

STATE OF UTAH

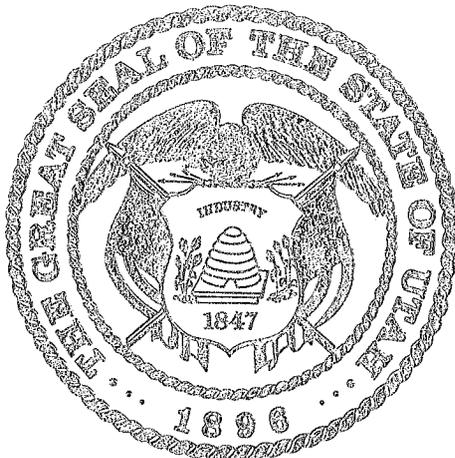


OFFICE OF THE LIEUTENANT GOVERNOR

CERTIFICATE OF CREATION

I, GREG BELL, LIEUTENANT GOVERNOR OF THE STATE OF UTAH, HEREBY CERTIFY THAT there has been filed in my office a notice of creation of the UTAH PERFORMING ARTS CENTER AGENCY, an interlocal entity, dated March 19th, 2013, in compliance with Section 11-13-204, Utah Code Annotated, 1953, as amended.

NOW, THEREFORE, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the notice of creation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the UTAH PERFORMING ARTS CENTER AGENCY, an interlocal entity, located in Salt Lake County, State of Utah.



IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Utah at Salt Lake City, this 22nd day of April, 2013.

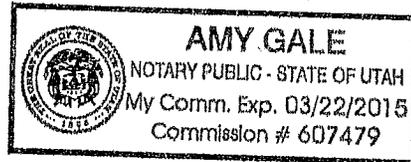

GREG BELL
Lieutenant Governor

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

The foregoing instrument was acknowledged before me this ___ day of April, 2013, by Ralph Becker, Mayor of Salt Lake City and Chief Administrative Officer for the Redevelopment Agency of Salt Lake City.

Amy Gale
Notary Public
Residing at SL County

My commission expires: 3/22/15



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

The foregoing instrument was acknowledged before me this 18 day of April, 2013, by D.J. Baxter, Executive Director of the Redevelopment Agency of Salt Lake City.

Carolyn I Berger
Notary Public
Residing at SL County

My commission expires: 4/17/17



**INTERLOCAL COOPERATION AGREEMENT
(UTAH PERFORMING ARTS CENTER)**

THIS INTERLOCAL COOPERATION AGREEMENT ("Agreement") is dated as of March 19, 2013 ("Effective Date"), by and among Salt Lake City Corporation, a Utah municipal corporation ("City"), the Redevelopment Agency of Salt Lake City, a public agency ("RDA"), and Salt Lake County, a body corporate and politic and a political subdivision of the State of Utah ("County"). County, City, and RDA are each referred to individually as a "Member" or a "Party" and, collectively, as the "Members" or the "Parties".

RECITALS

A. Pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Act"), the City and RDA entered into (a) an Interlocal Agreement, dated as of December 1, 2011 (the "Tax Increment Agreement"), in which the City and RDA made certain covenants with respect to the financing of the Utah Performing Arts Center and related improvements on Block 70 in Salt Lake City ("UPAC Project") within the RDA's Central Business District Project Area; and (b) an Interlocal Agreement, dated as of December 1, 2011, in which the City and RDA made certain covenants with respect to certain notes to be issued by the City to finance the UPAC Project.

B. Pursuant to the following Interlocal Cooperation Agreements ("Interlocal Agreements"), the County, City, and RDA made certain covenants with respect to the financing of the UPAC Project:

(a) Interlocal Agreement ("School District Interlocal Agreement") dated November 1, 2012 between the RDA, Board of Education of Salt Lake City School District ("School District"), and the City, pursuant to which the City and School District agreed to distribute 70% of the tax increment generated from a Community Development Project Area established on Block 70 for a period of 25 years to the RDA for the purpose of the payment of the cost of projects identified in the Project Area Plan attached as an exhibit to the School District Interlocal Agreement.

(b) Interlocal Agreement ("City Interlocal Agreement") dated December 1, 2011 between RDA and City, pursuant to which the City agreed to distribute a portion of the City TEC Allocation (as defined in the City Interlocal Agreement) to the RDA for the purpose of funding the costs of financing the UPAC Project.

(c) Interlocal Cooperation Agreement ("First County Interlocal Agreement") dated October 10, 2012 between RDA and County, pursuant to which the County agreed to distribute a portion of the County TEC Allocation (as defined in the First County Interlocal Agreement) to the RDA for the purpose of funding the costs of financing the UPAC Project.

