalization plan. The recommendation is that improvements to the property be done in phases. The plan also calls for an increase in marketing. The initial recommendation was \$125,000 for marketing. The current recommendation is \$25,000 to maintain and grow the market share. With that investment, they expect a 1.5% increase in revenues. They are also recommending dissolving the Mulligans Commission, and implementing an advisory board.

Council Member Shelton expressed gratitude for the people that served on the commission. He said it was a disciplined process to come to a recommendation to the City Council. The recommendation came from the best efforts of bright people in the city and nationally renowned experts in the golf industry. The recommendation of the commission is to do Plan B. He said it is unreasonable to believe that any kind of recreational facility can operate for 24 years without significant improvement. He said the City Council needs to set a direction for Mulligans. He believes this plan will make Mulligans an exciting and fun place. He feels it will re-energize participation at the property.

Council Member Shelton reviewed some features of Plan B. He noted a re-alignment of the driving range because of liability and safety issues. He said personally, he thinks safety netting is unattractive. He reviewed the proposal to add park space adjacent to the Jordan River trail. He said it would eliminate the par 3 course. The other course would be untouched for the foreseeable future. He reviewed a proposal for a putting course. The batting cages are proposed to be rebuilt. The anticipation at this time is that the putting green will be free. The proposal includes a club house with a double decker driving range. There would be opportunity for a winter driving range. They would also like to add another 18 holes of miniature golf, some inside and some outside. The entire plan is estimated for cost \$10.8 million. A market analyst estimated the property could sustain \$6.4 million in debt. He said the results of the Y2 survey showed that the residents wanted them to keep Mulligans, improve Mulligans, and not increase taxes in the process. This proposal does all three. If they did a general obligation (GO) bond, they would fail on the third part of that.

Council Member Shelton said they want to do a portion of the improvements, with a revenue bond, for \$6.4 million. They don't know for a fact what the costs will be. The next step would be to determine those costs, hire architects and engineers, and then go out for bid on the project. They won't know exactly what they will be able to do until next fall some time. He noted that the revenue from the par 3 course will be made up with the improved club house, increased people at the driving range, concessions, etc. The lost revenue on the par 3 course will be more than made

up. They anticipate that the fees to use the facility won't increase. Strategic Services Director Tingey concurred and said the proposed fees will remain pretty flat. They want to be market competitive but affordable.

Mayor Alvord said people appreciate that this facility is affordable, family friendly, and for beginners.

Mayor Alvord asked if they are going to have a natural boundary to the north or a net to keep golf balls from going onto the adjacent course? Council Member Shelton said there would be driving ranges on both the south and the north ends. It is a model used in other places. They can address any barriers as part of the construction process. The proposal is to have the new driving range longer than the current driving range.

Mayor Alvord said he would like some sort of commitment that the City Council will not use general fund money for Mulligans. Council Member Shelton said his intention is to not use general fund money. Council Member Rogers said he has no intention of using general fund money or increasing taxes for this. He said the golf revenues should sustain it. The data shows that it can sustain itself.

Council Member Harris said he can't agree that they won't use general fund money because he is not convinced that this will generate the extra revenue, as proposed. That is why they need to be careful how much they put into this project. It is a beginner course. He feels the proposal is over the top and drastic. He won't agree to this.

Council Member Marlor said he would give his thoughts after the motion.

Council Member Marlor asked if there is any intention of having any netting at all at Mulligans? This plan did not reflect it. Council Member Shelton said they can't say for a fact that no netting will be required. It may be needed while the trees are growing. He would not like netting long term.

Council Member Harris said if netting is needed, it is needed. He said he hopes they are not planning on trees in place of netting. Council Member Shelton said the golf course architect did not feel it was needed. It can be addressed when they get to the construction phase.

Council Member Harris asked why don't they put netting on the current par 3 rather than completely redoing it? That is an easy solution.

Council Member Shelton said they are looking to increase their market share. Just fixing what sits there now won't fix their market share. Council Member Harris said the netting would be a more cost effective solution. Council Member Shelton said it is one solution.

They discussed the difference between a general obligation (GO) bond and a revenue bond. CM Whatcott said the GO bond goes to a public vote to increase property taxes. A revenue bond is paid with numerous sources. In this case, fees from the golf course would be used to pay back

the revenue bond. Council Member Harris said when they do a revenue bond, the decision is made by the City Council. CM Whatcott said that is correct.

Council Member Harris asked if there was any consideration given that the proposed putting green could be so entertaining that it could cannibalize miniature golf since they can do the putting green for free? That would decrease one of the top revenue generators at Mulligans.

Council Member Shelton said the revenues were projected considering the entire plan, including the putting green. Strategic Services Director Tingey said the putting green could be free or they could charge for it. If it becomes so popular that it is affecting their business model, they can charge a fee. Council Member Harris said he thinks it is risky.

Mayor Alvord said he thinks they have two different uses; the putting greens are for improving your game and miniature golf is for entertainment. He said people using the putting green may also use the driving range. The uses are synergistic. Council Member Harris said the proposal is for a putting course.

Council Member Rogers said there is a putting course at the Sun Valley resort. They charge for it. It is excellent and difficult. He said it is a different activity than miniature golf. He concurred that they can charge if it is cannibalizing another activity.

Council Member Harris asked how much revenue is generated on the 9 hole course that is proposed to be removed? Council Member Shelton said they don't have the figures split out separate from the other golf course. Council Member Harris expressed concern that they are proposing to vote on a 9 hole course without knowing the revenue that will be lost. Council Member Shelton said when you consider the proposal as a whole, as outlined in the pro forma, it is a win.

Mayor Alvord said the course that is proposed to remain is the popular one. The meadow course is not as used. Doug Brown, golf pro at Mulligans, said the meadows course generates approximately \$20,000-\$30,000 in revenues annually. The executive course generates \$160,000-\$170,000 annually.

CM Whatcott said the pro forma shows that the rounds of golf will increase with the new layout over what both the par 3 and executive courses are doing together currently. They will receive more revenue than they will lose.

Council Member Marlor said they don't have all the answers yet. They don't even have all the questions yet. They need to decide to either move forward or not. They may come back and find out that they are unable to do all of the desired improvements. But from a procedure stand point, they need to decide to move forward, or not. He said Council Member Harris is always cautious and conservative with the finances, and he appreciates that.

Mayor Alvord said this is a plan to plan. It is proposing to hire an architect and study and debate the issue further. He said he wanted a commitment that golf would pay for golf. Based on the

expert's feedback, they feel fees won't go up and the golf will pay for itself. It could be a win for the city. They are not allocating money or committing to a bond. Council Member Shelton said some money will be allocated for engineers and architects. That will come from the Mulligans Enterprise fund. It is a step in the direction to see what they can afford for sure. Mayor Alvord said it would then go out to bid. That is another check point.

Council Member Shelton made a motion to approve Resolution R2016-75. Council Member Marlor seconded the motion.

Council Member Shelton said it makes a lot of sense to be conservative.

Council Member Marlor said his hope, preference, and the direction he thinks they should go is to do a revenue bond. Not a go bond.

Council Member Rogers said he is excited about the plan. He likes the proposed improvements and the outlined funding mechanism. He is not a fan of netting and would prefer to use trees in place of netting. He likes the phased approach. He concurred that this is a plan for a plan. The architects will give them more information. They need to further study the costs. The Resolution is about getting more information. The best way to fund this is with Mulligans own revenues. He believes this is headed in the right direction; there is still work to do. He wants more information.

Council Member Marlor thanked Council Member Shelton and the Mulligans Commission for their great work. He expressed appreciation for the public input that has been given. There is a great awareness and desire to keep Mulligans. He was on the City Council when they purchased Mulligans. It took some creativity to make that happen. It may take some creativity to make this happen. It has taken him a while to get on board with this plan. He has concluded that there are so many things to be done that if they are going to make this marketable and a great place to continue to provide recreation, they need to make some changes. He said the City Council and staff are guardians of the money spent. They need to make sure the plan is affordable and self-sustaining. This approach makes the most sense. This plan B addresses the concern he has which is maintaining the property as green space, open space and a recreation venue in perpetuity. He said this property is a park, a special purpose park.

Council Member Harris said it is not uncommon to see some balls from the driving range go on the golf course. He does not know if they will ever get to a point where they don't need netting at all. They are spending a lot of money to shift the course when they can just put up netting to protect it. He worries that the plan is a little over the top. He is also concerned at the current par 3 course is only generating \$20,000-\$30,000. He will be looking at the details and asking a lot of questions. If they do end up including a park, he requested that they include a cricket field. He said they should take a conservative approach. If they make a big investment, they need a big return. He expressed appreciation to Council Member Shelton for his work on this issue. They need to be smart about this; economic times can get hard.

Council Member Shelton said they need to make sure the cash flow is positive and the business sustains itself, so it never comes back to the City Council to be worried about supplementing the

business. He said another way to sustain it in perpetuity is to further endear the property to the residents that live here. This plan has the potential to accomplish both. He expressed his gratitude to the Save Mulligans group. The political pressure they brought allowed them to get where they are.

Council Member Harris said he will oppose this, but he is in favor of doing maintenance on Mulligans and investing in things that will have a positive return on their investment. This plan is too far out from what he thinks is reasonable.

Mayor Alvord said any business has to have good facilities and good people. When it is revitalized, they should consider group youth lessons, and unlock their potential as a teaching course. They should bring their customer service to a higher level. He said they could consider incentivizing managers and employees for bonuses, etc. just like it is done in business.

Roll call vote. The vote was 3-1 in favor, with Council Member Harris opposed and Council Member Zander absent.

- I. **Public Hearing: Ordinance 2016-27**, approving the vacation and relocation of the trail access easement in the West River Estates, Phase IV Subdivision. *(By City Planner, Greg Schindler)*

Damir Drozdek, Planner, reviewed the background information on this item.

Council Member Harris asked if this is the only place to do an access? Planner Drozdek said yes. On the north end, there is a house under construction.

Mayor Alvord opened the public hearing.

Colby Glazier, owner of adjacent property, asked if it was considered to alleviate the access point all together? There are other accesses ¼ mile to the north and ¼ mile to the south.

Todd Demeritz, applicant, said they waived all animals rights with the property. The adjacent homeowner will maintain the property. They are proposing a trex fence instead of rhino rock.

Guy Moore, said he utilizes the trail approximately 3 times a week. He is not sure why the access is needed if they have an access 4 houses to the north.

Chuck Newton, 3236 Cameron Park Ct., said every year they have done a survey in the city, people are interested in trails. They have been creating a system of trails. Asphalt trails are helpful for people who jog regularly. Doing this trail is an important aspect to make this a destination city.

Mayor Alvord closed the public hearing.

Planner Drozdek said the reason for the easement is to provide public access to the Jordan River trail, and also to put a storm drain line in this location. The easement is to access the storm drain line to clean it out. The storm drain easement will remain.

Development Services Director Klavano said the trail easement will be used to access the storm drain line. He noted that the subdivision plat was approved with both accesses. Staff feels the access should remain. It is needed for storm drain access.

The neighbors indicated that their concern is with strangers from the trail accessing their neighborhood. It was noted that parking for the trail is available at Shields Lane. Staff has received no complaints about parking relative to this trail.

Development Services Director Klavano indicated that they feel it is important to have access for the storm drain. The access point to the north is not ideal because of the potential for damage and conflict with walkers and joggers. He said if they put a truck on the trail, it shuts down the trail. There are also points where the trail narrows and they are concerned about damaging the trail. Public Works Director Rasmussen said they access the drain whenever it necessitates cleaning. He said access from the north is possible, but not ideal.

Mayor Alvord said he does not feel access from a trail to a neighborhood is hazardous. He is concerned about not being able to clean the storm drain.

Council Member Harris asked if a trail access to a neighborhood poses a safety concern? Police Chief Carr said no specific concerns have been brought to his attention. He would have to evaluate calls in the area.

Council Member Rogers made a motion to approve Ordinance 2016-27. Council Member Marlor seconded the motion. Roll call vote. The vote was 4-0 in favor.

J. Public Hearing: Ordinance 2016-28, approving a 15 foot wide secondary water easement and 30 foot wide snow easement vacation and relocation at 9663 South Spratling Elm Court. *(By City Planner Greg Schindler)*

Planner Drozdek reviewed the background information on this item.

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Council Member Harris made a motion to approve Ordinance 2016-28. Council Member Rogers seconded the motion. Roll call vote. The vote was 4-0 in favor.

K. Reports and Comments: *(Mayor, City Council, City Manager, and City Attorney)*

Mayor Alvord congratulated the Jordan School District on the passing of the bond. He said he feels the School District is stronger and more transparent. He noted that the parks bond also

passed and they found out that the County is going to work in earnest to get the Welby Park built. They hope to get something built there soon.

Council Member Shelton said he met with the Arts Council. The resident on display is Judge Clint Balmforth.

Council Member Shelton also noted the upcoming Sounds of the Season on December 3rd and Light the Night on December 2nd at 6:30 p.m.

Council Member Shelton recommended that they do a Resolution to express their condolences and regret to the West Valley police department for the loss of one of their officers. It was noted that Police Chief Carr and many South Jordan police officers attended the funeral. Police Chief Carr noted the incredible support there is for law enforcement in Utah. CM Whatcott will put together a Resolution.

Strategic Services Director Tingey said regarding the King Benjamin/Holland Park gate, there were 77 votes against it and 21 votes for it. The canvass will be done in a week. Staff can put together documents to revoke the Special Service District and remove the gate. He said 17 percent of the King Benjamin residents have not paid their first year assessment for the gate, and 32 percent of the residents in Holland Park did not pay their assessment. Staff will bring back the issue at a study session, with a recommendation on how to handle the issue of those that have not paid for the gate.

ADJOURNMENT

Council Member Shelton made a motion to adjourn. Council Member Marlor seconded the motion. The vote was 4-0 in favor.

The November 15, 2016 City Council meeting adjourned at 8:08 p.m.

MINUTE APPROVAL - D.3.: 11/22/16 SPECIAL CANVASS OF VOTES

SOUTH JORDAN CITY
CITY COUNCIL SPECIAL CANVASS OF VOTES MEETING
SPRUCE CONFERENCE ROOM
5:30 PM
November 22, 2016

Present: Council Member Brad Marlor, Council Member Don Shelton, Council Member Patrick Harris, CM Gary Whatcott, City Attorney Ryan Loose, COS Paul Cunningham, IS Director Jon Day, City Recorder Anna West

Electronic: Council Member Tamara Zander

Absent: Mayor David Alvord, Council Member Chris Rogers

**SPECIAL CANVASS OF VOTES MEETING
SPRUCE CONFERENCE ROOM – 5:30 PM**

5:30 P.M.
SPRUCE CONFERENCE ROOM

1. CALL TO ORDER

Council Member Shelton motioned to appoint Council Member Marlor as Mayor Pro Tempore for this meeting. Council Member Harris seconded the motion. Vote was unanimous 4-0 in favor. Council Member Zander voted by phone and Council Member Rogers was absent.

Mayor Pro Tem Marlor started the meeting. It was noted that Council Member Tamara Zander is attending electronically by phone.

Mayor Pro Tem Marlor said we have only one item on the Agenda and that is to convene as the Board of Canvassers and consider Resolution R2016-80 for adoption.

Council Member Harris motioned to convene as the Board of Canvassers. Council Member Shelton seconded the motion. Vote was unanimous. Council Member Zander voting yes by phone and Council Member Rogers was absent.

2. BUSINESS ITEMS

- a. Convene as the Board of Canvassers and approve Resolution 2016-80, Accepting and Adopting the Canvass of Votes Results of the 2016 General Election held November 8, 2016 regarding the King Benjamin Holland Park Gate SSD Tax Levy as shown on the (Exhibit A) Canvass Report Provided by Salt Lake County, Elections Division. *(By City Recorder Anna West)*

City Recorder Anna West distributed the Canvass of Votes Report (Exhibit A of the Resolution) that was received today from the Salt Lake County Elections Office. She said a copy of this signed resolution will be emailed back to the Salt Lake County Elections office upon adjournment of this meeting.

City Attorney Loose said this is a requirement to canvass the votes. If you have all reviewed the Exhibit A and are ready to vote you can do so now.

Mayor Pro Tem Marlor asked if there are any questions regarding the canvass information.

Council Member Shelton asked if anyone could speak to the Ballots by mail not accepted that is shown on the Canvass Stats sheet.

City Recorder Anna West said that is information provided by Salt Lake County but is not a document to be used to consider the Canvass of Votes. She said she could contact Salt Lake County to get that information from them if needed.

City Attorney Ryan Loose said I need it to be known that this resolution is regarding the SSD Tax Levy only. Any actions regarding the gate will be a separate issue.

Council Member Shelton said we did make it very clear that a no vote meant taking out the gate.

City Attorney Loose said that is correct. In the last meeting when I brought it up during Reports and Comments the Council reiterated that opinion and asked Gary and I to bring it back on a work session to outline what we need to do to get to that point and we are preparing that.

Mayor Pro Tem Marlor said unless there is further discussion, I would accept a motion on the resolution.

Council Member Harris made a motion to approve Resolution R2016-80, Accepting and Adopting the Canvass of Votes Results of the 2016 General Election held November 8, 2016 regarding the King Benjamin Holland Park Gate SSD Tax Levy as shown on the (Exhibit A) Canvass Report Provided by Salt Lake County Elections Division. Council Member Shelton seconded the motion. Roll Call Vote was 4-0 in favor. Council Member Zander voted by phone and Council Member Rogers was absent.

3. REMARKS

None

Council Member Shelton motioned to adjourn. Council Member Harris seconded the motion. Vote was unanimous in favor. Council Member Zander voted by phone and Council Member Rogers was absent.

ADJOURNMENT

The November 22, 2016 Special City Council Canvass of Votes meeting adjourned at 5:40 p.m.

Meeting minutes prepared by City Recorder Anna West

OFFICIAL ELECTION RESULTS
2016 GENERAL ELECTION
SALT LAKE COUNTY, UTAH
ELECTION SUMMARY REPORT

Date:11/22/16
Time:12:55:44
Page:1 of 1

Registered Voters 510397 - Cards Cast 125 0.02%

Num. Report Precinct 829

Tax Levy for SS District		Total	
Number of Precincts		1	
Times Counted	125/140	89.3	%
Total Votes		122	
AGAINST THE TAX LEVY		92	75.41%
FOR THE TAX LEVY		30	24.59%

ACTION ITEM - G: R2016-81 DESIGNATING VISITING JUDGES

RESOLUTION R2016 - 81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, DESIGNATING VISITING JUDGES.

WHEREAS, Utah Constitution Article VIII, Section 1 vests judicial power in the courts including courts that the Utah Legislature establishes by statute; and

WHEREAS, Utah Code 78A-7-101 and 102 created justice courts and authorized municipalities to establish a justice court; and

WHEREAS, the City of South Jordan has established a justice court, the "South Jordan Justice Court" and employs a justice court judge, the "Judge; and

WHEREAS, Occasions arise due to conflicts of interest, necessary absences of the Judge, or in the instance of a vacancy of the Judge, when a visiting or temporary judge is needed; and

WHEREAS, the South Jordan City Council finds that designating visiting or temporary judges, who, as judges in other jurisdictions, are authorized to perform the duties of the Judge in the South Jordan Justice Court when needed, is in the best interest of the health, safety, and welfare of the residents of the City of South Jordan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Designation. Any judge authorized to preside in a Justice Court in the Utah Third Judicial District is hereby designated as visiting or temporary judges in the South Jordan City Justice Court in the event of a conflict, absence, or vacancy of the South Jordan Justice Court Judge.

SECTION 2. Effective Date. This Resolution shall become effective immediately upon passage.

APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS _____ DAY OF _____, 2016 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Bradley Marlor	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Christopher Rogers	_____	_____	_____	_____

Mayor: _____
David L. Alvord

Attest: _____
City Recorder

Approved as to form:



Office of the City Attorney

PUBLIC HEARING - H: R2016-74 SALES TAX REVENUE AND
REFUNDING BONDS, SERIES 2017

RESOLUTION R2016-74

City of South Jordan, Utah

December 6, 2016

The City Council (the “Council”) of the City of South Jordan, Utah, met in regular public session at the regular meeting place of the Council in South Jordan, Utah, on Tuesday, December 6, 2016, at the hour of 6:00 p.m., with the following members of the Council being present:

David Alvord	Mayor
Patrick Harris	Councilmember
Brad Marlor	Councilmember
Donald Shelton	Councilmember
Christopher Rogers	Councilmember
Tamara Zander	Councilmember

Also present:

Gary Whatcott	City Manager
Anna West	City Recorder
Sunil Naidu	Chief Financial Officer
Ryan Loose	City Attorney

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this December 6, 2016, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. R2016-74

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH (THE "ISSUER"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$21,500,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE AND REFUNDING BONDS, SERIES 2017; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF AN INDENTURE, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the Issuer desires to (a) finance all or a portion of the costs of acquisition and construction of an addition to City Hall for public safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements (the "Series 2017 Project"), (b) refund certain outstanding sales tax revenue bonds of the Issuer, (c) fund any necessary debt service reserve funds, and (d) pay costs of issuance with respect to the Series 2017 Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Sales Tax Revenue and Refunding Bonds, Series 2017 (the "Series 2017 Bonds") (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Bond Act") and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Refunding Bond Act" and collectively with the Bond Act, the "Act"), (b) this Resolution, and (c) a General Indenture of Trust (the "General Indenture"), and a Supplemental Indenture (the "Supplemental Indenture" and together with the General Indenture, the "Indenture"), with such Indenture in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit B; and

WHEREAS, the Bond Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2017 Bonds, including a notice of bonds to be issued, in compliance with the Bond Act; and

WHEREAS, the Refunding Bond Act provides that an issuing entity may give notice of its intent to issue bonds under the Refunding Bond Act; and

WHEREAS, there has been presented to the Council at this meeting a form of a bond purchase agreement (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit C to be entered into between the Issuer and the underwriter or the purchaser (the “Underwriter/Purchaser”) selected by the Issuer for any portion of the Series 2017 Bonds; and

WHEREAS, in the event that the Designated Officers (defined below) determine that it is in the best interests of the Issuer to publicly offer all or a portion of the Series 2017 Bonds, the Issuer desires to authorize the use and distribution of one or more of a Preliminary Official Statement (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit D, and to approve one or more of a final Official Statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto; and

WHEREAS, in order to allow the Issuer flexibility in setting the pricing date of the Series 2017 Bonds to optimize debt service costs to the Issuer, the Council desires to grant to any one of the Mayor or Mayor pro tem (collectively, the “Mayor”), the City Manager, or the Chief Financial Officer (collectively, the “Designated Officers”), the authority to (a) determine whether all or a portion of the Series 2017 Bonds should be sold pursuant to a private placement or a public offering; (b) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2017 Bonds shall be sold; and (c) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”);

NOW, THEREFORE, it is hereby resolved by the City Council of the City of South Jordan, Utah, as follows:

Section 1. For the purpose of (a) financing the Series 2017 Project, (b) funding a deposit to a debt service reserve fund, if necessary, and (c) paying costs of issuance of the Series 2017 Bonds, the Issuer hereby authorizes the issuance of the Series 2017 Bonds which shall be designated “City of South Jordan, Utah Sales Tax Revenue and Refunding Bonds, Series 2017” (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer) in

the aggregate principal amount of not to exceed \$21,500,000. The Series 2017 Bonds shall mature in not more than twenty-five (25) years from their date or dates, shall be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, shall bear interest at a rate or rates of not to exceed five and one-half percent (5.50%) per annum, as shall be approved by the Designated Officers, all within the Parameters set forth herein.

Section 2. The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2017 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The selection of the method of sale, the selection of the Underwriter/Purchaser and the determination of the final terms and redemption provisions for the Series 2017 Bonds by the Designated Officers shall be evidenced by the execution of the Bond Purchase Agreement if the Series 2017 Bonds are sold at a private or negotiated underwriting sale in substantially the form attached hereto as Exhibit C. The form of the Bond Purchase Agreement are hereby authorized, approved and confirmed

Section 3. The Indenture and the Bond Purchase Agreement in substantially the forms presented to this meeting and attached hereto as Exhibits B and C, respectively, are hereby authorized, approved, and confirmed. The Mayor and City Recorder are hereby authorized to execute and deliver the Indenture and the Designated Officers are hereby authorized to execute and deliver the Bond Purchase Agreement in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, with final terms as may be established by the Designated Officers within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 5 hereof. The Designated Officers are hereby authorized to select the Underwriter/Purchaser.

Section 4. Should the Designated Officers determine to have the Series 2017 Bonds underwritten, the Issuer hereby authorizes the utilization of the Preliminary Official Statement in the form attached hereto as Exhibit D in the marketing of the Series 2017 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement. The Mayor is hereby authorized to execute the Official Statement evidencing its approval by the Issuer.

Section 5. The Designated Officers or other appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Preliminary Official Statement, the Official Statement, the Series 2017 Bonds, the Bond Purchase Agreement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2017 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Council or the provisions of the laws of the State of Utah or the United States.

Section 6. The form, terms, and provisions of the Series 2017 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor and the City Recorder are hereby authorized and directed to execute and seal the Series 2017 Bonds and to deliver said Series 2017 Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution.

Section 7. The Designated Officers or other appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2017 Bonds in accordance with the provisions of the Indenture.

Section 8. Upon their issuance, the Series 2017 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2017 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2017 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer or its taxing powers.

Section 9. The Designated Officers and other appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents and other papers (including, without limitation, any escrow agreement permitted under the Indenture and tax compliance procedures) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 10. After the Series 2017 Bonds are delivered by the Trustee to the Underwriter/Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2017 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 11. The Issuer shall hold a public hearing on January 3, 2017 to receive input from the public with respect to (a) the issuance of the Series 2017 Bonds issued under the Bond Act, and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2017 Bonds issued under the Bond Act will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is first published and such publication shall be made (i) once a week for two consecutive weeks in The Salt Lake Tribune and the Deseret News, newspapers of general circulation in the Issuer, (ii) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended, and (iii) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the City of South Jordan offices, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the last date of the newspaper publication

thereof. The Issuer directs its officers and staff to publish a “Notice of Public Hearing and Bonds to be Issued” in substantially the following form:

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Bond Act”), and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Refunding Bond Act” and collectively with the Bond Act, the “Act”), that on December 6, 2016, the City Council (the “Council”) of the City of South Jordan, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Sales Tax Revenue and Refunding Bonds, Series 2017 (the “Series 2017 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing to receive input from the public with respect to (a) the issuance of that portion of the Series 2017 Bonds issued under the Bond Act and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2017 Bonds issued under the Bond Act may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on January 3, 2017, at the hour of 6:00 p.m. at 1600 West Towne Center Drive, South Jordan, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of that portion of the Series 2017 Bonds issued under the Bond Act and (b) any potential economic impact that the Project to be financed with the proceeds of that portion of the Series 2017 Bonds issued under the Bond Act may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2017 BONDS

The Series 2017 Bonds will be issued for the purpose of (a) financing all or a portion of the costs of acquisition and construction of an addition to City Hall for public safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements (the “Series 2017 Project”), (b) refunding all or a portion of the Issuer’s outstanding sales tax revenue bonds (the “Refunded Bonds”) in order to achieve a debt service savings, (c) funding any debt service reserve funds, as necessary, and (d) paying costs of issuance of the Series 2017 Bonds.

PARAMETERS OF THE SERIES 2017 BONDS

The Issuer intends to issue the Series 2017 Bonds in the aggregate principal amount of not more than Twenty-One Million Five Hundred Thousand Dollars (\$21,500,000), to mature in not more than twenty-five (25) years from their date or dates, to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five and one-half percent (5.50%) per annum. The Series 2017 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General and a Supplemental Indenture (together, the “Indenture”) which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture is

to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2017 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2017 Bonds for any reason and at any time up to the issuance of the Series 2017 Bonds.

EXCISE TAXES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge all or any portion of the revenues produced by local sales and use and excise taxes levied by the Issuer and legally permitted to be used for the 2017 Project (the "Revenues").

OUTSTANDING BONDS SECURED BY PLEDGED TAXES

The Issuer currently has \$13,920,000 of parity bonds outstanding secured by the Revenues \$8,880,000 of which are anticipated to be refunded with the proposed Series 2017 Bonds, along with \$12,000,000 for new projects, for an estimated total outstanding par of \$25,920,000 once the Series 2017 Bonds are issued.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <http://secure.utah.gov/auditor-search/>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Sunil Naidu, Chief Financial Officer at (801) 254-3742.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2017 Bonds to be issued under the Bond Act to finance the Project, if held until maturity, is \$27,236,000.

A copy of the Resolution and the Indenture are on file in the office of the City of South Jordan City Recorder, 1600 West Towne Center Drive, South Jordan, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2017 Bonds), or the Series 2017 Bonds, or any provision made for the security and payment of the Series 2017 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever and (ii) registered voters within the City of South Jordan, Utah may sign a written petition requesting an election to authorize the issuance of the Series 2017 Bonds. If written petitions which have been signed by at least 20% of the registered voters of the City of South Jordan, Utah are filed with the Issuer during said 30-day

period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2017 Bonds. If fewer than 20% of the registered voters of the City of South Jordan, Utah file a written petition during said 30-day period, the Issuer may proceed to issue the Series 2017 Bonds without an election.

DATED this December 6, 2016.

/s/Anna West
City Recorder

Section 12. The Issuer hereby reserves the right to opt not to issue the Series 2017 Bonds for any reason, including without limitation, consideration of the opinions expressed at the public hearing.

Section 13. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

Section 14. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Series 2017 Project. The Series 2017 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2017 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$12,000,000.

APPROVED AND ADOPTED this December 6, 2016.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Anna West, the duly appointed and qualified City Recorder of the City of South Jordan, Utah (the "City"), do hereby certify according to the records of the City Council of the City (the "City Council") in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on December 6, 2016, including a resolution (the "Resolution") adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on December 6, 2016, and pursuant to the Resolution, there was published a Notice of Public Hearing and Bonds to be Issued no less than fourteen (14) days before the public hearing date: (a) once a week for two consecutive weeks in The Salt Lake Tribune and the Deseret News, newspapers having general circulation within the City, the affidavit of which publication will be attached upon availability, (b) on the Utah Public Notice Website created under Section 63F-1-701, Utah Code Annotated 1953, as amended and (c) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this December 6, 2016.

(SEAL)

By: _____
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Anna West, the undersigned City Recorder of the City of South Jordan, Utah (the "City"), do hereby certify, according to the records of the City in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the December 6, 2016, public meeting held by the City Council of the City (the "City Council") as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the City on December ____, 2016, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Salt Lake Tribune and the Deseret News on December ____, 2016, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2016 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) was given specifying the date, time, and place of the regular meetings of the City Council to be held during the year, by causing said Notice to be (a) posted on _____, at the principal office of the City Council, (b) provided to at least one newspaper of general circulation within the City on _____, and (c) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this December 6, 2016.

(SEAL)

By: _____
City Recorder

SCHEDULE 1
NOTICE OF MEETING

SCHEDULE 2

ANNUAL MEETING SCHEDULE

(attach Proof of Publication of
Notice of Public Hearing and Bonds to be Issued)

EXHIBIT B

FORM OF INDENTURE

(See Transcript Document No. ____)

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

(See Transcript Document No. ____)

EXHIBIT D

FORM OF PRELIMINARY OFFICIAL STATEMENT

(See Transcript Document No. ____)

BOND PURCHASE CONTRACT

\$ _____
City of South Jordan, Utah
Sales Tax Revenue and Refunding Bonds,
Series 2017

_____, 2017

City of South Jordan
1600 West Towne Center
South Jordan, Utah 84095

The undersigned, George K. Baum & Company, as the underwriter of the hereinafter defined Series 2017 Bonds (the "Underwriter"), acting on behalf of the Underwriter and not as fiduciary or agent for you, offer to enter into this Bond Purchase Contract (the "Purchase Contract") with City of South Jordan, Utah (the "Issuer") which, upon the acceptance by the Issuer of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter.

This offer is made subject to your acceptance and approval on or before 11:59 p.m. Utah Time, on the date hereof. Terms not otherwise defined herein shall have the same meanings as are set forth in the hereinafter referred to Official Statement.

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1. (a) On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Underwriter hereby agrees to purchase, and the Issuer hereby agrees to sell to the Underwriter, all, but not less than all, of the Issuer's \$ _____ aggregate principal amount of Sales Tax Revenue and Refunding Bonds, Series 2017 (the "Series 2017 Bonds"), at a purchase price of \$ _____ (representing the principal amount of the Series 2017 Bonds, plus a [net] reoffering premium of \$ _____ and less an Underwriter's discount of \$ _____) plus accrued interest, if any, from their dated date to the Closing Date (as hereinafter defined). The Series 2017 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Schedule A hereto.

(b) The Series 2017 Bonds shall be as described in the Official Statement dated _____, 2017, of the Issuer relating to the Series 2017 Bonds (together with all appendices thereto, the "Official Statement"), shall be issued and secured under and pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Bond Act"), the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953,

as amended (the “Refunding Bond Act” and collectively with the Bond Act, the “Act”), and other applicable provisions of law; (ii) a General Indenture of Trust dated as of December 1, 2001 (the “General Indenture”), as heretofore supplemented and amended, and as further supplemented and amended by a Fourth Supplemental Indenture of Trust dated as of _____, 2017 (the “Fourth Supplemental Indenture” and together with the General Indenture, the “Indenture”) each by and between the Issuer and ZB, National Association, as trustee (the “Trustee”); and all as authorized pursuant to a resolution adopted by the City Council of the Issuer on December 6, 2016 (the “Resolution”). The Series 2017 Bonds are payable from and secured solely by Local Sales and Use Tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended, and all funds (other than the Rebate Fund) established by the Indenture. The Series 2017 Bonds are being issued pursuant to the Resolution, the Indenture, and the Act.

(c) The Issuer has previously issued and has outstanding under the Indenture its Sales Tax Revenue Refunding Bonds, Series 2006 (the “Series 2006 Bonds”) and its Sales Tax Revenue Bonds, Series 2008 (the “Series 2008 Bonds”). A portion of the proceeds from the Series 2017 Bonds will be used to refund all of the outstanding the Series 2006 Bonds (the “Refunded Bonds”).

(d) The Series 2008 Bonds (sometimes referred to herein as the “Outstanding Parity Obligations”) are payable from and secured by a lien on the Revenues on a parity with the lien of the Series 2017 Bonds.

(e) The Series 2017 Bonds are being issued for the purpose of (i) financing [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public safety, a City Hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements; (ii) refunding the Refunded Bonds; [(iii) funding a debt service reserve fund]; and (iv) paying costs of issuance with respect to the Series 2017 Bonds.

(f) The Indenture, the Series 2017 Bonds, the Resolution, and the Continuing Disclosure Undertaking (defined below), and this Purchase Contract are sometimes referred to collectively herein as the “Transaction Documents.”

(g) The Underwriter agrees to make an initial public offering of the Series 2017 Bonds at the offering prices or yields set forth on the inside front cover page of the Official Statement. The Underwriter may, however, change such initial offering prices or yields as it may deem necessary in connection with the marketing of the Series 2017 Bonds and offer and sell the Series 2017 Bonds to certain dealers (including dealers depositing the Series 2017 Bonds into investment trusts) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market

prices of the Series 2017 Bonds and (ii) to discontinue such transactions, if commenced, at any time without prior notice.

Section 1.2. (a) By acceptance and approval of this Purchase Contract, the Issuer hereby authorizes the use of copies of the Official Statement. The Issuer hereby agrees to provide to the Underwriter within seven (7) business days of the date hereof sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board. The Issuer has heretofore “deemed final” the Preliminary Official Statement dated _____, 2017, and relating to the Series 2017 Bonds (the “Preliminary Official Statement”) for purposes of paragraph (b)(1) of Rule 15c2-12 and the Issuer acknowledges and ratifies the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Series 2017 Bonds.

(b) In order to assist the Underwriter in complying with paragraph (b)(5) of Rule 15c2-12, the Issuer will undertake, pursuant to a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”), to be dated as of the Closing Date to provide annual reports and notices of certain events. A form of the Continuing Disclosure Undertaking is set forth as Appendix D to the Preliminary Official Statement and will also be set forth as Appendix D to the Official Statement.

Section 1.3. At approximately 9:00 a.m., Utah time, on _____, 2017, or on such later date as shall be agreed upon in writing by the Issuer and the Underwriter (the “Closing Date”), the Issuer will cause the Series 2017 Bonds to be delivered to or for the account of the Underwriter in definitive form, duly executed and authenticated, at such place designated by the Underwriter and will deliver to the Underwriter the other documents herein mentioned at the offices of [Bond Counsel], or such other location as may be mutually agreed upon by the Issuer and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Series 2017 Bonds as set forth in paragraph 1.1(a) hereof by wire transfer, payable in federal funds or other immediately available funds to the order of the Trustee (such delivery and payment are herein called the “Closing”). The Series 2017 Bonds shall be initially issued in the form of one fully registered Bond for each maturity of the Series 2017 Bonds, shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), and shall be made available to DTC or its agent for the account of the Underwriter in New York, New York (or such other place designated by the Underwriter).

ARTICLE II

REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF ISSUER

By its acceptance hereof, the Issuer represents and warrants to and covenants with the Underwriter that:

Section 2.1. The Issuer is a political subdivision and body politic duly organized and existing under the laws of the State of Utah with full power and authority to consummate the transactions contemplated by the Transaction Documents, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein.

Section 2.2. The City Council of the Issuer has duly adopted the Resolution, has duly authorized and approved the execution and distribution of the Preliminary Official Statement and the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Transaction Documents and, as of the Closing Date, each will be in full force and effect and, as of the Closing Date, neither the Resolution nor any of the Transaction Documents will have been amended, supplemented, rescinded, repealed or otherwise modified except with the approval of the Underwriter.

Section 2.3. The adoption of the Resolution, the execution and delivery of the Transaction Documents, the compliance by the Issuer with the provisions of any or all of the foregoing documents, and the application of the proceeds of the Series 2017 Bonds for the purposes described in the Official Statement do not and will not conflict with or result in the material breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the Issuer is a party or by which the Issuer or any of its property is or may be bound.

Section 2.4. The Issuer has duly authorized all necessary action to be taken by it for the adoption of the Resolution; the issuance and sale of the Series 2017 Bonds by the Issuer upon the terms and conditions set forth herein, in the Official Statement, and the Transaction Documents; and the execution, delivery and receipt of the Transaction Documents, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement, including but not limited to such certifications as may be necessary to establish and preserve the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds.

Section 2.5. Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Issuer or others (a) affecting the existence of the Issuer or the titles of its officers to their respective offices; (b) seeking to

prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2017 Bonds or the revenues or assets of the Issuer mortgaged, appropriated, encumbered or pledged pursuant to the Indenture; (c) in any way contesting or affecting the validity or enforceability of the Series 2017 Bonds or any of the Transaction Documents or the transactions contemplated thereby; (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (e) contesting the powers of the Issuer or any authority for the issuance of the Series 2017 Bonds or the execution and delivery of any of the Transaction Documents.

Section 2.6. When delivered to and paid by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, the Series 2017 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding special limited obligations of the Issuer in conformity with, and entitled to the benefit and security of the Indenture on a parity with the Outstanding Parity Obligations.

Section 2.7. The Issuer is not in breach of or in default under any material existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is bound; and the execution and delivery of the Series 2017 Bonds, the Transaction Documents, and this Purchase Contract, and compliance with the provisions thereof, will not conflict with or constitute a material breach or a default under any law, administrative regulation, judgment, decree, loan agreement, mortgage, indenture, deed of trust, note, resolution, agreement or other instrument to which the Issuer or its property is or may be bound.

Section 2.8. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under the Transaction Documents, or which could have a material adverse effect on the financial condition of the Issuer, receipt by the Issuer of the Revenues, or the transactions contemplated by the Transaction Documents, or have a material adverse effect on the validity or enforceability in accordance with their respective terms of the Transaction Documents or this Purchase Contract or in any way adversely affect the existence or any powers of the Issuer or the titles of its officers to their respective positions or the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds.

Section 2.9. The information contained in the Preliminary Official Statement was, as of its date, and will be, as of the Closing Date, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided to the Issuer in writing by the Underwriter and included on the inside front cover page of the Preliminary Official Statement or the Official Statement

regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2017 Bonds or (y) statements in the Preliminary Official Statement or the Official Statement under the captions “THE SERIES 2017 BONDS—Book-Entry Only System,” “UNDERWRITING,” “APPENDIX F.”

Section 2.10. The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2017 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Transaction Documents.

Section 2.11. The Issuer hereby authorizes the use of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2017 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2017 Bonds.

Section 2.12. The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the Series 2017 Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Series 2017 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The Issuer hereby consents to the use of the Official Statement by the Underwriter in obtaining such qualification.

Section 2.13. If between the date of this Purchase Contract and 25 days following the “end of the underwriting period” (which the Issuer can assume is the Closing Date unless otherwise notified in writing by the Underwriter) any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, the Issuer shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the Issuer at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2017 Bonds.

Section 2.14. When executed by the respective parties thereto, this Purchase Contract and the Transaction Documents will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms except that the rights and obligations under the Transaction Documents, and this Purchase Contract are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of Utah.

Section 2.15. The Issuer has complied, and will at the Closing be in compliance in all respects, with the obligations on its part contained in the Transaction Documents and this Purchase Contract and any and all other agreements relating thereto.

Section 2.16. Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Underwriter at or before the Closing shall constitute a representation, warranty, or agreement by the Issuer upon which the Underwriter shall be entitled to rely.

Section 2.17. With the exception of the Refunded Bonds and the Outstanding Parity Obligations, the Issuer has not otherwise pledged or assigned the Revenues other than to secure and pay the Series 2017 Bonds and the Series 2017 Bonds enjoy a first lien and pledge on the Revenues on a parity with the Outstanding Parity Obligations.