(d) Interlocal Agreement ("Second County Interlocal Agreement") dated September 5, 2012 between RDA and County, pursuant to which the County agreed to distribute 70% of the tax increment generated from a Community Development Project Area established on Block 70 for a period of 25 years to the RDA for the purpose of the payment of costs incurred by the RDA in connection with the development of the UPAC Project consistent with the Project

Area Plan attached as an exhibit to the Second County Interlocal Agreement. The First County Interlocal Agreement and Second County Interlocal Agreement are cumulatively referred to as "First and Second County Interlocal Agreements"

C. Pursuant to the Act, the County, City and RDA desire to form and create a separate legal entity, the Utah Performing Arts Center Agency ("UPACA"), an interlocal entity that will acquire, construct, own, operate, maintain and improve the UPAC Project.

D. Pursuant to a resolution of the City Council of the City adopted on March 5, 2013, and a resolution of the Board of Directors of the RDA adopted on March 5, 2013, and a resolution of the County Council adopted on March 12, 2013, the Members have each approved the execution and delivery of this Agreement and the creation of UPACA.

E. Pursuant to the terms and conditions of that certain Operating Agreement of even date hereof, UPACA desires to have the County operate and manage the UPAC Project in a manner that contributes to the success of UPACA's purpose to provide a cultural resource for Utah's diverse and developing communities by contributing to the quality of life within the State. County will operate the UPAC Project to accommodate a variety of entertainment events, concerts, family shows, festivals and any other events normally found in similar performing arts halls of UPAC Project's size and nature, as well as for other community, educational, family entertainment, and cultural events appropriate to UPACA's purpose.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the Members mutually agree and covenant as follows:

1. Establishment. UPACA is hereby established as a separate legal entity and a political subdivision of the State of Utah (the "State"). UPACA is a separate legal entity and a political subdivision of the State and not a joint venture or partnership among the Members. The name of UPACA so established is "Utah Performing Arts Center Agency."

2. Purpose. UPACA is established for the purpose of providing for the acquisition, construction, ownership, operation, maintenance and improvement of the UPAC Project, as authorized by the Act and provided in this Agreement.

3. Goals. The following will be the guiding principles and goals for UPACA.

(a) Maximize the beneficial economic impact of the UPAC Project to the City, including, but not limited to the downtown region, the County, and the State of Utah.

(b) Cause the UPAC Project to be a preeminent venue for international, national, regional, and local entertainment, including touring Broadway shows, theatrical spectacle, popular entertainment, and other cultural and performing arts.

(c) Cause the UPAC Project to be constructed and operated in a manner that generates and maximizes a positive cash flow from operations before debt service incurred to finance the UPAC Project, on an annual basis.

(d) Cause the UPAC Project to be a cultural resource for and contribute to the quality of life within Utah's diverse and developing communities by, at least in part, providing a highly successful, nationally recognized venue capable of attracting high-quality international, national, regional, and local entertainment and cultural performing arts events to the community.

4. Membership. The initial Members of UPACA are the City/RDA, and the County. Each Member is a separate body corporate and politic and a political subdivision of the State. The ownership interests in the rights and obligations to this Agreement, UPACA, and to the UPAC Project (each, an "Interest"), will be an approximation of the amount of funding each Member contributes to the financing of the UPAC Project. Based on an anticipated project budget of One Hundred and Ten Million Dollars (\$110,000,000), the County's Interest will be twenty-five percent (25%) and City/RDA's Interest will be seventy-five percent (75%). Each Party's Interests are predicated upon the full performance of the City/RDA building a One Hundred and Ten Million Dollar (\$110,000,000) UPAC Project and County performing in accordance with the First and Second County Interlocal Agreements. In the event that the actual project budget for the UPAC Project, including the value of any investments made by any Member in the UPAC Project following its completion (other than Capital Expenditures, as such term is defined in the Operating Agreement), increases or decreases by ten percent (10%) or more, the Interests may be recalculated to reflect actual capital contributions made by each of the Members to the UPAC Project; provided, however, that the Parties will recalculate the Interests at the end of the term of the First and Second County Interlocal Agreements to reflect the Parties' actual capital contributions to the UPAC Project.

5. Duration. Unless dissolved and terminated as provided herein, UPACA will remain in existence until the latest to occur of (a) 50 years after the Effective Date of this Agreement; (b) five years after UPACA has fully paid or otherwise discharged all of its indebtedness; (c) five years after UPACA has abandoned, decommissioned, or conveyed or transferred all of its interest in the UPAC Project; or (d) five years after the UPAC Project is no longer useful, as determined by the Members ("Term").