Section 2.18. The Issuer has never failed to pay principal and interest when due on any of its bonded indebtedness or other obligations nor has the Issuer ever failed to appropriate sufficient amounts to timely pay any of its lease obligations;

Section 2.19. The Issuer's audited financial statements as of, and for the year ended, June 30, 2015, copies of which have heretofore been delivered to the Underwriter, present fairly the financial position of the Issuer at June 30, 2016, and the results of its operations and changes in financial position for the years then ended; any other statements and data submitted in writing by the Issuer to the Underwriter in connection with this Purchase Contract are true and correct in all material respects as of their respective dates; except as described in the Official Statement and except as otherwise disclosed by the Issuer to the Underwriter, since June 30, 2016, there has been no material adverse change in the condition, financial or otherwise, of the Issuer from that set forth in the audited financial statements as of and for the year ended that date, and the Issuer has not since June 30, 2016, incurred any material liabilities, directly or indirectly, whether or not arising in the ordinary course of its operations;

Section 2.20. Any instances of non-compliance by the Issuer within the last five years with each undertaking it has entered into pursuant to Rule 15c2-12, have been properly disclosed by the Issuer in the Preliminary Official Statement and the Official Statement.

Section 2.21. The Issuer will not take or omit to take any action that will in any way cause the proceeds from the sale of the Series 2017 Bonds to be applied or result in such proceeds being applied in a manner inconsistent the Indenture;

ARTICLE III

UNDERWRITERS' CONDITIONS

Section 3.1. The Underwriter has entered into this Purchase Contract in reliance upon the performance by the Issuer of its obligations hereunder. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) At the time of Closing for the Series 2017 Bonds, (1) the Transaction Documents shall be in full force and effect and shall not have been revoked, rescinded, repealed, amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter, and (2) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(b) The Underwriter may terminate their obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing Date:

(i) (A) Legislation shall have been enacted by the Congress, introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (C) an order, ruling, regulation, or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for federal income tax purposes of interest to be received by any owners of the Series 2017 Bonds; or

(ii) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Underwriter, has the effect of requiring the offer or sale of the Series 2017 Bonds to be registered under the Securities Act or any other "security," as defined in the Securities Act, issued in connection with or as part of the

issuance of the Series 2017 Bonds to be so registered or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or any event shall have occurred or shall exist which, in the reasonable judgment of the Underwriter, makes or has made untrue or incorrect in any respect any statement or information contained in the Official Statement or is not or was not reflected in the Official Statement but should be or should have been reflected therein in order to make the statements or information contained therein not misleading in any material respect; or

(iii) In the reasonable judgment of the Underwriter, it is impractical or inadvisable for the Underwriter to market or sell or enforce agreements to sell Series 2017 Bonds because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal or the State of Utah authorities or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, or (B) the State of Utah shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Series 2017 Bonds, including any action relating to the tax status of the Series 2017 Bonds under federal or Utah law as set forth in the opinion of Bond Counsel attached as Appendix E to the Official Statement, or (C) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise; or (D) a war involving the United States of America shall have been declared or any other conflict involving the armed forces of the United States of America has escalated, in either case to such a magnitude as to materially adversely affect the Underwriter' ability to market the Series 2017 Bonds; (E) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or Utah or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or

(iv) Any financial rating assigned to the Series 2017 Bonds or any other obligations of the Issuer by S&P Global Ratings ("S&P"), Fitch Ratings, Inc. ("Fitch"), or Moody's Investors Service, Inc. ("Moody's"), as the case may be, shall have been downgraded, withdrawn, or any other action taken, and such action, in the opinion of the Underwriter, has a material adverse effect on the marketability of the Series 2017 Bonds; or

(v) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2017 Bonds, (B) in any way contesting or affecting any authority for or the validity of the Series 2017 Bonds, any of the proceedings of the Issuer or

the Trustee taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Series 2017 Bonds, or (C) in any way contesting or affecting the existence or powers of the Issuer or the Trustee or the titles of their officers to their respective offices; or

(vi) Any other event or circumstances shall have occurred which shall be beyond the reasonable control of the Underwriter and, in the opinion of the Underwriter, might in any way have a material adverse effect on the marketability of the Series 2017 Bonds.

(c) At or prior to the Closing, the Underwriter shall receive the following:

(i) The approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the Closing Date, in substantially the form attached as Appendix E to the Official Statement;

(ii) The supplemental opinion of Gilmore & Bell, P.C., dated the Closing Date and addressed to the Underwriter, in standard form for similar transactions;

(iii) The opinion of the office of the City Attorney, as counsel for the Issuer, in standard form for similar transactions and satisfactory to Bond Counsel and the Underwriter;

(iv) The Issuer's certificate, dated the Closing Date, signed by the Mayor of the Issuer and the City Recorder of the Issuer and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the Issuer (i) to restrain or enjoin the issuance or delivery of any of the Series 2017 Bonds, the refunding of the Refunded Bonds, or the collection of Revenues pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2017 Bonds or the adoption of the Resolution or the execution and delivery of the Transaction Documents, the validity or enforceability of the Series 2017 Bonds and the Transaction Documents, or the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds, (iii) questioning or challenging any power of the Issuer, including its ability to levy taxes, or (iv) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (v) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the Revenues or the pledge of the Revenues, or of other

moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Resolution; (C) the descriptions and information contained in the Official Statement relating to the Issuer, its organization and financial and other affairs, and the application of the proceeds of sale of the Series 2017 Bonds are correct in all material respects, as of the date of the Official Statement and as of the Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Resolution authorizing the execution and delivery of the Transaction Documents has been duly adopted and have not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(v) Copies of each of the Resolution and the Transaction Documents, duly executed by each of the parties thereto;

(vi) Copies of the Tax Certificate of the Issuer, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds, including the use of proceeds of sale of the Series 2017 Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(vii) Copies of the Preliminary Official Statement and copies of the Official Statement executed on behalf of the Issuer by the Mayor of the Issuer;

(viii) Evidence satisfactory to the Underwriter that the Series 2017 Bonds have received a rating of “_____” by _____;

(ix) All documents, certificates and opinions required by the Indenture; and

(x) Such additional legal opinions, certificates, instruments and other documents as the Underwriter or Bond Counsel may reasonably request.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter, and the Underwriter shall have the right to waive any condition set forth in this Section.

ARTICLE IV

EXPENSES

All expenses and costs in connection with the authorization, issuance and sale of the Series 2017 Bonds to the Underwriter, including rating agency fees, the costs of printing the Official Statement and the Preliminary Official Statement, advertising costs, the initial fees of the Trustee in connection with the issuance of the Series 2017 Bonds, the fees and expenses of Bond Counsel, the fees and expenses of counsel to the Issuer, the Issuer’s municipal advisor, and travel and other expenses shall be costs and expenses of the Issuer and shall be paid by the Issuer.

ARTICLE V

GENERAL

Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to the Underwriter, George K. Baum & Company, 15 West South Temple, Suite 1090, Salt Lake City, Utah 84101, Attention: Matt Dugdale. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to City of South Jordan, Utah, 1600 West Towne Center, South Jordan, Utah 84095, Attention: Mayor, with a copy thereof to Issuer’s counsel, Ryan Loose, Esq., 1600 West Towne Center, South Jordan, Utah 84095. The approval or other action or exercise of judgment by the Underwriter shall be evidenced by a writing signed on behalf of the Underwriter and delivered to the Issuer.

This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and

effect and shall survive delivery of and payment of the Series 2017 Bonds hereunder and regardless of any investigation made by the Underwriter or on their behalf.

This Purchase Contract shall be governed by the laws of the State of Utah.

This Purchase Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2017 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, each Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer, (iii) the Underwriter have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter have provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter are not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), (v) the Issuer consulted its own legal, financial and other advisors to the extent it deemed appropriate in connection with the offering of the Series 2017 Bonds, and (vi) the Issuer has received from George K. Baum & Company its letter dated _____, 2016, addressed to the Issuer concerning such Underwriter's disclosure obligations relating to the Series 2017 Bonds under MSRB Rule G-17 and the Issuer on _____, 2016, acknowledged receipt of such letter. The Issuer has retained Lewis Young Robertson and Burningham, Inc. as its Independent Registered Municipal Advisor in this transaction.

This Purchase Contract contains the entire agreement between the parties relating to the subject matter hereof, and all previous representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof are superseded hereby.

This Purchase Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

This Purchase Contract shall become effective upon the execution by George K. Baum & Company and the acceptance hereof by the Issuer.

Very truly yours,

GEORGE K. BAUM & COMPANY

By: _____

Its: _____

CITY OF SOUTH JORDAN, UTAH

By: _____
Mayor

ATTEST:

By: _____
City Recorder

(SEAL)

SCHEDULE A

\$ _____

City of South Jordan, Utah
Sales Tax Revenue and Refunding Bonds,
Series 2017

<u>Maturity Date</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
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FOURTH SUPPLEMENTAL INDENTURE OF TRUST

Dated as of _____, 2017

between

CITY OF SOUTH JORDAN, UTAH,
as Issuer

and

ZB, NATIONAL ASSOCIATION,
(formerly known as Zions First National Bank)
as Trustee

and supplementing

General Indenture of Trust
Dated as of December 1, 2001

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FOURTH SUPPLEMENTAL INDENTURE OF TRUST

This Fourth Supplemental Indenture of Trust, dated as of _____, 2017, by and between the City of South Jordan, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the “Issuer”) and ZB, National Association (formerly known as Zions First National Bank), a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts, as trustee (the “Trustee”);

W I T N E S S E T H:

WHEREAS, the Issuer has entered into a General Indenture of Trust dated as of December 1, 2001 (the “General Indenture”) with the Trustee; and

WHEREAS, pursuant to the General Indenture, as previously amended and supplemented, the Issuer has issued its Sales Tax Revenue Refunding Bonds, Series 2006 (the “Series 2006 Bonds”); and

WHEREAS, the Issuer desires to issue a series of bonds for the purpose of (i) refunding a portion of the Series 2006 Bonds (the “Refunded Bonds”), (ii) {funding a debt service reserve fund] and (iii) paying issuance expenses to be incurred in connection with the issuance and sale of the Series 2017 Bonds (as hereinafter defined); and

WHEREAS, pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Act”), the Issuer has authority to issue bonds for the purposes set forth above; and

WHEREAS, in order to accomplish the purposes set forth above, the Issuer has determined to issue its Sales Tax Revenue Refunding Bonds, Series 2017 in the aggregate principal amount of \$_____ (the “Series 2017 Bonds”); and

WHEREAS, based upon the information available to the Issuer, the Revenues (as defined in the General Indenture) will be sufficient to pay the debt service on the outstanding Bonds of the Issuer, including the Series 2017 Bonds, and shall not at any one time exceed an amount for which the average annual installments of principal and interest will exceed 80% of the Revenues received by the Issuer during its fiscal year immediately preceding the fiscal year in which the Series 2017 Bonds will be issued; and

WHEREAS, the Issuer will certify that all requirements of the Indenture for the issuance of Additional Bonds have been met and complied with; and

WHEREAS, the Series 2017 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this Fourth Supplemental Indenture (the “Fourth Supplemental Indenture,” collectively with the General Indenture, and any amendments thereto or hereto, the “Indenture”); and

WHEREAS, the execution and delivery of the Series 2017 Bonds and of this Fourth Supplemental Indenture have in all respects been duly authorized and all things

necessary to make the Series 2017 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Fourth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS FOURTH SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2017 Bonds, the Parity Bonds and all Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds, to secure the Security Instrument Issuers of Security Instruments for any Bonds, and of all Reserve Instrument Providers of Reserve Instruments for any Bonds, and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time, and the issuance of Reserve Instruments by Reserve Instrument Providers, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Fourth Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto ZB, National Association, as Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, as amended and supplemented, all right, title and interest of the Issuer in and to (i) the Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds;

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and related Security Instrument Issuers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distribution as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Fourth Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

“Dated Date” means, with respect to the Series 2017 Bonds, the date of delivery of the Series 2017 Bonds.

“Escrow Agent” means ZB, National Association, as Escrow Agent under the Escrow Agreement.

“Escrow Agreement” means the Escrow Deposit Agreement dated as of _____, 2017, by and between the Escrow Agent and the Issuer and relating to the Refunded Bonds.

“Interest Payment Date” means, with respect to the Series 2017 Bonds, each _____ and _____, commencing _____.

“Outstanding Parity Bonds” means the Issuer’s Sales Tax Revenue, Series 2008.

“Regular Record Date” means the fifteenth day immediately preceding each Interest Payment Date.

“Refunded Bonds” means the City of South Jordan, Utah Sales Tax Revenue Bonds, Series 2006 maturing on and after _____.

“Series 2017 Bonds” means the Issuer’s \$ _____ Sales Tax Revenue Refunding Bonds, Series 2017 herein authorized.

“[Series 2017 Debt Service Reserve Account” means an account established within the Debt Service Reserve Fund established under the General Indenture held in trust by the Trustee, into which the Issuer may be obligated to deposit the Debt Service Reserve Requirement, if any, pursuant to Section 3.2 below].

“Underwriter” means _____.

ARTICLE II

ISSUANCE OF THE SERIES 2017 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2017 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) refund the Refunded Bonds, [ii fund a debt service reserve fund] and (ii) pay costs incurred in connection with the issuance of the Series 2017 Bonds. The Series 2017 Bonds shall be limited to \$_____ in aggregate principal amount, shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2017 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Sales Tax Revenue Refunding Bonds, Series 2017."

Section 2.2 Date, Maturities and Interest. The Series 2017 Bonds shall be dated as of the Dated Date, and shall mature on _____ in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2017 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date, at the rates per annum as set forth below:

Due (_____)	<u>Principal</u>	Interest <u>Rate</u>
----------------	------------------	-------------------------

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3 Optional Redemption. The Series 2017 Bonds maturing on or before _____, 20__, are not subject to optional redemption prior to maturity. The Series 2017 Bonds maturing on or after _____, 20__, are subject to redemption at the option of the Issuer on _____, 20__ and on any date thereafter prior to maturity, in such order of maturity as shall be directed by the Issuer and by lot within each maturity, in whole or in part, at a redemption price equal to 100% of the principal amount of the Series 2017 Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

Section 2.4 Partial Redemption. In case any registered Series 2017 Bond shall be redeemed in part only, upon the presentation of such Series 2017 Bond for such partial redemption, the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Series 2017 Bond or Series 2017 Bonds of the same interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Series 2017 Bond. A portion of any Series 2017 Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple thereof and in selecting portions of such Series 2017 Bonds for redemption, the Trustee will treat each such Series 2017 Bond as representing that number of Series 2017 Bonds of such \$5,000 denomination which is obtained by dividing the principal amount of such Series 2017 Bonds by such \$5,000 denomination.

Section 2.5 Execution of Bonds. The Mayor is hereby authorized to execute by facsimile or manual signature the Series 2017 Bonds and the City Recorder to countersign by facsimile or manual signature the Series 2017 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2017 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2017 Bonds.

Section 2.6 Delivery of Bonds. The Series 2017 Bonds, when executed, registered, and authenticated as provided herein and by law, shall be delivered by the Issuer to the Underwriter upon receiving full payment therefor in accordance with the Bond Purchase Agreement between the Issuer and the Underwriter to purchase the Series 2017 Bonds.

Section 2.7 Designation of Registrar. ZB, National Association, Corporate Trust Department is hereby designated as Registrar for the Series 2017 Bonds, which approval shall be evidenced by a written acceptance from the Registrar.

Section 2.8 Designation of Paying Agent. ZB, National Association, Corporate Trust Department, Salt Lake City, Utah, is hereby designated as Paying Agent for the Series 2017 Bonds, which approval shall be evidenced by a written acceptance from the Paying Agent.

Section 2.9 Limited Obligation. The Series 2017 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Series 2017 Bond proceeds or other funds created hereunder or under the Indenture or the income from the temporary investment thereof).

Section 2.10 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2017 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-28, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Revenues.

Section 2.11 Book-Entry System.

(a) Except as provided in paragraphs (b) and (c) of this Section 2.11 the Registered Owner of all Series 2017 Bonds shall be, and the Series 2017 Bonds shall be registered in the name of Cede & Co. (“Cede”), as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to paragraph (c)(ii) of this Section 2.11, “DTC”). Payment of the interest on any Series 2017 Bond shall be made in accordance with the provisions of this Fourth Supplemental Indenture to the account of Cede on the Interest Payment Dates for the Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2017 Bonds shall be initially issued in the form of a separate, single, fully-registered Bond in the amount of each separately stated maturity of the Series 2017 Bonds. Upon initial issuance, the ownership of each such Series 2017 Bond shall be registered in the registration books of the Issuer kept by the Registrar, in the name of Cede, as nominee of DTC. With respect to Series 2017 Bonds so registered in the name of Cede, the Issuer, Registrar and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Series 2017 Bonds. Without limiting the immediately preceding sentence, the Issuer, Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series 2017 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2017 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or

interest on, any of the Series 2017 Bonds. The Issuer, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, absolute owner of each Series 2017 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each Series 2017 Bond, (2) giving notices of redemption and other matters with respect to such Series 2017 Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2017 Bonds are registered in the name of Cede & Co., the Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2017 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.11, no person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of principal or redemption price of, and interest on, any such Bond pursuant to this Fourth Supplemental Indenture. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Fourth Supplemental Indenture, the word "Cede" in this Fourth Supplemental Indenture shall refer to such new nominee of DTC.

Except as provided in paragraph (c)(ii) of this Section 2.11, and notwithstanding any other provisions of this Fourth Supplemental Indenture, the Series 2017 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2017 Bonds at any time by giving written notice to the Issuer, the Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2017 Bonds under applicable law.

(ii) The Issuer, in its sole discretion and without the consent of any other person, may, by notice to the Registrar, terminate the services of DTC with respect to the Series 2017 Bonds if the Issuer determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the beneficial owners of the Series 2017 Bonds or the Issuer; and the Issuer shall, by notice to the Registrar, terminate the services of DTC with respect to the Series 2017 Bonds upon receipt by the Issuer, the Registrar, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Series 2017 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2017 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2017 Bonds be registered in the

registration books kept by the Registrar in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Series 2017 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2017 Bonds pursuant to subsection (c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2017 Bonds pursuant to subsection (c)(i) or subsection (c)(ii)(1) hereof the Issuer may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Issuer, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2017 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. In such event, the Issuer shall execute and the Registrar shall authenticate Series 2017 Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Series 2017 Bonds.

(iv) Notwithstanding any other provision of this Fourth Supplemental Indenture to the contrary, so long as any Series 2017 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series 2017 Bond and all notices with respect to such Series 2017 Bond shall be made and given, respectively, to DTC.

(v) In connection with any notice or other communication to be provided to Holders of Series 2017 Bonds registered in the name of Cede pursuant to this Fourth Supplemental Indenture by the Issuer or the Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

ARTICLE III

APPLICATION OF PROCEEDS

Section 3.1 Application of Proceeds of Series 2017 Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2017 Bonds in the amount of \$_____, being the par amount of the Series 2017 Bonds, plus a reoffering premium of \$_____, and less an Underwriter's discount of \$_____, which amount the Trustee shall apply as follows:

(a) \$_____ shall be deposited with the Escrow Agent, sufficient, together with investment earnings thereon, to pay principal of and interest on and to otherwise redeem the Refunded Bonds as described in Section 3.5 hereof; and

(a) \$_____ shall be deposited into the Series 2017 Cost of Issuance Account and used to pay costs of issuance.

Section 3.2 Debt Service Reserve Requirement. [For purposes of the Series 2017 Bonds, there is no Debt Service Reserve Requirement. However, in the event that the Revenues for any fiscal year are less than 200% of the Aggregate Annual Debt Service Requirement on all Bonds Outstanding under the Indenture for such fiscal year, the Issuer shall deposit Revenues to the Series 2017 Debt Service Reserve Account of the Debt Service Reserve Fund in an aggregate amount equal to the Debt Service Reserve Requirement (as defined in the General Indenture based upon the remaining outstanding Series 2017 Bonds) over the next twelve (12) months in substantially equal payments (commencing with the fourth month following the end of such fiscal year). Such aggregate amount shall thereafter constitute the Debt Service Reserve Requirement for the Series 2017 Bonds, until such time as the Revenues for any subsequent fiscal year are greater than 200% of the Aggregate Annual Debt Service Requirement on all Bonds Outstanding under the Indenture for such fiscal year. In such event, the Trustee shall release all moneys in the Series 2017 Debt Service Reserve Account to the Issuer to use for any lawful purpose and at the Issuer's complete discretion. The Trustee shall be under no obligation to investigate or verify the amount of Revenues for any fiscal year for purposes of this Section 3.2.]

Section 3.3 Creation of Series 2017 Cost of Issuance Account. There is hereby established with the Trustee a Series 2017 Cost of Issuance Account.

Section 3.4 Disbursements from Series 2017 Cost of Issuance Account. Costs of issuance in the amount of \$_____ shall be paid by the Trustee from the Series 2017 Cost of Issuance Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit B attached hereto. Any unexpended balance remaining in the Series 2017 Cost of Issuance Account 60 days after delivery of the Series 2017 Bonds shall be transferred to the Bond Fund for the Series 2017 Bonds.

Section 3.5 Redemption of Refunded Bonds. Upon the issuance of the Series 2017 Bonds, proceeds of the Series 2017 Bonds referenced in Section 3.1(a) herein shall be deposited into the account established with the Escrow Agent pursuant to the Escrow Agreement, which shall be used on _____, 20__, to redeem, at a redemption price of par plus accrued interest, if any, the Refunded Bonds in the aggregate principal amount of \$_____. Said amount is sufficient, including investment earnings thereon, to redeem and retire the Refunded Bonds on said date. The Issuer hereby irrevocably instructs the Trustee, to cause a notice of redemption to be delivered with respect to the Refunded Bonds in compliance with the provisions of the Indenture and the Escrow Agreement.

Section 3.6 Series 2017 Bonds as Additional Bonds. The Series 2017 Bonds are issued as Additional Bonds under the Indenture. The Issuer hereby certifies that the requirements set forth in Section 2.13 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2017 Bonds.

ARTICLE IV

CONFIRMATION OF GENERAL INDENTURE

As supplemented and amended by this Fourth Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture, and this Fourth Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Fourth Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Confirmation of Sale of Series 2017 Bonds. The sale of the Series 2017 Bonds to the Underwriter at a price of \$_____ is hereby ratified, confirmed and approved.

Section 4.2 Headings for Convenience Only. The descriptive headings in this Fourth Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 4.3 Counterparts. This Fourth Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when so executed and delivered, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Fourth Supplemental Indenture of Trust to be executed as of the date first above written.

CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: _____
Mayor

COUNTERSIGN:

City Recorder

ZB, NATIONAL ASSOCIATION, as
Trustee

By: _____

Title: _____

EXHIBIT A

(FORM OF SERIES 2017 BOND)

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
CITY OF SOUTH JORDAN, UTAH
SALES TAX REVENUE REFUNDING BONDS
SERIES 2017

Number R - 1 \$ _____

Interest Rate Maturity Date Dated Date CUSIP
_____ %

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS*****

City of South Jordan, Utah (“Issuer”), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on _____ and _____ of each year commencing _____, 2017, until said Principal Amount is paid. Principal and premium, if any, shall be due and payable upon surrender of this Bond, or as otherwise provided under Section 2.5 of the Indenture, as defined below, at the designated office of ZB, National Association (“Trustee” and “Paying Agent”) or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at its address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, (or by wire transfer to the Registered Owner of a minimum aggregate amount of \$1,000,000 at the wire transfer address provided by such Registered Owner to the Trustee not later than the Regular Record Date for such payment) or at such other address as is furnished to the Paying Agent in writing by such Registered Owner.

Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

This Bond is one of an issue of Bonds (the "Series 2017 Bonds") in the aggregate principal amount of \$_____ of like tenor and effect, numbered R-1 and upwards, issued by the Issuer pursuant to a General Indenture of Trust, dated as of December 1, 2001, as previously amended and supplemented, and as further supplemented by a Fourth Supplemental Indenture of Trust dated as of _____, 2017, each by and between the Issuer and the Trustee, (collectively the "Indenture") approved by resolution adopted on December 4, 2016, (the "Bond Resolution") for the purpose of financing all or a portion of the costs of (i) refunding a portion of the Issuer's outstanding Sales Tax Revenue Bonds, Series 2006 (the "Refunded Bonds") [(ii) funding a debt service reserve fund] and (iii) paying issuance expenses to be incurred in connection with the issuance and sale of the Bonds, all in full conformity with the Constitution and laws of the State of Utah. Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated the "City of South Jordan, Utah Sales Tax Revenue Bond Fund" (the "Bond Fund"), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Revenues as defined in and more fully described and provided in the Indenture.

The Series 2017 Bonds shall be payable only from the Revenues and shall not constitute a general indebtedness or pledge of the full faith and credit of the Issuer, within the meaning of any constitutional or statutory provision or limitation of indebtedness.

As provided in the Indenture, additional bonds, notes and other obligations of the Issuer may be issued and secured on an equal lien parity with the Series 2017 Bonds, from time to time in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations issued and to be issued under the Indenture is not limited.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2017 Bonds, the terms upon which the Series 2017 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on the initially issued Series 2017 Bonds and on all Series 2017 Bonds authenticated prior to the first Interest Payment Date, shall accrue from the Dated Date specified above. Interest on the Series 2017 Bonds authenticated on or subsequent to the first Interest Payment Date, shall accrue from the Interest Payment Date next preceding

their date of authentication, or if authenticated on an Interest Payment Date as of that date; provided, however, that if interest on the Series 2017 Bonds shall be in default, interest on the Series 2017 Bonds issued in exchange for Series 2017 Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Series 2017 Bonds surrendered.

The Series 2017 Bonds are subject to optional redemption prior to maturity as described in the Indenture.

This Series 2017 Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the Principal Corporate Trust Offices of ZB, National Association (the "Registrar"), but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Series 2017 Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither Issuer nor Paying Agent shall be affected by any notice to the contrary.

This Series 2017 Bond is issued under and pursuant to the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, and this Series 2017 Bond does not constitute a general obligation indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. The issuance of the Series 2017 Bonds shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for their payment.

The Issuer covenants and agrees that, within the limits provided by law, it will cause to be collected and accounted for sufficient Revenues as defined in the Indenture as will at all times be sufficient to pay promptly the principal of and interest on this Series 2017 Bond and the issue of which it forms a part and to make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

IN ACCORDANCE WITH SECTION 11-14-307(3), UTAH CODE ANNOTATED 1953, AS AMENDED, THE STATE OF UTAH HEREBY PLEDGES AND AGREES WITH THE HOLDERS OF THE SERIES 2017 BONDS THAT IT WILL NOT ALTER, IMPAIR OR LIMIT THE REVENUES IN A MANNER THAT REDUCES THE AMOUNTS TO BE REBATED TO THE ISSUER WHICH ARE DEVOTED OR PLEDGED AS AUTHORIZED IN SECTION 11-14-307, UTAH CODE ANNOTATED 1953, AS AMENDED, UNTIL THE SERIES 2017 BONDS, TOGETHER WITH APPLICABLE INTEREST THEREON, ARE FULLY MET AND DISCHARGED; PROVIDED, HOWEVER, THAT NOTHING SHALL PRECLUDE SUCH ALTERATION, IMPAIRMENT OR LIMITATION IF AND WHEN

ADEQUATE PROVISION SHALL BE MADE BY LAW FOR PROTECTION OF THE HOLDERS OF THE SERIES 2017 BONDS.

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Series 2017 Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Series 2017 Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Series 2017 Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Bonds of which this Series 2017 Bond is one and all bonds issued on a parity with this Series 2017 Bond.

This Series 2017 Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Series 2017 Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Series 2017 Bond to be signed by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Recorder under its corporate seal or a facsimile thereof.

(SEAL)

(facsimile or manual signature)

Mayor

COUNTERSIGN:

(facsimile or manual signature)

City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Sales Tax Revenue Refunding Bonds, Series 2017 of the City of South Jordan, Utah.

ZB, NATIONAL ASSOCIATION, as
Trustee

By: _____
(Manual Signature)
Authorized Officer

Date of Authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto:

(Social Security or Other Identifying Number of Assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature: _____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

- TEN COM – as tenants in common
- TEN ENT – as tenants by the entireties
- JT TEN – as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____
(Cust.)

Custodian for _____
(Minor)

under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the above list.

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

ZB, National Association
Corporate Trust Department
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

Pursuant to Section 3.4 of the Fourth Supplemental Indenture of Trust dated as of _____, 2017, you are hereby authorized to pay to the following costs of issuance from the Series 2017 Costs of Issuance Account:

[See Attached Schedule]

AUTHORIZED REPRESENTATIVE,
CITY OF SOUTH JORDAN, UTAH

Costs of Issuance

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
--------------	----------------	---------------

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017**NEW ISSUE—Book-Entry-Only Form**

**Ratings: [S&P “_____”]
[Fitch “_____”]
(See “BOND RATINGS” herein.)**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income tax, assuming continuing compliance with the requirements of the federal tax laws. Interest on the Series 2017 Bonds is not a preference item for purposes of either individual or corporate federal alternative minimum tax (“AMT”); however, interest paid to corporate holders of the Series 2017 Bonds may be indirectly subject to AMT under circumstances described under “TAX MATTERS” herein. Bond Counsel is also of the opinion that interest on the Series 2017 Bonds is exempt from State of Utah individual income taxes under currently existing law. See “TAX MATTERS” herein.

\$ _____ *

**CITY OF SOUTH JORDAN, UTAH
SALES TAX REVENUE AND REFUNDING BONDS,
SERIES 2017**

Dated: Date of Initial Delivery

Due: August 15, as shown on the inside cover

The \$ _____ * Sales Tax Revenue and Refunding Bonds, Series 2017 are issued as fully registered bonds, and when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Series 2017 Bonds. Purchases of Series 2017 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2017 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2017 Bonds. Interest on the Series 2017 Bonds is payable on February 15 and August 15 of each year, commencing [August 15, 2017], by ZB, National Association, as Paying Agent, all as more fully described herein. Payment of the principal of and interest on such Series 2017 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2017 BONDS—Book-Entry-Only System” herein.

The Series 2017 Bonds are subject to [optional] [and] [mandatory sinking fund redemption] prior to maturity. See “THE SERIES 2017 BONDS—Redemption Provisions” herein.

The proceeds of the Series 2017 Bonds will be used by the City for the purpose of (a) financing [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public safety, a City Hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements; (b) refunding a portion of the City’s outstanding sales tax revenue bonds in order to achieve a debt service savings; [(c) funding a debt service reserve fund;] and (d) paying costs of issuance of the Series 2017 Bonds.

The Series 2017 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and certain funds and accounts pledged therefor in the Indenture between the City and ZB, National Association, as Trustee. The Revenues consist of the Pledged Sales and Use Taxes. No assurance can be given that the Revenues will remain sufficient for the payment of the principal of or interest on the Series 2017 Bonds, and the City is limited by Utah law in its ability to increase the rate of the Pledged Sales and Use Taxes. See “RISK FACTORS” herein. The Series 2017 Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. The City will not mortgage or grant any security interest in the improvements refinanced with the proceeds of the Series 2017 Bonds or any portion thereof to secure payment of the Series 2017 Bonds. See “SECURITY FOR THE BONDS” herein.

The Series 2017 Bonds are offered when, as and if issued by the City and subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the City. [Certain matters relating to disclosure will be passed upon by Gilmore & Bell, P.C., Disclosure Counsel to the City]. Certain legal matters will be passed upon for the City by Ryan Loose, Esq., City Attorney. It is expected that the Series 2017 Bonds, in book-entry-only form, will be available for delivery to DTC or its agent on or about _____, 2017.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used on this cover page and not otherwise defined shall have the meanings assigned to such terms in the body of this Official Statement. This Official Statement is dated _____, 2017, and the information contained herein speaks only as of that date.

George K. Baum & Company

* Preliminary; subject to change.

\$ _____*
CITY OF SOUTH JORDAN, UTAH
SALES TAX REVENUE AND REFUNDING BONDS,
SERIES 2017

MATURITIES, AMOUNTS, INTEREST RATES, AND PRICES OR YIELDS

<u>Due</u> <u>(August 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
				83854R ____

[\$ _____ % Term Bond Due August 15, 20 ____; Price ____%; CUSIP No. _____**]

* Preliminary; subject to change.

** The above-referenced CUSIP number(s) have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2017 Bonds. None of the City, the Trustee or the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the particular Series 2017 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017 Bond as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

The information set forth herein has been obtained from the City, DTC, and other sources that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City, or in any other information contained herein since the date hereof.

No dealer, broker, salesman or any other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the Series 2017 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

All inquiries relating to this Official Statement and the offering contemplated herein should be directed to the Underwriter. Prospective investors may obtain additional information from the Underwriter or the City which they may reasonably require in connection with the decision to purchase any of the Series 2017 Bonds from the Underwriter.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as “plan,” “expect,” “estimate,” “project,” “budget” or other similar words. Forward-looking statements are included in the Official Statement under the captions “INTRODUCTION,” “SECURITY FOR THE BONDS,” “ESTIMATED SOURCES AND USES OF FUNDS,” “FINANCIAL INFORMATION REGARDING THE CITY,” and “RISK FACTORS.” The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The yields at which the Series 2017 Bonds are offered to the public may vary from the initial reoffering yields on the inside front cover page of this Official Statement. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect market prices of the Series 2017 Bonds. Such transactions, if commenced, may be discontinued at any time.

THE SERIES 2017 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE SERIES 2017 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2017 Bonds.

\$ _____ *

**CITY OF SOUTH JORDAN, UTAH
SALES TAX REVENUE AND REFUNDING BONDS,
SERIES 2017**

**1600 West Towne Center
South Jordan, Utah 84095
(801) 254-3472**

CITY COUNCIL

Mayor David Alvord
Councilmember Patrick Harris
Councilmember Brad Marlor
Councilmember Christopher Rogers
Councilmember Donald Shelton
Councilmember Tamara Zander

CITY ADMINISTRATION

City Manager Gary Whatcott
Chief Financial Officer Sunil K. Naidu
City Attorney Ryan Loose
City Recorder Anna West
City Treasurer Nick Geer

TRUSTEE, PAYING AGENT, AND REGISTRAR

ZB, National Association
One South Main, 12th Floor
Salt Lake City, Utah 84133
(801) 524-4803

MUNICIPAL ADVISOR

Lewis Young Robertson & Burningham, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700

BOND AND DISCLOSURE COUNSEL

Gilmore & Bell, P.C.

Salt Lake City, Utah 84101
(801) 531-3000

UNDERWRITER

George K. Baum & Company
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(801) 538-0351

* Preliminary; subject to change.

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OFFICIAL STATEMENT

RELATING TO

\$ _____ *

**CITY OF SOUTH JORDAN, UTAH
SALES TAX REVENUE AND REFUNDING BONDS,
SERIES 2017**

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by the City of South Jordan, Utah (the “City”) of its \$ _____ * Sales Tax Revenue and Refunding Bonds, Series 2017 (the “Series 2017 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Series 2017 Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016; APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE; APPENDIX C—ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY; APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING; APPENDIX E—FORM OF OPINION OF BOND COUNSEL; and APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY-ONLY SYSTEM.

The City

The City, incorporated in 1935, covers an area of approximately 21.8 square miles and is located in the southwest portion of Salt Lake County, Utah (the “County”). The U.S. Census Bureau estimated the City’s 2015 population as 66,648. For additional information regarding the City, see “THE CITY”; “FINANCIAL INFORMATION REGARDING THE CITY”; “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016”; and “APPENDIX C—ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY” herein.

Authorization and Purpose of the Bonds

The Series 2017 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Bond Act”), the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Refunding Bond Act” and collectively with the Bond Act, the “Act”), and other applicable provisions of law; (ii) a resolution adopted by the City Council of the City (the “City Council”) on December 6, 2016 (the “Resolution”); and (iii) a General Indenture of Trust dated as of December 1, 2001 (the “General Indenture”), as heretofore supplemented and amended, and as further supplemented and amended by a Fourth Supplemental Indenture of Trust dated as of _____, 2017 (the “Fourth Supplemental Indenture” and together with the General Indenture, the “Indenture”) each by and between the City and ZB, National Association, as trustee (the “Trustee”).

The proceeds from the sale of the Series 2017 Bonds will be used by the City for the purpose of (a) financing [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public

* Preliminary; subject to change.

safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements (collectively, the “Series 2017 Project”); (b) refunding a portion of the City’s outstanding sales tax revenue bonds in order to achieve a debt service savings; [(c) funding a debt service reserve fund;] and (d) paying costs of issuance of the Series 2017 Bonds. See “THE 2017 PROJECT,” “PLAN OF REFUNDING,” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

Security and Source of Payment

The Series 2017 Bonds are special limited obligations of the City, payable solely from and secured solely by a pledge of the hereinafter defined Revenues, monies, securities and certain funds and accounts pledged therefor in the Indenture. “Revenues” consist of 100% of the revenues received by the City from the local sales and use tax (the “Pledged Sales and Use Taxes”) levied by the City pursuant to the Utah Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended. No assurance can be given that the Revenues will remain sufficient for the payment of the principal or interest on the Series 2017 Bonds and the City is limited by Utah law in its ability to increase the rate of the Pledged Sales and Use Taxes. See “RISK FACTORS” herein. The Series 2017 Bonds do not constitute a general obligation indebtedness, a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State of Utah (the “State”) or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2017 Bonds or any portion thereof to secure payment of the Series 2017 Bonds. See “SECURITY FOR THE BONDS” herein.

Pledged Sales and Use Taxes

The City presently levies the Pledged Sales and Use Taxes at the rate of 1.00% (the maximum permitted by State law) on the sale of all taxable goods and services occurring within the City. Amounts from the imposition of the Pledged Sales and Use Taxes are collected by the Utah State Tax Commission (the “Tax Commission”) and distributed to the City on a monthly basis. The distribution is based on formulas that take into account the population of and taxable sales within all local governments in the State that impose a sales and use tax. See “SECURITY FOR THE BONDS—Pledged Sales And Use Taxes” herein.

Outstanding Parity Bonds

The City has previously issued and has outstanding under the Indenture its Sales Tax Revenue Refunding Bonds, Series 2006 currently outstanding in the aggregate principal amount of \$8,230,000 (the “Series 2006 Bonds”) and its Sales Tax Revenue Bonds, Series 2008 currently outstanding in the aggregate principal amount of \$4,515,000 (the “Series 2008 Bonds”). A portion of the proceeds from the Series 2017 Bonds will be used to refund all of the outstanding the Series 2006 Bonds (the “Refunded Bonds”). The Series 2008 Bonds are sometimes referred to herein as the Outstanding Parity Bonds. The Outstanding Parity Bonds are secured by the Revenues on a parity with the Series 2017 Bonds.

Additional Bonds

The Indenture permits the issuance of Additional Bonds secured by the Revenues on a parity with the Series 2017 Bonds and the Outstanding Parity Bonds, subject to the satisfaction of certain conditions set forth in the Indenture. Among other conditions, the City must deliver a certificate that demonstrates that the Revenues for the immediately preceding fiscal year were equal to at least 200% of the maximum annual debt service on the Bonds (as hereinafter defined) then outstanding and the Additional Bonds proposed to be issued. See “SECURITY FOR THE BONDS—Additional Parity Debt” below.

The Series 2017 Bonds, the Outstanding Parity Bonds and any Additional Bonds issued under the Indenture are referred to collectively herein as the “Bonds.” [As of the date of this Official Statement, the City has no plans to issue any Additional Bonds at least for the next three years.] See “DEBT STRUCTURE OF THE CITY—Future Debt Plans” herein.

State Pledge of Nonimpairment

In accordance with Section 11-14-307 of the Act, the State pledges and agrees with the holders of the Bonds that it will not alter, impair or limit the taxes comprising the Pledged Sales and Use Taxes in a manner that reduces the amounts to be rebated to or collected by the City until the Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Bonds. See “SECURITY FOR THE BONDS—State Pledge of Nonimpairment” and “RISK FACTORS” herein.

However, the City notes that the State’s pledge of non-impairment under Section 11-14-307 of the Act has not been interpreted by a court of law and, therefore, the City cannot predict the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of the Pledged Sales and Use Taxes or (iii) impact any other aspect of Pledged Sales and Use Taxes.

Redemption Provisions

The Series 2017 Bonds are subject to [optional and sinking fund redemption] prior to maturity. See “THE SERIES 2017 BONDS—Redemption Provisions” herein.

Registration, Denominations and Manner of Payment

The Series 2017 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Series 2017 Bonds. Purchases of Series 2017 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial Owners of the Series 2017 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2017 Bonds.

Principal of and interest on the Series 2017 Bonds (interest payable February 15 and August 15 of each year, commencing August 15, 2017) are payable by ZB, National Association, as paying agent (the “Paying Agent”), to the registered owners of the Series 2017 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest to its participants, for subsequent disbursements to the Beneficial Owners of the Series 2017 Bonds, as described under “THE SERIES 2017 BONDS—Book-Entry-Only System” herein.

Tax Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income tax, assuming continuing compliance with the requirements of the federal tax laws. Interest on the Series 2017 Bonds is not a preference item for purposes of either individual or corporate federal alternative minimum tax (“AMT”); however, interest paid to corporate holders of the Series 2017 Bonds may be indirectly subject to AMT under circumstances described under “TAX MATTERS” herein. Bond Counsel is also of the opinion that, under currently existing laws, interest on the Series 2017 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2017 Bonds.

Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Series 2017 Bonds are offered when, as and if issued and received by the Underwriter, subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the City, and certain other conditions. Certain legal matters will be passed on for the City by Ryan Loose, Esq., City Attorney. It is expected that the Series 2017 Bonds will be available for delivery in Salt Lake City, Utah, for deposit with DTC or one of its agents, on or about _____, 2017.