6. Powers. UPACA has all powers conferred upon UPACA as a separate legal entity pursuant to the Act, including the powers set forth in Section 11-13-204 of the Act. The powers so conferred upon and delegated to UPACA include, without limitation, the power to:

(a) own, purchase, lease as lessee or lessor, acquire, construct, operate, maintain and repair or cause to be constructed, operated, maintained and repaired the UPAC Project;

(b) provide for the use of the UPAC Project by any Member or other entity or person upon such terms and conditions and with such fees or charges as UPACA will determine;

(c) establish rates, fees and charges for the use of or rights to the UPAC Project;

(d) provide for the insurance, including self-insurance, of any property or operations of UPACA, except as provided in the Operating Agreement (defined below) or of its Members, directors, officers and employees, against any risk or hazard, and to indemnify its Members, directors, officers and employees against any risk or hazard;

(e) appoint, retain and employ officers, agents, independent contractors and employees to carry out its powers and functions hereunder and to fix their compensation and terms and conditions of employment;

(f) make and execute any contract relating to the UPAC Project with the federal or a state government or any agency thereof, with a Member or any unit of local government or with any other person or entity;

(g) adopt, ratify, and/or accept the assignment of any agreement relating to the UPAC Project entered into prior to, contemporaneously with, or after the execution of this Agreement;

(h) sue or be sued;

(i) enter into short or long-term agreements with other public agencies, with private persons or entities, or any combination of them, to provide for or operate the UPAC Project;

(j) levy and collect fees and charges as may be appropriate to discharge its responsibility for the acquisition, construction, operation, maintenance, and improvement of the UPAC Project;

(k) accept and disburse funds derived from federal or State grants or from private sources or from moneys that may be appropriated by the State legislature for the acquisition, construction, ownership, operation, maintenance and improvement of the UPAC Project;

(l) invest available funds as permitted by law;

(m) establish policies for the operation and use of the UPAC Project, including by entering into an operating agreement with a third-party, and establishing appropriate hours of operation, character and kind of operation of the UPAC Project;

(n) contract for the lease or purchase of land, facilities, and vehicles for the operation of the UPAC Project;

(o) make and execute all contracts and other instruments necessary or convenient to the exercise of its powers, including use agreements with any or all of the Members;

(p) adopt, amend and repeal resolutions, rules and regulations with respect to its powers and functions and not inconsistent with the provisions of the Act or this Agreement;

(q) issue bonds, notes or other obligations for the purposes for which UPACA was created, and assign, pledge or otherwise convey as security for the payment of any such bonds, notes or other obligations, the revenues and receipts derived from or in connection with all or part of the UPAC Project, which assignment, pledge or other conveyance may, if so determined by the Board (defined below), rank prior in right to any other obligation except taxes, or payments in lieu of taxes, if any, payable to the State or its political subdivisions; and

(r) exercise all other powers incident to the purposes and objectives of UPACA which may be permitted by law.

7. Operator.

(a) The UPAC Project will be operated by an entity designated by UPACA, and the Members hereby unanimously consent to the designation of the County, acting through the County's Center for the Arts ("CFA" or Operator") to act as the operator and manager of the UPAC Project, pursuant to the terms and conditions of that certain Operating Agreement (Utah Performing Arts Center), by and between the Members, dated as of the Effective Date ("Operating Agreement"). The Parties acknowledge and accept that Operator also operates other performing arts facilities on behalf of the County, including Abravanel Hall, Capitol Theater, Rose Wagner Center and ArtTix ticketing service utilized by all CFA operated venues and that from time to time there may be competing priorities in programming in these facilities. CFA will make those decisions recognizing the interests of UPACA and provide reporting, and when necessary dispute resolution, as provided in the Operating Agreement.

(b) The Members acknowledge that certain provisions of the Operating Agreement require Operator to contact UPACA and seek UPACA's approval prior to making a decision in connection with the operation and management of the UPAC Project. The Members designate a City representative designated by the City Mayor, who is also a Member of the Board, as UPACA's initial contact person for Operator, and the Members agree to work expeditiously to provide a response to any requests made by Operator in connection with a decision affecting the UPAC Project. Upon the designation of the contact person, UPACA will provide that person's name and contact information in writing to Operator.

8. UPACA Obligations.

(a) The Parties acknowledge that UPACA has an obligation to maintain a Capital Replacement Schedule, as defined in the Operating Agreement for the UPAC Project, and Operator will be relying on UPACA to meet this covenant. The Parties also acknowledge that UPACA will have sole ownership of the Capital Reserve Account, as defined in the Operating Agreement, and such Capital Reserve Account will be used solely for Capital Expenditures.

(b) City/RDA will take commercially reasonable steps to finance the UPAC Project in such a way that the financing covenants will not infringe on Operator's ability to operate the UPAC Project in the manner contemplated by the parties to the Operating Agreement.

(c) The Parties acknowledge and agree that the obligations under Sections 4(b) and 4(e) of the First County Interlocal Agreement and Sections 8(a) and 8(b) of the Second County Interlocal Agreement have been fully satisfied.

(d) UPACA will maintain real property insurance or maintain a program of self-insurance sufficient to repair or replace the principal buildings constituting the UPAC Project and UPACA-owned personal property and equipment within the UPAC Project that are necessary to operations of the UPAC Project. Such insurance will be for an amount not less than the RDA, City, and County maintain for similar real property. Such coverage is subject to change from time to time throughout the term of the Operating Agreement, but must still satisfy the Owner requirements for insurance as set forth in the Operating Agreement.

9. Governance and Finances.

(a) UPACA is to be governed by, and all legislative authority of UPACA is vested in and exercised by, the board of directors of UPACA (the "Board"). Until the Board is appointed by the Members of UPACA, the Members may, upon unanimous consent, exercise any powers of UPACA pursuant to this Agreement. The membership of the Board consists of representatives of each Member who have been appointed by the governing body of such Member to serve on the Board (each, a "Representative"), and such assignment of Board members will occur within five (5) days of the Effective Date of this Agreement. The Board will consist of Three (3) Representatives for County and Six (6) Representatives for City/RDA, for a total of nine (9) Board members. Each Board member will be appointed by vote of the governing body of the Member. The term of each Representative begins when he or she is appointed and will continue until his or her successor is appointed. Each Representative will have one vote.

(b) Any Member may appoint one or more persons to serve as an alternative Representative ("Alternative Representative"), to serve on the Board in the absence or disability of a Representative of that Member. The term of the Alternate Representative will be the same as the term of the Representative. The Alternate Representative may attend any meeting of the Board and may vote as the Representative in the absence of the Representative from that Member or if there is a vacancy in the position of Representative from that Member. A person serving as Alternate Representative will serve until his or her term expires and thereafter until the successor is appointed.

(c) Representatives and Alternate Representatives will receive no compensation for their service from UPACA directly. Notwithstanding the foregoing, Representatives and Alternate Representatives may be reimbursed by UPACA for reasonable and necessary expenses incurred in performance of their duties.

(d) The Board will elect one Representative to serve as chairman and another Representative to serve as vice-chairman. The chairman will preside at all meetings of the Board. The vice-chairman will preside over meetings of the Board in the chairman's absence. The Board will elect other persons, who need not be Representatives, to the positions of secretary and treasurer and may elect other persons, who need not be Representatives, to such other offices as the Board determines. The duties, terms of office, and manner of selection of the officers will be

prescribed in the bylaws of the Board ("Bylaws"), which will be adopted by the Board and may be amended from time to time, as provided therein. The Board may provide that any officer of UPACA who is not a Representative may be compensated for service in such capacity. All meetings of the Board will be held in compliance with the Utah Open and Public Meetings Act.

(e) The Board will determine the general policy of UPACA, will approve its annual budget, will make all appropriations (which may include appropriations made at any time in addition to those made in any annual appropriation document), will approve all substantive contracts, subject to the terms of the Operating Agreement, will adopt the Bylaws, rules and regulations of UPACA, and will exercise such powers of UPACA and perform such duties as may be prescribed in the Act, this Agreement or the Bylaws.

(f) The Members explicitly agree that UPACA shall not incur any debt, including but not limited to the issuance of bonds, promissory notes and the like, without the unanimous consent of all the Members. For purposes of this Section, consent may be withheld at that Member's sole discretion.

(g) Except as a greater majority is otherwise provided in this Agreement or the Bylaws, actions required by law or by this Agreement to be taken by the Board will be taken by an affirmative vote of a majority of the Representatives entitled to vote at the time of such vote.

(h) Upon the written request of any Representative, any matter with respect to UPACA will be placed on the agenda of the Board.

(i) The Board will establish and maintain UPACA's budget in accordance with State law. The budget will provide for all UPACA's expenditures. The Board is empowered to obtain such fiscal and accounting services as it deems necessary in formulating, adopting, and administering UPACA's budget. Periodic audits may also be conducted as directed by the Board. UPACA will operate on the same fiscal year as Operator. At least 30 days prior to the approval by the Board of each budget, the Board will provide a copy of the proposed budget to each Member for its review and comment.

(j) Each Member will be responsible to provide its share of any funds as described in the Interlocal Agreements for the acquisition and construction of the UPAC Project. Notwithstanding the fact that each Member will contribute funds for the acquisition and construction of the UPAC Project and have been granted an Interest therein, the UPAC Project will be owned and operated, or caused to be operated, by UPACA as provided herein and in the Operating Agreement. The Members agree that upon termination of this Agreement, all assets of UPACA, including the UPAC Project will be distributed as provided in this Agreement.

(k) UPACA may undertake such functions in the planning, improvement, operation, programming, and maintenance of the UPAC Project as the Board may, from time to time, determine, provided that such activities will not abrogate the rights of the Operator under the Operating Agreement or any subsequent or other agreement entered into by UPACA.

(l) The Members acknowledge that pursuant to the Operating Agreement, UPACA is responsible for all Capital Expenditures (as such term is defined in the Operating

Agreement) to the UPACA Project. In the event that the Capital Reserve Account (as such term is defined in the Operating Agreement) is not sufficient to finance the Capital Expenditures, the Members agree to request, in good faith, additional financing from each Member's respective governing body, in a proportionate amount to each Member's Interest in the UPACA Project.