Basic Documentation

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the City, the Series 2017 Bonds, and the Indenture are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, and references herein to the Series 2017 Bonds are qualified in their entirety by reference to the forms thereof included in the Indenture and the information with respect thereto included in the aforementioned document, copies of which are available for inspection at the principal office of the Trustee on or after the delivery of the Series 2017 Bonds. Descriptions of the Indenture and the Series 2017 Bonds are qualified by reference to bankruptcy laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. During the period of the offering of the Series 2017 Bonds, copies of the preliminary forms of any of the aforementioned documents will be available from the “contact persons” as indicated below. Also see “APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE” attached hereto. The “basic documentation” which includes the Resolution, the Indenture and other documentation, authorizing the issuance of the Series 2017 Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

The chief contacts for the City concerning the Series 2017 Bonds are:

Sunil Naidu, Chief Financial Officer
City of South Jordan
1600 West Towne Center Drive
South Jordan, Utah 84095
(801) 254-3742
snaidu@sjc.utah.gov

Additional requests for information may be directed to the City’s municipal advisor:

Laura D. Lewis
Principal
Lewis Young Robertson & Burningham, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700
laura@lewisyoung.com

SECURITY FOR THE BONDS

Special Limited Obligations

The Series 2017 Bonds are special limited obligations of the City, payable solely from and secured solely by a pledge of the hereinafter defined Revenues, monies, securities and certain funds and accounts pledged therefor in the Indenture. “Revenues” consist of 100% of the revenues received by the City from the Pledged Sales and Use Taxes levied by the City pursuant to the Utah Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended. No assurance can be given that the Revenues will remain sufficient for the payment of the principal or interest on the Series 2017 Bonds and the City is limited by Utah law in its ability to increase the rate of the Pledged Sales and Use Taxes. See “RISK FACTORS” herein. The Series 2017 Bonds do not constitute a general obligation indebtedness, a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2017 Bonds or any portion thereof to secure payment of the Series 2017 Bonds. See “SECURITY FOR THE BONDS” herein.

The Indenture

To secure the timely payment of the principal of and interest on the Bonds, the City has pledged and assigned to the Trustee the Revenues and all moneys in the funds and accounts established by the Indenture. The Indenture establishes a Bond Fund, a Debt Service Reserve Fund and certain other funds and accounts.

The Revenues represent all amounts received by the City from the Pledged Sales and Use Taxes levied by the City. The Indenture provides that all Revenues shall be accounted for by the City separate and apart from all other moneys of the City. The Indenture provides that the Revenues shall be expended and used by the City only in the following manner and order of priority:

(a) So long as any Bonds are Outstanding and as a first charge and lien on the Revenues, the City shall on or before the tenth day of each month allocate an amount equal to:

(i) approximately one-sixth of the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the City need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) if principal is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

(iii) if a Sinking Fund Installment is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the Sinking Fund Installments falling due on the next succeeding Sinking Fund Installment payment date,

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The City shall transfer from the Revenue Fund or otherwise provide for allocation from Revenues to the Trustee for deposit to the Bond Fund at least fifteen days prior to each Interest Payment Date amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable.

(b) As a second charge and lien on the Revenues, the City shall, on or before the tenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement is not funded with a Reserve Instrument or Instruments, (A) to the subaccounts in the Debt Service Reserve Fund any amounts required hereby and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided herein and in any Supplemental Indenture and (B) if funds shall have been withdrawn from a subaccount in the Debt Service Reserve Fund to pay debt service or Sinking Fund Installments, the Issuer shall deposit Revenues in such subaccount in the Debt Service Reserve Fund sufficient in amount to restore such moneys so withdrawn within one year with twelve (12) substantially equal payments during such one-year period; or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (ii) of this Paragraph) of remaining Revenues if less than the amount necessary; and

(ii) Equally and ratably to the subaccounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (i) of this Paragraph) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve

Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit.

(c) The Revenues remaining after the foregoing deposits and transfers in each month and not required to be used for remedying any deficiencies in payments previously made into the Funds established in the Indenture, may be used at any time for any other lawful purpose.

Pledged Sales and Use Taxes

The Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended (the "Local Sales and Use Tax Act"), provides that each city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services. Although local governments may elect to levy sales and use taxes at rates less than 1.00%, various provisions of the Local Sales and Use Tax Act encourage them to levy these taxes at the rate of 1.00%. The City currently levies sales and use taxes at the full rate of 1.00%. The legislative intent contained in the Local Sales and Use Tax Act is to provide an additional source of revenues to counties and municipalities that is to be used to finance their capital outlay requirements and to service their bonded indebtedness. The local sales and use taxes discussed in this paragraph and received by the City are the Pledged Sales and Use Taxes from which Revenues are derived.

The local sales and use tax is levied in addition to a statewide sales and use tax (the "Statewide Tax") which is currently imposed at a rate of 4.70% of the purchase price of taxable goods and services (except that only 1.75% is levied on unprepared food and food ingredients). Sales of natural gas, electricity and fuel oil for residential use are taxed at a statewide rate of 2.00%. The taxable transactions and the exemptions under the Local Sales and Use Tax Act conform to those of the statewide sales and use tax. The Statewide Tax is not pledged to payment of the Bonds and is paid to the State of Utah.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose sales and use taxes to fund a public transportation system, for zoo, art and parks purposes and at the option of the county for general fund purposes of the county, which sales and use taxes do not constitute Pledged Sales and Use Taxes. Salt Lake County (the "County") currently imposes sales and use taxes for public transportation, for zoo, art and parks purposes, and for general fund purposes of the County. None of these taxes are pledged as a component of Pledged Sales and Use Taxes. The total sales and use tax imposed in the City (other than certain specialty taxes, including a motor vehicle rental tax, a transient room tax, and a tourism restaurant tax imposed by the County) is 6.85%.

Local sales and use taxes, including the Pledged Sales and Use Taxes, are collected by the Utah State Tax Commission and distributed on a monthly basis to each county, city and town. The distributions are based on a formula, which provides that (1) 50% of sales tax collections will be distributed on the basis of the population of the local government and (2) 50% of sales tax collections will be distributed on the basis of the point of sale (the "50/50 Distribution"). The 50/50 Distribution formula is subject to the provision that certain qualifying counties, cities and towns are eligible to receive a minimum tax revenue distribution (the "Minimum Distribution") if such amount is greater than the 50/50 Distribution. For fiscal years 2006-07 through 2012-13, the Minimum Distribution was equal to their distribution in fiscal year 2004-2005 or 2000-2001, whichever was greater. However, during this period any local government not receiving the Minimum Distribution for three consecutive fiscal years received the 50/50 Distribution for the following fiscal year. Beginning in fiscal year 2013-14 and ending with fiscal year 2015-16, a local government received the Minimum Distribution for such fiscal year if for fiscal year 2012-13 the 50/50 Distribution was less than or equal to the product of the Minimum Distribution and 0.9. Beginning with fiscal year

2016-17 and ending with fiscal year 2020-21, Minimum Distribution is equal to the distribution received for fiscal year 2004-05.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding him to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

The following table shows the amount of Revenues received by the City from the imposition of the Pledged Sales and Use Taxes for the last ten fiscal years:

HISTORICAL PLEDGED SALES AND USE TAXES

<u>Fiscal Year</u>	<u>Pledged Sales and Use Taxes</u>	<u>% Change From Prior Year</u>
2016	\$ _____	____%
2015	10,909,154	12.7
2014	9,682,273	-1.4
2013	9,815,735	8.5
2012	9,047,468	9.0
2011	8,301,690	11.1
2010	7,470,026	1.4
2009	7,363,412	2.6
2008	7,174,379	10.7
2007	6,481,322	-

(Source: The City.)

The Pledged Sales and Use Taxes for fiscal year 2016 totaled \$_____ and provide projected coverage of approximately ____* times the estimated maximum annual debt service requirement for the Series 2017 Bonds and the Outstanding Parity Bonds, assuming that annual Revenues over the life of the Series 2017 Bonds are maintained at the fiscal year 2016 amount. See “RISK FACTORS” herein for additional information.

The Largest Sales Taxpayers in the City

[State law prohibits disclosure of information relating to specific payors of the Pledged Sales and Use Taxes in the City. However, with regard to the specific sources of Revenues for the fiscal year ended June 30, 2016, ____% of the Revenues came from the distribution from the State based upon the population of the City. The other ____% came from sales occurring within the City. Of the ____% which was derived from sales occurring within the City, the largest taxpayer accounted for ____% of the sales occurring within the City while the top ten taxpayers accounted for ____% of the sales occurring within the City. Revenues related to those top ten taxpayers totaled \$_____ or ____% of total Revenues. Such taxpayers include big box retailers, automobile dealers, retailers, communications companies and grocers.]

Debt Service Reserve Fund

General. The City agrees in the Indenture to fund and maintain a Debt Service Reserve Fund in an amount not less than the Debt Service Reserve Requirement. In calculating the amount on deposit in the Debt Service Reserve Fund, the amount of the Reserve Instrument Coverage will be treated as an amount on deposit in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify that

the Debt Service Reserve Requirement for such Series shall either be (i) deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof; or (ii) deposited from available Revenues over the period of time specified therein; or (iii) deposited from any combination of (i) and (ii) above; provided however, the foregoing provisions shall be subject to the requirements of any bond insurer or other security instrument issuer set forth in any Supplemental Indenture. Funds on deposit in the Debt Service Reserve Fund shall be used to make up any deficiencies in the Bond Fund. If at any time the amount on deposit in any subaccount of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under this Section, the Issuer is required to, during the one-year period from the date of such deficiency, make payments totaling the amount of any such deficiency directly to the Trustee for deposit into the Debt Service Reserve Fund.

Funds at any time on deposit in the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of Reserve Instrument Coverage) shall be transferred to the Bond Fund at least once each year.

Funds on deposit in any subaccount of the Debt Service Reserve Fund shall be used to make up any deficiencies in the Bond Fund only for each related Series of Bonds and any Reserve Instrument for a Series of Bonds shall only be drawn upon with respect to the Series of Bonds for which such Reserve Instrument was obtained.

[Upon the issuance of the Series 2017 Bonds, the Debt Service Reserve Requirement for the Series 2017 Bonds will equal \$ _____ and will be funded with proceeds from the Series 2017 Bonds.]

Outstanding Parity Bonds

Upon refunding of the Refunded Bonds, the Outstanding Parity Bonds will be outstanding in the aggregate principal amount of \$4,515,000, with a final maturity of August 15, 2023. The Outstanding Parity Bonds are secured by the Revenues and the funds and accounts under the Indenture on a parity with the Series 2017 Bonds.

Additional Parity Debt

No additional indebtedness, bonds or notes of the City payable on a senior priority ahead of the Series 2017 Bonds out of Revenues shall be created or incurred. Additional Bonds payable on a parity with the Series 2017 Bonds may be issued to (i) pay the costs of any project for Bonds may be issued by the City and (ii) refund any one or more series or maturities within a series of Outstanding Bonds.

Prior to the issuance by the City and authentication by the Trustee of any Additional Bonds, there shall have been filed with the Trustee a certificate of the City or other satisfactory evidence to the effect that:

(a) No Event of Default shall have occurred and be continuing under the Indenture on the date of authentication of any Additional Bonds;

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the Maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds (provided, however, that in the event that any Bonds bear interest at a variable interest rate, the Maximum Aggregate Annual Debt Service Requirement for such Bonds shall be calculated using an interest rate equal to the greater of 6.5% per annum or the maximum interest rate specified with respect to such Bonds by the Supplemental Indenture authorizing the issuance of such Bonds) plus (y) the average annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds;

provided, however, that such Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent they are issued for the purpose of refunding Bonds issued under the Indenture and the Average

Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith; and

(c) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be in the Debt Service Reserve Fund the full amount required by the Indenture to be accumulated therein at such time; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture or other obligations of the City (including the funding of necessary reserves and the payment of costs of issuance) or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

State Pledge of Nonimpairment

In accordance with Section 11-14-307 Utah Code Annotated 1953, as amended, the State pledges and agrees with the holders of the Bonds that it will not alter, impair or limit the sales taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Bonds until the Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Bonds.

The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Sales and Use Taxes, or (iii) impact any other aspect of Pledged Sales and Use Taxes, cannot be predicted by the City.

RISK FACTORS

The purchase of the Series 2017 Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Series 2017 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are described below; however, it is not intended to be a complete representation of all the possible risks involved.

Uncertainty of Sales Tax Revenues

The amount of Revenues derived from the imposition of Pledged Sales and Use Taxes is dependent on a number of factors beyond the control of either the City or the State, including, but not limited to, the state of the U.S. economy and the economy of the State. Any one or more of these factors could result in the City receiving less Revenues than anticipated. During periods in which economic activity declines, Revenues are likely to decline as compared to an earlier year. In addition, Revenues are dependent on the volume of the transactions subject to the Pledged Sales and Use Taxes. From time to time, proposals have been made by the Utah State Legislature to remove certain types of purchases from all or a portion of the Pledged Sales and Use Taxes or to change the method of distributing the moneys collected from the imposition of the Pledged Sales and Use Taxes. Such proposals have increased in number in recent years. In addition, the State (like many other states) has recognized the potential reduction in sales tax revenues as a result of purchases made through the internet and other non-traditional means. The City cannot predict what impact these items may have on the Revenues.

No assurance can be given that the Revenues from Pledged Sales and Use Taxes will remain sufficient for the payment of the principal or interest on the Bonds, and the City is limited by State law in its ability to increase the rate of such taxes.

The Series 2017 Bonds are Limited Obligations

The Series 2017 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Series 2017 Bonds do not constitute a general

obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2017 Bonds or any portion thereof to secure payment of the Series 2017 Bonds.

THE SERIES 2017 BONDS

General

The Series 2017 Bonds are dated the date of their initial delivery and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2017 Bonds will be payable semiannually on February 15 and August 15 of each year, commencing [August 15, 2017]. The Series 2017 Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

The Series 2017 Bonds shall bear interest at the rates and shall mature in each of the years as described on the inside cover page hereof. Interest on the Series 2017 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest on the Series 2017 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Regular Record Date. Principal of and premium, if any, on the Series 2017 Bonds will be payable at the principal corporate trust office of ZB, National Association, Salt Lake City, Utah, as Trustee and Paying Agent, or its successor upon presentation of the Series 2017 Bonds by the registered owners or their duly authorized agents on or after the date of maturity or redemption.

The Series 2017 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Revenues consist of the Pledged Sales and Use Taxes. No assurance can be given that the Revenues will remain sufficient for the payment of the principal or interest on the Series 2017 Bonds and the City is limited by Utah law in its ability to increase the rate of the Pledges Sales and Use Taxes. The Series 2017 Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2017 Bonds or any portion thereof to secure payment of the Series 2017 Bonds. See “SECURITY FOR THE BONDS” herein.

Redemption Provisions

[Optional Redemption. The Series 2017 Bonds maturing on or prior to August 15, 20____, are not subject to redemption prior to maturity. The Series 2017 Bonds maturing on or after August 15, 20____, are subject to redemption at the option of the City on August 15, 20____, and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the City, at a redemption price equal to 100% of the principal amount of the Series 2017 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.]

[Mandatory Sinking Fund Redemption. The Series 2016 Bonds maturing on August 15, 20____, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the date of redemption on the dates and in the principal amounts as follows:

Redemption Date (<u>August 15</u>)	Principal <u>Amount</u>
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†

† Final maturity.

Upon redemption of any Series 2016 Bond maturing on August 15, 20____, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited in increments of not less than \$5,000, toward the mandatory sinking fund redemption amounts for the Series 2016 Bonds maturing on August 15, 20____, at the discretion of the City.]

Notice of Redemption. In the event any of the Series 2017 Bonds are to be redeemed, the Registrar shall cause notice of redemption to be mailed by first class mail, postage prepaid, to all Registered Owners of Series 2017 Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least 30 days but not more than 60 days prior to the date fixed for redemption.

In addition to the foregoing, further notice of any redemption of Series 2017 Bonds shall be given by the Trustee, at least two Business Days in advance of the mailed notice to Registered Owners, by registered or certified mail or overnight delivery service, to all registered securities depositories then in the business of holding substantial amounts (as reasonably determined by the Trustee) of obligations of types comprising the Series 2017 Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Series 2017 Bonds. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

If at the time of mailing of any notice of redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Series 2017 Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business five days prior to the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

Partially Redeemed Fully Registered Bonds. In case any Series 2017 Bond shall be redeemed in part only, upon the presentation of such Series 2017 Bond for such partial redemption, the City shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the City, a Series 2017 Bond or Bonds of the same interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Series 2017 Bond. A portion of any Series 2017 Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple thereof and in selecting portions of such Series 2017 Bonds for redemption, the Trustee will treat each such Series 2017 Bond as representing that number of Series 2017 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Series 2017 Bonds by \$5,000.

Book-Entry-Only System

The Series 2017 Bonds originally will be issued solely in book-entry form to DTC or its nominee, Cede & Co., to be held in DTC's book-entry system. So long as such Series 2017 Bonds are held in the book-entry-only system, DTC or its nominee will be the registered owner or Holder of such Series 2017 Bonds for all purposes of the Indenture, the Series 2017 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2017 Bonds may be made in denominations described above. For a description of the book-entry-only system for the Series 2017 Bonds, see "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY-ONLY SYSTEM."

Registration, Transfer and Exchange

In the event that the book-entry-only system has been terminated, the Series 2017 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Bondowner or his duly authorized attorney, may be exchanged for an equal aggregate principal amount of Series 2017 Bonds of the same series, designation, interest rate, and maturity and of any other authorized denominations.

For every such exchange or transfer of the Series 2017 Bonds, the Trustee may make a charge sufficient to reimburse it for any tax or governmental charge required to be paid with respect to such exchange or transfer of the Series 2017 Bonds, but may impose no other charge therefor.

The City and the Trustee shall not be required to issue, transfer, or exchange any Series 2017 Bond after the Regular Record Date with respect to any redemption of such Series 2017 Bond or during a period from and including any Regular Record Date with respect to any interest payment date to and including such interest payment date. The Regular Record Date, for each Interest Payment Date, is the fifteenth day immediately preceding each interest payment date and if such date is not a Business Day, the next preceding day which is a Business Day.

THE 2017 PROJECT

[A portion of the proceeds from the Series 2017 Bonds will be used to finance [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements.]

PLAN OF REFUNDING

A portion of the proceeds from the Series 2017 Bonds will be used to refund the Refunded Bonds as shown below. The Refunded Bonds are being refunded to produce an economic savings. The Refunded Bonds will be redeemed in the amounts set forth below on or about the issuance of the Series 2017 Bonds. [The Refunded Bonds will be defeased on the date of delivery of the Series 2017 Bonds.]

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2017	\$685,000	4.00%
2018	725,000	4.00
2019	750,000	4.00
2021*	1,565,000	4.00
2023*	1,695,000	4.00
2026*	<u>2,810,000</u>	4.10
Total	<u>\$8,230,000</u>	

* Final maturity of term bond.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2017 Bonds are as follows:

Sources of Funds

Par Amount of Series 2017 Bonds	\$
[Net] Original Issue Premium	
 Total	<u>\$</u>

Uses of Funds

Deposit to Construction Fund.....	\$
Refunding of Refunded Bonds	
[Deposit to Debt Service Reserve Subaccount]
Costs of Issuance ⁽¹⁾	
 Total	

⁽¹⁾ Includes municipal advisor fees, legal, rating agency, Trustee fees, underwriting discount and other costs and expenses related to the issuance of the Series 2017 Bonds.

DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the Series 2017 Bonds and the Outstanding Series 2001 and Series 2006 Bonds. Figures are rounded to the nearest dollar.

<u>Payment Dates</u>	<u>Series 2017 Bonds</u>		<u>Outstanding Parity Bonds⁽¹⁾</u>	<u>Period Total</u>
	<u>Principal*</u>	<u>Interest</u>		
2/15/2017				
8/15/2017				
2/15/2018				
8/15/2018				
2/15/2019				
8/15/2019				
2/15/2020				
8/15/2020				
2/15/2021				
8/15/2021				
2/15/2022				
8/15/2022				
2/15/2023				
8/15/2023				
2/15/2024				
8/15/2024				
2/15/2025				
8/15/2025				
2/15/2026				
8/15/2026				
2/15/2027				
8/15/2027				
2/15/2028				

8/15/2028
2/15/2029
8/15/2029
2/15/2030
8/15/2030

TOTAL

* Preliminary; subject to change.

(1) Includes principal and interest.

Note: Totals may not add due to rounding.

(Source: The Municipal Advisor.)

THE CITY

General Information

The City, incorporated in 1935, covers an area of approximately 21.8 square miles and is located in the southwest portion of the County. According to the U.S. Census Bureau, the City had an estimated 2015 population of 66,648 residents. The City reports that it is approximately 55% “built out” based upon land use and that based upon current land use and amount of land area, the City will be able to accommodate a population of more than 121,482 persons.

The City is a suburb of metropolitan Salt Lake City within the County and is the fifth city in a line of eight cities located directly south of Salt Lake City along Interstate Highway I-15. These cities constitute a portion of a continuous area of development from the north end of the County through the City. The City is located approximately 15 miles south of metropolitan Salt Lake City and can best be characterized as residential/suburban with a mix of commercial, retail and light industrial businesses. Persons living within the boundaries of the City have the advantages of a smaller community in close proximity to the goods, services and educational, professional, and cultural opportunities of the larger metropolitan areas.

Form of Government

The City is currently governed by a Mayor and City Council consisting of five persons, elected by district by voters in the City. A measure of continuity is provided in the City Council by the election of the council members to four-year overlapping terms. Duties of the council members include the responsibility for all City affairs in general. The City Council must approve and may revise the budget of any City department or elected official. The City Council serves as the legislative body of the City and appropriates funds for the various City functions. The City Council is the tax levying body, determining the necessary City property tax levy each year. The City Council also licenses and regulates businesses, exhibitions, and recreation within the City area. Other appointed officials are the City Manager, City Recorder, and City Treasurer.

Current members of the City Council and other officers of the City and their respective terms in office are as follows:

<u>Office</u>	<u>Person</u>	<u>Years in Service</u>	<u>Expiration of Term</u>
Mayor	David Alvord	2	January 2018
Council Member	Patrick Harris	1	January 2020
Council Member	Brad Marlor	1	January 2020
Council Member	Christopher Rogers	2	January 2018
Council Member	Donald Shelton	2	January 2018
Council Member	Tamara Zander	1	January 2020
City Manager	Gary Whatcott	2	Appointed
City Attorney	Ryan Loose	1	Appointed
Chief Financial Officer	Sunil K. Naidu	6	Appointed
City Treasurer	Nick Geer	1	Appointed
City Recorder	Anna West	11	Appointed

Employee Workforce and Retirement System

The City currently employs approximately [313] full-time employees and approximately [124] part-time employees for a total employment of approximately [437] employees. The City is a member of the Utah State Retirement Systems and participates in a deferred compensation plan. See “APPENDIX B— CITY OF SOUTH JORDAN, UTAH AUDITED BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Notes to the Financial Statements—Note 10: Retirement Plan” herein. [*Check for updated numbers.*]

The City records a liability and expense equal to its proportionate share of the collective net pension liability and expense of the Systems due to the implementation of the Government Accounting Standards Board's Statement 68, Accounting and Financial Reporting for Pensions ("GASB 68"). [In its 2014 Comprehensive Annual Financial Report (available at www.urs.org) the Systems estimated that the City's proportionate share of Systems funds with a net pension asset at December 31, 2014 was \$537,997 (assuming a 7.5% discount rate) and the City's proportionate share of the Systems funds with a net pension liability at December 31, 2014 was \$6,513,592 (assuming a 7.5% discount rate). With the implementation of GASB 68, the City recognized total net pension assets of \$537,996 and total net pension liabilities of \$6,513,593.] More information regarding this standard can be found in Note 10 in and Note 15 of the City's audited financial statements. See "APPENDIX B—CITY OF SOUTH JORDAN, UTAH AUDITED BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016."

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in the Utah Risk Management Mutual Association (a public entity risk pool). All claims are submitted to the Utah Risk Management Mutual Association which acts as a commercial insurer. The Association is obligated to pay all claims covered by its plan. All claims are subject to a \$7,500 deductible. The deductible is accrued as a current liability when the claim is incurred. The Utah Risk Management Mutual Association covers claims up to \$6,000,000. The City has not incurred a claim in excess of its coverage for any of the past three fiscal years.

No OPEB Liability

The City reports that it does not have any post-employment benefits liabilities.

Investment Of Funds

Investment of Operating Funds; The Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the "MM Act") governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on maintaining safety, liquidity, and yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying "top credit ratings." The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the "MM Council") to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the Treasurer's safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State's prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. A significant portion of City funds are invested in the Utah Public Treasurers' Investment Fund ("PTIF"), as discussed below.

The Utah Public Treasurers' Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safekeeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

All investments in the PTIF must comply with the MM Act and rules of the MM Council. The PTIF invests only in securities authorized by the MM Act including time certificates of deposit, top-rated commercial paper and corporate notes, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the PTIF is limited to three years, except that a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State. However, it is the stated intent of the State Treasurer to manage a stable net asset value pool and maintain a net asset value that does not deviate by more than \$0.005.

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor. The PTIF is not rated.

See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016—Notes to Financial Statements—Note 4. Cash, Cash Equivalents and Investments."

Additional Information

For additional information with respect to the City and its finances see "FINANCIAL INFORMATION REGARDING THE CITY," "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016" and "APPENDIX C—ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY."

DEBT STRUCTURE OF THE CITY

Outstanding Municipal Debt

The following tables set forth the obligations of the City as of January 1, 2017.

OUTSTANDING SALES TAX REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2008	Road Repair	8,115,000	August 15, 2023	\$4,515,000
2017	Public Structures/Refunding	_____	August 15, 20__	_____
Total Outstanding Sales Tax Bonds.....				<u>_____</u>

- (1) For purposes of this Official Statement, the Series 2017 Bonds will be considered issued and outstanding and the Refunded Bonds, refunded.
- (2) The City also has a contingent obligation from a subordinate pledge of the City’s sales and use taxes in connection with the \$13,035,000 Redevelopment Agency of the City of South Jordan, Utah Subordinate Sales Tax and Tax Increment Revenue Bonds, Series 2015.

OUTSTANDING WATER REVENUE BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2007	Water Improvements	\$21,950,000	November 1, 2026	\$14,995,000
2009	Water Improvements	10,025,000	November 1, 2023	<u>5,550,000</u>
Total Outstanding Water Revenue Bonds				<u>\$20,545,000</u>

OUTSTANDING LEASE REVENUE BONDS
(issued by the City’s Municipal Building Authority)

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2011	Refunding	\$6,880,000	October 15, 2023	<u>\$4,530,000</u>

OUTSTANDING SPECIAL ASSESSMENT BONDS

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2007	RiverPark	\$5,770,000	November 1, 2017	\$677,000
2016	Daybreak No. 1	32,675,000	November 1, 2036	<u>32,675,000</u>
Total Outstanding Special Assessment Bonds				<u>\$33,352,000</u>

No Defaulted Bonds

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

Future Debt Plans

[The City does not have any current plans to issue Additional Bonds on a parity with the Series 2017 Bonds within the next three years.]

Other Financial Considerations

Besides the above described municipal debt, the City has several outstanding notes (totaling approximately \$_____) and capital leases (totaling approximately \$_____). See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2016—Notes To Financial Statements—Note 8. Lease Commitments and — Note 10. Long-Term Debt” herein.

FINANCIAL INFORMATION REGARDING THE CITY

Five-Year Financial Summary

The following tables set forth a summary of certain financial information regarding the City and have been extracted from the City’s financial statements for the fiscal years shown. The following tables themselves have not been audited.

CITY OF SOUTH JORDAN
Balance Sheet — General Fund
(This summary has not been audited.)

	<u>Fiscal Year Ended June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
ASSETS					
Cash and Cash Equivalents		\$10,183,391	\$9,668,267	\$7,437,805	\$6,334,443
Restricted Cash		58,523	76,383	-	-
Receivables		11,807,554	11,330,747	10,877,511	10,725,952
Inventories		56,095	59,565	39,877	26,239
Prepaid Items		<u>471,209</u>	<u>107,048</u>	=	=
Total Assets		<u>\$22,576,772</u>	<u>\$21,242,010</u>	<u>\$18,355,193</u>	<u>\$17,086,634</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities		1,533,359	1,389,917	995,197	1,443,304
Deferred Revenue		-	-	-	496,724
Construction Bonds and Refunds		<u>4,912,772</u>	<u>4,121,913</u>	<u>3,170,865</u>	<u>2,325,192</u>
Total Liabilities		6,446,131	5,511,830	4,166,062	4,265,220
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes		8,650,859	8,447,475	8,061,432	7,592,444
FUND BALANCES					
Nonspendable		527,304	166,613	39,877	26,239
Restricted		163,911	97,525	11,862	14,164
Assigned		-	230,000	87,393	-
Unassigned		<u>6,788,567</u>	<u>6,788,567</u>	<u>5,988,567</u>	<u>5,188,567</u>
Total Fund Balance		<u>7,479,782</u>	<u>7,282,705</u>	<u>6,127,699</u>	<u>5,228,970</u>
Total Liabilities, Deferred Inflows, and Fund Balances		<u>\$22,576,772</u>	<u>\$21,242,010</u>	<u>\$18,355,193</u>	<u>\$17,086,634</u>

(Source: Extracted from the City's audited financial statements fiscal years ended June 30, 2016-2012. This summary itself is unaudited.)

CITY OF SOUTH JORDAN
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
(This summary has not been audited.)

	<u>Fiscal Year Ended June 30,</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
REVENUES					
Taxes		\$25,240,903	\$23,843,080	\$22,407,841	\$21,027,579
Licenses & Permits		2,947,782	3,434,674	3,062,607	2,207,553
Intergovernmental		1,982,302	1,891,314	2,036,303	1,908,847
Charges for Services		5,276,876	5,347,955	5,074,340	5,163,793
Fines & Forfeitures		902,968	785,586	769,367	827,665
Interest		207,881	276,084	112,020	162,151
Miscellaneous		<u>491,738</u>	<u>212,462</u>	<u>210,022</u>	<u>1,168,117</u>
Total Revenues		37,050,450	35,791,155	33,672,500	32,465,705
EXPENDITURES					
Current:					
General Government		8,564,967	8,890,914	8,164,613	8,086,568
Public Safety		10,857,414	10,364,496	10,138,529	9,898,234
Public Works		6,380,786	3,710,462	3,347,241	3,519,878
Parks, Recreation, and Culture		-	1,810,343	1,750,499	2,083,873
Community Services		1,165,684	-	-	-
Community Development		-	3,463,734	3,233,241	3,047,669
Development Services		3,521,605	-	-	-
Capital Outlay and Projects		1,537,556	588,617	-	-
Debt Service:					
Principal		220,772	145,785	-	-
Interest		<u>4,935</u>	<u>4,687</u>	=	=
Total Expenditures		<u>32,253,719</u>	<u>28,979,038</u>	<u>26,634,123</u>	<u>26,636,222</u>
Excess Revenues Over Expenditures		4,796,731	6,812,117	7,038,377	5,829,483
OTHER FINANCING SOURCES (USES)					
Transfers In		8,818	822,451	134,568	372,569
Transfers Out		(5,995,876)	(7,150,759)	(6,290,853)	(6,308,142)
Capital Lease		1,385,000	665,000	-	-
Sale of Capital Assets		<u>2,404</u>	<u>6,197</u>	<u>16,637</u>	<u>34,000</u>
Total Other Financing Sources (Uses)		<u>(4,599,654)</u>	<u>(5,657,111)</u>	<u>(6,139,648)</u>	<u>(5,901,573)</u>
Net Change in Fund Balances		197,077	1,155,006	898,729	(72,090)
Fund Balance - July 1		<u>7,282,705</u>	<u>6,127,699</u>	<u>5,228,970</u>	<u>5,301,060</u>
Fund Balance - June 30		<u>7,479,782</u>	<u>7,282,705</u>	<u>6,127,699</u>	<u>5,228,970</u>

(Source: Extracted from the City's audited financial statements fiscal years ended June 30, 2016-2012. This summary itself is unaudited.)

LEGAL MATTERS

General

The authorization and issuance of the Series 2017 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City. Certain legal matters will be passed upon for the City by Ryan Loose, Esq., City Attorney. The approving opinion of Bond Counsel will be delivered with the Series 2017 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in APPENDIX E of this Official Statement.

Absence of Litigation

A non-litigation opinion issued by Ryan Loose, Esq., City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of his knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the City or is threatened, challenging the creation, organization, or existence of the City or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2017 Bonds or for the purpose of restraining or enjoining the levy and collection of taxes or assessments by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2017 Bonds are issued or the validity of the Series 2017 Bonds or the issuance thereof.

TAX MATTERS

Federal Income Tax

Excludability of Interest. In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Series 2017 Bonds, assuming the accuracy of the certifications of the City and continuing compliance by the City with the requirements of the Internal Revenue Code of 1986. Interest on the Series 2017 Bonds is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax; however, interest on Series 2017 Bonds held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal alternative minimum tax because of its inclusion in the adjusted current earnings of a corporate holder.

Original Issue Premium. Certain of the Series 2017 Bonds may be offered at a premium (“original issue premium”) over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a Series 2017 Bond through reductions in the holder’s tax basis for the Series 2017 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Series 2017 Bondholders should consult their tax advisers for an explanation of the amortization rules.

Original Issue Discount. Certain of the Series 2017 Bonds may be offered at a discount (“original issue discount”) equal generally to the difference between public offering price and principal amount. Original issue discount on a Series 2017 Bond accrues as tax-exempt interest periodically over the term of the Series 2017 Bond. The accrual of original issue discount increases the holder’s tax basis in the Series 2017 Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Series 2017 Bondholders should consult their tax advisers for an explanation of the accrual rules.

State of Utah Income Tax

Bond Counsel is also of the opinion that interest on the Series 2017 Bonds is exempt from State of Utah individual income taxes under currently existing law.

No Further Opinion

Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Series 2017 Bonds.

Changes in Federal and State Tax Laws

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Series 2017 Bonds or otherwise prevent holders of the Series 2017 Bonds from realizing the full benefit of the tax exemption of interest on the Series 2017 Bonds. Further, such proposals may impact the marketability or market value of the Series 2017 Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Series 2017 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

Purchasers of the Series 2017 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2017 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

UNDERWRITER

George K. Baum & Company, as underwriter of the Series 2017 Bonds (the “Underwriter”), has agreed, subject to certain conditions, to purchase all of the Series 2017 Bonds from the City at an aggregate price of \$_____ (which consists of the principal amount of the Series 2017 Bonds, plus a [net] original issue premium of \$_____ and less an Underwriter’s discount of \$_____). The Underwriter has advised the City that the Series 2017 Bonds may be offered and sold to certain dealers (including dealers depositing the Series 2017 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside front cover page of the Official Statement and that such public offering prices may be changed from time to time.

BOND RATINGS

[S&P Global Ratings (“S&P”)] and [Fitch Ratings (“Fitch”)] have assigned ratings of “_____” and “_____,” respectively, to the Series 2017 Bonds.

Any explanation of the significance of these outstanding ratings should be obtained from the rating agency furnishing the same. There is no assurance that the ratings given to the outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2017 Bonds.

MUNICIPAL ADVISOR

The City has entered into an agreement with Lewis Young Robertson & Burningham, Inc. (the “Municipal Advisor”), whereunder the Municipal Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Series 2017 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the Series 2017 Bonds. The Municipal Advisor has read and participated in the review of certain portions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in this Official Statement, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and

the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of this Official Statement or any other matter related to this Official Statement.

CONTINUING DISCLOSURE UNDERTAKING

The City has undertaken for the benefit of the Owners and the beneficial owners of the Series 2017 Bonds to provide certain annual financial information and operating data and to provide notice of certain material events to certain repositories all in order to enable the Underwriter to make the determinations required by Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”). See “APPENDIX D—FORM OF CONTINUING DISCLOSURE AGREEMENT” attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Agreement that will be executed and delivered by the City.

[In the past five years, the City was not in full compliance with its continuing disclosure undertakings for its water revenue bonds in that it failed to include certain required tables relating to its water system in the annual reports submitted to EMMA for 2011 and 2012. However, the City filed all the required tables in its annual reports for 2010, 2013, 2014, and 2015, and the information that would have been included in the tables missing from the 2011 and 2012 annual reports was provided in those years. The City has also recently determined that although the City has timely prepared its annual reports and submitted its audited financial statements in compliance with its continuing disclosure undertakings, updates of certain information have been inadvertently omitted or presented differently in some of its annual reports, some of its annual reports have not been properly linked to the correct bond issue and/or all of the related bond CUSIPs on EMMA, and some of its audited financial statements for certain years were not properly linked to all of the relevant bond CUSIPs. The City has taken steps to address these issues by reviewing its disclosure undertaking procedures, making remedial filings on EMMA where appropriate, and formally adopting disclosure undertaking policies.] [*From 4/26/2016 SAA 2016 Bonds OS – updates?*]

A failure by the City to comply with the undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2017 Bonds are limited to the remedies described in the Continuing Disclosure Agreement. A failure by the City to comply with the Continuing Disclosure Agreement must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2017 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2017 Bonds and their market price. See “APPENDIX D—FORM OF CONTINUING DISCLOSURE AGREEMENT” for the information to be provided, the events which will be noticed on an occurrence basis and the other terms of the Continuing Disclosure Agreement, including termination, amendment and remedies.

MISCELLANEOUS

Independent Auditors

The basic financial statements of the City as of June 30, 2016, and for the year then ended, contained in APPENDIX B to this Official Statement, have been audited by Piercy Bowler Taylor & Kearn (“Piercy Bowler”), independent auditors, as stated in their report included in APPENDIX B hereto. Piercy Bowler has not been asked to consent to the use of its name and audited financial statements in this Official Statement or to perform any procedures in connection with the issuance of the Series 2016 Bonds.

Copies of the City’s audited financial statements may be obtained upon request. See “INTRODUCTION—Contact Persons” herein.

Additional Information

All quotations from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State of Utah, court decisions, and the Indenture, which are contained herein, do no purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions, and the Indenture for full and complete statements of their respective provisions.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as representations of fact.

The appendices attached hereto are an integral part of this Official Statement, and should be read in conjunction with the foregoing material.

This Preliminary Official Statement is in a form “deemed final” by the City for the purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The delivery of the Official Statement has been duly authorized by the City.

CITY OF SOUTH JORDAN, UTAH

By: _____
Mayor

APPENDIX A

**AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2016**

APPENDIX B

EXTRACTS OF CERTAIN PROVISIONS OF THE GENERAL INDENTURE

The following extracts briefly outline certain provisions contained in the Indenture and are not to be considered as a full statement thereof. Reference is made to the Indenture for full details of all of the terms thereof, of the Series 2017 Bonds, the security provisions appertaining thereof, and the application of the Revenues, and the definition of any terms used but not defined in this Official Statement.

Definitions

“Act” means collectively, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

“Additional Bonds” means all Bonds issued under the Indenture other than the Initial Bonds.

“Aggregate Annual Debt Service Requirement” means the total principal, interest and premium payments due and payable for any one Bond Fund Year (less capitalized interest and principal payable on any bond anticipation notes) on all Series of Bonds Outstanding.

“Authorized Representatives” means either the Mayor, City Manager or Finance Director of the Issuer.

“Average Aggregate Annual Debt Service Requirement” means the total of all Aggregate Annual Debt Service Requirements divided by the total Bond Fund Years of the Bonds Outstanding.

“Bond Fund” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Bond Fund Year” means the 12-month period beginning July 1 of each year and ending on the next succeeding June 30, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding June 30.

“Bondholder,” “Bondowner,” “Registered Owner” or “Owner” means the registered owner of any Bonds authorized in the Indenture.

“Bonds” means Initial Bonds and any Additional Bonds.

“Business Day” means a day except Saturday or Sunday on which banking business is transacted, but not including any day on which banks are authorized to be closed in the city in which the Trustee has its Principal Corporate Trust Office.

“City Recorder” means the City Recorder of the Issuer or any successor to the duties of such office.

“Code” means the Internal Revenue Code of 1986, as amended.

“Construction Fund” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Construction Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Cost” or “Costs” or “Cost of Completion”, or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

- (a) amounts payable to contractors and costs incident to the award of contracts;
- (b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;
- (c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;
- (d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- (e) interest expenses, including interest on the Series of Bonds relating to a Project;
- (f) printing, engraving and other expenses of financing, including premiums for municipal bond insurance, fees of financial rating services and fees for issuance of bank letters of credit or similar banking arrangements and costs of issuing the Series of Bonds relating to a Project;
- (g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;
- (h) costs of furniture, fixtures, and equipment purchased by the Issuer and necessary to construct a Project;
- (i) amounts required to repay temporary or bond anticipation loans or notes made to finance the costs of a Project;
- (j) cost of site improvements performed by the Issuer in anticipation of a Project;
- (k) moneys necessary to fund the Funds created under the Indenture;
- (l) costs of the capitalization with proceeds of a Series of Bonds issued under the Indenture and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as provided in the Indenture, of any discount on bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, and Reserve Instrument Costs;
- (m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;
- (n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and
- (o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of refunding or redeeming any bonds or other obligations, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f) and (k) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

“Debt Service Reserve Fund” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Debt Service Reserve Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Debt Service Reserve Requirement”, for a Series of Bonds, means the amount, if any, set forth in the Supplemental Indenture authorizing such Series of Bonds. The Debt Service Reserve Requirement applicable to any Series of Bonds may be funded by a Reserve Instrument as herein provided and, if provided in the related Supplemental Indenture, may be accumulated over time.