(m) The Parties acknowledge that for the purposes of this Section, the value of the UPAC Project will be One Hundred Ten Million Dollars (\$110,000,000) ("Project Value"). As such, each Party's attributed contribution to the Project Value based on each Party's Interest ("Attributed Contribution") is as follows:

County: \$27.5 million

RDA: \$41.25 million

SLC: \$41.25 million

In the event of a capital call for a Capital Expenditure ("Capital Call") it shall be each Member's obligation to contribute to the Capital Expenditure in the proportionate amount of that Member's ownership Interest. Upon a Capital Expenditure, the ownership Interests will be readjusted pursuant to the following formula:

$$\frac{\text{(Attributed Contribution + amount paid by Member towards Capital Call)}}{\text{(Project Value + aggregate amount of Capital Call funded by all Members)}} = \text{Member's adjusted ownership Interest}$$

(n) Upon receipt of the Net Operating Income (as such term is defined in the Operating Agreement) after allocation by the Operator to the Operation Reserve (as such term is defined in the Operating Agreement), and the Capital Reserve Account (as such term is defined in the Operating Agreement), pursuant to Section 5.3 of the Operating Agreement, UPACA will distribute the remaining Net Operating Income as follows:

(i) Up to the first Six Hundred Thousand Dollars (\$600,000) of Net Operating Income will be distributed to County.

(ii) In the event that during any prior Fiscal Year, Net Operating Income was not sufficient to fund the full Eight Hundred and Fifty Thousand Dollars (\$850,000) to the Capital Reserve Account, then the shortfall will be tracked on a cumulative basis and be referred to as the "Capital Reserve Account Operational Funding Deficit". Up to the amount of any Capital Reserve Account Operational Funding Deficit will be distributed for the purpose of reducing or eliminating such deficit.

(iii) Then, up to Three Hundred Fifty Thousand Dollars (\$350,000) of Net Operating Income will be distributed to City/RDA.

(iv) Any amount in excess of the distributions in Sections (i), (ii) and (iii) will be distributed 50% to County and 50% to City/RDA, up to a maximum of One Million Dollars (\$1,000,000) each to County and City/RDA.

(v) Any amount in excess of the Net Operating Income as distributed pursuant to Sections (i) through (iv) will be distributed to the RDA/City, and County according to each Party's proportionate ownership interest in UPACA.

(vi) UPACA will make all distributions of Net Operating Income, called for in this Section, within ten (10) days after the Certified Financial Statements are provided to UPACA by Operator.

(vii) Members will not individually or collectively take any Net Operating Income or other distributions from any Operator of the UPAC Project without distributing said funds as provided for in this Agreement.

(o) If, after disbursing Net Operating Income pursuant to this Section, there is an accumulated Capital Reserve Account Operational Funding Deficit in excess of One Million Dollars (\$1,000,000) the deficit will be funded in subsequent Fiscal Years as follows:

(i) In the event that the Capital Reserve Account Operational Funding Deficit reaches more than One Million Dollars (\$1,000,000) but is less than One Million Seven Hundred Thousand Dollars (\$1,700,000) ("Initial Deficit"), City/RDA, and County agree to in good faith seek appropriations for a total of twenty percent (20%) of the total balance of the Initial Deficit as follows: (1) City/RDA will be responsible for seeking appropriations for ten percent (10%) of the Initial Deficit from the Salt Lake City Council; and (2) County will be responsible for seeking appropriations for ten percent (10%) of the Initial Deficit from the County Council. County and City/RDA agree to seek such appropriation within sixty (60) days of receiving notice from Operator that the Capital Reserve Account Operational Funding Deficit has reached the Initial Deficit amount. County and City/RDA agree to continue seeking appropriations from each Party's respective legislative bodies each Fiscal Year until the Capital Reserve Account Operational Funding Deficit is reduced to less than One Million Dollars (\$1,000,000).

(ii) In the event that the Capital Reserve Account Operational Funding Deficit reaches more than One Million Seven Hundred Thousand Dollars (\$1,700,000) ("Excess Deficit"), City/RDA, and County agree to in good faith seek appropriations for a total of, one hundred percent (100%) of the amount of the Excess Deficit as follows: (1) City/RDA will be responsible for seeking appropriations for fifty percent (50%) of the Excess Deficit plus \$170,000 of the Initial Deficit from the Salt Lake City Council; and (2) County will be responsible for seeking appropriations for fifty percent (50%) of the Excess Deficit plus \$170,000 of the Initial Deficit from the County Council. Upon eliminating the Excess Deficit, the deficit will be considered an Initial Deficit and the City/RDA, and County agree to in good faith seek an appropriation from each Party's respective legislative body pursuant to Section 9(n)(i) until the Initial Deficit is eliminated.

(iii) In the event that either the Salt Lake City Council, or the County Council, but not both of them, decline to appropriate the funds pursuant to either Section 9(n)(i) or Section 9(n)(ii), the funding Party or Parties will have the right to either (A) require the non-funding Party to pursue non-binding dispute resolution; or (B) purchase the non-funding Party's

ownership interest in UPAC either in whole or in part pursuant to the terms of Section 9(n)(i) or Section 15(d).