“Event of Default” means with respect to any default or event of default under the Indenture any occurrence or event specified in and defined by the Indenture.

“Governing Body” means the City Council of the Issuer.

“Government Obligations” means solely one or more of the following:

- (a) State and Local Government Series issued by the United States Treasury (“SLGS”);
- (b) United States Treasury bills, notes and bonds, as traded on the open market;
- (c) Zero Coupon United States Treasury Bonds; and
- (d) Any other direct obligations of or obligations fully and unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as “REFCORP strips”).

“Gross Proceeds” means with respect to any Series of Bonds the gross proceeds of such Series of Bonds as defined in Section 148(f)(6)(B) of the Code and Section 1.148-1(b) of the Regulations.

“Indenture” means the General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of the Indenture.

“Initial Bonds” means the first Series of Bonds issued under the Indenture.

“Interest Payment Date” means the stated payment date of an installment of interest on the Bonds.

“Issuer” means the City of South Jordan, Salt Lake County, Utah and its successors.

“Maximum Aggregate Annual Debt Service Requirement” means the maximum Aggregate Annual Debt Service Requirement.

“Mayor” means the Mayor of the Issuer or any successor to the duties of such office.

“Moody’s” means Moody’s Investors Service, Inc.

“Outstanding” or “Bonds Outstanding” means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under the Indenture, except:

- (a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to the Indenture; and
- (b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered under the Indenture, unless proof satisfactory to the Trustee is presented that such Bond is held by a bona fide holder in due course.

“Owner(s)” or “Registered Owner(s)” means the registered owner(s) of the Bonds according to the registration books of the Issuer maintained by the Trustee as Registrar for the Bonds pursuant to the Indenture.

“Paying Agent” means the Trustee, appointed as the initial paying agent for the Bonds pursuant to the Indenture, and any additional or successor paying agent appointed pursuant to the Indenture.

“Principal Corporate Trust Office” means, with respect to the Trustee, the office of the Trustee at One South Main Street, Third Floor, Salt Lake City, Utah 84111 or such other or additional offices as may be specified by the Trustee.

“Project” means the acquisition, construction, and/or improvement of capital facilities, equipment and/or improvements financed or refinanced with a Series of Bonds.

“Qualified Investments” means any of the following securities:

- (a) Government Obligations;
- (b) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer’s Home Administration; the Federal Housing Administration; the Maritime Administration; General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA’s);
- (c) Money market funds rated “AAAm” or “AAAm-G” or better by S & P or an equivalent or better by Moody’s, including funds from which the Trustee or its affiliates receive fees for investment advisory or other services to such funds;
- (d) Commercial paper which is rated at the time of purchase in the single highest classification, “P-1” by Moody’s or “A-1+” by S & P, and which matures not more than 270 days after the date of purchase;
- (e) Bonds, notes or other evidences or indebtedness rated “AAA” by S & P and “Aaa” by Moody’s issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;
- (f) U.S. dollar denominated deposit accounts, federal funds and banker’s acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of “A-1” or “A-1+” by S & P and “P-1” by Moody’s and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);
- (g) the fund held by the Treasurer for the State of Utah and commonly known as the Utah State Public Treasurer’s Investment Fund; and
- (h) Any other investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, including investments contracts permitted by Section 51-7-17(2)(d) thereof.

“Rating Agency” means Moody’s or S & P and their successors and assigns. If either such corporation ceases to act as a securities rating agency, the Issuer may designate any nationally recognized securities rating agency as a replacement.

“Rating Category” or “Rating Categories” mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

“Rebatable Arbitrage” means with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

“Rebate Calculation Date” means, with respect to each Series of Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the Initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last bond for such Series.

“Rebate Fund” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Rebate Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Register” means the record of ownership of the Bonds maintained by the Registrar.

“Registrar” means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant to the Indenture.

“Regular Record Date” means the fifteenth day immediately preceding each Interest Payment Date.

“Regulations,” and all references thereto shall mean and include applicable final, proposed and temporary United States Treasury Regulations promulgated with respect to Sections 103 and 141 through 150 of the Code, including all amendments thereto.

“Reserve Instrument” means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term “Reserve Instrument” includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

“Reserve Instrument Agreement” means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

“Reserve Instrument Costs” means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

“Reserve Instrument Coverage” means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant to the Indenture under all Reserve Instruments.

“Reserve Instrument Fund” means the City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Reserve Instrument Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Reserve Instrument Limit” means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

“Reserve Instrument Provider” means any bank, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Reserve Instrument.

“Reserve Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument

Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs. Each Reserve Instrument Agreement or the Supplemental Indenture authorizing the execution and delivery of such Reserve Instrument Agreement shall specify the amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and shall specify the portions of such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

“Revenue Fund” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Fund created in the Indenture to be held by the Issuer and administered pursuant to the Indenture.

“Revenues” means 100% of the Local Sales and Use Tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended.

“S & P” means Standard & Poor’s Rating Services.

“Serial Bonds” means those Bonds other than Term Bonds.

“Series” means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor.

“Sinking Fund Account” means City of South Jordan, Salt Lake County, Utah Sales Tax Revenue Sinking Fund Account of the Bond Fund created in the Indenture to be held by the Trustee and administered pursuant to the Indenture.

“Sinking Fund Installment” means the amount of money which is required to be deposited into the Sinking Fund Account in each Bond Fund Year as specified in the Supplemental Indenture authorizing the Bonds of a Series for the retirement of Term Bonds of such Series, if any (whether at maturity or by redemption), and including the redemption premium, if any.

“Special Record Date” means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with the Indenture.

“State” means the State of Utah.

“Supplemental Indenture” means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of the Indenture.

“Term Bonds” means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Sinking Fund Account.

“Trustee” means Zions First National Bank, Corporate Trust Department, One South Main Street, Third Floor, Salt Lake City, Utah 84111, or any successor corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee under the Indenture.

Indenture to Constitute Contract

In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued under the Indenture by the Registered Owners thereof, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant to the Indenture, the Indenture shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds and the Reserve Instrument Providers; and the pledge made in the Indenture and the covenants and agreements set forth in the Indenture to be performed by or on behalf of the Issuer shall be, FIRST, for the equal benefit, protection and security of the Owners of any and all of the Bonds all of which, regardless of the time or times of their authentication and

delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by the Indenture, and SECOND, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

Execution; Limited Obligation

The Bonds shall be executed on behalf of the Issuer with the manual or official facsimile signature of its Mayor, countersigned with the manual or official facsimile signature of the City Recorder, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof). The Bonds shall be a valid claim of the respective Registered Owners thereof only against the Revenues and other moneys in funds and accounts held by the Trustee under the Indenture (except the Rebate Fund) and the Issuer pledges by the Indenture and assigns the same for the equal and ratable payment of the Bonds, and the Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor.

The provisions relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

Nonpresentation of Bonds

Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond shall not be presented for payment within six years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

Issuance of Additional Bonds

No additional indebtedness, bonds or notes of the Issuer payable on a senior lien priority to the pledge of Revenues for the payment of the Bonds authorized in the Indenture shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds. In addition, no Additional Bonds or other indebtedness, bonds or notes of the Issuer payable on a parity with the Bonds authorized in the Indenture out of Revenues shall be created or incurred, unless the following requirements have been met:

- (a) No Event of Default shall have occurred under the Indenture and be continuing under the Indenture on the date of authentication of any Additional Bonds. This paragraph (a) shall not preclude the

issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the Maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds (provided, however, that in the event any Bonds bear interest at a variable interest rate, the Maximum Aggregate Annual Debt Service Requirement shall be calculated using an interest rate equal to the greater of 6.5% per annum or the maximum interest rate specified with respect to such Bonds by the Supplemental Indenture authorizing the issuance of such Bonds) to be Outstanding following the issuance of the Additional Bonds plus (y) the average annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds;

(c) provided, however, that the Revenue coverage test set forth in (i) above shall not apply to the issuance of any Additional Bonds to the extent they are issued for the purpose of refunding Bonds and the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded; and

(d) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument Coverage) the full amount required by the Indenture to be accumulated in the Indenture at such time; and

(e) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued hereunder or other obligations of the Issuer (including the funding of necessary reserves and the payment of costs of issuance) or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

Covenant Against Creating or Permitting Liens

Except for the pledge of Revenues to secure payment of the Bonds under the Indenture, the Revenues are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained in the Indenture shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Revenues subordinated to that of the Bonds.

Use of Construction Fund

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Issuer, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon audited, itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to see to the application of any payments from the Construction Fund or to inquire into the purposes for which withdrawals are being made from the Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Indenture, upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by the Indenture, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by the Issuer, be deposited in the Bond Fund, to be applied at the written direction of the Issuer toward the redemption of the Series of Bonds issued to finance such Project or to pay principal and/or interest next falling due with respect to the Bonds.

(g) The Trustee shall, to the extent there are no other available funds held under the Indenture, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default under the Indenture.

Application of Revenues

All Revenues shall be accounted for by the Issuer separate and apart from all other moneys of the Issuer.

(a) So long as any Bonds are Outstanding and as a first charge and lien on the Revenues, the Issuer shall on or before the fifteenth day of each month allocate an amount equal to:

(i) approximately one-sixth of the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Issuer need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) if principal is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

(iii) if a Sinking Fund Installment is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the Sinking Fund Installments falling due on the next succeeding Sinking Fund Installment payment date,

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The Issuer shall transfer or otherwise from Revenues to the Trustee for deposit to the Bond Fund at least fifteen days prior to each Interest Payment Date amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable.

(b) As a second charge and lien on the Revenues, the Issuer shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement is not funded with a Reserve Instrument or Instruments, (A) to the subaccounts in the Debt Service Reserve Fund any amounts required by the Indenture and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided in the Indenture and in any Supplemental Indenture and (B) if funds shall have been withdrawn from a subaccount in the Debt Service Reserve Fund to pay debt service or Sinking Fund Installments, the Issuer shall deposit Revenues in such subaccount in the Debt Service Reserve Fund sufficient in amount to restore such moneys so withdrawn within one year with twelve (12) substantially equal payments during such one-year period or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (ii) of this Paragraph) of remaining Revenues if less than the amount necessary, and

(ii) Equally and ratably to the subaccounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to subparagraph (i) of this paragraph) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit.

(c) The Revenues remaining after the foregoing deposits and transfers in each month and not required to be used for remedying any deficiencies in payments previously made into such Funds, may be used at any time for any other lawful purpose.

Use of Bond Fund

(a) The Trustee shall make deposits, as and when received, as follows:

(i) accrued interest received upon the issuance of any Series of Bonds shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in the Indenture shall be deposited into the Bond Fund;

(iii) any amount in the Construction Fund which shall be transferred to the Bond Fund to the extent required by the Indenture upon completion of a Project;

(iv) all moneys transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in the Indenture; and

(v) all other moneys received by the Trustee in the Indenture when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in the Indenture and except as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) the payment of principal of and interest on the Bonds as the same become due;
and

(ii) the payment of principal and interest accrued, if any, on the Bonds as the same become due upon redemption prior to maturity and such payments and redemption of Bonds in advance of their maturity shall be accounted for separately by the Trustee from the payments made by the Trustee pursuant to subparagraph (i) of this paragraph (b).

The Issuer authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) After payment in full of the principal of and interest on all Bonds issued under the Indenture (or after provision has been made for the payment thereof as provided in the Indenture so that such Bonds are no longer Outstanding); all outstanding Reserve Instrument Repayment Obligations in accordance with their respective terms; and the fees, charges and expenses of the Trustee, any paying agent and any other amounts required to be paid under the Indenture and under any Reserve Instrument Agreement; all amounts remaining in the Bond Fund shall be paid to the Issuer.

Use of Sinking Fund Account

(a) The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Issuer, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant to the Indenture, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account).

(b) On the maturity date of any Term Bonds, the Trustee shall apply the moneys on hand in the Sinking Fund Account for the payment of the principal of such Term Bonds.

Use of Debt Service Reserve Fund

Except as otherwise provided in this Section and subject to the immediately following sentence, moneys in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement. In calculating the amount on deposit in each subaccount in the Debt Service Reserve Fund, the amount of any Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement applicable to such Series which amount shall be (i) deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof or (ii) deposited from available Revenues over the period of time specified therein, or (iii) deposited from any combination of (i) and (ii) above; provided however, the foregoing provisions shall be subject to the requirements of any bond insurer or other security instrument issuer set forth in any Supplemental Indenture. If at any time the amount on deposit in any subaccount of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under the Indenture, the Issuer, under the Indenture, is required to, during the one-year period from the date of such deficiency, make payments totaling the amount of any such deficiency directly to the Trustee for deposit into the Debt Service Reserve Fund.

In the event funds on deposit in a subaccount of the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in the subaccount of the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments are in effect, the Trustee shall immediately make a demand for payment on all Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Issuer shall be obligated to reinstate the Reserve Instrument as provided in the Indenture.

No Reserve Instrument shall be allowed to expire or terminate unless and until cash has been deposited into the related subaccount of the Debt Service Reserve Fund, or a new Reserve Instrument has been issued in place of the expiring or terminating Reserve Instrument, or any combination thereof in an amount or to provide coverage, as the case may be, at least equal to the amount required to be maintained in the related subaccount of the Debt Service Reserve Fund.

Funds at any time on deposit in the subaccount of the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of Reserve Instrument Coverage) shall be transferred to the Bond Fund at least once each year.

Funds on deposit in any subaccount of the Debt Reserve Fund shall be used to make up any deficiencies in the Bond Fund only for each related Series of Bonds and any Reserve Instrument for a Series of Bonds shall only be drawn upon with respect to the Series of Bonds for which such Reserve Instrument was obtained.

Use of Reserve Instrument Fund

There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement. The Issuer may, with the approving opinion of bond counsel that such transaction will not adversely affect the tax-exempt status of any outstanding Bonds, replace any amounts on deposit on the Debt Service Reserve Fund with a Reserve Instrument.

Use of Rebate Fund

(a) If it becomes necessary for the Issuer to comply with the rebate requirements of the Code and the Regulations, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all series of Bonds, the Trustee shall, upon the Issuer's written request accompanied by the determination report, withdraw from the Rebate Fund and pay to the Issuer an amount not to exceed such excess.

(c) The Issuer shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date and take all other actions necessary to comply with the rebate requirements of the Code and the Regulations. The Issuer shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) or shall otherwise make payment of the rebate to be paid to the United States at the times required by the Code and the Regulations. If applicable, the Issuer shall instruct in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebatable

Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Issuer from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Issuer's determinations, calculations and certifications required by the Indenture and the Trustee shall have no responsibility to independently make any calculations or determination or to review the Issuer's determinations, calculations and certifications required by the Indenture.

(d) The Trustee shall, at least 60 days prior to each Rebate Calculation Date, notify the Issuer of the requirements of the Indenture. By agreeing to give this notice, the Trustee assumes no responsibility whatsoever for compliance by the Issuer with the requirements of Section 148 of the Code or any successor. The Issuer expressly agrees that (notwithstanding any other provision of the Indenture) any failure of the Trustee to give any such notice, for any reason whatsoever, shall not cause the Trustee to be responsible for any failure of the Issuer to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions of the Indenture may be amended or deleted without bond owner consent or notice, with respect to any or all series of the Bonds, from the Indenture upon receipt by the Issuer and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect the exclusion from gross income of interest on the Bonds.

Investment of Funds

Any moneys in the Bond Fund, the Construction Fund, the Rebate Fund or the Debt Service Reserve Fund shall, at the discretion and authorization of the Issuer, be invested by the Trustee in Qualified Investments; provided, however, that moneys on deposit in the Bond Fund and Debt Service Reserve Fund may only be invested in Qualified Investments having a maturity date one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, Bond Fund, the Reserve Instrument Fund and Rebate Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as provided in the Indenture. All income derived from the investment of the Debt Service Reserve Fund shall be disbursed in accordance with the Indenture. All moneys in the Revenue Fund may at the discretion of the Issuer be invested by the Issuer in Qualified Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of the Indenture. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Qualified Investment, remains a Qualified Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may make any and all investments permitted by the provisions of the Indenture through its own or any of its affiliate's investment departments.

The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee under the Indenture.

In the event the Issuer shall be advised by nationally recognized municipal bond counsel that it is necessary to restrict or limit the yield on the investment of any moneys paid to or held by the Trustee in order to avoid the Bonds, or any Series thereof, being considered "arbitrage bonds" within the meaning of the Code or the Treasury Regulations proposed or promulgated thereunder, or to otherwise preserve the exclusion of interest payable or paid on any Bonds from gross income for federal income tax purposes, the Issuer may require in writing the Trustee to take such steps as it may be advised by such counsel are necessary so to restrict or limit the yield on such

investment, irrespective of whether the Trustee shares such opinion, and the Trustee agrees that it will take all such steps as the Issuer may require.

Trust Funds

All moneys and securities received by the Trustee under the provisions of the Indenture shall be trust funds under the terms of the Indenture and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions of the Indenture. Except as provided otherwise in the Indenture, unless and until disbursed pursuant to the terms of the Indenture, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable under the Indenture.

Method of Valuation and Frequency of Valuation

In computing the amount in any fund or account, Qualified Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur quarterly, except in the event of a withdrawal from the Debt Service Reserve Fund, whereupon securities shall be valued immediately after such withdrawal.

General Covenants

The Issuer covenants and agrees with each and every Registered Owner of the Bonds issued under the Indenture and Reserve Instrument Provider as follows:

(a) While any of the Bonds remain outstanding and unpaid, or any Reserve Instrument Repayment Obligations are outstanding, the ordinance, resolution or other enactment of the Issuer imposing the taxes described in the definition of Revenues and pursuant to which said taxes are being collected, the obligation of the Issuer to continue to levy, collect, and allocate such taxes, and to apply such Revenues in accordance with the provisions of the authorizing ordinance, resolution or other enactment, shall be irrevocable until the Bonds and or any Reserve Instrument Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or Reserve Instrument Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due.

(b) The outstanding Bonds to which the Revenues of the Issuer have been pledged as the sole source of payment shall not at any one time exceed an amount for which the average Aggregate Annual Debt Service Requirement of the Bonds will exceed eighty percent (80%) of the Revenues to be received by the Issuer during the Bond Fund Year immediately preceding the Bond Fund Year in which the Resolution authorizing the applicable Series of Bonds is adopted.

(c) Each Registered Owner and Reserve Instrument Provider, or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating to the receipt and disbursements of the Revenues. Except as otherwise provided in the Indenture, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Bond Fund Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements of the Revenues, and that such audit will be available for inspection by each Registered Owner and Reserve Instrument Provider.

First Lien Bonds; Equality of Liens

The Bonds constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Revenues. The Issuer covenants that the Bonds and any parity securities authorized to be issued and from time to time outstanding are equitably and ratably secured by a first lien on the Revenues and shall not be entitled to any

priority one over the other in the application of the Revenues regardless of the time or times of the issuance of the Bonds and any other such securities, it being the intention of the Issuer that there shall be no priority among the Bonds and any such additional parity first lien securities regardless of the fact that they may be actually issued and delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Revenues, or (iii) Funds established by the Indenture, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected by the Indenture to the Registered Owners of the Bonds.

Payment of Principal and Interest

The Issuer covenants that it will punctually pay or cause to be paid the principal of and interest on every Bond issued under the Indenture, and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, the Indenture and any Reserve Instrument Agreement, according to the true intent and meaning thereof. The principal of and interest on the Bonds and any Reserve Instrument Repayment Obligations are payable solely from the Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created under the Indenture or the income from the temporary investment thereof), which payments are specifically pledged and assigned by the Indenture to the payment thereof in the manner and to the extent specified in the Indenture, and nothing in the Bonds, the Indenture or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment of the Bonds or any Reserve Instrument Repayment Obligations except for the Revenues pledged for such purpose under the Indenture.

Performance of Covenants; Issuer

The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Indenture, and in any and every Bond and Reserve Instrument Agreement executed, authenticated and delivered under the Indenture. The Issuer represents that it is duly authorized under the Constitution of the State to issue the Bonds authorized by the Indenture and to execute the Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of the Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

List of Bondholders

The Trustee will keep on file at its Principal Corporate Trust Office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

Designation of Additional Paying Agents

The Issuer covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of alternate paying agents, if any, and for the making available of funds under the Indenture, but only to the extent such funds are made available to the Issuer from Bond proceeds or other Funds created under the Indenture or the income from the temporary investment thereof, for the payment of such of the Bonds as shall be presented when due at the Principal Corporate Trust Office of the Trustee, or its successor in trust under the Indenture, or at the principal corporate trust office of said alternate paying agents.

Tax Exemption of Bonds

The Issuer recognizes that Section 149(a) of the Code requires bonds to be issued and to remain in fully registered form in order that interest thereon not to be includible in gross income for purposes of federal income

taxation under laws in force at the time the bonds are delivered. Bonds issued pursuant to the Indenture, the interest on which is not includible in gross income for federal income tax purposes, are referred to in the Indenture as “tax-exempt Bonds.” Pursuant to the provisions thereof, the Issuer agrees that it will not take any action to permit tax-exempt Bonds issued under the Indenture to be issued in, or converted into, bearer or coupon form, unless the Issuer first receives an opinion from nationally recognized bond counsel that such action will not result in the interest on any Bonds becoming includible in gross income for purposes of federal income taxes then in effect.

The Issuer’s Mayor and City Recorder are authorized and directed by the Indenture to execute such certificates as shall be necessary to establish that tax-exempt Bonds issued under the Indenture are not “arbitrage bonds” within the meaning of Section 148 of the Code and the regulations promulgated or proposed thereunder, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150-1 through 1.150-2 as the same presently exist, or may from time to time be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the Registered Owners of such Bonds that no use will be made of the proceeds of the issue and sale of such Bonds, or any funds or accounts of the Issuer which may be deemed to be available proceeds of such Bonds, pursuant to Section 148 of the Code and applicable regulations (proposed or promulgated) which use, if it had been reasonably expected on the date of issuance of such Bonds, would have caused the Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of such Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

The Issuer further covenants and agrees to and for the benefit of the Registered Owners that the Issuer (i) will not take any action that would cause interest on tax-exempt Bonds issued under the Indenture to become includible in gross income for purposes of federal income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the tax-exempt Bonds to become includible in gross income for purposes of federal income taxation and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Bonds in order to preserve the exclusion from gross income for purposes of federal income taxation of interest on such Bonds.

Expeditious Construction

The Issuer shall complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

Instruments of Further Assurance

The Issuer and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes of the Indenture; provided, however, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Issuer or any official thereof.

Covenant of State of Utah

In accordance with Section 11-14-17.5(3), Utah Code Annotated 1953, as amended, the State of Utah pledges and agrees with the Owners of the Bonds and all Reserve Instrument Providers that it will not alter, impair or limit the Revenues in a manner that reduces the amounts to be rebated to the Issuer which are devoted or pledged in the Indenture until the Bonds, together with applicable interest, and all Reserve Instrument Repayment Obligations, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the Owners of the Bonds.

Events of Default

Each of the following events is declared an “Event of Default” under the Indenture:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund under the Indenture or otherwise; or

(c) if the Issuer shall for any reason be rendered incapable of fulfilling its obligations under the Indenture; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues of the Issuer, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer shall not be vacated or discharged or stayed on appeal within 30 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of their property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control; or

(i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Indenture or any Supplemental Indenture hereof on the part of the Issuer to be performed, other than as set forth above in the Indenture, and such Default shall continue for 30 days after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding under the Indenture.

Remedies; Rights of Registered Owners

Upon the occurrence of an Event of Default, the Trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer under the Indenture including the right to require the Issuer to make monthly deposits to the Bond Fund in the amounts set forth in the Indenture.

If an Event of Default shall have occurred, and if requested so to do by Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding and indemnified as provided in the Indenture, the Trustee

shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Registered Owners) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Registered Owners under the Indenture or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default under the Indenture, whether by the Trustee or by the Registered Owners, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Right of Registered Owners to Direct Proceedings

Anything in the Indenture to the contrary notwithstanding, the Registered Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings under the Indenture; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture.

Application of Moneys

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of Trustee's fees and expenses including the fees and expenses of its counsel of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied in the following order:

(a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds as follows:

(b) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST--To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND--To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(d) To the payment of all obligations then due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Whenever moneys are to be applied pursuant to the provisions of the Indenture, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates shall cease to accrue.

Remedies Vested in Trustee

All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Rights and Remedies of Registered Owners

Except as provided in the Indenture, no Registered Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust thereof or for the appointment of a receiver or any other remedy under the Indenture, unless an Event of Default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by said Indenture it is deemed to have notice, nor unless also Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in the Indenture nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted in the Indenture, or to institute such action, suit or proceeding in its, his or their own name or names. Such notification, request and offer of indemnity are declared by the Indenture in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Registered Owner of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his or their action or to enforce any right under the Indenture except in the manner provided in the Indenture, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Indenture and for the equal benefit of the Registered Owners of all Bonds then Outstanding. Nothing contained in the Indenture shall, however, affect or impair the right of any Registered Owner to enforce the covenants of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued under the Indenture held by such Registered Owner at the time, place, from the source and in the manner in said Bonds expressed.

Termination of Proceedings

In case the Trustee shall have proceeded to enforce any right under the Indenture by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Issuer and the Trustee shall be

restored to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Waivers of Events of Default

Subject to the Indenture, the Trustee may in its discretion waive any Event of Default under the Indenture and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate principal amount of all the Bonds then outstanding in respect of which Default in the payment of principal and interest exist, or (b) a majority in aggregate principal amount of the Bonds then Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any Event of Default in the payment of the principal of any Bonds at the date of maturity specified therein, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of principal and premium, if any, when due and all expenses of the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the Registered Owners shall be restored to their former positions and rights under the Indenture, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Cooperation of Issuer

In the case of any Event of Default under the Indenture, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Registered Owners.

Fees, Charges and Expenses of Trustee

The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its services rendered as Trustee under the Indenture and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as provided in the Indenture. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred. The Trustee's rights under the Indenture will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture.

Intervention by Trustee

In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by the Registered Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under the Indenture are subject to the approval of a court of competent jurisdiction.

Resignation by the Trustee

The Trustee and any successor Trustee may at any time resign from the trusts created by the Indenture by giving written notice to the Issuer, served personally or by registered mail, and by registered or certified mail to each Reserve Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of and acceptance by a successor Trustee by the Registered Owners or by the Issuer as provided in the Indenture; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Removal of the Trustee

The Trustee may be removed at any time, by an instrument or concurrent instruments (i) in writing delivered to the Trustee, and signed by the Issuer, unless there exists any Event of Default, or (ii) in writing delivered to the Trustee and the Issuer, and signed by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth in the Indenture.

Appointment of Successor Trustee by Registered Owners; Temporary Trustee

In case the Trustee under the Indenture shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting under the Indenture, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer or if an Event of Default exists by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed by an Authorized Representative under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners. Every successor Trustee appointed pursuant to the provisions of the Indenture or otherwise shall be a trust company or bank in good standing having a reported capital and surplus of not less than \$50,000,000.

Each Reserve Instrument Provider shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Trustee's Right to Own and Deal in Bonds

The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own hold and deal in any of the Bonds issued under the Indenture and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Supplemental Indentures Not Requiring Consent of Registered Owners or Reserve Instrument Providers

The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, enter into an indenture or indentures supplemental to the Indenture, as shall not be inconsistent with the terms and provisions of the Indenture, for any one or more of the following purposes:

- (a) To provide for the issuance of Additional Bonds in accordance with the provisions of the Indenture;
- (b) To cure any ambiguity or formal defect or omission in the Indenture;
- (c) To grant to or confer upon the Trustee for the benefit of the Registered Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers;
- (d) To subject to the Indenture additional Revenues or other revenues, properties, collateral or security; and
- (e) To make any other change to the Indenture which, in the judgment of the Trustee, is not materially prejudicial to the interests of the Registered Owners, the Trustee or any Reserve Instrument Provider.

Supplemental Indentures Requiring Consent of Registered Owners and Reserve Instrument Providers; Waivers and Consents by Registered Owners

Exclusive of Supplemental Indentures covered by the Indenture and subject to the terms and provisions contained in the Indenture, and not otherwise, the Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions of the Indenture or of any indenture supplemental to the Indenture; provided, however, that nothing in the Indenture shall permit or be construed as permitting (a) an extension of the stated maturity or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any Fund established under the Indenture applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement to the Indenture shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as provided in the immediately preceding paragraph, neither the Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Reserve Instrument Provider.

Discharge of Indenture

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Registered Owners of the Bonds, the principal of and interest due or to become due under the Indenture at the times and in the manner stipulated in the Indenture, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions of the Indenture, and to all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Reserve Instrument Agreements, then these presents and the estate and rights granted by the Indenture shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien of the Indenture, except moneys or securities held by the Trustee for the payment of the principal of and interest on the Bonds or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of the Indenture when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee, and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

- (a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted by the Indenture);
- (b) to instruct the Trustee to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity pursuant to subparagraph (a) above; and
- (c) to instruct the Trustee to mail, as soon as practicable, in the manner prescribed by the Indenture, a notice to the Registered Owners of such Bonds that the deposit required by the Indenture has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the Indenture and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in subparagraph (a) above.

Any moneys so deposited with the Trustee as provided in the Indenture may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as set forth in the Indenture, and all income from all Government Obligations in the hands of the Trustee pursuant to the Indenture which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Trustee shall first obtain a written verification from a certified public accountant that the moneys remaining on deposit with the Trustee and invested in Government Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

No such deposit under the Indenture shall be made or accepted under the Indenture and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause the Bonds to be treated as arbitrage bonds within the meaning of Sections 148 of the Code.

Notwithstanding any other provision of the Indenture, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in the Indenture to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to the Indenture for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of the Indenture shall be made without the consent of the Registered Owner of each Bond affected thereby.

APPENDIX C

**ECONOMIC AND DEMOGRAPHIC
INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY**

City Population

<u>Year</u>	<u>Population</u>	<u>Percent Change</u>
2015 Estimate	66,648	6.0%
2014 Estimate	62,851	5.7
2013 Estimate	59,435	6.1
2012 Estimate	56,007	4.9
2011 Estimate	53,415	5.9
2010 Census	50,418	–

Note: The 2010 Census is as of April 1, 2010; the annual population estimates are as of July 1 of the year given.
(Source: U.S. Census Bureau.)

Construction Activity in the City

The following table summarizes the value of permit authorized construction for the City for the years shown for both residential and commercial construction.

	<i>Calendar Year</i>				
	<u>2016**</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
New Dwelling Units	661	766	1,130	1,067	906
New Residential Value (\$000)	\$169,979.0	\$176,019.3	\$213,288.0	\$212,983.0	\$179,591.5
New Nonresidential Value (\$000)	99,110.0	50,066.8	39,406.2	68,325.7	51,267.6
Additions/Alterations/Repairs Residential Value (\$000)	9,808.0	7,509.0	3,775.0	2,432.3	3,651.6
Additions/Alterations/Repairs Nonresidential Value (\$000)	<u>38,111.0</u>	<u>44,337.5</u>	<u>42,187.0</u>	<u>23,313.0</u>	<u>15,270.5</u>
Total Construction (\$000)	<u>\$317,008.0</u>	<u>\$277,932.6</u>	<u>\$298,656.2</u>	<u>\$307,054.0</u>	<u>\$249,781.2</u>

** As of September 30, 2016.

(Source: University of Utah Bureau of Economic and Business Research.)

THE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the "County"), the general area in which the City is located. The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State. The State capital, Salt Lake City, is located in the County.

Economic Indicators in the County

LABOR FORCE (1)	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Labor Force (annual average)	589,256	577,571	571,229	557,101	546,644
Employed (annual average)	569,865	556,398	545,729	527,698	510,425
Unemployed (annual average)	19,391	21,173	25,500	29,403	36,219
Average Employment (Non-Farm Jobs)	661,297	639,466	624,309	603,919	583,010
% Change Prior Year	3.41	2.43	3.38	3.59	2.06
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing & Hunting	192	179	194	213	217
Mining	2,696	2,948	3,399	3,652	3,220
Utilities	2,697	2,617	2,593	2,716	2,711
Construction	33,667	31,844	30,814	30,727	29,702
Manufacturing	53,410	52,453	52,616	52,554	51,227
Wholesale Trade	31,414	30,546	30,758	31,158	29,969
Retail Trade	69,718	67,573	66,700	64,437	61,153
Transportation and Warehousing	37,264	34,652	33,991	33,179	32,376
Information	18,292	18,474	18,265	17,761	16,567
Finance and Insurance	43,847	41,492	40,114	38,151	37,704
Real Estate and Rental and Leasing	9,840	9,611	9,294	9,166	9,010
Professional, Scientific & Technical Services	49,454	46,800	44,135	40,811	38,201
Management of Companies and Enterprises	16,622	16,558	16,319	16,101	15,664
Administrative, Support, Waste Management, & Remediation	50,537	48,471	46,631	43,587	41,823
Education Services	60,798	59,409	56,651	53,899	52,081
Health Care and Social Assistance	73,783	71,321	70,073	67,351	65,889
Arts, Entertainment, and Recreation	8,846	8,524	8,085	7,848	7,468
Accommodation and Food Services	47,803	46,214	44,774	42,524	40,787
Other Services and Unclassified Establishments	20,968	20,331	19,568	18,754	18,130
Public Administration	29,539	29,630	29,532	29,540	29,330
Total Establishments	41,519	40,040	38,702	36,826	35,890
Total Wages (\$Millions)	32,691.89	30,469.01	28,858.15	27,727.61	25,917.21

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Economic Indicators (continued)

INCOME AND WAGES	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total Personal Income (\$000) (2)	n/a	\$46,437,317	\$45,552,565	\$44,029,166	\$41,382,606
Per Capita Income (2)	n/a	42,535	42,189	41,378	39,486
Median Household Income (2)	n/a	62,536	60,555	59,626	59,168
Average Monthly Nonfarm Wage (1)	\$4,120	\$3,971	\$3,852	\$3,826	\$3,705
SALES & CONSTRUCTION	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gross Taxable Sales (3)	\$24,256.5M	\$22,941.0M	\$21,986.1M	\$21,387.8M	\$19,879.6M
New Dwelling Units (4)	6,053	6,066	5,228	2,934	2,406
Total Construction Value (\$000) (4)	2,059,529.2	1,966,763.8	1,583,876.4	1,589,472.9	1,561,759.6
New Residential Value (\$000) (4)	1,028,601.8	1,052,539.4	906,737.9	634,610.4	478,994.2
New Nonresidential Value (\$000) (4)	595,273.5	467,928.3	407,459.1	608,593.5	624,547.0

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 20, 2014; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2016*	3.0%	3.4%	5.0%
2015	3.3	3.5	5.0
2014	3.7	3.8	6.2
2013	4.2	4.4	7.4
2012	5.2	5.4	8.1
2011	6.6	6.8	8.9

* As of September 2016, seasonally adjusted.

(Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

Major Employers

The following is a list of some of the largest employers in the County.

<u>Firm Name</u>	<u>Industry</u>	<u>Approximate Number of Employees</u>
University of Utah	Higher Education	20,000+
Intermountain Health Care, Inc.	Health Care	20,000+
State of Utah	State Government	20,000+
Wal-Mart Associates, Inc.	Warehouse Clubs & Supercenters	15,000-19,999
Granite School District	Public Education	7,000-9,999
Smith's Food & Drug Centers	Grocery Stores	7,000-9,999
U.S. Postal Service	Federal Government	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
Jordan School District	Public Education	5,000-6,999
The Canyons School District	Public Education	4,000-4,999
Home Depot U.S.A., Inc.	Retail Home Improvement	4,000-4,999
Zions Bank Management Services	Banking	4,000-4,999
Delta Air Lines, Inc.	Air Transportation	3,000-3,999
Department of Veterans Affairs	Health Care/Federal Government	3,000-3,999
Discover Products Inc.	Consumer Lending	3,000-3,999
Elwood Staffing Services, Inc.	Employment	3,000-3,999
L3 Communications	Communications Equipment Mfg.	3,000-3,999
Salt Lake City Corporation	Local Government	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Wells Fargo Bank, National Association	Banking	3,000-3,999
ARUP Laboratories	Medical Laboratory	2,000-2,999
C.R. England, Inc.	Trucking	2,000-2,999
Convergys Customer Management	Call Center	2,000-2,999
Costco Wholesale Corporation	Warehouse Clubs & Supercenters	2,000-2,999
Harmon City, Inc.	Grocery Stores	2,000-2,999
JetBlue Airways Corporation	Air Transportation	2,000-2,999
Maverick Country Stores Inc.	Retail	2,000-2,999
PacifiCorp	Power and Light	2,000-2,999
Salt Lake Community College	Higher Education	2,000-2,999
Sizzling Platter, LLC	Food Services	2,000-2,999
Skywest Airlines	Air Transportation	2,000-2,999
United Parcel Services	Parcel Delivery	2,000-2,999
Utah Transit Authority	Public Transportation	2,000-2,999

(Source: Utah Department of Workforce Services; as of February 2016.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”), is executed by the City of South Jordan, Utah (the “City”), in connection with the issuance by the City of its \$_____ Sales Tax Revenue and Refunding Bonds, Series 2017 (the “Series 2017 Bonds”). The Series 2017 Bonds are being issued pursuant to a General Indenture of Trust dated as of December 1, 2001, as heretofore supplemented and amended, and as further supplemented and amended by a Fourth Supplemental Indenture of Trust, dated as of _____, 2017 (collectively, the “Indenture”), between the City and ZB, National Association, as trustee. The Series 2017 Bonds are being issued for the purpose of (a) financing [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements; (b) refunding a portion of the City’s outstanding sales tax revenue bonds in order to achieve a debt service savings; [(c) funding a debt service reserve fund;] and (d) paying costs of issuance of the Series 2017 Bonds.

The City hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined Rule with respect to the Series 2017 Bonds.

In connection with the aforementioned transactions, the City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2017 Bonds and in order to assist the Participating Underwriter (each as defined below) in complying with the Rule.

Section 2. Definitions. In addition to the definitions set forth in the hereinafter defined Official Statement or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the City” means the Annual Report of the City provided by the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2017 Bonds (including persons holding Series 2017 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2017 Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the City, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street, NW, Suite 1000, Washington D.C. 20005; Telephone (202) 838-1500; the current website address of which is www.msrb.org and www.emma.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the City dated [_____, 2017], relating to the Series 2017 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Utah.

“Underwriter” shall mean George K. Baum & Company, as the original underwriter of the Series 2017 Bonds and required to comply with the Rule in connection with the offering of the Series 2017 Bonds.

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report of the City and shall, or shall cause the Dissemination Agent to, not later than one hundred ninety-nine (199) days after the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ending June 30, 2017, provide to the MSRB in an electronic format, the Annual Report of the City which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report of the City to the Dissemination Agent. In each case, the Annual Report of the City may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(e).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Report of the City to the MSRB, the Dissemination Agent has not received a copy of the Annual Report of the City, the Dissemination Agent shall contact the City to determine if the City is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the City has been provided to the MSRB by the dates required in Sections 3(a) and 3(b), the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in the manner prescribed by the MSRB [in substantially the form attached hereto as Exhibit A, or in such other form prescribed by the MSRB].

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the City, the website address to which the MSRB directs the annual reports to be submitted; and

(ii) file reports with the City, as appropriate, certifying that their Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report of the City shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accounts. If the City’s audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report of the City and audited financial statements will be provided when and if available.

(b) An update of the financial and operating information in the Official Statement relating to the City of the type contained in tables under the headings:

“FINANCIAL INFORMATION REGARDING THE CITY—Five Year Financial Summaries,”
“DEBT STRUCTURE OF THE CITY,” and “SECURITY FOR THE BONDS—Pledged Sales and Use Taxes.”

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City, as appropriate or related public entities, which have been submitted to

the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The City, as appropriate, shall clearly identify each such other document so incorporated by the reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2017 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2017 Bonds or other material events affecting the tax status of the Series 2017 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings; or
- (ix) Rating changes.

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2017 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Series 2017 Bonds;
- (v) Series 2017 Bond calls; or
- (vi) Release, substitution or sale of property securing repayment of the Series 2017 Bonds.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the City has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the City determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the date of the legal defeasance, prior redemption or payment in full of all of the Series 2017 Bonds. If such termination occurs prior to the final maturity of the Series 2017 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The City will serve as the initial Dissemination Agent under this Disclosure Undertaking.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2017 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2017 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Beneficial Owners of the Series 2017 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2017 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual

Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the City chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2017 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an “event of default” under the Indenture, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2017 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Beneficial Owners from time to time of the Series 2017 Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: _____, 2017.

SOUTH JORDAN CITY, UTAH

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of South Jordan, Utah
Name of Bond Issue: \$_____ Sales Tax Revenue and Refunding Bonds, Series 2017
Name of the Obligated Person: City of South Jordan, Utah
Date of Delivery: _____, 2017

NOTICE IS HEREBY GIVEN that the Obligated Person has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Undertaking dated as of _____, 2017, executed by the City of South Jordan, Utah. The Obligated Person anticipates that the Annual Report will be filed by _____.

Dated: _____, 20__

By: _____

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2017 Bonds, Gilmore & Bell, P.C., Bond Counsel to the City, proposes to issue its approving opinion in substantially the following form.

We have acted as bond counsel to the City of South Jordan, Utah (the "Issuer") in connection with the issuance by the Issuer of its \$_____ Sales Tax Revenue and Refunding Bonds, Series 2017 (the "Series 2017 Bonds"). The Series 2017 Bonds are being issued pursuant to (a) a resolution of the Issuer adopted on December 6, 2016, (b) a General Indenture of Trust dated as of December 1, 2001 (the "General Indenture"), as heretofore supplemented and amended, and as further supplemented by the Fourth Supplemental Indenture of Trust dated as of _____, 2017 (the "Fourth Supplemental Indenture" and collectively with the General Indenture, the "Indenture"), each between the Issuer and ZB, National Association, as trustee, and (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code, as amended, and other applicable provisions of law. The Series 2017 Bonds are being issued for the purpose of (a) financing [all or a portion of] the costs of acquisition and construction of an addition to City Hall for public safety, a city hall annex building, the remodeling of other areas of City Hall, improvements to City Hall, road improvements and other related improvements; (b) refunding a portion of the Issuer's outstanding sales tax revenue bonds in order to achieve a debt service savings; [(c) funding a debt service reserve fund;] and (d) paying costs of issuance of the Series 2017 Bonds.

Our services as bond counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Series 2017 Bonds under the applicable laws of the State of Utah and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Issuer is a political subdivision and body politic of the State of Utah created and validly existing under the laws of the State of Utah.
2. The Indenture has been authorized, executed and delivered by the Issuer, constitutes a valid and binding obligation of the Issuer and creates a valid lien on the Revenues (as defined in the Indenture) and the other amounts pledged thereunder for the security of the Series 2017 Bonds.
3. The Series 2017 Bonds are valid and binding special obligations of the Issuer payable solely from the Net Revenues and other amounts pledged therefor in the Indenture, and the Series 2017 Bonds do not constitute a general obligation indebtedness of the Issuer within the meaning of any State of Utah constitutional provision or statutory limitation, nor a charge against the full faith and credit or taxing power of the Issuer.
4. Interest on the Series 2017 Bonds is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Series 2017 Bonds, assuming the accuracy of the certifications of the Issuer and continuing compliance by the Issuer with the requirements of the Internal Revenue Code of 1986. Interest on the Series 2017 Bonds is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax ("AMT"); however, interest on Series 2017 Bonds held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal AMT because of its inclusion in the adjusted current earnings of a corporate holder.
5. Interest on the Series 2017 Bonds is exempt from State of Utah individual income tax.

In rendering our opinion, we wish to advise you that:

(a) The rights of the holders of the Series 2017 Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(b) We express no opinion herein as to the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Series 2017 Bonds; and

(c) Except as set forth above, we express no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, Series 2017 Bonds.

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds are to be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate is to be issued for each series of the Series 2017 Bonds, each in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s rating of AA+. The DTC Rules applicable to its Direct Participants are on file with the Securities and Exchange Commission. Neither the City nor the Underwriter make any representation about such information. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which are to receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2017 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and

proposed amendments to the bond documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2017 Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct or Indirect Participants to Beneficial Owners are to be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of DTC nor its nominee, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, Series 2017 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2017 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

PUBLIC HEARING - I: ORDINANCE 2016-29, AMENDING
SUBSECTION 16.04.180.E - CITY STREET CONNECTIVITY

**SOUTH JORDAN CITY
CITY COUNCIL REPORT**

Meeting Date: December 6, 2016

Issue: TEXT AMENDMENT - AMENDING CITY CODE § 16.04.180.E (FUTURE ACCESS AND LANDLOCKED PROPERTIES) OF THE SOUTH JORDAN CITY MUNICIPAL CODE TO CREATE A LIMITED EXCEPTION TO THE CITY'S STREET CONNECTIVITY REQUIREMENTS.

File No: ZTA-2016.08

Applicant: City of South Jordan

Submitted By: Steven Schaefermeyer, Staff Attorney

Staff Recommendation (motion ready):

Approve Ordinance No. 2016-29 to create a limited exception to the City's street connectivity requirements.

BACKGROUND:

Although the City Council generally believes that the City's requirements to connect new roads to existing roads should be enforced and should not be amended, recent zoning applications for proposed residential subdivisions on infill properties presented to the Planning Commission and City Council have highlighted one potential exception to these requirements. Without significantly changing the City's policies requiring street connectivity, this text amendment proposes to address that limited exception by amending City Code § 16.04.180.E.:

E. Future Access and Landlocked Properties. Subdivisions and other developments shall be designed so that proposed streets/accesses will be connected to existing streets/accesses, **except if the existing street is a cul-de-sac in a recorded plat** ~~as well as future street systems~~. Development shall provide future access and utilities (stub streets) built to City standards to adjoining developable parcels, as needed, with the intent that all area properties have the opportunity to be duly developed without being landlocked unnecessarily.

STAFF FINDINGS, CONCLUSION & RECOMMENDATION:

Findings:

- The Utah Municipal Code (Utah Code § 10-1-101 *et seq.*) permits municipalities to manage municipal streets and street layouts. Specifically, Utah Code § 10-9a-102 grants the City Council the authority to enact ordinances that it considers necessary or appropriate for the use and development of land in the City, and the City Council has the power to adopt a subdivision ordinance regulating, among other things, the platting of subdivision streets. (*See Utah Code § 10-9a-601 et seq.*)

- Property owners have an expectation that when they purchase property on a street that is a recorded cul-de-sac that the street will remain a cul-de-sac, and that the City will not require adjacent subdivisions to connect to that cul-de-sac.
- Based on current maps and property configurations, City staff estimates that there are very few recorded cul-de-sacs in the City that would qualify for this exception.
- The transportation element of the 2010 General Plan encourages general street connectivity.

Conclusions:

- The proposed text amendment complies with State law.
- The exception created by the proposed text amendment validates the expectations of property owners in recorded cul-de-sacs, will only apply in very few situations, and does significantly change the City Code's street connectivity requirements.
- The goals and policies of the 2010 General Plan are not violated by creating a limited exception to the street connectivity requirements, which will continue to create street connectivity throughout the City and multiple street connections to future large residential subdivisions.

Recommendation:

Based on the Findings and Conclusions listed above, Staff recommends that the City Council approve Ordinance No. 2016-29.

FISCAL IMPACT:

Not applicable.

ALTERNATIVES:

- Approval Ordinance No. 2016-29 with changes.
- Do not approve Ordinance No. 2016-29.

ATTACHMENT:

Ordinance No. 2016-29

ATTACHMENT 1

Change and Clean Copy of Proposed Text Amendment

ATTACHMENT 2

Ordinance No. 2016-24

ORDINANCE NO. 2016-29

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, AMENDING SUBSECTION 16.04.180.E (FUTURE ACCESS AND LANDLOCKED PROPERTIES) OF THE SOUTH JORDAN CITY MUNICIPAL CODE TO CREATE A LIMITED EXCEPTION TO THE CITY'S STREET CONNECTIVITY REQUIREMENTS.

WHEREAS, Utah Code § 10-9a-102 grants the City Council of the City of South Jordan (the "City Council") authority to enact ordinances that it considers necessary or appropriate for the use and development of land in the City of South Jordan (the "City"); and

WHEREAS, Utah Code § 10-9a-601 *et seq.* authorizes the City Council to adopt a subdivision ordinance regulating, among other things, the platting of subdivision streets;

WHEREAS, the City Council has adopted Titles 16 and 17 of the City of South Jordan Municipal Code (the "City Code") to regulate land development and land use in the City; and

WHEREAS, the City Council desires to amend the text of the City Code to create a limited exception to the City Code and the City's general policy requiring that proposed streets connect to existing streets; and

WHEREAS, the Planning Commission of the City of South Jordan held a public hearing, reviewed and made recommendation concerning the text amendment; and

WHEREAS, the City Council held a public hearing and reviewed the text amendment; and

WHEREAS, the City Council finds that the subject text amendment will enhance the public health, safety and welfare, and will promote the goals of the General Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Amendment. Subsection 16.04.180.E (Future Access and Landlocked Properties) of the City Code is hereby amended as follows:

E. Future Access and Landlocked Properties. Subdivisions and other developments shall be designed so that proposed streets/accesses will be connected to existing streets/accesses, **except if the existing street is a cul-de-sac in a recorded plat** ~~as well as future street systems~~. Development shall provide future access and utilities (stub streets) built to City standards to adjoining developable parcels, as needed, with the intent that all area properties have the opportunity to be duly developed without being landlocked unnecessarily.

SECTION 2. Severability. If any section, part or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance and all sections, parts, provisions and words of this Ordinance shall be severable.

SECTION 3. Effective Date. This Ordinance shall become effective immediately upon publication and posting as required by law.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS _____ DAY OF _____, 2016 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Bradley Marlor	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Christopher Rogers	_____	_____	_____	_____

Mayor: _____
David L. Alvord

Attest: _____
City Recorder

Approved as to form:



Office of the City Attorney

PUBLIC HEARING - J: ORDINANCE 21016-14, ZONE TEXT
AMENDMENT TO FARM ANIMAL FLOATING ZONE

SOUTH JORDAN CITY CITY COUNCIL REPORT

Council Meeting Date: Dec. 6, 2016

Issue: **ZONE TEXT AMENDMENT – AMENDING SECTIONS 17.130.040 (FARM ANIMAL FLOATING ZONE) OF THE SOUTH JORDAN CITY MUNICIPAL CODE.**

File No: ZTA-2016.03

Applicant: Melvin & Eileen Luker

Submitted By: Jake Warner, Long Range Planner

Department: Development Services

Presented By: Jake Warner, Long Range Planner

Planning Commission Recommendation (Motion Ready):

Approve Ordinance No. 2016-14, amending Section 17.130.04 of the South Jordan Municipal Code.

BACKGROUND:

Melvin & Eileen Luker (Applicants) filed an application on 4/4/16 to amend regulations regarding the number of farm animals allowed where farm animal rights exist. It is the Applicants' stated intent to allow two large farm animals, horses specifically, on 0.5 acre properties. The City's farm animal regulations are based on a point system that currently allows one horse (with remaining points for other animals) on properties eligible for farm animals that are greater than 0.5 acres and less than 1.0 acre. Eligible farm animal properties, per the current City Code, are properties of at least 0.5 acres in size and zoned either R-1.8, A-1, or A-5. The Applicants originally proposed two options to amend the current code. Both options proposed changing the point system to allow two horses for each 0.5 acre increment on all eligible properties.

The Application was presented to the Planning Commission on 5/24/16. The Planning Commission forwarded a recommendation to the City Council on 7/12/16 to approve a revised version of the Applicants' proposal. The recommendation was presented to the City Council on 8/2/16, and was tabled. Following additional research and analysis by City Staff and the Council, further revisions were made and a draft was presented to the Council in a study session on 10/31/16. Due to the significance of the revisions from the draft of the amendment originally presented to the Planning Commission, the City Attorney recommended that new public hearings be held with the Planning Commission and City Council regarding the revised amendment. The revised amendment was presented to the Planning Commission on 11/22/16.

The revised amendment as presented to the Planning Commission on 11/22/16 did not propose to change the point system as requested by the Applicants, but did propose to allow a second horse on eligible farm animal properties only qualifying for one horse when requested by the property owner and upon compliance with the following requirements:

- The property does not currently qualify for enough points for two horses.

- A dedicated area of not less than 5,000 square feet is provided for the keeping of the horses.
- The dedicated area is setback 10' from property lines where the adjacent property does not have farm animal rights.
- Grain stored for animal feed is kept in rodent-proof containers.
- Animal waste is collected regularly and, if stored on-site, shall be stored not less than 40' from any property line.
- A structure covering not less than 150 square feet is provided to shelter the horses.

In addition to the potential accommodation for a second horse, the proposed draft also included the following revisions:

- Non-substantive revisions proposed by staff.
- All equine, except for miniature horses reclassified as Large Animals. Miniature Horses and alpaca reclassified as Medium Animals.
- Farm animal points prorated by each 0.01 acre rather than in 0.5 acre increments.

Following a public hearing on 11/22/16, the Planning Commission forwarded to the City Council, by a vote of 4-0, a recommendation to approve the amendment with the following revisions:

- The dedicated area is reduced from a minimum area of 5,000 square feet to 3,000 square feet.
- The minimum area of the covered structure is reduced from 150 square feet to 144 square feet.

TEAM FINDINGS, CONCLUSIONS & RECOMMENDATIONS:

FINDINGS:

- The City's farm animal regulations (17.130.040) allow "farm animal points" by each 0.5 acre increment on properties in the R-1.8, A-1, and A-5 Zone. Farm animals are classified generally by size, and each classification is assigned a certain number of points that count against the "farm animal points" allowed for the property. Farm animals may be placed on a property in any quantity or combination until the sum of all points for all animals on the property reaches the allowed "farm animal points" for the property.
- Staff analyzed the farm animal regulations (including codes six Utah cities and Salt Lake County) of 20 different codes. Each code utilizes a different combination of regulatory tools and to different degrees. Of the 20 analyzed codes, local codes appear to be generally less restrictive as to the number of horses allowed per acre, than non-local codes.
- The Salt Lake County Health Department's Health Regulation #7 (General Sanitation Regulation) includes regulations affecting the management of animal waste.
- In 2012 the City adopted Ordinance 2011.18, which expanded the list of allowed farm animals and reduced the minimum required lot size for farm animals in the R-1.8 Zone from 0.75 acres to 0.5 acres.
- Since the 2010 Census, the City has had an average annual rate of growth of approximately 5% and the total population has increased by 34%. The total population has more than doubled since the 2000 Census from 29,461 to 68,352.

- The City has averaged 937 new housing units per year over the last five years. Planning Staff estimates that over the last five years less than 40 building lots have been developed that qualify for farm animal rights.
- According to the City's Code Compliance Division, the City has received seven complaints over two years regarding the number of horses kept on a properties throughout the City. In three cases, the property owner was in compliance. In three of the remaining four cases, the property had too many horses on the property, and the property was brought into compliance by removing horses. The Applicants' property is the seventh case, and the enforcement has been stayed pending the outcome of the subject application.
- Affected number of parcels:
 - Parcels eligible for farm animals: 1,702
(0.5 acres or larger and zoned R-1.8, A-1, or A-5)
 - Eligible parcels that do not currently qualify for more than one horse: 1,216
- The reclassification of some equine may result in some property owners, those with affected reclassified animals currently on their property, becoming legal non-conforming.
- The City's 2010 General Plan includes the following applicable goals and policies:
 - Goal LU-2: Develop and maintain a pattern of residential land uses that provides for a variety of densities and types yet maintains the high standards of existing development.
 - Policy LU-2.3: In order to preserve a semi-rural character in a portion of the City, continued rural residential development with a maximum density of 1.8 units per acre should be encouraged.
 - Policy LU-2.4: The City's land development regulations should protect property owners' rights to keep and maintain farm animals (horses, cattle) in designated portions of the City.
 - Policy LU-2.5: Reconsider the number and type of farm animals on lots with animal rights, including a possible revision to the animal point system as necessary to ensure compatibility with each zone.
 - Policy LU-6.2: The City's land development regulations should establish mitigation requirements that may provide mutual relief from incompatible land uses.

CONCLUSIONS:

- The proposed regulations would result in a general expansion of farm animal rights in the City, without increasing the number of properties eligible to have farm animals.
- The City is growing rapidly, increasing the potential for conflict between properties with farm animal rights and properties without farm animal rights.
- The proposal attempts to balance an increase in farm animal rights on eligible properties with the potential for conflict with adjoining properties.

RECOMMENDATION:

Based on the Findings and Conclusions listed above, Staff recommends that the City Council take comments at the public hearing and approve Ordinance No. 2016-14, unless, during the hearing, facts are presented that contradict these findings or new facts are presented, either of which would warrant further investigation by Staff.

FISCAL IMPACT:

The proposal may potentially have a fiscal impact on thousands of properties in the City. Expanding animal rights could reasonably increase the value of properties directly affected. A real or perceived impact on adjacent properties indirectly affected could have a negative effect on property values.

ALTERNATIVES:

- Approve the proposal by the Planning Commission.
- Approve a revised proposal.
- Deny all proposals.
- Schedule the application for a decision at a future date.

SUPPORT MATERIALS:

- Change Copy (substantive changes only)
- Ordinance No. 2016-14
- Applicant's Submittal Materials

City Council Action Requested: Brad Hawas
Department Head

11/29/16
Date

17.130.040.030: FARM ANIMALS, EXCLUDING BEES AND PIGEONS

A. Standards. The raising of farm animals, as defined by Subsection 17.130.040.020, on ~~certain~~ qualifying ~~residential and agriculturally zoned~~ properties is encouraged when the animals are properly cared for and maintained and the impacts on adjoining properties are adequately considered ~~may be allowed contingent that the standards and regulations found in this floating zone are met~~. The regulations of this Section do not apply to bees and pigeons, which are regulated by Subsections 17.130.040.040 and 17.130.040.060, respectively. Offspring of allowed animals on the premises not exceeding six (6) months of age are not regulated under this section.

1. Farm animals, as defined by Subsection 17.130.040.020 and regulated by this Subsection, are only allowed on lots or parcels of not less than one-half (0.50) acre in the A-5, A-1, and R-1.8 zones, with the exception that chickens may also be allowed in other residential zones pursuant to Subsection 17.130.020 (Residential Chickens Floating Zone) of this Chapter.

2. Farm animals totaling no more than sixty (60) points per acre, according to the point values listed below, may be kept on a qualifying lot or parcel. Farm animal points allowed per lot or parcel shall be prorated so that each one-hundredth (0.01) of an acre is equivalent to six-tenths (0.6) of a point, except that no points shall ~~not be granted~~ allowed for lots or parcels smaller than one-half (0.50) acre ~~increments~~. Farm animals are assigned a point value as follows in the Farm Animal Points table:

Farm Animals	Points
Large:	
Bison	20
<u>Burro</u>	<u>20</u>
Cattle	20
<u>Donkey</u>	<u>20</u>
Elk	20
Horse	20
Mule	20
<u>Pony</u>	<u>20</u>
Yak	20

Medium:		
Burro		40
Donkey		40
<u>Alpaca</u>		<u>10</u>
Emu		10
Guanaco		10
Llama		10
<u>Mini. Horse</u>		<u>10</u>
Ostrich		10
Pony		40
Vicuna		10
Small:		
Alpaca		5
Goat		5
Miniature Horse		5
Rhea		5
Sheep		5
Turkey		5
Very small:		
Chinchilla		2
Chicken		2
Duck		2

Goose		2
Mink		2
Rabbit		2

3. Farm animals may be the primary use in an agricultural zone, however, farm animals may only be accessory to an allowed use in all other zones as allowed by the requirements of this Subsection.

4. All farm animals shall be confined to the qualifying property to which they are assigned by a fence that is no greater than six (6) feet high, and which is designed, constructed and maintained by the property owner to successfully confine the farm animals to the qualifying property.

5. The Development Services Director may allow a second horse on properties that comply with the regulations of this Section and with the following criteria:

- a. The subject property is eligible to have farm animals according to Subsection A.1 of this Section and qualifies for less than forty (40) animal points, according to Subsection A.2 of this Section;
- b. All large animals shall be contained in a dedicated area of not less than three thousand (3,000) square feet;
- c. Where the subject property is adjacent to a property that does not qualify for farm animals, the dedicated area shall be fenced or shall otherwise contain animals so that no large animal may be kept less than ten (10) feet from the property line.
- d. Grain stored for animal feed shall be kept in rodent-proof containers.
- e. Animal waste shall be collected regularly and, if stored on site, shall be stored not less than forty (40) feet from any property line; and
- f. A covered structure with a coverage area of not less than one hundred forty-four (144) square feet and a height sufficient to provide shelter to both animals shall be located within the dedicated area.

B. Location. Farm animals may not be kept in any front yard or side yard area on properties that are less than one (1) acre. On properties that are less than one (1) acre, no farm animal may be kept within forty (40) feet of any dwelling unit on an adjacent property that existed prior to the keeping of the animal.

C. Housing of Farm Animals. If an accessory building is used to house farm animals it shall be constructed to meet all pertinent building codes, zoning ordinances and engineering requirements. Such buildings shall be located at least forty (40) feet from any dwelling, or commercial building where food is stored and/or prepared. No building used to house farm animals shall be located in the front yard or street side yard of any property.

The construction of such buildings require a building permit and shall comply with the other

zoning requirements of this Title including, but not limited to, setback and height requirements.

- D. Slaughtering Farm Animals. A farm animal may only be slaughtered on an agriculturally or residentially zoned qualifying property if the animal was raised on that property. The area where the slaughter takes place shall be kept clean to prevent health hazards, and may be located in the same building or area where animals are kept or may be a separate building or area.
- E. Animals Not Listed. An animal meeting the definition of a "farm animal", but not shown in the farm animal list can be submitted to the Development Services Department for determination of whether the animal will be allowed, otherwise animals not listed are prohibited. The Development Services Director will determine the following:
 - 1. Whether the animal meets the definition of "farm animal" found in this Section 17.130.040.
 - 2. Point value to be assigned to the proposed animal.
- F. Nuisances. If the animals are determined to be a nuisance in accordance with Title 8, Chapter 8.24 of this Code or applicable state law, they may be ordered removed from the property to remedy the problem.

ORDINANCE NO. 2016 - 14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, AMENDING SECTION 17.130.040 (FARM ANIMAL FLOATING ZONE) OF THE SOUTH JORDAN CITY MUNICIPAL CODE.

WHEREAS, Utah Code §10-9a-102 grants the City Council of the City of South Jordan (“City Council”) the authority to enact ordinances that it considers necessary or appropriate for the use and development of land in the City of South Jordan (“City”); and

WHEREAS, the City Council has adopted Title 17 of the South Jordan City Municipal Code (“City Code”); and

WHEREAS, the City Council desires to enact text amendments that clarify language within Title 17; and

WHEREAS, the City’s Planning Commission held a public hearing, reviewed and made a recommendation concerning the subject text amendments; and

WHEREAS, the City Council held a public hearing and reviewed the subject text amendments; and

WHEREAS, the City Council finds that the subject text amendments will enhance the public health, safety and welfare, and will promote the goals of the General Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SOUTH JORDAN CITY, UTAH:

SECTION 1. Amendment. City Code § 17.130.040 (Farm Animal Floating Zone), as shown in Exhibit A, is hereby amended.

SECTION 2. Severability. If any section, part or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance and all sections, parts, provisions and words of this Ordinance shall be severable.

SECTION 3. Effective Date. This Ordinance shall become effective immediately upon publication or posting as required by law.

[SIGNATURE PAGE FOLLOWS]

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS _____ DAY OF _____, 2016 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Bradley Marlor	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Christopher Rogers	_____	_____	_____	_____

Mayor: _____
David L. Alvord

Attest: _____
City Recorder

Approved as to form:



Office of the City Attorney

EXHIBIT A

SECTION 17.130.040 (FARM ANIMAL FLOATING ZONE)

17.130.040.030: STANDARDS FOR FARM ANIMALS, EXCLUDING BEES AND PIGEONS

A. Standards: The raising of farm animals, as defined by Subsection 17.130.040.020, on certain qualifying residential and agriculturally-zoned properties is encouraged when the animals are properly cared for and maintained and the impacts on adjoining properties are adequately considered. ~~may be allowed contingent that the standards and regulations found in this floating zone are met. The regulations of this Section do not apply to bees and pigeons, which are regulated by Subsections 17.130.040.040 and 17.130.040.060, respectively. Offspring of allowed animals on the premises not exceeding six (6) months of age are not regulated under this section. Some animals may be allowed in all zones subject to conditions listed, while others may not be allowed under any conditions. Farm animals are not allowed in any commercial, industrial, office, or open space zone. Farm animals can be the primary use in an agricultural zone, however farm animals can only be accessory to a permitted or approved conditional use in all other zones whereas allowed by the requirements of this subsection (17.130.040.030). All farm animals are to be confined to the property to which they are assigned. The following table and sections summarize in which zones farm animals are allowed: (Ord. 2011-18, 3-6-2012)~~

FARM ANIMAL STANDARDS TABLE

Zones	A-5	A-1	R-1.8 ¹	R-2.5	R-3	R-4	R-5	R-M	P-C ¹	BH-MU
Minimum lot size	$\frac{1}{2}$ acre									
Farm animals	Yes	Yes	Yes	No						
Bees ²	n/a									
Pigeons ³	n/a									
Wild animals	No									

Notes:

1. Chickens may be allowed on less than $\frac{1}{2}$ acre lots per subsection 17.130.020.005A of this chapter.
2. Standards for bees are found in section 17.130.040.040 of this chapter.
3. Standards for pigeons are found in section 17.130.040.050 of this chapter.

1. Farm animals, as defined by Subsection 17.130.040.020 and regulated by this Subsection, are only allowed on lots or parcels of not less than one-half (0.50) acre in the A-5, A-1, and R-1.8 zones, with the exception that chickens may also be allowed in other residential zones pursuant to Subsection 17.130.020 (Residential Chickens Floating Zone) of this Chapter.

2. Farm Animals totaling no more than ~~thirtysixty (3060)~~ points per half acre, according to the point values listed below, may be kept as listed in the farm animal standards table on a qualifying lot or parcel. Other animals not listed under the definition of "farm animal" found in this section, are not allowed. Farm Animal points allowed per lot or parcel shall be prorated so that each one-hundredth (0.01) of an acre is equivalent to six-tenths (0.6) of a point, except that no points shall not be granted allowed for lots or parcels smaller than one-half (0.50) acre increments. Offspring of allowed animals on the premises not exceeding six (6) months of age are not regulated under this section. Farm animals are assigned a point value as follows in the Farm Animal Points table:

Farm Animals	Points
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<u>Donkey</u>	<u>20</u>
Elk	20
Horse	20
Mule	20
<u>Pony</u>	<u>20</u>
Yak	20
Medium:	
<u>Burro</u>	40
<u>Donkey</u>	40
<u>Alpaca</u>	<u>10</u>

Emu		10
Guanaco		10
Llama		10
<u>Mini. Horse</u>		<u>10</u>
Ostrich		10
Pony		40
Vicuna		10
Small:		
Alpaca		5
Goat		5
Miniature horse		5
Rhea		5
Sheep		5
Turkey		5
Very small:		
Chinchilla		2
Chicken		2
Duck		2
Goose		2
Mink		2
Rabbit		2

3. Farm animals may be the primary use in an agricultural zone, however, farm animals may only be accessory to an allowed use in all other zones as allowed by the requirements of this Subsection.

~~4. All farm animals are to~~shall be confined to the qualifying property to which they are assigned by a fence that is no greater than six (6) feet high, and which is designed, constructed and maintained by the property owner to successfully confine the farm animals to the qualifying property.

5. The Development Services Director may allow a second horse on properties that comply with the regulations of this Section and with the following criteria:

- a. The subject property is eligible to have farm animals according to Subsection A.1 of this Section and qualifies for less than forty (40) animal points, according to Subsection A.2 of this Section;
- b. All large animals shall be contained in a dedicated area of not less than three thousand (3,000) square feet;
- c. Where the subject property is adjacent to a property that does not qualify for farm animals, the dedicated area shall be fenced or shall otherwise contain animals so that no large animal may be kept less than ten (10) feet from the property line.
- d. Grain stored for animal feed shall be kept in rodent-proof containers.
- e. Animal waste shall be collected regularly and, if stored on site, shall be stored not less than forty (40) feet from any property line; and
- f. A covered structure with a coverage area of not less than one hundred forty-four (144) square feet and a height sufficient to provide shelter to both animals shall be located within the dedicated area.

B. ~~Location:~~ Farm animals may not be kept in any front yard or side yard area on properties that are less than one (1) acre in size. On properties that are less than one (1) acre in size, no farm animal may be kept within forty (40) feet (40') of any dwelling unit on an adjacent property that ~~was in existence~~nee prior to the keeping of the animal.

C. ~~Housing of Farm Animals:~~ If an accessory building is used to house farm animals it shall be constructed to meet all pertinent building codes, zoning ordinances and engineering requirements. Such buildings shall be located at least forty (40) feet (40') from any dwelling, or commercial building where food is stored and/or prepared. No building used ~~for~~to housing ~~of~~ farm animals shall be located in the front yard or street side yard of any property.

The construction of such buildings ~~will require a building permit to be issued, and shall comply with the~~ Other zoning requirements of this Title including, but not limited to, relating to setbacks from property lines and heights requirements found in this title regarding accessory buildings shall also be met.

D. ~~Fencing:~~ All fencing ~~shall be designed to and constructed to confine all farm animals within the owner's property. The fencing shall not exceed six (6) feet (6') in height. The fencing shall be the animal owner's responsibility unless a development is proposed adjoining to it wherein such case a developer would be responsible for fencing. If conflicting, the fencing requirements found in title 16 of this code and this title will prevail over the requirements found in this chapter.~~

~~E~~D. Slaughtering Of Farm Animals: ~~A~~ Ffarm animals may only be slaughtered on an agriculturally or residentially zoned qualifying property if at the animal owner's property only if the animals were~~was~~ raised on-site on that property. The area where the slaughter takes place shall be kept clean to prevent health hazards-~~It, and~~ and may be located in the same building or area where animals are kept or may be a separate building or area.

~~F~~E. Animals Not Listed: An animal meeting the definition of a "farm animal", but not shown in the farm animal list can be submitted to the ~~community development~~Development Services ~~Department~~ Department for determination of whether the animal will be allowed, otherwise animals not listed are prohibited. The ~~community development~~Development Services ~~department~~ Director will determine the following:

1. Whether the animal meets the definition of "farm animal" found in this ~~s~~Section 17.130.040.

2. Point value to be assigned to the proposed animal.

~~Should an applicant not agree with the determination made by the community development director, an appeal may be filed with the city council provided required application forms and fees are submitted for the appeal.~~

~~G~~F. Nuisances: If the animals are determined to be a nuisance in accordance with ~~€~~Title 8, ~~e~~Chapter 8.24 of this ~~e~~Code or applicable state law, they may be ordered removed from the property ~~in order~~ to remedy the problem.

Date: April 4, 2016

To: South Jordan Planning Department
Members of the South Jordan Planning Commission
Members of the South Jordan City Council

From: Eileen Luker – Long time South Jordan resident

In 1972 my husband and I moved to South Jordan because of the rural and open space lifestyle this city offered. We raised our family here and now two of my three children live in South Jordan and four of my eight grandchildren are being raised here. Our family has established deep roots in South Jordan. I would like to see South Jordan adopt city ordinances that would better reflect the rural/urban mix of uses that have evolved over the course of many years.

By way of background information that has led up to this request, I feel it is necessary to provide the following information. In May 2015 my husband and I decided to purchase a second home and lease it to our daughter and her family. Regardless of where the home was to be located, it was imperative that the property be zoned to allow two large farm animals, specifically two horses. We found a home for sale in South Jordan located on .55 acres at 10635 South 2700 West. Because of my professional background, that of working in the planning and zoning department in another city for 25 years, I knew what questions needed to be asked before we made an offer on the property. Our real estate agent was instructed to contact the South Jordan City Planning Department to find out if two horses would be allowed on this property. Based upon her inquiry, we were led to believe that two horses would indeed be allowed, so we made an offer on the property that was accepted, and things were set in motion to purchase it. The day arrived to close on the sale, and we went to the title company's office to sign the papers. To be absolutely certain that two horses would be allowed, I had our real estate agent call the South Jordan Planning Department again, this time in my presence, and again we were led to believe that there could be two horses on the property. Based on that information we proceeded with the closing and purchased the property. In November of 2015 two horses were brought onto the property. In less than a week's time a complaint call regarding horses being on the property was made by a neighbor. That was when we learned that in reality there could only be one horse. Had we been given correct information in the first place, we would have looked elsewhere for a place where two horses would have been allowed.

My request at this time is to request a text amendment to the South Jordan Municipal Code that would allow two large farm animals on a minimum ½ acre parcel in an R-1.8 zone. This request is based upon the following findings:

1. Allowing only one horse on a ½ acre parcel is an unreasonable and discriminate law. South Jordan is the only city in the southwest area of Salt Lake County that restricts large farm animals to only one per ½ acre. Sandy, Riverton, West Jordan, Herriman, Bluffdale, and Draper all allow two large

farm animals on a ½ acre parcel. West Jordan and South Jordan are the only cities that use a point system. All the other cities go by acreage or square footage. **SEE ATTACHMENT A**

2. Horses are herd animals, and they need companionship. It is cruel treatment of a horse to be forced to be alone. Two or more horses are very quiet animals. Separate them, and they will whinny from loneliness and become nervous and agitated. Currently three medium sized animals (sheep, burros, donkeys) are allowed on a ½ acre parcel. The impact from two large animals would not be any more than that created by three medium size animals.
3. According to the Implementation Element of the City's General Plan, the general plan is intended to establish a vision for the development of the community. It references general principles, objectives, goals, and policies to achieve that vision. The success of the plan requires the commitment of the community, elected officials, and city staff. It will only have effect when it becomes part of daily decisions made throughout the City. The General Plan, however, is not the tool that carries out the vision. It only establishes the direction for the development of the City and is updated as needed to better meet the needs and values of the community. Implementation of the goals and policies of the City's General Plan is achieved through text amendments to the South Jordan Municipal Code where laws and ordinances are adopted by the City Council.

The Goals and Policies of the 2010 South Jordan General Plan, in particular the Land Use Element, support my request for a text amendment. It states the following:

- a. Goal LU-2 – Develop and maintain a pattern of residential land uses that provides for a variety of densities and types yet maintains the high standards of existing development.
 - (1) Policy LU-2.3 – In order to preserve a semi-rural character in a portion of the City, continued rural residential development with a maximum density of 1.8 units per acre should be encouraged.
 - (2) Policy LU-2.4 – The City's land development regulations should protect property owners' rights to keep and maintain farm animals (horses, cattle) in designated portions of the City.
 - (3) Policy LU-2.5 – Reconsider the number and type of farm animals on lots with animal rights, including a possible revision to the animal point system as necessary to ensure compatibility with each zone.

SEE ATTACHMENT B

4. My daughter and her family have driven around their neighborhood and other areas zoned R-1.8 and have taken pictures of properties with multiple horses on them. What this exercise would indicate is that there are either many legal non-conforming properties with horses on them, or there are many illegal uses of horses on properties in South Jordan.

SEE ATTACHMENT C (only a small sampling – there are many, many more)

In summary, I would submit that the point system in the current South Jordan Municipal Code regulating the number of large farm animals allowed on a ½ acre parcel in the South Jordan Municipal Code is too restrictive. The Farm Animal Floating Zone as it is currently written is short-sighted in this particular area. It needs to be changed to better reflect the goals and policies of your own General Plan, to be in line with what surrounding cities allow, and to be a friendlier place for people with large animals to feel welcome. I would propose this be achieved a couple of different ways:

1. Simply change the number of points assigned to large farm animals from 20 to 15; or
2. Consider creating another category for large animals as follows:

Extra Large Farm Animals (bison, elk, and yak) remain at 20 points.

Large Farm Animals (cattle, horse, and mule) be changed to 15 points.

SEE ATTACHMENT D

I would propose that having a more restrictive policy than every other city surrounding South Jordan is not the vision upon which South Jordan City was established and has maintained over the many years that my family has lived here. It sends a negative message to possible future residents who are looking for horse property that a certain element of our society is not welcome here.

Thank you for your consideration of this very important land issue.

Eileen Luker

Attachment A

South Jordan City

Municipal Code 17.130.040.030: Standards for Farm Animals:

- A. Standards: The raising of farm animals on certain residential and agriculturally zoned properties may be allowed contingent that the standards and regulations found in this floating zone are met. Some animals may be allowed in all zones subject to conditions listed, while others may not be allowed under any conditions. Farm animals are not allowed in any commercial, industrial, office, or open space zone. Farm animals can be the primary use in an agricultural zone, however, farm animals can only be accessory to a permitted or approved conditional use in all other zones where allowed. All farm animals are to be confined to the property to which they are assigned. The following table and sections summarize in which zones farm animals are allowed:

R-1.8 -- minimum lot size, ½ acre; farm animals, yes

Animals totaling no more than **30 points per half acre**, according to the point values listed, may be kept as listed in the farm animal standards table. Animal points shall not be granted for smaller than ½ acre increments.

Large farm animals: bison, cattle, elk, **horse**, mule, yak – **20 points**

Medium farm animals: burro, donkey, emu, guanaco, llama, ostrich, pony, vicuna – 10 pts

Small farm animals: alpaca, goat, miniature horse, rhea, sheep, turkey – 5 points

Very small farm animals: chinchilla, chicken, duck, goose, mink, rabbit – 2 points

Sandy City

Development Code – Chapter 15A-11 – Special Uses

15A-11-03 – Animals

- 3) Ratio of Animals to Lot Size for Farm Animals

In order to have farm animals on residential lots with an “A” designated zone, the following minimum square footage requirements will be required for each animal

- a) **Each large animal requires at least 10,000 square feet.** Each medium animal requires at least 4,000 square feet. Each small animal requires at least 480 square feet.

For example: **A 20,000 square foot lot could have no more than two large animals**, or no more than five medium animals, or no more than 50 small animals, or a combination of one large animal, two medium animals, and 5 small animals.

West Jordan City

City Code – Title 13, Chapter 5: Establishment of Zones

13-5B-7. General Provisions

B. Animal Limitations. The maintenance and keeping of animals in a rural residential zone, where such use is permitted, shall be limited to a **total of 20 animal points per 10,000 square feet. A minimum of 20,000 square feet is required for the keeping of animals or fowl.**

Number of Points Per Animals: **Large animals such as horses and cows, 17 pts**
Medium animals such as sheep, goats, not including standard size pigs, 8 points
Small animals such as chickens, ducks, geese, pigeons, rabbits, chinchillas, 1 point

Riverton City

City Code – Chapter 18.15 – Agriculture Zones

Two animal units, per ½ acre, permitted in A5, A10, and A20 zones

More than two animal units per ½ acre as prescribed by the Planning Commission, conditional in same zones.

Herriman City

Title 10, Land Use Regulations

10-9A-2. Permitted Uses in R-1-21, R-1-43 zones

Maximum of 2 horses or 2 cows on ½ acre and 4 horses or 4 cows on one acre, for private use only, not for rental.

Draper City

Title 9, Land Use and Development Regulations

Chapter 5. Animal Control

7-5-280: Horse Ownership

- A. Horse permitted, minimum square footage:
Horses may be allowed on properties have a minimum lots size of 20,000 square feet in RA1, RA2, A5, and A2 zones.
- B. Number permitted:
Two horses may be allowed on the first 20,000 square feet of property with one additional horse allowed for each additional 10,000 square feet of property.

Bluffdale City

Title 11, Land Use Regulations

Chapter 8. Residential Zones

11-8A-2: Permitted, Conditional, and Accessory Uses:

- A. Permitted uses: The following land use types are permitted uses in the R-1-43 residential zone. The keeping of 2 cows, **2 horses**, 5 sheep, 5 goats, or 2 pigs/hogs **per ½ acre**. Twenty-five chickens or 25 pheasants or similar fowl are equal to one large animal. Combinations are permitted such that the ratio of animals does not surpass the total permitted.

Land Use Element



NARRATIVE

The purpose of the land use element is to establish a vision and framework for how land is used within the city. This is done by determining the distribution, location, and characteristics of existing and future land uses. Land is a limited resource and with development it becomes increasingly scarce. The proper application and balance of land uses will provide for the effective, efficient, and sustainable use of land in a way that reflects the values of the community and improves the quality of life.

Land use decisions determine future development patterns and affect the character of the City. The intent of this general plan is to build upon the development patterns and character already established and enjoyed by South Jordan residents. Additional considerations include collaborating with the regional vision established by Wasatch Choices 2040, changing trends in demographics and issues identified by the public, elected officials, and city staff.



Land Use Element

Faced with continued growth, it becomes increasingly difficult to preserve the historic character of the City. By absorbing some of this growth in mixed-use villages and town centers, incorporating multi-modal transportation options, and implementing well designed infill/redevelopment projects, the City will be able to not only maintain its character, but enhance it.

Through proper planning and implementation, the application of the land use element will:

- Reduce traffic congestion
- Preserve open space
- Reduce infrastructure cost
- Maintain overall vitality
- Enhance the quality of life
- Respect diversity
- Strengthen community character

Land Use Types

Residential Cities are often characterized by the quality of its housing. South Jordan has long been known for its quality housing and one of the primary purposes of the general plan is to protect the existing neighborhoods. Large-lot single-family homes dominate the City and have continued to preserve the semi-rural feel that attracted many residents. It is anticipated that single-family homes will continue to be the majority of new homes built.

In order to meet market demand for housing throughout the life cycle, especially with the growing numbers of seniors, a variety of housing types will be needed. With the regulated use of accessory apartments, existing neighborhoods can maintain their character and help meet the needs for a housing type currently underserved. The proper introduction of housing into areas identified as adequate for mixed-use will also provide for a variety of housing types, densities, and lifestyles. As the population demands different types of housing, the City will be in a position to continue to provide quality housing.

The majority of the remaining developable rural residential development is currently being used as agricultural. Clustering future residential units within these areas is preferred in order to maintain land as open space. This may be accomplished through a residential overlay zone.

Housing can be located in 10 designations. They are: Planned Community (PC), Town Center Mixed-Use (TC-MU), Village Mixed-Use (VMU), Rural Residential (Rural), Low Density Residential (LD), Medium Density Residential (MD), Medium High Density Residential (MHD), High Density Residential (HD), Village Mixed Residential (VMR), and Transit Oriented Development Mixed-Use (TOD-MU).

Commercial While quality neighborhoods have traditionally been the City's focus, commercial uses provide desired goods and services to the community and revenue sources to meet the needs of City services required. The proper balance between the two establishes a higher quality of life for residents and an atmosphere where commercial services

can be successful. When planned properly, the balance between the two will increase the vitality and character of a place.