(p) The Members explicitly agree that any revenue from Naming Rights Sponsorships (as such term is defined in the Operating Agreement) for the UPAC Project will inure solely to the benefit of the RDA/City and may, at RDA/City's discretion, be counted as part of RDA/City's contribution as Members of UPACA. The Parties further agree that all Fulfillment Costs, as defined in the Operating Agreement, will be the sole cost of RDA/City, and County will be held harmless therefrom.

10. Dispute Resolution. Any dispute, controversy or claims arising out of or relating to this Agreement or the breach, termination, interpretation or invalidity thereof (a "Dispute") will be resolved as follows:

(a) The Members will endeavor for a period of one (1) week to resolve the Dispute by negotiation, including by scheduling face-to-face meetings with representatives of the Members.

(b) If negotiations are unsuccessful, the representatives of the Members will, at the request of any other Member, attempt to mediate the dispute before a mutually acceptable mediator. The mediation will be completed within three (3) weeks of the request for mediation unless the period is extended in writing by the Members.

(c) In the event the dispute is not successfully mediated, the Members agree to submit the dispute to arbitration in accordance with the Utah Uniform Arbitration Act, UCA § 78B-11-101 et. seq ("UUAA").

(d) Unless otherwise agreed by the Members, there will be one (1) mutually agreed upon arbitrator who will be a person with an expertise or background in the area of the dispute.

(e) Unless otherwise agreed by the Members, the place of arbitration will be Salt Lake City, Utah.

(f) The arbitrator will render a decision in writing not more than one (1) month after the notice of arbitration. The decision will be binding on the Members in accordance with the UUAA.

11. Representations and Warranties.

(a) Members are Public Agencies; No Violation of Laws. Each Member represents and warrants that it is a public agency and political subdivision of the State and is authorized to enter into this Agreement and to carry out its obligations under this Agreement and that the execution and delivery of this Agreement does not violate under any law, order, regulation, or rule to which such Member is subject or give rise to a default under any contract or other agreement to which such Member is a party.

(b) No Litigation. Each Member represents and warrants that there is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or threatened by governmental authorities or others or to which such Member is a party or to which any of its property is subject which, if determined adversely to the Member, would individually or in the aggregate affect the validity or the enforceability of this Agreement with respect to the Member, or otherwise materially adversely affect the ability of the Member to comply with its obligations under this Agreement.

12. Indemnities/Limitation of Liability. To the extent permitted by law, each Member (the "Indemnifying Party") will indemnify, defend and hold harmless the other Members (the "Indemnified Parties") from and against any and all losses, liabilities, damages, claims, judgments, orders, penalties, fines, costs or expenses, including reasonable legal, accounting and other expenses, which may be imposed upon or incurred by the Indemnified Parties or asserted against the Indemnified Parties by reason of, resulting from, whether directly or indirectly, or arising out of (a) the non-fulfillment or nonperformance of any covenant or agreement in this Agreement by the Indemnifying Party; (b) the negligence or willful misconduct of the Indemnifying Party in connection with the transactions contemplated by this Agreement; or (c) the inaccuracy of any representation or warranty contained in this Agreement of the Indemnifying Party. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, NO PARTY WILL HAVE ANY LIABILITY FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES OR LOST PROFITS, WHETHER BASED ON STATUTE, CONTRACT, TORT OR OTHERWISE. THE FOREGOING LIMITATION WILL NOT APPLY TO: (A) A PARTY'S INDEMNIFICATION OBLIGATIONS FOR THIRD PARTY CLAIMS OR (B) DAMAGES ARISING FROM A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

13. Governmental Immunity. The Members are governmental entities under the Governmental Immunity Act, Utah Code Ann. § 63G-7-101, *et seq.*, therefore, consistent with the terms of the Act, the Parties agree that each Party is responsible and liable for any wrongful or negligent acts which it commits or which are committed by its agents, officials, or employees. The Parties do not waive any defenses or limits of liability otherwise available under the Governmental Immunity Act and all other applicable law, and both Parties maintain all privileges, immunities, and other rights granted by the Act and all other applicable law. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, NO PARTY WILL HAVE ANY LIABILITY FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES OR LOST PROFITS, WHETHER BASED ON STATUTE, CONTRACT, TORT OR OTHERWISE.

14. General Provisions.

(a) Effective Date. This Agreement will be in full force and effect and be legally binding upon a Member only after its execution and approval by written resolution duly adopted by the governing body of such Member. This Agreement will be in full force and effect and be legally binding upon all the Members upon its execution by all of the Members.

(b) Board Appointments. Within 30 days after the Effective Date, each Member will make its appointments to the Board. Within 60 days after the Effective Date, the

Board will meet and as soon as may be practicable will elect the officers of UPACA and adopt such Bylaws as may be appropriate.

15. Withdrawal, Termination and Dissolution.

(a) Each Member may withdraw as a Member of UPACA at any time without the consent of the Board of Directors, provided that the withdrawing Member will remain obligated (i) as provided in any outstanding use or operating agreement between the withdrawing Member and UPACA, and (iii) for any liabilities imposed by law.