Retail commercial is most likely to be successful along highly visible corridors and in high intensity nodes (village and town center settings). Design in these areas becomes increasingly important in order to enhance the City's character and mitigate impacts. The following design elements contribute to providing positive experiences for individuals in those commercial areas:

- Buildings that front the street
- Parking screened behind buildings
- Variety of uses within walking distance



In order to provide for these types of places, the City has added various mixed-use land use designations as village centers, town centers, and transit oriented developments. These areas not only mix uses, but also transportation types. Recognizing that the automobile will dominate transportation, mixed-use areas are located around areas where people have the access to other transportation types (transit, bus service) and introduce environments compatible with walking

and/or biking. The proper land use application (design, mixed-use, and density) in these centers provides reciprocal benefits between land use and transportation.

Redwood Road is South Jordan's 'main street'. It is the City's desire that it take on a traditional main street feel. The City will look at opportunities to enhance this corridor through ordinances and design guidelines, most likely through a special district.

Commercial may be located in six designations. They are: Planned Community (PC), Commercial (COM), Town Center Mixed-Use (TC-MU), Village Commercial (VC), Village Mixed-Use (VMU), and Transit Oriented Development Mixed Use (TOD-MU).

Office The office land use designations may include small-scale office, large-scale office, and office park. In the appropriate application and with the appropriate design, office is also an acceptable transitional use between residential and more intense, harsh uses (Commercial, Freeways, etc.).

Office space may be located in four designations. They are: Office (O), Town Center Mixed-Use (TC-MU), Village Mixed-Use (VMU), Transit Oriented Development Mixed-Use (TOD-MU).

Industrial The City's industrial land use is limited to a small area at its north east boundary between the Jordan River and the I-15 frontage road. While not a large area, it is ideally situated in a central location within the Salt Lake valley with good transportation access. Industrial is located in one designation: Industrial Parkway (IND).

Open Space Open space is an important component to the quality of life within a community. South Jordan residents benefit from a mixture of passive and natural open space. Open space is found in two designations: Natural Open Space (NOS), Open Space (OS).

Public Public is a broad category that includes a wide range of services, facilities, and land uses. The largest use by area is the county landfill situated at South Jordan's western border. The most common, however, are the public schools. The Gale Center recognizes the City's history and has become a valuable community resource. The Historic designation allows the City to protect its heritage by seeking to preserve historical assets and encouraging development that complements the historical character of the City. Public land uses are found in the Public (PUBLIC) and Historic (HIST) designations.

Planned Community/Daybreak The planned community designation largely encompasses the western third of the City known as the Daybreak community. The area is characterized by a mixture of uses and housing types. It is maintained on a master community plan and design guidelines. The master community plan broadly describes blocks of land. The design guidelines control various details within the blocks. The area is identified by the Planned Community (PC) designation.

Future Land Use Map

The future land use map (general plan map) is the visual and geographical representation of the vision, principles, goals, and policies of this section. As such, the future land use map has been updated in conjunction with the general

plan. Land uses are represented by color coded land use designations. Land use designations reflect the intended use and not current zoning. It is the zoning ordinance that actually regulates land use and development. However, the land use map should be highly influential in land

use decisions, particularly when considering requests for changes in zoning.

(The Moderate Income Housing Analysis will be included in the appendix of the General Plan)

LAND USE DESIGNATIONS

Land Use	Designation	Map ID	Description	% of Total	% Not Developed by Type
Residential	Rural Residential	RURAL	Provides residential parcels that typically allow for agricultural use and farm animals within a growing urban environment. Historically the residential standard. Clustering residential is preferred in order to preserve open space	17.2%	15.3%
	Low Density Residential	LD	Semi-rural character feel without farm animal use. Lots generally 1/4 acre in size. The standard residential designation throughout the city.	24.7%	9.1%
	Medium Density Residential	MD	Allows for smaller lot single-family homes as well as lower density condominiums/townhomes.	3.2%	22.0%
	Medium High Density Residential	MHD	Most likely to be townhomes, condominiums, and lower density apartments. A small portion of the residential area throughout the city.	0.6%	100.0%
	High Density Residential	HD	Highest residential density found within the City. Generally used for apartment complexes. Large scale apartment complexes discouraged.	0.5%	0.0%
	Village Mixed Residential	VMR	Allows for the mixture of housing types and densities. Preferred in areas appropriate for higher than standard densities.	0.7%	97.2%
Commercial	Commercial	COM	Commercial areas are likely to be located at along higher profile corridors and intersections.	4.3%	18.0%
	Village Commercial	VCOM	Commercial uses most that most likely accommodate the daily uses of residents and appropriate to be located near residential neighborhoods.	0.2%	29.6%
	Office	O	Areas that may include small-scale office, large-scale office, and office park uses. Office uses are an appropriate use between residential and higher intensity uses.	2.0%	24.6%

Industrial	Industrial	IND	A small portion of the City. However, it is centrally located within the Salt Lake Valley and with good access.	0.3%	0.0%
Public	Public	PUBLIC	The largest public use is the county landfill at the western boundary of the city. Public use also includes schools, utility facilities, and historical property.	2.9%	7.7%
Historical	Historic	HIST	Maintains the historic heritage of the City through the preservation of historical assets and development that is consistent and complementary to the City's historical character.	0.2%	78.3%
Open Space	Natural Open Space	NOS	Natural open space is largely found along the Jordan River to preserve its inherent beauty.	3.2%	14.9%
	Open Space	OS	Includes both passive and active uses, which include parks, golf courses, and the county equestrian park.	3.6%	9.6%
Mixed Use	Village Mixed Use	VMU	Includes a mix of compatible uses, including residential, office, and commercial. It is found in appropriately placed nodes throughout the City, utilizing transportation corridors.	3.2%	48.8%
	Town Center Mixed Use	TC-MU	Solely found along Redwood Road around City Hall. The intent is to create a sense of place establish character, and create vitality as a small-scale 'downtown' area.	0.3%	6.9%
	Transit Oriented Development Mixed Use	TOD-MU	Found at the Front Runner Station and I-15. Those two facilities create an intensity that provides an opportunity for the land use and transportation to enhance and support one another. Intensity of the land use in the TOD is anticipated to match the intensity of the accessibility.	0.9%	3.4%
	Large Scale Master Planned Community	PC	Comprises a large portion of the City, the majority of the area west of Bangarter Highway. Known as the Daybreak community, it includes a mix of uses at higher than standard density than is common in South Jordan along with high design guidelines.	32.1%	60.9%

GOALS & POLICIES

Goal LU-1 *The Land Use Element and the Future Land Use Plan Map should specify the desired development pattern for South Jordan City.*

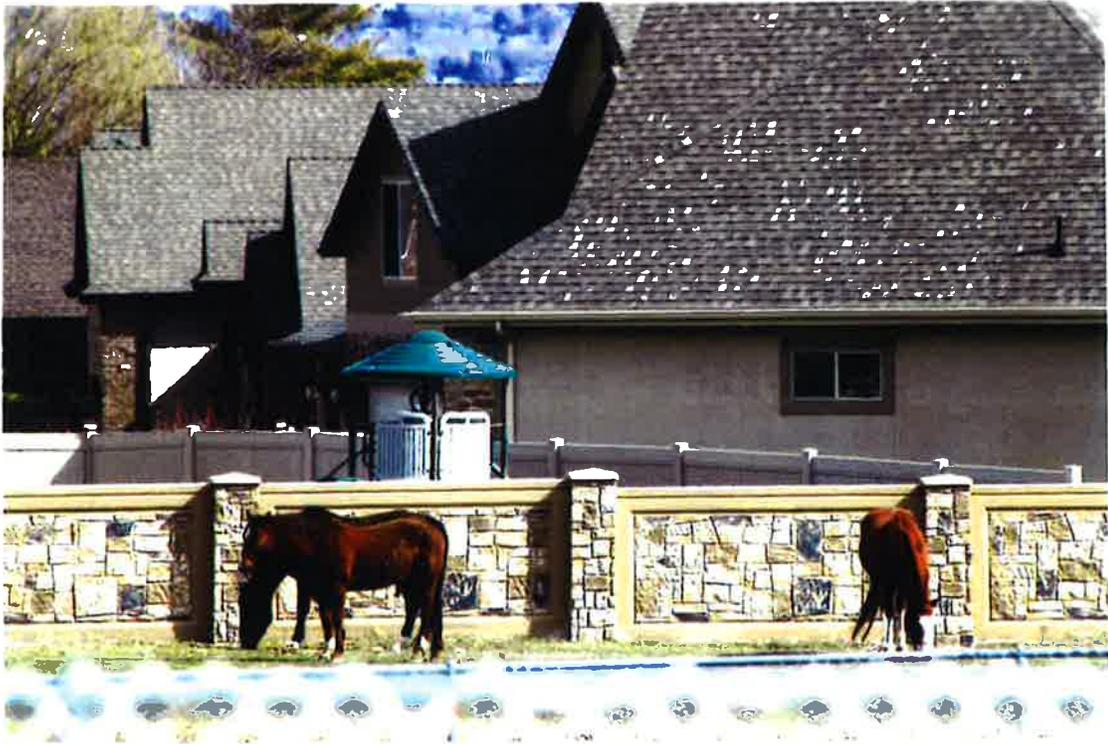
Policy LU-1.1 Maintain a land use category system that provides for the location, type and density of development and redevelopment.

- Policy LU-1.2 Require development approvals to be subject to review processes to ensure intergovernmental coordination and public input.
- Policy LU-1.3 Support and Incorporate the land use recommendations and development standards of the "Wasatch Choices 2040 Plan" within the City's development review process.
- Policy LU-1.4 Ensure that development does not exceed the densities established within the Land Use Element and Future Land Use Plan.
- Policy LU-1.5 Review the Future Land Use Map periodically to determine whether existing Land Use Plan boundaries are logically drawn in relation to existing or expected future conditions.
- Policy LU-1.6 Ensure the adequacy of present and future public services such as culinary water, sanitary sewer, storm drainage, schools, parks and recreation, public safety, transportation facilities and other utilities prior to approval of development.

Goal LU-2 *Develop and maintain a pattern of residential land uses that provides for a variety of densities and types yet maintains the high standards of existing development.*

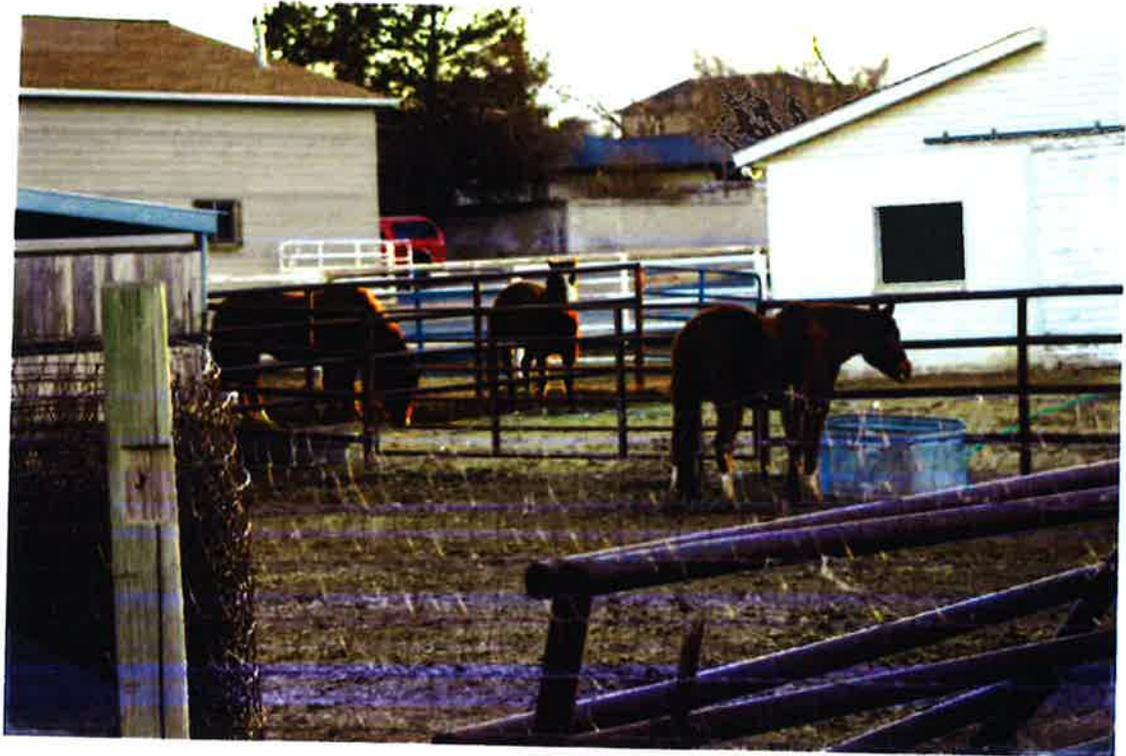
- Policy LU-2.1 Create and adopt a floating Residential Conservation Development (RCD) district.
- Policy LU-2.2 Implement subdivision design regulations that encourage housing variation, including setbacks, lot size, house size, exterior materials and architectural enhancements such as front porches and garages set behind the front of house.
- Policy LU-2.3 In order to preserve a semi-rural character in a portion of the City, continued rural residential development with a maximum density of 1.8 units per acre should be encouraged.
- Policy LU-2.4 The City's land development regulations should protect property owners rights to keep and maintain farm animals (horses, cattle) in designated portions of the City.
- Policy LU-2.5 Reconsider the number and type of farm animals on lots with animal rights, including a possible revision to the animal point system as necessary to ensure compatibility with each zone.

Attachment C

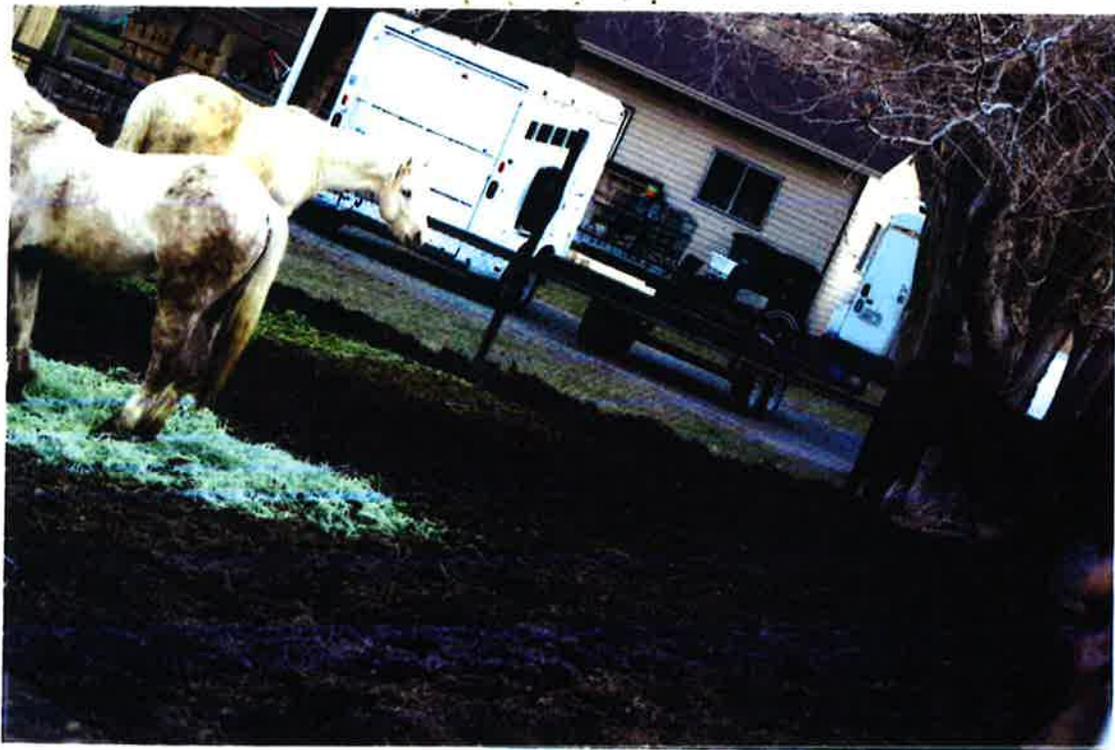
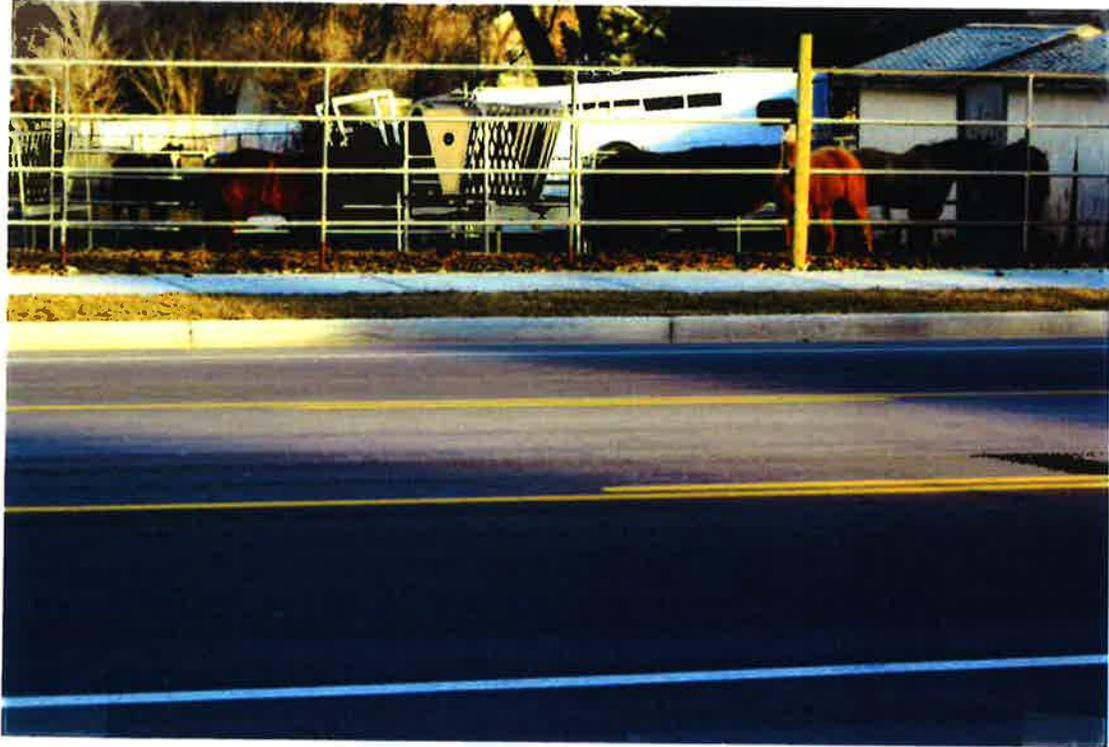












Attachment D

Option #1

Farm Animals	Points
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Large:

Bison	20 15
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Cattle	20 15
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Elk	20 15
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Horse	20 15
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Mule	20 15
------	------------------

Yak	20 15
-----	------------------

Option #2

Farm Animals	Points
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Extra Large:

Bison	20
-------	----

Elk	20
-----	----

Yak	20
-----	----

Large:

Cattle	15
--------	----

Horse	15
-------	----

Mule	15
------	----

Medium, Small, and Very Small farm animals would remain unchanged

CITY OF SOUTH JORDAN
PLANNING COMMISSION MEETING
COUNCIL CHAMBERS

May 24, 2016

Present: Commissioner Mark Woolley, Commissioner T. Earl Jolley, Commissioner Craig Hall, Commissioner Brady Quinn, Commissioner Sean D. Morrissey, Commissioner Julie Holbrook, City Planner Greg Schindler, Staff Attorney Steven Schaefermeyer, Planner Jake Warner, City Recorder Anna West

Others: See Attachment A

6:30 P.M.

REGULAR MEETING

I. GENERAL BUSINESS

A. Welcome and Roll Call

Chairman Mark Woolley welcomed everyone. He noted that all Commissioners are present.

B. Motion to Approve Agenda

Commissioner Holbrook made a motion to amend the May 24, 2016 Planning Commission Agenda adding three items to the end of the Agenda that will be discussed with City Council:

- 1. Overlay and Planned Development Floating Zone**
- 2. Home Based Business**
 - a. Parking and traffic issues**
 - b. Drop-off and pickup**
 - c. Intensity of the business as it relates to the surrounding community**
- 3. Issues as it relates to the conditional use permit approvals previously granted**
 - a. Traffic with Hawthorne Academy on 11400 South**
 - b. Others**

Commissioner Jolley seconded the motion. Vote was unanimous in favor.

C. Approval of the Minutes from the Meeting held on May 10, 2016

Commissioner Holbrook motioned to approve the May 10, 2016 Planning Commission meeting minutes as printed. Commissioner Jolley seconded the motion. Vote was unanimous in favor.

II. INFORMATIONAL ITEMS AND OTHER BUSINESS

A. Staff Business

None

B. Comments from Planning Commission Members

None

III. CITIZEN COMMENT

Chairman Woolley opened for Citizen Comment. No Speakers. He closed Citizen Comment.

IV. SUMMARY ACTION

None

V. ACTION

None

VI. PUBLIC HEARINGS AND POTENTIAL **ADMINISTRATIVE ACTION ITEMS

****Administrative Action = Less Discretion, Substantial Evidence (Objective Standard)**

A.1 Issue: SOUTH REDWOOD SUBDIVISION
Address: 10622, 10632 & 10662 South Redwood Road
File No: SUB-2016.28
Applicant: Zachary Johnson, (Kimley-Horn and Associates)

City Planner Greg Schindler reviewed the background information on this item from the Planning packet staff report.

Commissioner Jolley asked about the second lot that it creates on the south side and asked if the existing home will stay there. City Planner Schindler said yes, that home will stay. It is vacant at this time. He said the existing driveway for that house is part of this new drive they are showing.

Commissioner Woolley said I had the same question. He asked if we know for sure that the house is not on the other lot. City Planner Schindler said I don't know for sure but it might be part of that easement. If it is they would have to demolish it for sure so they would have access to the rest.

Commissioner Holbrook asked what kind of easement it is. City Planner said it is an access easement for ingress and egress.

Zach Johnson, 1947 S. Texas Street, (Civil Engineer & Applicant); he said the proposed access that we are proposing is right in the center of that shared access easement that has been requested by the city and upon further development of the property to the south, UDOT will require the current access to the home be closed. When development occurs there will be a single access between the two properties. The proposed drive does not impede on the house in the southern property.

Chairman Woolley opened the Public Hearing. No Speakers. He closed the Public Hearing.

Commissioner Hall asked if the right of way is wide enough to service both parcels. City Planner Schindler said the maximum width is 30 feet and minimum required is 20 feet.

Commissioner Hall said when you finalize the subdivision plat will you put any notes on it that there is access granted to both parcels. City Planner Schindler said that should be required to say that.

Staff Attorney Steven Schaefermeyer said I won't sign it unless there is a note that says something is being recorded or making it clear.

Commissioner Woolley said I did see a note that there is a shared access easement and it describes that 30 foot shared access.

A.2 Potential Action Item – (See VI.A.1)

Commissioner Jolley made a motion to approve SUB-2016.28 for the South Redwood Subdivision. Commissioner Hall seconded the motion. Roll Call Vote was 5-0 in favor.

VII. PUBLIC HEARINGS AND POTENTIAL *LEGISLATIVE ACTION ITEMS

*Legislative Action = More Discretion, Reasonably Debatable (Subjective Standard)

**B.1 Issue: ZONE TEXT AMENDMENT - AMENDING SECTION 17.130.040
(FARM ANIMAL FLOATING ZONE) OF THE SOUTH JORDAN
CITY MUNICIPAL CODE**

File No: ZTA-2016.02

Applicant: City of South Jordan

Planner Jake Warner reviewed the background information on this item from the staff report. He said the applicant has proposed their desire to have two large animals on a half-acre parcel. Their first option is to change the point system to allow two large animals on their half-acre. Their second option is to create a new classification 'extra-large farm animals' and that classification would include bison, cattle and elk. That classification would retain the current point system for the large animal classification. The large animal classification would cover horses, mules and yaks and the classification would be to allow two large farm animals per half acre. Staff has identified 2100 properties that would be directly impacted by the increased farm animals allowed and staff is concerned with the adjacent properties that would be impacted.

Planner Warner said staff has received some phone calls and emails regarding this item and I have copies of two emails that I have provided copies to the Commission (Attachment B).

Chairman Woolley asked the applicant to come forward.

Eileen Luker, 2928 W. 10755 S., South Jordan (Applicant); I have prepared a statement that I would like to give in response to the staff report (Attachment C). She said under findings of the staff report it reads 'Sandy City, West Jordan City and Riverton City each have a zone comparable to South Jordan's zone R-1.8 zone and all three cities allow for two large farm animals per half-acre.' I would like to point out that in addition to Sandy, West Jordan and Riverton, that Draper City, Bluffdale City and Herriman City also allow two large farm animals per half acre. Only West Jordan and South Jordan work on the point system basis, everyone else is by square footage or by acreage. Every City except South Jordan allows two large animals on half-acre parcels and now that this discrepancy has been identified and documented I would think that the South Jordan Planning Commission and the City Council would find it a reasonable request to change the code in order to be in line with what all of the other cities allow. In the Background portion of the staff report it states: the current regulations are based on the point system that allows for 1 ½ large animals per half acre. My question is how do you own one and a half large animals in the large animal list. This seems a bit ridiculous. Also under findings, second bullet point, it states in 2012 the City adopted ordinance 2011-18 which expanded the list of allowed farm animals and reduced the minimum required lot size for farm animals in the R-1.8 zone from 0.75 acres to 0.5 acres. I appreciate that the farm animal list was expanded and that they are now allowed on half acre parcels, however, I question the process that was undertaken in 2012 that resulted in the

number of points assigned to large farm animals on a half-acre. How much public input was actually sought and did anyone even talk to the people that own large animals. Who determined how many points would be given to the different farm animal categories. I am pretty sure that anyone that owns horses would not have supported that number because they would have been told that a family has horses would always want at least two horses. One of our rules is that nobody ever leaves the property by themselves; they should always have someone with them when riding. My daughter was riding and her horse got spooked and instead of falling off her foot was caught and she was drug with her head hitting the ground quite a ways before the horse was stopped. If someone had not been with her I can't imagine what would have happen to her. We could only get to her by foot and the ambulance could not get to her so it is vital that there be more than one person to ride a horse at a time. It is a safety issue as well as a pleasure issue. I would have liked to be given the opportunity to give input but I never knew about it. Also under findings, bullet point #4 it states: 'section 17.20.020 of the Municipal Code states that all land currently zoned as R-1.8 may remain such but no new land shall be assigned to this land use designation.' This statement says to me that it is the goal of South Jordan to eventually eliminate this zone. Is it inconceivable to think that someone would want to develop some land in South Jordan that would welcome farm animals; because it sure doesn't feel like it? This section of the Municipal Code is in direct contradiction with the City's 2010 General Plan wherein policy LU-2.3 states that in order to preserve a semi-rural character in a portion of the city, continued rural residential development with a maximum density of 1.8 units per acre should be encouraged. Under findings, bullet point #5 addresses the city's 2010 General Plan which I referred to in my submittal as Attachment B, along with all the goals outlined specifically LU-2.5 states "reconsider the number and type of farm animals on lots with animal rights including a possible revision to the animal point system as necessary to ensure compatibility with each zone." The fact that this happen in 2012 doesn't mean it won't happen again; it is an ongoing thing. In response to the conclusions listed in the staff report I would submit that the animal point system should be revised to better reflect the needs of the farm animal owners and the animals themselves. This is based on the valid findings I have provided with my submittal, but for the sake of everyone here I would like to read those again. #1. Allowing only 1 horse on a half-acre parcel is an unreasonable and discriminate law. #2. Horses are herd animals and they need companionship. It is cruel treatment of a horse to be forced to be alone. Two or more horses are very quiet animals. If you separate them they will whinny from loneliness and become nervous and agitated. Currently three medium sized animals are allowed on a half-acre parcel. The impact from two large animals would not be any more than that created by three medium sized animals. #3. The golden policies of the implementation element of the City's General Plan supports this request as follows: a) policy LU-2.3, in order to preserve a semi-rural character in a portion of the city continued rural residential development with a maximum density of 1.8 units per acre should be encouraged. b) Policy LU-2.4, the City's Land Development regulation should protect property owners rights to keep and maintain farm animals in designated portions of the city. Policy LU-2.5, reconsider the number and type of farm animals on lots with animal rights, including a possible revision to the animal point system as necessary to ensure compatibility with each zone. #4. There are numerous areas in South Jordan zoned R-1.8 that have multiple horses on them. This would indicate that there are either many legal non-conforming properties with horses on them or there are many illegal uses of horses on properties in South Jordan. In conclusion I would ask the Planning Commission to forward a positive recommendation to the City Council to approve options number 1, which would reduce the number of points for all large farm animals from 20 to 15 or option number 2, which is a reasonable compromise that would be a win, win, ordinance for everyone. Option 2 would create a new classification wherein bison and elk would be considered extra-large animals with the current point allowance of 20 points each. Horses, mules and yaks would be classified as large farm animals and the point system would be reduced from 20 to 15 points. That would allow two of those types of farm animals, a maximum of 30 points, on a half-acre parcel. I thank you for your time and patience but this is so important to us as a family and to the residents of South Jordan. I hope you will carefully consider what I have presented to you as you make your decision.

Commissioner Quinn asked what drove you to take action regarding these codes.

Ms. Luker said we decided to purchase a second property with the intent of leasing it to our daughter and her family but it was imperative that the property would be able to house two horses. We found this lot at 10635 S. 2700 W. and we instructed our Real Estate agent to contact the City and inquire as to whether two horses would be allowed on the property. My professional background is in Planning and Zoning with another city where I worked for 25 years. I knew exactly what we needed to do. Our agent called and she reported to us that she was told we could have two horses on the property. We made an offer on the property and when we went to the closing I wanted to be certain that this was not going to be a problem so at the title company I told her again that we need to call to make certain. In my presence she called over here and asked to speak to a Planner. I did not hear the conversation on her side but I heard hers and she said she was told two horses would be allowed. We purchased the property in June of last year. We kept the horses on our ¾ acre property and in October we moved the horses from our property to this property. It was less than a week later that a neighbor called and inquired as to whether horses could be on that property. That was when we found out that we could only have 1 and ½ large animals. We have been in this process since November 2015. I take responsibility for not checking myself. The one thing that was pointed out to me when I met with the City Manager was why didn't you check it yourself, it's out there on our website. I should have done that. Had I done that and gotten the correct information in the first place we never would have bought that property. We could have bought property anywhere; the fact that it was in South Jordan made it wonderful because it would be close to where we live. Being able to put two horses on the property was a deal maker or breaker.

Chairman Woolley opened the Public Hearing.

Debbie Maher, 3042 W. 10400 S., South Jordan; I have lived her 20 years and moved here specifically to have horse property. I have two horses on my property because that is what was allowed in 1997. When I got the notice is when I found out that it was only a horse and a half on a half-acre. I only have one horse now because one died but I am here because people move to South Jordan specifically to have horses. We have the nice equestrian center in our city for horses. I am a 4H leader and I have two girls so you have to have two horses for them to participate in the 4H program. You can't have a horse and a half. Two kids can't ride one horse; they each have to have their own or one child is not able to participate. We get complaints from people that have moved in here about the horses and I don't understand why we don't have any rights in this. Rural South Jordan is getting less and less over time and I could not afford to move here now. If I hadn't gotten property from my father I would not be able to afford to live in this city.

Susan Palmer, 3237 W. 10000 S., South Jordan; I live on an acre of property and I do have two horses. I am a rider professionally and a trainer. I want you to understand how hard it is for a horse to be alone. On a half-acre of land they have no room to move around and a horse all by himself is like being in solitary confinement. They need to have two animals especially in the smaller space. I have a four stall barn and would like to put some of the horses I would be training as temporary boarders.

Tracy Hoffman, 2842 W. South Jordan Parkway, South Jordan; I have .89 acres and I don't have horses. We moved here 2 years ago and I love having horses around us. It is sad that some of these horses may have to lose their partner. I just want to emphasize as a citizen that I love South Jordan for the fact of the blend and hope we can sustain that blend because it makes it such a nice place to live.

Toni Hamilton, 2353 W. Bonanza Court, South Jordan; I too am a horse owner and am passionate and emotional about horses. I want to talk about logic. As I understand the point system it awards 5 points to a miniature horse. That means on a half-acre you can have six miniature horses. It awards 10 points to a pony. That means you can have 3 ponies on a half-acre. Then you jump to a horse that is only 4 inches taller than a pony and you can only have one horse. I just don't see the logic in it. I am here to support readjusting the point system and considering that a horse should be worth 15 points. Anyone here can attest that a pony is going to poop and sound the same as a horse. I have been involved in saving the equestrian center and I

moved to South Jordan so I could have horses. I too did not do my homework; I have just barely under an acre and for 10 years I had two horses there. Just recently I was told that I could only have one horse and now I have to move out of South Jordan because I can only have one horse here.

Dan Diener, 10510 S. 3010 W., South Jordan; when we moved in back in 1989 Otto Jones' 40 head of buffalo ran in my back yard. It was pretty cool. We too bought our property for a little bit of farm life and when I moved here I didn't check any ordinances, I barely knew that such things existed. I was given to believe that on my .97 acres there were 4 horses allowed. I too am passionate about a lot of what has been said here tonight. One of the things is what happens to an animal that is left alone. They are herd animals and they need to have other horses for emotional support. That is a considerable importance in my opinion. I thank Eileen for putting this presentation together and I hope that we have given you food for thought to see the need to decrease the number of points for horses and increasing the allowance.

Caprice Roberts, 10813 S. 3200 W., South Jordan; we moved here so our kids could live in the city but still have work so we have our kids raise steers. It has been really good for our kids to be able to have responsibility. We live on $\frac{3}{4}$ acre so we have had one steer at a time for 4H. I have two kids that are old enough to do that and it is a battle of who is going to show it because we only have one. We would prefer to have two steers on our property. The feeling of the country and the city is a great quality that South Jordan has that you can't find everywhere.

Dayle Sant, 10500 S. 3010 W., South Jordan; we moved here 30 years ago and were told by the people that owned the property that we could have four horses on our acre. I would like to know if this was something that was grandfathered in as the ordinance changed. I want to reiterate what others have said about the equestrian park, if we could be allowed to have more horses then more people would be interested in having horses and interested in using the equestrian park which is not being utilized as it should be.

Michelle Hall, 10286 S. 2950 W., South Jordan; I have two horses on an acre. Horses are not just for people that like to ride, my horses work chasing cattle that end up on your dinner table. You need to take into consideration what everybody has said. You have to have 2 horses together to get the jobs done. I am with the guy that said "if you don't like the smell, don't build the house here." I have an eight stall barn and I came to have horses and I don't want to sell.

Carey McClellan, 10635 S. 2700 W., South Jordan; I live at the address that we are talking about. I waited to the end by design to give you my background. I deal with government people day in and day out. I travel all over and just got back from Washington DC. I deal with thousands of horses every day where I work for the Federal Government. If you just put horses in 12 x 12 foot stalls, what good is that? The smell doesn't change from one horse to ten horses. We have talked about the smaller animals and all the neighbors that want to complain. I would much rather have 10 horses than 1 loud donkey. You're saying I can fit three mammoth donkeys on my property that are doing the exact same thing and they are 100 times louder. I hear a horse down the street whinnying for an answer from my horses. These horses need another horse or they will have health problems just like us from worrying. I have kids that want to ride together and kids that come over to ride with my kids that have never been around horses. That will all go away. I train horses. There is a lot of emotion here and you would be crazy not to see the logic in this.

Kathryn Sorich, 10573 S. North Forty Way, South Jordan; I am a horse lover and moved here to be around horses. My dad bought property in South Jordan because he was a farm boy and he wanted horses. If you live close to a horse lover I am sure they would be happy to share some of that wonderful fertilizer with you. I think horses smell wonderful but you can't just have one horse. I get a bit irritated that people move in right next to horses and then think we should change the zoning laws because they don't like the smell. I support having 2 horses on $\frac{1}{2}$ acre properties.

John Bess, 2866 W. 10545 S., South Jordan; my family has lived in South Jordan for 35 years and we moved here because we love horses. I have more than a half-acre of ground so the problem they are talking about is not necessarily my problem. I am here to agree with all of the folks here that are animal lovers. Those of us who are large animal lovers would like to protect the rights that we moved to South Jordan for. You need to keep steer and horses in a pair; one animal doesn't do well by itself.

Chairman Woolley closed the Public Hearing.

Chairman Woolley asked the Commissioners for their thoughts.

Commissioner Quinn said I love the passion we saw here tonight and there is some logic involved with their comments. I think we have a good understanding of neighbors that have complaints. I grew up in South Jordan in an area where large animals were allowed. I do have a problem with overly burdensome regulations with regards to the point system. I have a difficult time understanding who is enforcing this point system. I challenge the rest of the Commission members to look further at this and maybe recommend to the City Council to simplify the code to eliminate the point system and set something a bit more simple and standard.

Commissioner Holbrook said I was raised on a chicken ranch with thousands of chickens and their manure is terrible so I can relate with what they are saying when you are around them you don't notice the smell. I have a question for Mr. Warner. When people move in are they grandfathered into the allowable number of animals at the point of time when they moved there or do these new regulations make them have to get rid of animals?

Planner Warner said we are starting to delve into the legal world here and grandfathering is technically called "Legal Non-Conforming." City Council has the ability to change zones and when a zone changes that is when the grandfathering or legal non-conforming comes into play. Once a zone changes, if the property is in compliance with the zoning at the time, they would be allowed to continue to have the same number of animals. If the animals are removed from the property for a period of one year then they will lose those animal rights.

Staff Attorney Schaefermeyer said if someone sells their property the rights run with the land and not with the owner of the property. The way our code is set up and generally speaking the way these things are enforced as you have seen tonight is complaints from neighbors. Once the complaint happens then the property owner would need to prove they have a legal non-conforming use; it is not on the city to prove it. These are individual determinations to decide whether legal non-conforming use and is allowed to continue.

Commissioner Holbrook said that is what I was concerned about because people were concerned that they were losing their rights because of something we do or not do tonight. I want the citizens here tonight to understand that nothing is being taken from you. I agree with the half point issue that was brought up.

Commissioner Jolley said I grew up in Garfield County around a lot of animals and I live in South Jordan because I like the rural feel. There is a lot of common sense in what has been said tonight and I agree with it and I agree that animals should come in pairs. I have strong support for Option 1 to allow 2 animals per half-acre.

Commissioner Morrissey said during Mrs. Luker's presentation she pointed out some inconsistencies in the Municipal Code versus the General Plan regarding the designation zoning as R-1.8 and this troubled me a bit and I would like staff to talk to me about those points and what if any plans to make it more consistent going forward.

Planner Warner said I don't see that as inconsistent. The General Plan states that in order to preserve a semi-rural character in a portion of the city, continued rural residential development with a maximum density of 1.8 units per acre should be encouraged. It also talks about the city's land development regulations should protect property owners rights to keep and maintain farm animals in designated portions of the city. I am an advocate of protecting those farm animal rights but there are growth concerns in the city and there are issues that come with growth. As much as I am an advocate of protecting existing property rights I don't have the luxury of just looking at it from one perspective. In this case for example we do have two complaints on file with this property. As you look at the property, this may be a unique situation but this is an area where most of the properties are less than one half-acre. This particular property does exceed ½ acre and so we have to look at that as well. As I mentioned there are 2100 properties that potentially would have an increase in the number of farm animals allowed on the properties but if every one of those properties has three adjacent neighbors then there are 6300 properties that could be impacted. That is the foundation for staff's recommendation on this is the balancing of those property rights versus the impact on the neighboring properties. While the General Plan does talk about protecting farm animal rights we do also have to address potential nuisances and impacts on the neighboring properties.

City Planner Greg Schindler said Mrs. Luker talked about not being able to zone anything else into the R-1.8 and that is in our Land Use Code. That came about back prior to 2010 when the City processed the General Plan amendment that eliminated the Rural Residential Land Use designation and at the same time there was a code amendment that there would be no more R-1.8 Zoning which is the zone that goes with the Rural Residential. When we did the 2010 update of the General Plan we put back in the Rural Residential Land Use designation but we forgot about the option to zone for the R-1.8. That is something we are looking at doing to add that option back in as an amendment to the Land Use Ordinance.

Commissioner Morrissey said that is definitely something I would want changed to add that back in the code to be more in line with the General Plan. I thank everyone for coming tonight and sharing their stories and sharing their knowledge. I am a proponent of Option #1 as well to increase it to two animals per ½ acre. I think there is value in the diversity of that culture here and passing that along to their kids. We are so willing to make exceptions and amendments for multi-unit apartments all the time where there is just as much or more pollution and nuisance coming from those buildings as there is from another horse. I want my kids to see and be a part of the culture.

Commissioner Hall said my feelings are twofold. I completely agree with Commissioner Quinn that this particular section of the code is ridiculous and complicated. I think we should throw the point system away and come up with something everyone can understand. I want to ask if this Commission can do nothing tonight and direct staff to rewrite the section and make it simpler. I want to know from the applicant how big a hurry she is in because if we do that it will set this back 60-90 days. I would like to see if we can kill two birds with one stone because we need to make it simpler but I am also in support of two large animals and I would like to tie the two together if we can do that.

Staff Attorney Schaefermeyer said Ms. Luker is allowed to submit an application and upon submitting that application the City has agreed to stay any enforcement until this is seen through the end. I know Greg has questions or concerns about how to make it simpler and I will let him address that. In concept, you can table this and you can continue the public comment to the next meeting as well. I don't know if this was already Publicly Noticed for the City Council meeting and if that is the case we will just re-notice it and find a different date for it to go to City Council. Ms. Luker would not be in risk of any enforcement actions if you do that. We have a letter to her with that understanding.

Chairman Woolley said I grew up on a ranch and I moved here 25 years ago because I married a city girl and we needed to be near the city for my employment but we wanted to have a larger piece of property and the

piece of property at that time was ½ acre and was large animal because the subdivision was R-1.8. I would ask Jake about the aerial photograph and we will have a group of homes on large parcels and over time people will exercise their property rights and sell off a part of that. What is the zoning currently for the homes around this particular home?

Planner Warner said this area is zoned R-1.8 and there are three zones in the city where a property that is .5 acre or larger that could farm animal rights and that is the A-1, A-5 and R-1.8.

Commissioner Woolley said I moved from the property with the large animal rights to a smaller lot and my next door neighbor, whose home I built, is on a half-acre; but under the ordinance then and the ordinance now they would never be allowed to have large animals because the subdivision is R-2.5. I believe our city is at a crossroads and has been going that way for some time. The thing that is my hot button is that of property rights. I agree with the comments that have been made tonight and particularly the fact that as I reviewed the point system and looked at this they don't make sense for so many reasons. I like your recommendation Commissioner Hall; I don't want to postpone or delay but I would like to us as a body to consider a couple of things. #1) I would like us to establish a simpler code that is easier to understand; #2) as properties change due to property rights of others that those who still live there doesn't lose those rights. I agree that people should consider what they are moving next to. As we make a motion tonight I would like to propose that we accept the public comment we have heard tonight and we need to rewrite the ordinance. I would say we table action tonight from forwarding a recommendation to the Council and instruct staff about what we would like to see in a simpler ordinance and have staff address that tonight with us as well. I would like to be able to address this within two weeks and to have a recommendation that we as a body that we feel good about that we can send to the Council. We should invite those that are here at the meeting tonight to come to the meeting with the Council to voice again what your feelings are.

Staff Attorney Schaefermeyer said this is the applicant's proposal for a text amendment so at some point you should consider in your motion how we involve the applicant.

Chairman Woolley said if we choose to go down this road can you give us some instruction or insights on how to go about this.

City Planner Schindler said I am not sure how to discuss the code to be simpler. We used to have a code that specified how many animals and what kind but it was very limited. We changed the code to allow the various different animals that people might have and come up with the point system that would allow different combinations of animals. At some point the system is going to be complicated. It is easier to explain how many animals you can have with the point system per the size of property they have. We don't know who told the Luker's they could have two horses; that was incorrect. When her daughter and son-in law moved into the property that they purchased and moved the horses onto the property they immediately got a call from the neighbor. Nobody in that area has animals except that property. The neighbor said they lived there for 20 years and nobody has animals and nobody even knew they could have animals on the property. It may not be simpler for the average person to figure it out but if we go to a simpler code it is going to limit the number of animals. We went to the point system and assigned them based on their size. We may need to do some tweaking to the point system and the property size. Option 1 or Option 2 would change that.

Chairman Woolley said maybe we could consider keeping the point system but modifying it. He asked the Commissioners what they would like to do.

City Planner Schindler said the last option given includes making the recommendation to Council on her proposal and also directing staff to make some changes separately.

Commissioner Jolley said he is alright with the point system. He said the horse issue is driving 90% of the problems or complaints regarding large animals. By fixing that I think we solve 90% of the problems. The point system still gives people options for a variety of animals. Option 1 does just that.

Commissioner Quinn said if we were to go with Option 1 for two horses then they shouldn't have anything but the two horses; no other animals regardless of the size.

Commissioner Holbrook said the other issue was about the burrows, donkeys, and ponies didn't make sense either. When they pointed that out it is pretty obvious. When we look at that whole classification or group of animals and make some changes that might be beneficial to everyone.

Commissioner Morrissey said I think the point system needs to be looked at and reviewed again. I like the point system based on the complexity that the Planners were up against. Maybe they could rewrite the code to make it easier for the citizens to read it and abide by it. I would still like to move for Option 1 tonight but have staff give some recommendations to City Council on revising the code going forward.

Commissioner Holbrook said my opinion would be to table all of this because neither of the options really do what we need to do which is to revisit the point system and fix it before we forward it to the Council. There needs to be more logic with the ponies, donkeys and so forth.

Commissioner Jolley said I would be alright with postponing it with the idea that we would like to express to staff that we like Option 1 but we would also like some modification of the point system.

B.2 Potential Action Item – (See VI.B.1)

Commissioner Holbrook motioned to postpone ZTA-2016.02 to our Commission meeting on June 28th.

It was noted that both the City Planner and Planner Warner would be on vacation during the next few weeks. Chairman Woolley asked Mr. Warner how involved he wanted to be with the Planning Commission tweaking the points. Mr. Warner said it depends on how much you want staff to have prepared by that point. He said it would be difficult to have a polished rewrite at that point but if we want to just discuss ideas, that is more of a possibility.

City Planner Schindler said one of the things with the points is the audience wanted to know who came up with the point system. It probably started with staff members back in 1998 when the code was changed to the point system who probably didn't own any animals to start with. We would probably need to reach out to the large animal owners to get their input.

Chairman Woolley said I would propose that we ask the applicant to tap those who are here tonight to help us with that. Let's include in the motion to have an Ad Hoc Committee to help us with this.

Commissioner Holbrook motioned to postpone this item ZTA-2016.02 to a time certain, which would be the June 28th meeting and in the meantime work to have input from our Ad Hoc Committee which will be planned by Ms. Luker for the purpose of helping us develop a better point system of these larger farm animals.

Chairman Woolley asked Ms. Luker if she would be willing to do that. She said she would need help. Chairman Woolley said if you had a handful of the group that is here tonight, you have the experience and expertise to help us. We are looking for input and I think that you have the ability with your group to provide

that and we would ask that you funnel that back through staff to us. We will discuss your input on June 28th and would invite all of you back.

Commissioner Jolley seconded the motion. Roll Call Vote was 5-0 in favor to table/postpone.

Staff Attorney Schaefermeyer said part of Greg's concern was a workload issue and priority issue. If you have an opportunity to talk to your City Council person to just get a sense for where they are at on this would be good because ultimately they will be the ones that will approve it. With that blessing, staff feels more comfortable to expend time and resources on this project.

Chairman Woolley said each of the Commission members will reach out to our Council representative and discuss that in the next couple weeks.

**C.1 Issue: ZONE TEXT AMENDMENT - AMENDING CITY CODE
SECTIONS 16.04.370, 17.08.010, 17.04.060.A, 17.16.010.B, AND
17.16.020 TO REPLACE THE BOARD OF ADJUSTMENT WITH
APPEALS AND VARIANCE HEARING OFFICERS AND TO
AMEND AND CLARIFY APPEALS AND VARIANCE
PROCEDURES AND REQUIREMENTS**
File No: ZTA-2016.05
Applicant: City of South Jordan

Commissioner Hall asked if it is appropriate that he participate in this discussion.

Staff Attorney Schaefermeyer said it came up with the City Attorney and I didn't come to a conclusion; I will leave that to you whether you think there is a conflict.

Commissioner Hall said I will disclose then. Three or four weeks ago the City commenced an RFP Proposal for Hearing Officers. Prior to leaving a couple of years ago, I served as the Board of Adjustment Hearing Officer for the City on a pro bono basis because I wanted to give back to my community. When I left they filled it with another individual. I was asked to apply for this position, there was a selection process and I was selected to serve as the Hearing Officer. Yesterday, Steve and I have been in negotiation on a contract and I signed it yesterday. That will necessitate me at some point resigning from this Commission. The text amendment that is before you tonight will empower the Hearing Officer to hear appeals from this body. I will leave it up to your discretion.

Staff Attorney Schaefermeyer thanked Mr. Hall for his disclosure. He said that makes my job a little bit easier. On its face there is a conflict that I would advise Commissioner Hall to recuse himself; however, if the Commission and Commissioner Hall is able to articulate in a way that is not a conflict then that is why I leave the decision to him. If he does recuse himself, I have no problem with him making comments during the public hearing.

Chairman Woolley said I would defer to Craig and if he felt like he could share some insights with us and then recuse himself from the vote and speaking in the Public Hearing portion.

Commissioner Hall said I have learned from experience that when you feel uncomfortable then you need to back out so the best thing for me to do tonight is to say I will recuse myself.

Staff Attorney Schaefermeyer said you will notice in my recommendation that we are trying to decide how to involve the Planning Commission in a meaningful way. The Luker text amendment was a bit of an outlier just

CITY OF SOUTH JORDAN
PLANNING COMMISSION MEETING
COUNCIL CHAMBERS

July 12, 2016

Present: Commissioner Mark Woolley, Commissioner Sean D. Morrissey, Commissioner Julie Holbrook, Commissioner T. Earl Jolley, Commissioner Brady Quinn, City Planner Greg Schindler, Planner Brad Sanderson, Planner David Mann, Assistant City Engineer Shane Greenwood, Staff Attorney Steven Schaefermeyer, Planner Jake Warner, City Recorder Anna West

Others: See Attachment A

6:30 P.M.
REGULAR MEETING

I. GENERAL BUSINESS

A. Welcome and Roll Call

Chairman Mark Woolley welcomed everyone and noted all Commissioners are present except Commissioner Morrissey who is on his way.

B. Motion to Approve Agenda

Commissioner Quinn made a motion to move Item E.1. to the beginning of the agenda and move Item A.1. to Summary Action. Commissioner Jolley seconded the motion. Vote was unanimous in favor. Commissioner Morrissey was not present to vote.

Chairman Woolley asked if there were any questions on Item A.1. or do we leave it on Summary Action.

Commissioner Quinn said he needed clarification on some things regarding the Lot Line Adjustment.

Chairman Woolley said we should take it off of Summary Action and just leave it as Item #2; are all in favor of amending that motion. All were unanimously in favor.

C. Approval of the Minutes from the Meeting held on June 28, 2016

Commissioner Holbrook motioned to approve the June 28, 2016 Planning Commission meeting minutes as printed. Commissioner Woolley seconded the motion. Vote was unanimous in favor.

II. INFORMATIONAL ITEMS AND OTHER BUSINESS

A. Staff Business

None

B. Comments from Planning Commission Members

None

III. CITIZEN COMMENT

Chairman Mark Woolley opened for Citizen Comments.

James Bowles, 3009 W. 10755 S., South Jordan, I would like to bring to your attention a precast wall that you have changes from masonry to the new Styrofoam “Rhino Roc” in the middle of where I live. I have draft horses on 2 acres of property and I have come down and talked to the city about it and to my recollection they told me that they have none of this new fence bordering any animals. They use it for sound barriers. I have gone to Herriman, Bluffdale and Riverton and asked them if they have any of this new fence to where I could go see if there have been any problems where they have animals bordering. They all told me they won’t allow that where there are animals because the animals rub against it and even though the people who make it, their claim is you can hit it with a hammer or whatever and it will withstand it. When I asked about the animals rubbing against it they had no answers for that. I have talked to Randy Bowler about it because he is developing Mckee Farms south of us and the people who make that fence said they would guarantee it against any damage, but the problem with that is if there is damage to it who is going to take care of the responsibility on the other side of the fence if they have damage done. I have also been told that the fence is better than vinyl and it does a better job with sound barrier but to where it will hold pressure against it like dirt pushed against it rather than just have the fence there. Up until we had that meeting and they told us that we were going to get a precast wall, we were under the impression it would be the masonry wall like on the other side at Bison Ridge. I personally would like to make sure that we can have that masonry wall for the security of being able to be good neighbors. My recommendation is that that fence is ideal anywhere except where there is going to be animals. My horses are big and they kick hard. I am here asking that you do what was originally done for buffer zones and use the masonry precast wall and not this new one.

Chairman Woolley asked Assistant City Engineer Shane Greenwood if he would address his concerns with the rest of staff. He asked if this can be used in lieu of the concrete fencing.

Assistant City Engineer Greenwood said the type of wall he is describing is called “Rhino Rock Wall” and it has been approved. He is correct; the manufacturer does offer a warranty for it, even for farm animals.

Mr. Bowles said when I questioned him on that he had never been addressed with the fact that animals rub against it. His comment was strictly regarding blunt force hits. This kind of masonry with Styrofoam in there is not going to withstand the kind of constant pressure of animals leaning and rubbing against it as 4 inches of cement with rebar in it. That’s why they use the precast concrete where there are large animals. Things change and people go out of business and their warranties are no good. You don’t have to worry about the masonry wall providers going out of business because the product will hold.

Chairman Woolley said it would take the decision of the City Council to make the change to the masonry wall. We can share your comments as part of the record and will make sure that senior staff knows.

Mr. Bowles said when I met with Randy he had another issue with that irrigation water. When the city widened 3200 W. they damaged one of the gate valves on the irrigation system and that thing leaks. I have been down here many times trying to get that valve fixed. I told Randy the best thing for them to do is to hook onto the existing pipe that is coming down McKee Ridge right now and extend that all the way to the canal, because if they damn that off the pressure will build up when it leaks and then it will blow out. When you make changes like that that affect people's lives, somehow we need to know that they are changing the specs like on these precast walls so you can get our input before we have an issue like we have right now.

Chairman Woolley said Mr. Greenwood is our Assistant City Engineer and he will make sure that we look into the valve issue as well.

Chairman Woolley closed the Citizen Comment.

IV. SUMMARY ACTION

None

Commissioner Morrissey arrived at this time.

V. ACTION

- A.1 Issue: LOT LINE ADJUSTMENT BETWEEN LOTS 137, 138 & P-129 OF KENNECOTT DAYBREAK PLAT 7**
Address: 4522 West, 4512 West, and 4508 West Talquin Lane
File No: LLA-2016.02
Applicant: Kennecott Land

Commissioner Quinn said I am not sure what we are doing with this lot line.

Planner David Mann said if you look at the location map that was attached in your packet, there is a parcel between the two properties where those houses are constructed by a pathway. Kennecott Land wants to adjust that to the width of the sidewalk because there is some landscaping that the home owners have been maintaining and want to keep maintaining so they have deeded that property to the adjacent land owners.

A.2 Potential Action Item – (See VI.A.1)

Commissioner Jolley motioned to approve Lot Line Adjustment LLA-2016.02. Commissioner Quinn seconded the motion. Roll Call Vote was 4-0. Commissioner Morrissey abstained from vote.

Chairman Woolley said we will now go to Item E.1. This is not a public hearing, but we deferred the vote. We had discussion and the Public Hearing on May 24, 2016 and we moved it off for a month. We had a group of citizens meet with city staff to make recommendations for the Text Amendment and two weeks

ago we again discussed it at the June 28th Planning Commission meeting. There were only 3 Commissioners present at that meeting so we decided it would be well to defer final discussion and vote to tonight.

**E.1 Issue: ZONE TEXT AMENDMENT – AMENDING SECTION 17,130.040
(FARM ANIMAL FLOATING ZONE) OF THE SOUTH JORDAN
CITY MUNICIPAL CODE**

File No: ZTA-2016.03

Applicant: Melvin & Eileen Luker

Commissioner Quinn said in reading through the minutes I understood the majority of what the Commission had discussed but I would like to hear Commissioner Holbrook's concerns regarding lowering the large animal points from 20 to 15.

Commissioner Holbrook said I would like to thank all the people that have helped us and educated us on this issue. It has been most helpful. Most of us are from rural backgrounds and we understand rural issues. I agree with moving the donkey up to the large animals but I don't agree with lowering the point system for a couple of reasons. The point system has been in effect for a long time. If we change it we are impacting about 2,200 ½ acre lots and that would mean they could have two horses, whereas before you couldn't. When you move in to something that is already there, you know it's there but if you moved into something knowing it wasn't there and now it is that is what harm we would do in reverse if we change that. I think we have here very good people that take very good care of their animals and we can't assume that everyone is as good as these people in taking care of their animals. I am concerned that we will open ourselves up to more unintended consequences. It's not that I am against having two horses; it is that this has already been in place and I am concerned of the impact on the other 2,200 ½ acre lot owners.

Commissioner Jolley said I know we have had this discussion many times and have heard the comments from the residents and I totally agree that we should reduce the points from 20 to 15 just for the simple fact that it is a better situation to have two horses than one. We are not going to affect 2,200 lots. There may be that many out there but I don't think there will be that many to take advantage of it. It is just a more humane thing to do for those that choose to have large animals. I do not agree with the 10% flexibility on the size of the lot. We should just keep it at ½ acre with the 30 points.

Commissioner Morrissey said I don't have any additional comments from what I have made at the last two meetings on this issue. I think the 10% flexibility could be an issue that could be exacerbated if we did allow that so I am not in favor of allowing any type of flexibility. I want our ordinance to make very clear what people are and are not allowed.

Chairman Woolley said what I am understanding based on our discussions is as we look at the recommendations that the changes would be that the donkeys would be moved from medium to large animals, there is a debate as to whether the points should change from 20 to 15 for large animals, then minimum lot size would be ½ acre, and we were in favor of prorated point increase based on even increments. Is that still the feeling of the group?

Chairman Woolley asked Planner Jake Warner if he had anything additional to add.

Planner Jake Warner said as I read through the minutes I wanted to clarify on the prorated point increases that we were all on the same page. There was something in there that Mr. Morrissey said that made me think maybe we weren't on the same page. This is a staff suggestion, if you want to see a little more

flexibility. We do have people that might come in with .95 of an acre and right now we are required tell them that they are only held to the points at .5 of an acre because additional points are only awarded on ½ acre increments. I think staff would be in favor of that as long as they meet the minimum lot size, whichever it ended up being. We were not suggesting that points should start smaller than what is currently the minimum lot size.

Commissioner Quinn said as far as the prorated point system, is it in increments of ¼ acre?

Planner Warner said right now you get 60 points per acre, so if you have .9 of an acre you would have 90% of 60 points to use as you would, based on the point system, but you could not go above that.

Commissioner Holbrook asked if this allows you that. Planner Warner said you would need to recommend that change because currently it is based on ½ acre increments. Staff is not in favor of reducing the minimum lot size.

Chairman Woolley said as a reminder this is a Legislative Action Item and we are making a recommendation of approval to the City Council so whoever makes the motion will need to keep that in mind.

E.2 Potential Action Item – (See VII.E.1)

Commissioner Quinn motioned to recommend to City Council that we reduce the number of points from 20 to 15 for large animals; that we move mules/donkeys to the large animal category and that we implement a prorated point increase beginning with a minimum lot size of ½ acre. Commissioner Jolley seconded the motion. Roll Call Vote was 4-1 in favor. Commissioner Holbrook was opposed.

Planner Warner said originally this was scheduled to go to City Council on July 19th but because of their schedule and the tentative outcome of this meeting it has been pushed back to August 2, 2016 for City Council.

Chairman Woolley said those of you that are here tonight we would advise you to be at that Council meeting.

VI. PUBLIC HEARINGS AND POTENTIAL **ADMINISTRATIVE ACTION ITEMS

****Administrative Action = Less Discretion, Substantial Evidence (Objective Standard)**

**B.1 Issue: DAYBREAK VILLAGE 8 PLAT 2
PRELIMINARY PLAT
Address: 6180 West 11500 South
File No: SUB-2016.39
Applicant: Kennecott Land**

City Planner Greg Schindler reviewed the background information on this item.

Kennecott Land Applicant was not present.

Chairman Mark Woolley opened the Public Hearing. No speakers. He closed the Public Hearing

B.2 Potential Action Item – (See VI.B.1)

Commissioner Holbrook made a motion to approve File SUB-2016.39 with all South Jordan City Requirements be met prior to recording the plat. Commissioner Quinn seconded the motion. Roll Call Vote was unanimous 5-0 in favor.

**C.1 Issue: DETACHED GARAGE
CONDITIONAL USE PERMIT**
Address: 11521 South 4135 West
File No: CUP-2016.05
Applicant: Jesse Sanchez

Planner David Mann reviewed the background information on this item. He said staff is recommending approval of this item because it is roughly 120 sq. ft. more than the 60% requirement on a lot that is significantly larger than the majority of lots in the subdivision.

Commissioner Morrissey asked how many others lots in the subdivision have an accessory building.

Planner Mann said I don't know if any of them do. It is only one-third built out now and the majority of the lots on the east side of the subdivision are only half this size so it doesn't afford them the room to put in a detached garage.

Commissioner Morrissey said under the permit for conditional use under the subsection it talks about how it should be consistent with the character of the surrounding area which analysis includes but is not limited to consideration of nearby structures and uses and applicable declarations (CC&R's). I am struggling to figure out how that fits that criteria for conditional use because one of the things I am frustrated with as a Planning Commissioner is when we have these types of conditional uses presented where it seems like if someone doesn't meet our ordinance in a particular area so they go to the caveat the conditional use. I feel like now the burden has been shifted to us because they have used the conditional use and we have to come up with a reason why it can't be done; and the reason has to be justified by substantial evidence. We also have to tell you that we can't mitigate around it.

Staff Attorney Steve Schaefermeyer said you start with any detrimental effects and you are right, it is approved unless those detrimental effects can't be mitigated.

Commissioner Morrissey asked what the point is of having an ordinance to meet certain criteria and you give them an out to it with a conditional use.

Staff Attorney Schaefermeyer said there may be some issues approving this bigger accessory building that staff has not identified for whatever reason; then at this point I would suggest you table it and have staff go look at specifically why you think there would be a problem with a bigger building. If nothing is identified then in the future we should look at changing the code if this continues to cause problems time and again.

Chairman Woolley said my understanding is the code says it has to be a minimum of 10 feet is there a reason that this is 5 feet.

SOUTH JORDAN CITY
CITY COUNCIL MEETING

August 2, 2016

Present: Mayor David Alvord, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, Council Member Tamara Zander, CM Gary Whatcott, Fire Chief Andrew Butler, Administrative Services Director Dustin Lewis, Public Works Director Jason Rasmussen, Development Services Director Brad Klavano, City Attorney Ryan Loose, COS Paul Cunningham, Economic Development Director Brian Preece, Financial Reporting Manager Kyle Maurer, IT Director Jon Day, Police Chief Jeff Carr, City Council Secretary MaryAnn Dean

Others: See Attachment A

REGULAR MEETING – 6:00 PM

A. Welcome and Roll Call – *Mayor David Alvord*

Mayor Alvord welcomed everyone present. It was noted that Council Member Marlor would be arriving late. All other members of the City Council were present.

B. Invocation – *By Council Member Tamara Zander*

Council Member Zander offered the invocation.

C. Pledge of Allegiance

Talai Leo, scout, led the audience in the Pledge of Allegiance.

Mayor Alvord recognized the scouts that were present.

D. Minute Approval

1. July 11, 2016 Council Lunch Meeting – Staples Golf
2. July 18, 2016 Council Study Meeting
3. July 19, 2016 City Council Meeting

Some amendments were made to the minutes.

Council Member Rogers made a motion to approve the July 11, 2016 Council Lunch Meeting minutes, as amended, the July 18, 2016 Council Study Meeting minutes, as amended, and the July 19, 2016 City Council Meeting minutes, as printed. Council Member Shelton seconded the motion. The vote was unanimous in favor.

E. Public Comment:

Merlynn Newbold, 10454 S. 1440 W., said she attended the meeting at South Jordan Elementary last Tuesday regarding the widening of 10400 South. She said at that meeting, they didn't discuss the location and removal of the irrigation pipe that runs along the south side of 10400 South. She said that should be included in the design of the project. She said they need to move the line further south.

Brent Bowles, 3009 W. 10755 S., said the new pre cast wall that has been approved in the city is insufficient. It will not withstand a large animal kicking it.

Ray Wenger, 10533 Clementine Cir., said he is concerned with a fireworks problem that was apparent on July 4th and July 24th. He reviewed problems outlined in a prepared statement (Attachment B). He showed burnt up fireworks that were found in his yard. He said neighbors are not cleaning up after themselves, and they burned their own tree in their yard. He is concerned about the flammable nature of conifer trees. He said people are not being responsible with fireworks. He said he would like to see regulations tightened up. He noted that he has a proposed solution (outlined in Attachment B). He indicated that he would contact each City Council member individually to talk about the proposed solution. He is concerned about both fire dangers and problems fireworks create for people with PTSD.

Justin Christensen, 9719 S. Redwood Road, said he is building a new home on Redwood Road. He encouraged the City Council to help continue to make Redwood Road a nice road. He hopes they recognize that people will build on Redwood Road, and there aren't businesses the whole way. He said he is in favor of the new building proposed by Merit Medical.

Wayne Palmer, HOA President of King Benjamin Court, proposed a compromise solution to their gate issue. He said some want the gate, some don't. The compromise is to install a manual gate that would cost far less, and nothing to maintain. The gate would still be owned by the city and they can still put it on the tax roll. They are trying to find a win for everyone. The bid he received is \$3700 to take out the current gate and put in a manual gate. The cost for the manual gate is the budgeted cost for one year of maintenance of the current gate.

Mayor Alvord asked if they want to consider a 3rd option for the gate? City Attorney Loose said much past tonight, there won't be enough time to get it on the ballot.

Council Member Marlor arrived at this time.

F. Presentations:

1. UTA Presentation on TRAX Extension & Alignment Results from Public Comments Meeting. *(UTA Representative, Hal Johnson)*

Hal Johnson, UTA, reviewed a presentation on the Southwest Salt Lake County Transit study. (Attachment C).

Mayor Alvord thanked Mr. Johnson and said this is a great resolution to the alignment issue.

Council Member Zander said as TRAX goes south out of the city, she feels strongly that the best alignment would be further west next to Mt. View Corridor. She wants the TRAX line away from the school. Mr. Johnson said the further west alignment is preferred by UTA. Another option is to bend the east alignment to keep the TRAX line away from the school.

Council Member Rogers asked how far out is this plan? Mr. Johnson said it depends on the Wasatch Front Long Range plan. If the sales tax increase is approved, it could provide needed resources to extend the line.

2. City Flag Contest (*Mayor Alvord*)

This item was discussed later in the meeting.

Council Member Marlor made a motion to amend the agenda to move item F.2. to be discussed after item I. Council Member Shelton seconded the motion. The vote was unanimous in favor.

G. Consent Items:

1. Resolution R2016-46, Approving an Interlocal Cooperative Agreement with Herriman City for 11800 South Street Median Construction and Authorizing the Mayor to sign the Agreement. (*By Development Services Director, Brad Klavano*)
2. Resolution R2016-57, Authorizing the Implementation of certain Infrastructure Improvement, Maintenance and Operation Projects Budgeted in the 2016-17 Budget. (*By Development Services Director, Brad Klavano*)
3. Resolution R2016-55, Adopting the Preferred Alternative for a Mass Transit Corridor Extending Beyond the end of the Mid-Jordan TRAX Line Alignment. (*By Strategic Services Director, Don Tingey*)

Council Member Shelton made a motion to approve consent items 1, 2, and 3. Council Member Rogers seconded the motion. The vote was unanimous in favor.

H. Public Hearing: Ordinance 2016-14, Zone Text Amendment, Amending Sections 17.20.020 (Establishment) and 17.130.040 (Farm Animal Floating Zone) of the South Jordan City Municipal Code. Eileen Luker (Applicant).

Planner Warner reviewed the background information on this item. The applicant would like 2 horses on .55 acre. Staff's recommendation is to support the recommendation from the Planning Commission, with the exception of reducing the point system for large animals from 20 points to 15 points.

Mayor Alvord opened the public hearing.

Pamela Sorenson, 2617 W. Rustic Meadows Cir., said she has concerns with the proposed zone text amendment. The amendment could bring more noise, dander, droppings, and smell, which attract flies, mosquitos, and rodents. It is a health hazard. It could have a detrimental effect on their watershed. When she moved here, she wanted a small amount of property for a large garden and trees. She did not want farm property. When they moved in, large animals were not allowed. People in the neighborhood don't want the neighborhood rezoned. She said she is an artist but she is unable to paint outside because it gets flies in her oil paint. She said the horses affect the air quality.

Mike Bellows, 2661 North Forty Way, read a prepared statement (Attachment D). He also submitted a letter sent to his neighbor in 2001 (Attachment E).

Eileen Luker, applicant, read a prepared statement (Attachment F).

Pat Lewis, said she has lived in Chattel Estates for 40 years. She supports the recommendation for animals. She does not have any animals but her immediate neighbors have horses that she loves. They don't stink, cause flies, or make noise. The horses provide her serenity, peace, and everything she came to South Jordan for. She said it is not right to let new people chase out people that are already there.

Kevin Tominey, 10118 S. 1000 W., said he served on the Planning Commission for a time. He said he is a responsible horse guy. If they keep the poop scraped, the flies are diminished. He has a steady stream of visitors that come see his horses. There are those that don't enjoy the horses. The number of people in the city that have large animals is fractional and that number is diminishing. He said horses are herd animals. They are social, and 2 horses do well together. He supports the Planning Commission's recommendation. He feels this is more of an argument between neighbors, and not as much of an issue of horses versus non horses.

Teddy Stubbs, said he moved here 15 years ago. He is pro horse. Horses create dust, so does wind. Horses create flies and bugs, so can garbage. They live with critters. Nature will happen, and they have to do the best they can to keep the flies down. He said the largest equestrian center in the state is in South Jordan. People come from all over the world and bring horses. He said construction projects create dust and stir up rodents. Horses should not take all the blame. He agrees with making horses 15 points. There is an inequity in the current point structure. Animals are social; having them in pairs of 2 is better.

Michelle Hall, 10286 S. 2950 W., said her horses are for putting beef on the table. This is what she does for a living. The neighbors take the manure from her yard, free of charge. People aren't just out petting horses. They are doing jobs and educating the youth.

Ken Peck, 10745 S. 2700 W., said he has lived here 54 years. He has broken horses. He built a wagon for the kids to get rides in. He takes good care of his horses. He has a house in Oakley

right now and that is where he keeps his horses in the summer. There is no smell with the horses in the winter and they don't bring flies. He is disappointed that the people of South Jordan are against animals. Now they just want a big home and things that go with that. The original people here shouldn't be deprived of horses.

Pat Postell, 10070 S. Chattel Cir., moved here for the horses. The horse population has been decreasing. She feels kids get into more mischief when they don't have animals. She has had several recent incidents with abuse of her cats and dogs. She feels they are causing more trouble by reducing land and not allowing for the horses. She is in favor of allowing the horses on the land.

Christy Collins, 10749 S. 2200 W., said she has horses and loves them. Horses are her plan to have her kids stay out of trouble. Horses have been positive in the community – at events, parades, and they are part of a therapy program. She said people come to her fence all the time. There are kids at the school that have never touched a horse. The positive impact that horses are in the community are more important than flies and dust.

Karen Merrill, 10302 S. 2950 W., moved here 9 years ago because she wanted a country type life. She only has a ½ acre and no horses. If people have a problem with the manure, they should address it with the city like they do with a dog. She said they enjoy the horses. They will be gone some day. Why push it?

Paul Salin, 2617 Settlers Bend Rd., said they are not against horses, they are against the proposed change. He lives adjacent to this property. He was appalled when he saw 3 horses in a corral less than half the size of this room. They are in favor of responsible horse property. They are not in favor of increasing or decreasing the number of horses in South Jordan.

Dustin Hamilton, 2353 W. Bonanza Ct., said responsible horse property is keeping herd animals as herd animals. He said they need to clean up after the animals. There is plenty of room on a ½ acre property to take care of the horses. They should not punish everyone. You cannot take a herd animal and put them by themselves.

Debbie Mayor, 3042 W. 10400 S., thanked Mrs. Luker for bringing this issue to their attention. They were not aware of some of the issues. She is grateful the city waived the application fee for her. She said she is a horse owner, her family gave her a ½ acre. She wanted her kids to grow up in a rural environment. She is a 4h leader. She said kids that have responsibilities in rural areas are better off and better prepared for their lives. She hopes they consider what possible effect this has on the youth of the city.

Toni Hamilton, 2353 W. Bonanza Ct., said his livelihood is horses. Their horses are also to work. They take great pride in taking care of their horses. She said the point system is flawed. They are currently allowed 6 miniature horses, or 3 ponies. She said that would be worse, bring more poop and flies, than 2 horses. She said they should drop the horses from 20 points to 15 points. She said ponies can be up to 14 hands where horses are 15 hands – only a 4 inch

difference. She favors being responsible horse owners. She said 2 horses are much quieter than one.

Chris McCray, 2074 W. 9640 S., lives on 1 acre. His daughter has a horse, and when they take the horse to 4h, their pony makes noise. They are herd animals. He noted a typo in the power point presentation - .1 acre equals 6 points. He said no one is asking for 4 horses on a ½ acre. They are asking to allow herd animals to be herd animals. He said in this situation, the neighbor is not complaining about those specific 2 horses, just the fact that there are 2 horses. He said it is expensive to have horses and it is good for kids. It gives kids a sense of pride and makes them responsible, productive people. He said 2 dogs can be more annoying than what a horse will do.

Jennifer Soers, 11350 S. 2865 W., said she has lived in South Jordan for a year. She chose to move here so she could have animals. They have horses and cows. It is a great benefit to the community. She has had scout groups and school classes come see the animals. She said her daughter has to go to Riverton High for the agricultural program. It is unfair that they allow 1.5 animals on a ½ acre lot. They are herd animals. If the property owner is not being responsible and cleaning up after their animals, the codes need to be enforced. She said some compromise can be reached.

Council Member Harris made a motion to allow anyone else wishing to speak 3 minutes each. The motion failed for lack of a second.

Council Member Zander made a motion to allow 1 minute each for the remaining comments. Council Member Shelton seconded the motion. The vote was 2-1 in favor, with Council Member Harris opposed.

Council Member Marlbor made a motion to allow all speakers 2 minutes each. Council Member Harris seconded the motion. The vote was unanimous in favor.

Jay Sant, 10500 S. 3010 W., said he moved here 30 years ago and it was the horse capital. He has horses on both sides of him and he does not smell them and has not had a single problem. Putting 1 horse on a property would be like putting a person in solitary confinement. It is cruel and unjust.

Camille Grimshaw, 2614 W. North Forty Way., said this is not just about horses, it is about large animals in their neighborhood. She said her family has 4 generations of horse property in South Jordan. When she moved to South Jordan, she had horses and knew what was allowed. She agreed to what was outlined, and now they are proposing a change. There are a lot of neighbors that have been here for 40 years. A lot of the properties are just under ½ acre. She believes the lot sizes were done that way to limit animals. She loves the animals, but she is not ready to give up what she agreed to.

Dr. Tracy (last name inaudible), 2842 W. South Jordan Parkway. She said she has no horses, but is surrounded by them. She noted a family member who had horses that were poorly cared for and they stunk and had flies. Her neighbors are responsible and there are no flies. She said the

community can balance the city needs with the country needs. She said most of the people in South Jordan that she has talked to love the horses. If the horses are not well cared for, there needs to be more action to make sure the codes are enforced.

Mr. McClellon, 10635 S. 2700 W., said he travels all over and deals with horses for a living. He said 1.5 horses can be on this property currently. The flies won't change with another .5 of horse. He can bring 3 loud borrows to this property tomorrow. They will poop more and be a lot louder. He said horses do a lot for the community. He said he can answer any questions – he is an expert on horses. He said they need to have 2 horses together.

Mike Fellows, said they never said anything about zones. One situation caused this request for a change. He said enforcement of codes needs to be enforced. It hasn't happened in the past in his experience. His comments were about reducing points. If they want 2 animals, they should not buy a ½ acre in an existing neighborhood. They should buy a property that will support that.

Luane Jensen, 11186 S. 2700 W., said she lives on a little over an acre, and has for 44 years. She has never had a large animal. People around her have horses. As they have developed the city, they did higher density. And then Daybreak came and it has evolved further. Some of them like the country. They have a wonderful 4H program in the city. They should let the people that have lived here a long time have their animals.

Brent Bowles, 10755 S. 3009 W., said when he moved here almost 50 years ago, he had a hard time getting a loan to move here. Now, he is retired and has draft horses. He said they always thought they would have a pre cast wall. It won't work as a buffer for large animals. With new homes coming in, they want to be a good neighbor. When people move in on people who have animals, they need to understand what comes with that. They can't train a fly to stay home.

Clark Monk, 11563 S. 2570 W., said when he purchased his home, he did so because it was zoned for animals. The area is landlocked. All of the parcels around him are 1-2 acre lots. Next door, the person is building a 9000 sq. ft. home, 27 ft. from his horse corrals. They were allowed to fill in the irrigation ditch, and he lost his ability to maintain his irrigation water. He is in favor of decreasing the point system. He is discouraged that the city has allowed growth to ruin what he came here for.

Chris Baker, 11136 Lindon Ct., lives in an area unaffected by the issue. He asked that the city consider the broader populous of the city on this issue. He said one of his scouts noted that the horses are not the problems, but the owners are the problem. If the horses are well maintained, the issue could be reduced.

Colton McClellon, 10635 S. 2700 W., said horses are his life. He was in 4H for 4 years. Besides football, horses fix any problems he may be having.

Angie McClellon, 10635 S. 2700 W., said they don't have 3 horses on the property. There were 3 horses there for a month and a half. Horses are not an impact on people. They are quiet when they are together. When they take one horse away, they will hear it all day. Maintaining the

property does reduce flies. Her son does a good job maintaining their property. She does not want to live fighting with her neighbor. She said this is zoned for horse property and she wants horses for her family. She has had these horses longer than her children. The horses are therapeutic for her son.

McKenzie Mitchell, 1256 W. 10550 S., said they own 40 acres here. If they think that the people who own horses here don't know they are being run out, they do. People won't bring more horses here with this change.

Jon Wright, 11210 S. 2065 W., said they should bring in more horses, and get rid of some people. If they don't like it, let them move somewhere else. He does not like apartments. He does not like Daybreak. This meeting is helping him decide to sell his ground and move out of here.

Susan Palmer, 3237 W. 10000 S., said she has an acre and 2 horses. She said she works with people internationally with her employment. She said in Singapore, there are no animals allowed. Soon, they will be having the same conversation not about animals, but about kids.

Mayor Alvord closed the public hearing.

Mayor Alvord said virtue is a quality of humanity. Cleanliness is a virtue. If they did a better job keeping care of their property, there would be less heartache between neighbors. Tolerance is a virtue. Sometimes people's hobbies are onerous to us. For instance, motorcycles make noise. They should respect each other and their freedoms.

Mayor Alvord said it bothers him that South Jordan is an outlier and that they are the only city with this restrictive of an Ordinance. He does not like that.

Planner Warner explained that the structure has been in place, but the codes have been tweaked over time. Prior to 2012, there wasn't a clear list of the type of animals, so the list was added. That was done with citizen input. He said the Ordinance has been interpreted differently over the years. When the last revisions were made, the interpretation was clarified in the code and it said they get 30 points for every ½ acre. It also said a minimum of .75 acre was required for farm animals. The interpretation of the code has changed over the years. It was ½ acre, then went to .75 acre, then back to a ½ acre for a minimum lot size for farm animals. Then the point system kicks in.

Council Member Rogers noted that the subject property is 0.55 acres. He asked what is the size of the house footprint? Planner Warner said he was unsure. He was told that it is set back 70 ft. from the sidewalk property line. The minimum setback is 30 ft. Council Member Rogers asked what is the total size of the subject's back yard that is used for the horse? Planner Warner said he was told it was 2500-3000 sq. ft.

Council Member Harris asked if the complaints received are different for 1 horse versus 2 horses? Staff indicated that they were unsure.

Council Member Marlor asked what is the number of R-1.8 lots impacted by this change? Mr. Warner said there are 2100 properties that includes A-1 and A-5. He figured the number of R-1.8 lots specifically, but he does not have that number tonight.

Council Member Marlor said his issue is with the number of impacts regarding R-1.8 lots. He is fine with equestrian ownership. The issue is the impact on people bringing horses into a subdivision where they have not been. Allowing additional large animals where they were not there before is problematic.

Council Member Shelton asked if they know how much room a horse needs to have? He said it seems like our Ordinance is flawed to just go by lot size. Mr. Warner said they can keep horses in a small area if it is well maintained and if the horses exercise in another location. Council Member Shelton said he feels that this property is a good example why basing the number of animals on lot size is a bad idea. Mayor Alvord said if they consult an equestrian expert, they may end up with an Ordinance that is more generous.

Council Member Shelton indicated that he has a horse that is kept in a small stall, but it has an exercise arena.

Council Member Harris said maybe they should get input from a horse expert. They don't know if having 2 horses brings more complaints than 1 horse. There is no evidence that having 2 horses brings more complaints. They are looking to allow the same horse property to go from 1 horse to 2. South Jordan currently only allows 1 horse, other cities allow 2. Most people are responsible horse owners. He said there is dissatisfaction from long term residents that feel they are being pushed around and not treated right. The city has put in a lot of density. If they have apartments, they also need some more agriculture. He feels it is unnecessary to continue with the policy that they've had. It is time for us to make a positive change here.

Council Member Harris made a motion to approve Ordinance 2016-14. The motion died for lack of a second.

Council Member Marlor made a motion to ask staff to bring in equestrian experts to give them better instruction on the feasibility of the application and its impact. Council Member Rogers seconded the motion.

Council Member Rogers said he has a concern about setting up a policy based on lot size that does not determine what is usable for the horse. He said his father has 2 horses. He said there is a point where the space is too small to have a horse and not create a nuisance. He thinks it would be a good idea to get additional information. It makes no sense that they can have 6 miniatures or 3 ponies, but not 2 horses. He would like to evaluate all of that and come up with a more appropriate way to regulate the appropriate size for 2 horses. My initial impression is I don't think that is enough space. I just don't think the applicant has enough space for two horses. I am willing to table this to get more information on this to see if that is enough space.

Mayor Alvord said if an expert said ½ acre was enough space, would he vote to approve this? Council Member Rogers said not necessarily.

Mayor Alvord asked that they vote on this tonight.

Council Member Marlor said my motion was to get some expert information and to Mr. Rogers point that would be to table this. Council Member Rogers said I did second that motion.