(i) Each Member may withdraw pursuant to Subsection (a) of this Section only upon filing with the secretary of the Board no less than 180 days before the intended effective date of withdrawal, a certified copy of a resolution of the governing body of the Member determining to withdraw.

(ii) Upon withdrawal of any Member, all amounts theretofore paid or contributed by such Member will be and remain the property of UPACA and no part thereof will be refunded to the withdrawing Member. After the effective date of the withdrawal of any Member, the Board composed of the remaining Representatives will continue to have and assume all of the rights, duties and obligations herein provided for and the withdrawing Member and Alternate Representative will be released from all rights, duties, and obligations under this Agreement. Upon withdrawal of any Member, that Member's Interest in UPACA will be distributed proportionately to each remaining Member of UPACA, which includes any voting rights.

(b) UPACA will be dissolved and terminated as provided herein (i) upon the withdrawal of one or more Members so as to reduce the number of Members to one, or (ii) upon the filing with the Secretary of UPACA of certified copies of resolutions of all or substantially all of the Members determining to dissolve and terminate UPACA. As used in this Subsection (b), the term "substantially all of the Members" means all of the Members except one.

(i) Notwithstanding the provisions of Subsection (b), as long as any bonds, issued by City/RDA, related to the UPAC Project are outstanding, no Member of UPACA may withdraw from UPACA and UPACA will not dissolve and terminate.

(ii) Promptly upon any Member withdrawing from UPACA, or upon action having been taken to dissolve and terminate UPACA, that fact will be certified by the secretary of the Board to each of the Members.

(c) Disposition of Assets. Upon termination of this Agreement, title to all assets of UPACA upon its dissolution will revert to the City/RDA and County as tenants in common, and each party's ownership interest in UPACA's assets will be proportionate to that party's Interest in the UPAC Project; provided, however, that the Board will provide for the retention of assets or moneys sufficient, in the Board's sole judgment, to provide for the payment of any unsatisfied liabilities of UPACA. The Board is hereby authorized to take such actions as will be necessary to effectuate the termination of UPACA and to dispose of the property of UPACA.

(d) Transfer of Interest by a Member. A Member may elect to voluntarily convey its Interest. Notwithstanding the foregoing, a Member may be required to convey a portion of its Interest pursuant to Section 9(l) or Section 9(n)(iii) of this Agreement. No Member will have the right to sell, convey, assign, exchange, gift (a "Conveyance"), or otherwise transfer their Interest in the UPAC Project, or any part thereof, without first offering that Member's Interest to the other Members of UPACA to purchase.

(i) In the event that a Member decides to make a Conveyance of its Interest, that Member (the "Conveying Member") will provide the other Members ("Purchasing Members") with written notice of its intent ("Offer Notice"). The Offer Notice will state the terms, price, and all other proposed terms and conditions of the proposed Conveyance of the Interest.

(ii) In the event that the Conveying Member does not have a specific price for the Conveyance of its Interest or in the event that the Purchasing Members disagree with the price listed in the Offer Notice, the Purchasing Members will have the right to obtain an appraisal or expert opinion from a qualified third-party as to the value of the Conveying Member's Interest (the "Interest Value"). The Conveying Member agrees to be bound by the determination of the qualified third-party of the Interest Value, subject to Section 9.

(iii) Either of the Purchasing Members will have the right, but not the obligation, for a period of ninety (90) days after receipt of the Offer Notice, to purchase the Conveying Member's Interest on the same terms and conditions as contained in the Offer Notice and for the Interest Value. The Purchasing Members may exercise the right to purchase the Conveying Member's Interest by providing the Conveying Member written notice during the ninety (90) day period.

(iv) Notwithstanding the foregoing, City/RDA each have the right to convey their Interest in UPACA to the other for any amount of consideration, prior to offering such Interest to the County.

(e) Nonprofit Status. UPACA will be a nonprofit subdivision of the state of Utah. Any net earnings of UPACA (other than those required to retire liabilities of UPACA or to implement any program undertaken by it) will not inure to the benefit of any private person.

(f) Amendments to this Agreement. This Agreement may be amended only upon the approval of such amendment by a written resolution duly adopted by the governing body of all of the Members. No amendment will be made which would in any way materially prejudice the rights of any parties to whom UPACA owes money.

(g) Counterparts. This Agreement may be executed in counterparts, each of which, when taken together, will be deemed one fully executed original.

(h) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Utah without giving effect to the choice of conflict of laws therein.