Council Member Shelton said the argument most compelling in favor is that horses are social animals, and I know that from my own experience. We are not similar to other cities in their policy. He said he believes the applicant could have done more due diligence in this case when she purchased the property. He said it is similar to the discussion and argument with the RV's that didn't fit on a property. If they have horses that don't fit on the property, they have to store them somewhere else. He would like to know a good way to apply the zone here and feel uncomfortable on saying it should be based on lot size.

Council Member Marlor said part of the problem is that some residents believe the city is pushing horse people out. He said he grew up with horses. He located here because of the rural nature, with horses. He has no problems with horses and cattle, but the City Council represents the entire city that is impacted. It is important to have quality information that will make for a good decision.

Council Member Zander said if they table the issue, she is not okay with people assuming that the City Council is opposed to horses. She does not like the thought that anyone is chasing anyone else out of the city. There are property rights, and this area is zoned a certain way. The homeowner should do due diligence before buying a lot. Every person should do their due diligence before buying a lot. Horses are wonderful; they do have flies. No matter what is decided tonight, some of the neighbors need to work on tolerance and getting along. Many of the horse owners in the community are living within the code. The residents should abide by the code. Knowing the code, she is disappointed that the property owner put 3 horses on the property. She would encourage all residents to abide by the ordinance.

Mayor Alvord said because the city is an outlier on this code, a misunderstanding could come up again. He feels there will be arguments on both sides from the equestrian experts. He feels the City Council has their minds made up. He said if this refines the code, he will be happy for that effort.

The vote was 4-1, with Council Member Zander opposed.

The City Council took a recess.

- I. **Public Hearing:** Ordinance 2016-19, Zone Text Amendment, Amending Sections 2.28.020, (Powers; Duties; Obligations), 16.04.370 (Appeals), 17.08.010 (Definitions), 17.16.010 (Planning Commission), 17.04.060.A (Public Notices), and Chapter 17.16.020 (Board of Adjustment) to replace the Board of Adjustment with

SOUTH JORDAN CITY
CITY COUNCIL SPECIAL STUDY MEETING
OAK CONFERENCE ROOM

October 31, 2016

Present: Mayor David Alvord, Council Member Chris Rogers, Council Member Don Shelton, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Tamara Zander, CM Gary Whatcott, COS Paul Cunningham, Police Chief Jeff Carr, Fire Chief Andy Butler, Administrative Services Director Dustin Lewis, City Attorney Ryan Loose, City Commerce Director Brian Preece, Finance Director Sunil Naidu, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, Public Works Director Jason Rasmussen, IT Director Jon Day, Deputy Recorder Cindy Valdez

Others: Jake Warner, Angie McClellan, LaGene Sims, June Jackson, Pamela Sorenson, Willey Phillips, Mike Bewould, Elaine Beard, Glen Beard

STUDY SESSION – 12Noon

Mayor Alvord welcomed everyone to the meeting and noted all Council Members are present.

A. Invocation: *By Chris Rogers*

Invocation was given by Chris Rogers.

B. Council Packet Review (*Calendaring, Topics, Future Agenda Items*)

F. Presentation: Tribute to Jennifer Lambourne Family and Eastlake Elementary School.

Mayor Alvord said Ms. Lambourne was my son's teacher and we knew her very well, and this is very sad, and a big loss for our community.

G. Action Item: Resolution R2016-58, authorizing the Mayor to enter into a Development Agreement with the Developer of property at 1600 West 11400 South – The Smiths Project.

Director Brian Preece said as you have read in the Development Agreement the residential portion is 8 units per acre, and I understand that Council Member Rogers would like to further restrict that to 8 units with detached single family housing. In order to get it down to 8 units there will need to be a recapture of \$1,050,000 of sales tax over 10 years, but the first \$300,000 would come to them, and then we would share it 50/50 after that, if we can make it work out. There are impact fees because there is a street that is impact fee eligible with \$475,000 to put in the road on the Beck-stead extension, as well as another \$225,000 for the sickle on 11400 S. The sales tax would be at their risk, if they don't reach that number we wouldn't owe them anything. We would craft that deal through the Redevelopment Agency and create a project area, that is why it is not in this agreement, but it refers to that agreement, and we will have to do a participation agreement that will draft those details out.

Council Member Zander said when we go to the Council Meeting tomorrow night do we have an option of getting this up from 8 units, or is this our only option?

Council Member Harris said I personally don't feel that we should be overriding the residents. We put some expectations out there when we presented this, and the interesting thing is that we had all these flags to choose from, but the current flag wasn't ever an option. The residents had to come in and say that they didn't like any of the new flag designs, and wanted to know how to vote to keep the current flag. It makes me wonder if the resident that did choose one of the other flags would have chosen the current flag if that would have been an option. I think that when we set expectations and they come in and vote, regardless of the amount of people that voted, or how many people showed up, we need go by the majority of the vote, and that is to keep the current flag.

Mayor Alvord said "thank you" for going through the process. Maybe in the future another Council will look at making a change to the flag.

City Attorney Loose and Planner Jake Warner reviewed background information on this item and a presentation was given out for review (Attachment B).

City Attorney Loose said when Planner Warner says "management oversight," I hear "enforcement" and I hear "how does my prosecutor prove to a judge beyond a reasonable doubt that we can do some of these things." We have dealt with smells, and noise before, they are very difficult issues to deal with on the enforcement side, so we try to gravitate to very appear-full objective things that you can go out and measure, and see, or inspect. We can have issues on the property, because if it is in the back behind the house we cannot just walk up there and check, and so there is a balance on the enforcement side.

Council Member Zander said it is my understanding that the current property owner that has the desire to put more horses on their property, but according to the neighbors they are not complying with the current ordinance, they are putting more than (1) horse on that property, is that correct?

Assistant CM Paul Cunningham said we cannot force the ordinance in the process of revising it.

Council Member Zander said so in the interim they can do whatever they want?

Council Member Marlor said right now they are not in compliance.

Mayor Alvord said can you tell me about the dedicated space.

Planner Warner said I was given some direction, but I will need to get back with you shortly on that. I drafted it per the direction that I was given. I left in there the pro-rated point system, and if you get enough points in between you can have a second horse. It didn't seem like there was a lot of opposition from the Council, so I left that in. I took it to a few experts that know more about horses than I do, like Kevin Tominy (Planning Commissioner), Vern Parent (County ad agent), James Bennett (Health Department) as well as I talked to experts internally. I then took the direction I was given with the comments I received internally, and from these individuals, and revised it and kept it in harmony with the direction I was given.

City Attorney Loose said that direction was based on (2) Council Members, the City Manager, and I working through some of these issues.

Council Member Harris said so if the 10ft. setback is new and they currently have their property line, would they have to reconstruct that property line if they want to get a second horse?

City Attorney Loose said if they only have (1) horse then none of this matters, but if they add a second horse they will need to make the adjustment. If they currently have (2) horses they would be out of compliance and they would also need to make the adjustments.

Council Member Harris said I understand what we are trying to accomplish with a 10ft setback, but have we seen that in other Cities?

Council Member Rogers said what did they experts say about this?

Planner Warner said I talked to James Bennett and the Health Department does have some standards that they can enforce. I asked him what he thought about the setbacks, and he was in support of the setbacks. His main concern was leaching. Leaching is when animal waste is concentrated in a certain area. They have seen where vegetation on the other side of the fence property line was dying due to ammonia from leaching through the ground. The idea here is that if we are extending a property right to allow additional farm animals, how do we balance that with the neighbors? In regards to feed, the original direction that I was given was to keep all feed, and hay in containers. I talked to these individuals about that and they didn't think that it would be realistic to keep hay in containers, but it was said that hay may be where mice live, but it is not something they feed off of, but grain is something they feed off of and it attracts mice, so that was one of the revisions from what I was originally given.

Council Member Rogers said when you showed these proposed revisions to the experts did the experts give you the thumbs up?

Planner Warner said I emailed it to them, and some of them read through it, others I talked to by phone and discussed it, so it is not a 100% accurate to say they read through it.

Council Member Marlor said if they want to walk their animals around in the setback area is there anything prohibiting that?

City Attorney Loose said there is nothing prohibiting that this just deals with where they reside.

Council Member Zander said if this is passed how many homeowners will be affected by this change?

City Planner Warner said there are a couple of thousand eligible properties, but the number of eligible properties that are .5 and .67 is probably pretty small.

Council Member Marlor said some of the HOA's will not allow them anyway.

City Planner Warner said my guess is that this will apply to about 100 properties in the City. In the last 2 years Code Enforcement has only had 7 complaints regarding too many horses, and in half the cases the property was big enough to have multiple large farm animals, the other half were not compliant, and the 7th one is Ms. Luker's place.

City Attorney Loose said typically with land use ordinances we send them to Planning Commission, and then City Council. It has been to the Planning Commission for the proposed change, but this is a pretty big deviation, and in my opinion the State Law is not very clear on how much you can change it, so between what the Planning Commission saw, and what the City Council eventually passes, the most comfortable conservative approach for me would be to take it back to the Planning Commission and go back through the process again. We could put it on the next Planning Commission Meeting on November 22, 2016, and then it could go to City Council on December 6, 2016.

Council Member Zander said Council Member Marlor you worked on this, do you love this, or do you think there are still things that we need to work out, and is this taking into consideration the horse owner, and the neighbors?

Council Member Marlor said I know that I personally tried to incorporate a lot of the feedback that we received from the Planning Commission and the City Council. Does it work exact for either side, I don't know about that, but what we tried to do is factor in those comments and try to find some credible sources to give us some feedback.

Council Member Rogers said Council Member Marlor and I toured the property and it gave me a good perspective on what is occurring in this location. The issue with the residents that were opposing was not with having 2 horses, it was the nuisances that the horses produce. The ordinance in my mind was that if we allow 2 horses then we need to try and address some of the impacts, and nuisances. Although, there will be people on both sides that will not be happy with it, I think it is a happy medium. It will allow for a second horse, and also addressing the impacts on the neighbors.

ADJOURNMENT

Council Member Rogers made a motion to adjourn. Council Member Marlor seconded the motion. The vote was unanimous in favor.

The October 31, 2016 City Council Special Study meeting adjourned at 1:30 p.m.

This is a true and correct copy of the October 31, 2016 Council Study Meeting minutes, which were approved on November 15, 2016.

Anna M. West

South Jordan City Recorder

items that we would like Mr. Hill to specifically address. When he has that then he can contact me and we will review it and move forward.

Commissioner Quinn asked if it is possible to get a hard copy of the Plan as soon as possible.

Mr. Hill said I can have them printed out for you tomorrow and I will give them to Greg for distribution to the Commissioners.

Staff Attorney Schaefermeyer said you need to make that whatever list you send on to Greg ends up in the record as well. It might be good to mention that in the next public meeting notice as well.

G.2 Potential Action Item – (See VII.G.1)

Commissioner Quinn motioned to table this item of adopting the 2016 South Jordan Parks, Recreation, Community Arts, Trails, and Open Space Master Plan and amending the South Jordan City General Plan until a more in-depth conversation has been had with outside parties as well as with the consultant's also that the Commissioners will compile a list of concerns that they would like reviewed by Friday, December 2nd. Commissioner Holbrook seconded the motion. Roll Call Vote was 4-0 to table. Commissioner Jolley and Commissioner Ellis were absent.

Staff Attorney Schaefermeyer asked Chairman Woolley to let the City Council and Mayor know what is happening. He said I would rather the information come from you.

H.1 Issue: ZONE TEXT AMENDMENT – AMENDING SECTION 17.130.040 (FARM ANIMAL FLOATING ZONE) OF THE SOUTH JORDAN CITY MUNICIPAL CODE
File No: ZTA-2016.02
Applicant: Melvin & Eileen Luker

Planner Jake Warner reviewed the background information on this item. Currently points are awarded for farm animals on eligible properties on ½ acre increments. For every ½ acre you would be awarded 30 points. That is the current City Code. Regardless of the size of the property in-between the ½ acre increments you still would have the points awarded for amounts under the ½ acre size. Under the prorated system the number of points awarded at those ½ acre increments would not change, but it would be prorated by hundredth of the acre instead of ½ acre. The points work out to be the same at those ½ acre increments but points are awarded proportionate to the size of the property between those increments. At one acre you would have 60 points and could have two horses. According to my calculations, there about 1700 properties in the city that has farm animal rights. An eligible property is a property that is at least .5 acre and is in the R-1.8, A-1 or A-5 Zone. Currently about 1200 of those properties only qualify for less than 40 points which means they qualify for less than 2 horses. Under the prorated system, that number goes down to 767 properties; a significant increase in the number of eligible properties that would qualify automatically for 2 horses or more. That does not change who qualifies for farm animals generally, it just allows certain properties to be awarded more points proportionate to their property size. He reviewed a map to show what that would look like (see attachment C). The orange properties are the eligible properties that qualify for only one horse and the green properties are those that are eligible for farm animals and qualify for 2 or more horses. That would be if the prorated system is approved. Under the current code about half of those green properties would be orange properties, meaning half of the green properties that would have enough points for 2 or more horses currently only qualify for one horse. A summary of the applicant's intent is to have two horses on a smaller farm animal property which is less than 2/3rds of an acre. The applicants would still fall within the 767 that would only qualify for one horse. The Council was sensitive to their request and staff was given some direction on that. The

recommendation is that on those 767 properties, a second horse may be allowed if certain requirements can be met. First is that their property is currently eligible for farm animals and only qualify for one horse. Second, they would need a fenced area that is at least 5,000 square feet in size provided and fenced. The third requirement is that the fenced area, if adjacent to a property that doesn't have farm animal rights would require a 10 foot setback. The fourth requirement would be that grain feed must be stored in rodent proof containers. Fifth would be that the animal waste is picked up regularly and if stored on site, that storage must be 40 feet away from any property line. The last point would be that a covered structure be provided of at least 150 square feet. He reviewed what that would look like on the Applicant's property. They have animal rights for one horse right now and the properties around them do not have farm animal rights so they would have the 40 foot setback from the dwelling units on the adjoining properties. The 5,000 foot fenced area could be configured a number of ways but in this case they would be required to have the 10 foot setback on three sides because each of those surrounding properties do not have farm animal rights. The one exception to the expansion of farm animal rights under this proposal is there was some concern that all equine have a significant impact on adjoining properties so as part of the direction we were given, we reclassified almost all equine as large animals. The one exception is a miniature horse which went from a small classification to a medium classification. Staff's concern from the original application has been a balancing of property rights on both sides of the fence. In this case we have an applicant that desires additional property rights by way of an additional horse and we have neighbors concerned about the impact of the animals on their property and the City is being asked to accommodate all concerns. A lot of consideration has been given to this proposal and staff feels that it does balance the concerns and is recommending approval.

Commissioner Holbrook asked about the mini horses. She said they are as much as 225 lbs. and as small as 50-60 lbs. are they still going to be considered a medium. Planner Warner said they would be under this proposal.

Chairman Wooley asked for a show of hands those in attendance who are in favor of the current standards being presented and that may want to speak. He then asked for a show of hands of those against the proposal and would like to speak. He said we have already heard a lot of comment on this issue but we will be limiting speakers to 3 minutes tonight during the public hearing. This has been well debated and they have sent it back with significant revisions.

The applicant asked for additional time because she has an alternative option that she wanted to propose. Chairman Woolley said you can speak now for 3 minutes or wait till the end and you may have additional time beyond the 3 minutes.

Chairman Woolley opened the Public Hearing for comments.

Debbie Mayer, 3042 W. 10400 S., SJC; I attended the Planning meeting on May 24th and I was asked to be on the Ad Hoc Committee and I have attended all of the other meetings. I have come up with three specific concerns to me. Mrs. Luker had an option 1 and an option 2 originally. Option 1 was one we looked at in the Ad Hoc Committee. Option 2 was not considered and it was to put the elk, bison and the yak into an extra-large section. In the current code we had 3 ponies and moved those up. Every meeting I have been to there is a question of how many parcels this effects. We have seen some figures tonight. I have looked over them and I don't know how many particular properties like Mrs. Luker's there are but mine is. I have grandfathered rights for two horses. I would lose that if I moved my horses off my property for one year. There is absolutely no way that if I sold my property to someone else, they would be able to meet the requirements of this new code in this proposal. It would take 6,800 square feet of my yard to have a second horse; it would take my whole yard. This is a very sensitive subject and you have heard very emotional comments at the meetings. I would hope you would consider Mrs. Luker's original Option 1 or a combination of Option 1 and Option 1. I would like you to reject this staff proposal.

Kristi Collins, 10749 S. 2200 W., SJC; I am all in favor of being able to prorate the acreage points. Right now we live on just under an acre and a half so we are restricted to that one acre and that would make a big difference for our family. If we have three horses, we have four people in our family so that means someone goes without. As far as the setbacks, they should be done on a case by case basis. As far as the re-classification goes, I have had miniatures, ponies and horses and the input and output are about the same. The re-classification of the horses should be left where they are at.

Roger Reese, 11400 S. 1790 W., SJC; in 1984 I came here at the large animal Veterinary Clinic. I have been there for 33 years. I would like to tell you that over those years we have watched, with some sadness, our agricultural land disappear. A couple points I would like to make is that horses are social beings and want to congregate and gather in herds and it makes sense to want to have more than one horse on a property. The challenges with neighbors are always there. One of the disadvantages to the proposal is setting aside a certain portion of the property, 5,000 sq. ft., makes it difficult for some owners to be able to accommodate the code. Horses that are stabled in small areas tend to have more difficulty with boredom and causes biting and kicking. The challenge is limiting the property owners to setbacks and the 5,000 sq. ft. area. Limiting owners to one horse sometimes limits their ability to be productive. I would be in favor of adjusting the size of the confined area. Good fences make good neighbors. We have had a great experience here in South Jordan and we feel badly when clients are limited in their ability to do well in their horse operations.

Julia Jensen, 11543 S. 2511 W., SJC; I have owned our property for over 30 years. I would like to point out that most of the people that purchased property in South Jordan and that have horses, bought and were at these locations long before these subdivisions came in. We own 3 ½ acres so I am sure we are clear for the animals I have on my property. I do think that with the 1700 people that do own animals maybe you should reach out to some of them and notify them. The only reason I knew about this is because I work at the vet clinic and have been there for 28 years. A lot of your residents that own property and have horses there would be up in arms if they knew you were actually changing the code and they weren't aware of it. Back then if you owned horse property and they were going to do a subdivision it was the subdivisions developer's responsibility to put the fencing up legally obligated to put in the correct boundaries and requirements.

George Feland, 11512 S. 2950 W., SJC; I think this is moving towards the right direction. I think the re-classification is not needed and we should keep it how it was. I am an educator and teach at Copper Hills High School and am also the FFA Advisor there. It is sad to see when Bingham High School is not represented by the FFA but every neighboring school is. I think we are limiting our children on that and all the opportunities that are possible through Veterinary Science. I love the proration, I think that helps out.

Dave Mayer, 3042 W. 10400 S., SJC; it seems to me that there are rule changes in the middle of the game. I would like to ask why a new classification at all. It is very confusing to me.

Pat Lewis, 9948 S. 3265 W. Chattel Estates, SJC; I live on 1 acre horse property and all of my neighbors are the same. You are going to be seeing a lot out of me because a developer has just purchased one of the one acre lots next door to me and is putting in three 1/3 acre lots in the middle of our horse property. We have been here for 40 years and we went through all of the pioneering when we didn't even have telephone service. I feel that our feelings and our rights should be respected along with the new coming people. We have earned it. I support horses and they are all around me and I just love them. Now here we have the developers wanting to come right in and stick their three little houses there and then they are gone and the people start to complain about the animals. I want to say to them "did you look across the fence and see what was on the other side you bought it." Why do you come here and try to run other people out.

Mike Bellows, 2661 W. North Forty Way, SJC; I would like to thank the Commissioners for their diligence on this matter. It has been a divisive issue. I believe we are missing the overarching issue here and it is not NIMBY. I would ask if the Luker's looked over their fence to see what was there when they decided to buy and introduce horses into the neighborhood when there were none. One house surrounded by a 37 year old subdivision that have never had horses. They started with 3 horses for a long time and went to 2 when they we're called out on it. Now this whole thing is bubbling to the top over this one person and their one issue. It is not the number or density or the farm animals that's the issue. It is the insertion of farm animals, in this case, into an existing well established neighborhood. Every neighbor is against this. Only one person is for it and that is Ms. Luker and her family. This flies in the face of democracy in my mind. This is being promoted by a person that doesn't even live where these horses are. Where there is the lack of current landscaping are in violation of many city ordinances which concerns all of us because we have been there a long time and have spent a lot of money into our properties. The feeling is that this will degrade the value of our existing properties. This home was carved out of the middle of this subdivision and kept separate and now it is being degraded. I am speaking for the neighborhood and the residents who after 37 years feel that they are being negatively affected. I live on the perimeter of the subdivision and have two horse breeders next to me. When the horses were there they were out of compliance. One took very good care of his animals and the other did not; 9 animals on 1 ¼ acre including cattle and horses. I came to Council and came to code enforcement and got no enforcement of that and that is a concern here. If you allow two horses to be on that property in the middle of this neighborhood it is a travesty. It is affecting our quality of life. It is not a personal thing it is about respect for the existing situation. My recommendation is that the individual circumstances for each of these exceptions for allowing two horses on a property by exception be considered in light of the existing homes, existing values and existing quality of life.

Melvin Luker, 2928 W. 10755 S., SJC; I take exception to this last guys statement. That house was built years before that North Forty Way was even subdivided and it has had animal rights since then.

Angie McClellan, 10635 S. 2700 W., SJC; the gentlemen that spoke before that lives on North Forty is correct. I am the only horse property but not because I'm the only zoned horse property. All of the property around me is zoned for horses. I am the only one that has ½ acre or more. It is not my fault that they zoned everything around it or they build their properties with less than ½ acre. I am the only person who moved in and wanted to have horses because when we bought the property we were told we could have two horses. We asked when we were at the title company about to sign the papers. After we moved in we brought two horses, not three horses. That is when my neighbor complained. We brought on a third horse because we had a special event and we thought it would be fine to have three horses for one week. She then called again that there were three horses. Code enforcement called us and we promptly moved the third horse off. My property was a nightmare before we moved on to it. The people who owned it before us did not care about it. We have vastly started to improve it. Finances are an issue. I have a before and after aerial picture of my back yard. Before it was a garbage pit and I guess she was ok with it being a garbage pit but she's just not ok with two quiet peaceful horses that my 16 year old rides. He takes care of the two horses. I made a beautiful garden out of my back yard and got rid of all the garbage. I am still getting rid of the garbage from the previous owner because we ran out of money this year. Next Year we will start on the front yard. I don't want to fight with my surrounding neighbors. We clean up after the horses and take our manure out once a week. When I move one horse away the other one goes crazy. They are social animals and they do need to be in pairs. I am sorry my neighbors are so adverse to this; there is nothing I can do about the flies. They exist without horses. I can and do take care of my horses diligently. We love our horses and everything comes down to the facts. We have the facts. It is not about feelings. I have had my horses longer than I have had my children; they are my family.

Jenny Gusteson, 2638 W. 9435 S., SJC; I wanted to ask about the 10 foot boundary around the property sides. I live on a horse property and I do not have large animals. There are all different size properties where I

live and I chose to live where I do because I wanted to. Yes there are horses and cows and such but I chose to live here; if I don't like it I can move. I would take horses over the drug dealers down the street that South Jordan can't seem to get rid of.

Paul Salin, 2617 W. Settlers Bend Road, SJC; the house south of that was a meth lab. The problem isn't horses or horse property, it is size. You allow four horses on an acre. It has nothing to do with anything else. We all understand that horses are social animals. You buy property big enough to have your horses. They say that we are taking away people rights to own horses; no we are not. It is the number of animals and the acreage and that is it. Someone else could have bought that one acre lot and put horse property and a house on it. Nobody chose to keep buying horse property.

Michelle Hall, 10286 S. 2950 W., SJC; we as property owners with large animals, specifically horses, on .50 acres or greater are in agreement with the alternative Farm Animal Ordinance as has been presented by Eileen Luker. This proposal has been very carefully developed through extensive research and input by the experts contacted by the South Jordan Planning department and other experts. Dr. Reese at South Valley Clinic is an expert. Mrs. Luker's original amendment request was tabled by the City Council on August 2nd, and now appears to be replaced by this proposed new ordinance. This new proposal is very far reaching and is not an accurate representation of what is required in other cities; nor is it a fair reflection of the opinions of experts in the care and maintenance of farm animals. As a responsible farm animal owner we want to be good neighbors and understand the importance of that responsibility. Most of us moved here to enjoy the rural lifestyle of owning large parcels and enjoying farm animals. It is very important to us that this lifestyle be preserved and that it may be passed on to future generations. We feel Mrs. Luker's alternative ordinance is an excellent compromise that addresses the impact concerns of non-farm animal properties being adjacent to farm animal properties. It also ensures the physical and emotional wellbeing of animals as well as the emotional and psychological wellbeing of their owners. It is vital that our rights as land owners and farm animal owners be preserved because the agricultural footprint in South Jordan and the Salt Lake Valley at large is diminishing at a rapid pace and will soon disappear altogether if something isn't done to preserve it. Please reject the ordinance as proposed by staff and forward a positive recommendation to the City Council in support of the Luker's alternative ordinance.

Jason Soares, 11350 S. 2865 W., SJC; I think Jake has done a great job of putting this ordinance together, however, the reclassifications are pretty strict.

Pamela Sorensen, 2617 W. Rustic Meadow Circle, SJC; I am the backyard to these animals and I have not had animals there since I have lived there for 24 years. When we moved in there was a grandfather law that said they were not allowed to have any horses and we have had neighbors move because they were not allowed to have horses on their property. Then they were allowed to have one and now it looks like we will have two. I don't see that that is fair to me. I have lived there and maintained my property and I want to be able to go into my backyard and to garden and to not have flies all over me. I just disagree with this totally. I do like that you raised the donkey and pony and the burrow into the classification because they could also be in my back yard at this point. The challenge of the 10 foot is a pathway between my fence and where her corral is. Her corral is not 10 feet away from the fence right now and 10 feet doesn't give much for me with my trees and my raspberries right there. I have lots of neighbors here that support me on this and we do not want this allowed. I do understand that it is a .50 acre and it had affected detrimentally and she moved in just a year ago and we have been there 24 years in an established neighborhood. I don't think it is fair that she can come in and propose this change.

Chairman Woolley invited the applicant to come up.

Eileen Luker, 2928 W. 10755 S., SJC (Applicant); based on comments that have been made I can make this briefer than what I would have originally; as you may recall I did submit a text amendment to the South Jordan Municipal Code to reduce the number of points for large animals from 20 to 15 in order to allow two large animals, specifically horses, on a .50 acre of property. This request was based on research I did where I determined that South Jordan was the only city in the southwest area of Salt Lake County that did not allow two horses on a ½ acre property. My submittal also included information that included portions of the City's General Plan, the support of my request as well as the need for companionship for the physical and emotional wellbeing of horses. On May 24th the Planning Commission held a public hearing and you tabled the issue with the request that I hold a citizen committee meeting to review and make other recommendations regarding this current ordinance; which I did. One July 12th the Planning Commission forwarded a positive recommendation to the City Council to approve my request with a four to one vote. On August 2nd the City Council held their public hearing but did not accept or support your recommendation. They tabled the issue with direction to staff to consult with horse experts, specifically regarding the amount of space a horse needs to exist comfortably. I am here tonight to respond to a new proposed ordinance regulating farm animals; however, I want to make it clear that I would still like the City Council to simply change the points from 20 to 15 per my original request and your recommendations. To me that seems like the easiest way to resolve this. Since that does not seem to be the direction in which they are willing to go it has become necessary for me to respond to this proposed ordinance and I have written a substitute ordinance to present for your consideration (Attachment D). I can provide supportive documentation for everything I have said as far as researching other cities, the experts we have talked with, the measurements of our own property and I can show you proof of everything that I have said here today. I do appreciate your time. I know this is a difficult and emotional issue. We have put a tremendous investment into this under the assumption that we could have two horses there.

Chairman Woolley closed the Public Hearing.

Commissioner Quinn asked how the 150 feet was determined for the structure and how were the setbacks determined.

Planner Jake Warner said these are not my recommendations. These were directions given to staff by Council Members and Senior Staff that were working on this and ultimately I received direction from the City Manager. In my opinion, I believe they were trying to be sensitive to the applicants desire to have two horses on her property which she could with these requirements. Building requires a permit for a building of 200 sq. ft. or larger so I think it was determined that we wanted to stay under that to be accommodating to horse owners and that two horses could huddle under a structure that was at least 150 sq. ft. On the 10 foot setbacks, we talked about different requirements from different cities and from my research it is hard to pick apart one component from the other components of the zoning ordinance. One city may not have a setback requirement but may have a larger minimum lot size. Setbacks are a common zoning tool. The idea behind a setback is to minimize impacts. Horses have impacts. One thing I didn't originally take into consideration is the leeching that occurs. James Bennett was brought up and I did talk to Mr. Bennett at the Health Department. While they do not regulate the zoning of horses, he had great concerns for leeching crossing property lines and the accumulation of waste killing plants across property lines. That was something they dealt with quite a bit. I think the setback is just as much for the leeching potential as for some of the other impacts. From my research a horse produces around 50 lbs. of feces per day and nearly 3 gallons of urine per day. The smaller the space that is confined to the greater the potential for impact to neighboring properties. We talked about the dedicated fenced area and I would have loved to have found consistencies amongst the experts of what that area should be. A lot of the information I found dealt with the wellbeing of the horse and did not consider the zoning application of that; what is sufficient in a suburbanized area that is growing rapidly. The 5,000 square feet was not my number, had I proposed a number it would have been higher than that. It is common in cities to have a dedicated area and the mode number I found was 10,000 square feet to start with and sometimes that

was per horse. I researched 20 different cities and it was part of the comprehensive approach to dealing with potential impact and balancing property rights for both those with farm animals and those that don't.

Commissioner Morrissey said with regards to the 5,000 sq. ft. requirement, would you break down your analysis a little more like in comparison cities like Mrs. Luker brought up like Draper, West Jordan and so forth and why they chose those lower limits as well as the higher limits.

Planner Warner said it is my assumption that most of the cities in this part of the valley adopted zoning ordinances at the same time. In 1978 when the city adopted its zoning ordinance, the code did allow for two horses per half acre, which is what West Jordan, Sandy, and Riverton still allow. The cities in this area of the valley typically don't have dedicated area requirements. I talked to a Planner in Sandy and they do have one subdivision that didn't have farm animal rights that wanted it so they applied the dedicated area requirement. They actually require that of every property owner regardless of whether they have horses on the property. Other than that it is not common in this part of the valley. I found that it was more common outside of Utah from the research that I did. There was a lot of research as well into the different guidelines and best management practices; again there wasn't consistency. I have seen the BLM requirements and here is a quote from one that I found "*a horse may be kept on less than an acre of land if adjacent to a park or public riding facility; in a high density urban area that has no exercise facilities or manure removal less than an acre may not be adequate.*" It would have made my job and Council's job easier if we could have found a solution but each city is given legislative authority to make policy decisions for their residents and what is in front of you is the direction that I was given to implement that policy for South Jordan residents.

Commissioner Morrissey said was there any consideration as far as reaching out to the community and to the group that was actually put together and was there any conversation with that group after the City Council had their meeting and tabled this.

Planner Warner said I do consider a lot of people here experts. City Council did give direction to find an expert to answer questions. There was disagreement on which expert that should be. What was determined was that once staff was given direction, that a new draft would be written and that that draft would be taken to multiple people to determine if it was feasible. That is what was done. There are some changes that were made based on their input. Mrs. Luker is correct in that I did receive an email from Vernon Parent saying that he thought the 5,000 square foot was too much and he is the one that provided to me the BLM standards of 400 square feet per animal. Based on some of the comment we have received today I wonder if it is in the social wellbeing of the animal to take a wild donkey or a wild horse and put them in a 400 square foot area. I think the BLM has different objectives than ours as a city. A committee was formed and they provided their input and we were trying to determine what direction to go and that direction was provided and we followed the instruction we were given.

Chairman Woolley said when we talked about the new draft and the setbacks you heard a little bit from staff regarding that and the intent from having listened to and looked at the minutes from the City Council meeting, my impression of what I heard was that the setback was specifically being recommended to come back before this Public Hearing so that any adjoining properties that did not have horse rights, that there would be a setback just like there are setbacks with houses and outbuildings and other structures. That was the purpose of that being put into the mix.

Commissioner Quinn said I have listened to a lot of comments tonight and I appreciate everybody taking the time to provide their input from both sides. It is a heated and emotional issue on both sides on this issue. I have to say staff has done a phenomenal job of researching of this issue and coming up with a fair compromise. My personal opinion is what staff has presented and what we are seeing is a pretty decent compromise from where we started earlier this year. Although I am personally a large animal advocate and if

it were up to me I would simplify the point system but I understand where it came from and that it simplifies Code Enforcements job and how we determine how many animals are allowed per property and there is an issue regarding lot sizes and being able to accommodate the amount of animals that people would like in a fair and reasonable manner without negatively impacting neighbors and animals. I think it is important to adequately provide enough space for the animals and that we have some sort of setback for our neighbors. I like the proposal from staff and I like the grandfather plan. I am okay with moving this forward as outlined.

Commissioner Morrissey said I agree with staffs in depth review and presentation and appreciate the hard work and efforts that has been done by both sides and the communities involvement and would like to recognize them for being so adamant as far as wanting and making change and being involved in the community. As far as the standards here that have been presented tonight I think it is a good compromise. It is not what everyone feels is ideal but it is a good compromise. I feel good about it.

Chairman Woolley said several things came to mind as we heard the citizen's discussion and input. This is unprecedented; there has only been a number of times that I am aware of where a requested change of an ordinance comes forth to the Planning Commission, gets debated, gets tabled and comes back and gets debated again and discussed with citizen input and then a recommendation sent forth for the City Council and then have the same thing repeated. A lot of time and energies from everybody on both sides of the fence have gone into this. As I have listened and as I studied last night looking at this again and reflecting on what we proposed originally to the Council and where we are now I think we still missed the boat. We should be trying to make our ordinances simpler not more complex. I fear based on what I see and what I have read and my involvement is that we have created something a lot more complex than it needs to be in my opinion. By being more complex it is a lot more difficult for both the citizens who are affected to being in compliance as well as our Code Enforcement to cause there to be compliance; and that concerns me. I am also concerned that the discussion that the people who were noticed were within 300 feet from this specific parcel. In talking to a couple of the City Council members about it, I expressed to them and I will express tonight for the record that we missed the boat on this. This is a major ordinance change from the ordinance change in 2011. I moved to this city and bought a half acre that the entire subdivision where large animals were allowed. That change took place and we don't do as good a job as we should in notifying our community and engaging our community. I cringe when we don't get all the players that will be affected by this and I fear we will go forward tonight and do the exact same thing. We will arbitrarily say this or that is good or not good and yet we only have a small segment of our community who's affected by this here tonight. In my opinion it should change when it is something that is as far reaching as this is. We know how many homes will be affected based on the research our staff has done. It is a pretty significant number and that is an issue for me. When I look at the actual core issues it is several things. The animal classification sizes are one. Having grown up on a ranch and having animals my entire life, and being around animals still, the reality is I am not comfortable with the re-classification. We have had some document presented as well as some testimony that it doesn't make sense to me. I didn't agree with the point system, but after discussion with staff in our previous meeting, that will make it easier for everybody involved; but I still struggle with what I see tonight and what I see as part of this recommendation. I can't concur with the way the point system has changed. I appreciated Mrs. Luker's comment of being in the industry 150 feet is less than 200, which I appreciate but she brings up a great point that 144 sq. feet is a great dimension to build. It is less cost when you get into the even four foot increments. I would like that be a change to recommend with if we go forward. The big issue is the regulated lot size. My impression is the reason they come up with the 5,000 sq. ft. wasn't because of this particular property. It was specifically to address the potential properties in the community where there is a 1/2 acre lot and a very large home. Their fear was that you could have large homes on these lots and trying to introduce larger animals on those lots. We have heard tonight that the 5,000 is larger than it needs to be. I think it will impose some significant problems. We could forward this new text amendment as it is and recognize that a lot of work and effort has gone into it but does it really meet the need; I don't believe it does. We could modify it and send it forward to the City Council with some text changes and the third option would be to go back to

the original recommendation that we forwarded to the City Council or make amendments to that recommendation. For me we have overshot what we were trying to accomplish. I can't support it as is.

Commissioner Holbrook said no matter what we do someone will not be happy. You can see that we have all tried. We have listened to everybody but someone is still not going to be happy. These new regulations for the ½ acre would be for those who already have animal rights and want to put on an additional horse, correct? Planner Warner said correct.

Commissioner Holbrook said as far as the 300 foot noticing. That is by law. Planner Warner said I would like to correct that. It wasn't 300 feet. This text amendment affects the entire City and so it has been noticed in the newspaper and on the Utah Public Notice Website so the 300 feet only applies to site specific applications and doesn't apply to this application. We have considered how we notice more people and there was concern that any attempt on our part to notice more people may appear biased.

Commissioner Holbrook said I agree with you about the re-classification; we have heard a lot of testimony tonight on that. I agree that 144 square feet would make more sense for the dimension. What I am wondering is this will impact so many people and it could be a concern. Council gave us direction to do something and I believe I was the one that didn't vote for that in the beginning. I have not yet seen a real pressing need to change what we had for one application. I agree a lot of it doesn't make sense and there are a lot of inconsistencies but no matter what we do people are not going to be happy.

Chairman Woolley asked if we could talk about the animal re-classification. There seems to be a question amongst all of us on this. Ideally for me, I would love to be able to move this forward. This has gone on a long time and has affected a lot of people. I don't want to postpone it again. If we are going to forward it to the City Council perhaps we could do so with the appropriate recommendations that could meet the intent that we are trying accomplish here tonight. I think we can agree on the shelter size being 144 square feet. The regulated size allotment and the animal re-classification are the two outstanding items. I would say 5,000 square feet on a footprint of a lot could be changed to 3,000 sq. ft. and would meet the intent of what Council directed staff to do. With regards to re-classification I think we should go back to the original animal classification with our original proposal. Also, the prorated system is too complex and doesn't make sense to me.

Planner Warner said the resident group that got together did recommend that the donkeys be re-classified from medium to large and that was in the recommendation that the Planning Commission forwarded to the City Council. On the prorated point system I agree that it is a bit complex and that is something the resident group looked at as well. Once they looked at it they said the complexity allows for flexibility. Some cities allow one large animal, two medium animals and 5 small animals. We don't designate how many of which size, you get to pick and choose with the points that you have. The proration does further complicate it but it is more equitable. A .99 acre would get the same number of points as a half-acre; so from staff's perspective it was more equitable. You take 60 points and multiply it by the size of your acreage and that is the number of points you would have. The formula as it is written is a bit wordy and Ryan made sure we covered ourselves. The calculation in my mind is simpler than the way it is written. The resident committee had proposed a 10% exception to the ½ acre increments and this was building on that and staff thought this was more equitable across the board.

Commissioner Quinn said I agree with Mr. Warner and Staff. I think the prorated system does work and in my mind it is logical. I think a lot of people here feel good about the prorated system. The biggest complication comes into play with your neighbors. Do the neighbors understand the size of your parcel of property and will Code Enforcement get calls not knowing what is actually allowed on the property. I would

like to further understand what the complaints are for size categories. I think a lot of it makes sense just based on classification of animals. For me personally it feels fairly logical and makes sense.

Chairman Woolley said what I am hearing from the majority of us could live with leaving the animal classification as it has been changed, changing the size of the shelter to 144 sq. ft., changing the dedicated area to 3,000 square feet and leaving the setback and leaving the grain storage requirement, leaving the waste requirement and leaving the prorated system.

Commissioner Morrissey said as a quick follow-up on the 3,000 square feet; do you think that meets the intent? Please explain that more for me.

Chairman Woolley said the intent was that there needed to be a confined area such that if you got into a situation where there was a half-acre lot and a very large home on it that there wouldn't be a lot of room left for the animals with the setbacks and all things considered given what may or may not be surrounding them with other properties. That would keep large animals from being in an area that there wasn't enough room. 5,000 feet on a normal lot is a lot of space and it sounds like it is substantially more than what it needs to be. I think with 3,000 as a compromise works to meet the intent.

Planner Warner said I would have recommended 10,000 sq. ft. and we are supporting the 5,000 sq. ft. I would have loved to find a consistent number across the board. Where I did find consistency was with other cities that do have dedicated area requirements. I think Planners have a concern that bigger may be better to accommodate the needs of the neighbors to ensure that the impact of the horses is not concentrated to a small area.

Note: Handouts given the Recorder from people that did not speak: Attachments E, F, and G

H.2 Potential Action Item – (See VII.H.1)

Commissioner Holbrook made a motion to forward to the City Council a recommendation to approve Ordinance 2016-14 with changes that the covered shelter be 144 sq. ft., leaving the prorated in, the re-classification in, and changing the dedicated area to 3,000 square feet. Commissioner Quinn seconded the motion. Roll Call Vote was 4-0 in favor. Commissioner Jolley and Commissioner Ellis were absent.

Chairman Woolley said this is scheduled to go to City Council on December 6th.

Commissioners called for a break at 10:10 p.m. The meeting was called back to order at 10:30 pm.

I.1 Issue: ZONE TEXT AMENDMENT – AMENDING SECTIONS 5.68.050, 16.04.010, 16.04.180, 16.10.040, 16.10.080, 16.14.060, 16.24.040, 16.36.070, 17.04.010, 17.08.010, 17.18.030, 17.18.040, 17.20.020, 17.90.020, AND 17.130.020 OF THE SOUTH JORDAN CITY MUNICIPAL CODE

File No: ZTA-2016.07 & ZTA-2016.08

Applicant: City of South Jordan

Planner Jake Warner reviewed the background information on this item.