(i) Notices. All notices and other communications required or permitted by this Agreement, unless otherwise provided for in this Agreement, will be in writing and will be given either by personal delivery, fax, or certified United States mail, return receipt requested, addressed as follows:

Salt Lake County:	Salt Lake County Mayor 2001 South State Street, Suite N-2100 Salt Lake City, Utah 84190
with a copy to:	Salt Lake County District Attorney 2001 South State Street, Suite S-3600 Salt Lake City, Utah 84190
with a copy to:	Salt Lake County Center for the Arts Capitol Theatre 50 West 200 South Salt Lake City, UT 84101
Owner:	Utah Performing Arts Center Agency _____ _____ _____
Salt Lake City:	Mayor's Office 451 South State Street, Room 306 PO Box 145474 Salt Lake City, UT 84114-5474
with a copy to:	City Attorney 451 South State Street, Room 505 PO Box 145478 Salt Lake City, UT 84114-5478
RDA:	Redevelopment Agency of Salt Lake City Attn: Executive Director 451 South State Street, Room 404 P.O. Box 145518 Salt Lake City, UT 84114-5518

(j) Change of Address. Date Notice Deemed Given. A change of address, fax number, or person to receive notice may be made by either Party by notice given to the other Party. Any notice or other communication under this Agreement will be deemed given at the time of actual delivery, if it is personally delivered or sent by fax. If the notice or other communication is sent by United States mail, it will be deemed given upon the third calendar day following the day on which such notice or other communication is deposited with the United States Postal Service or upon actual delivery, whichever first occurs.

(k) Performance of Government Functions. Nothing contained in this Agreement will be deemed or construed so as to in any way estop, limit, or impair the County, City, or RDA from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

(l) Compliance with Law. In performing all of their respective obligations under this Agreement, the Operator and the Owner will comply with all Legal Requirements.

(m) No Third Party Rights Created. This Agreement is intended for the benefit of the Owner and Operator and not any other person.

(n) Modifications, Entire Agreement. A modification of this Agreement is not valid unless signed by both parties and otherwise in accordance with requirements of law. Further, a modification is not enforceable against the Owner unless the City Mayor or a deputy City Mayor signs it on behalf of Owner, and a modification is not enforceable against the Operator unless the County Mayor or its designee signs it for the Operator. This Agreement contains the entire agreement between the parties pertaining to the subject matter of this Agreement. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed or implied, between the parties, other than as set forth or referenced in this Agreement.

(o) Principles of Interpretation. In this Agreement, unless the context requires otherwise: The singular includes the plural and the plural the singular. The pronouns "it" and "its" include the masculine and feminine. References to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation. References to contracts and agreements will be deemed to include all amendments to them. The word "will" is mandatory. This Agreement will be interpreted, construed and enforced according to the substantive laws of the state of Utah.

(p) Governmental Immunity. County, City, and RDA are governmental entities under the Act. By entering into this Agreement County, City and RDA do not waive any monetary limitation, defense, limitation of liability, privileges, immunities, and other rights granted by the Act and all other applicable law.

16. General Provisions. The following provisions are also integral parts of this Agreement:

(a) Binding Agreement. This Agreement will be binding upon and will inure to the benefit of the successors and assigns of the respective parties hereto.

(b) Future Legislative Bodies. The Parties acknowledge that future legislative bodies of the City and County may not be bound by certain obligations under this Agreement.

(c) Captions. The headings used in this Agreement are inserted for reference purposes only and will not be deemed to define, limit, extend, describe, or affect in any way the meaning, scope or interpretation of any of the terms or provisions of this Agreement or the intent hereof.

(d) Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures upon any counterpart were upon the same instrument. All signed counterparts will be deemed to be one original.

(e) Severability. The provisions of this Agreement are severable, and should any provision hereof be void, voidable, unenforceable or invalid, such void, voidable, unenforceable or invalid provision will not affect the other provisions of this Agreement.

(f) Assignment of Contracts. All contracts, guarantees, licenses or warranties in connection with management, operations or services to be provided to UPAC will be expressly assignable to Owner.

(g) Waiver of Breach. Any waiver by either Party of any breach of any kind or character whatsoever by the other, whether such be direct or implied, will not be construed as a continuing waiver of or consent to any subsequent breach of this Agreement.

(h) Cumulative Remedies. The rights and remedies of the parties hereto will be construed cumulatively, and none of such rights and remedies will be exclusive of, or in lieu or limitation of, any other right, remedy or priority allowed by law.

(i) Interlocal Entity. The Parties agree that it is their intention through this Agreement to create an interlocal entity.

(j) Exhibits and Recitals. The Recitals set forth above and all exhibits to this Agreement are incorporated herein to the same extent as if such items were set forth herein in their entirety within the body of this Agreement.

(k) Non-liability of Officials and Employees. No member, official or employee of County, City, RDA, Operator or Owner will be personally liable to the other, or any successor in interest, in the event of any default or breach by County, City, RDA, Operator or Owner or for any amount which may become due to Operator or its successors or on any obligation under the terms of this Agreement.

(l) Attorney Review. This Agreement shall be reviewed as to proper form and compliance with applicable law by the authorized attorneys for the County and City in accordance with Utah Code Ann. § 11-13-202.5.

(m) Copies. Duly executed original counterparts of this Agreement shall be filed with the keeper of records of each Party, pursuant to Utah Code Ann. § 11-13-209.

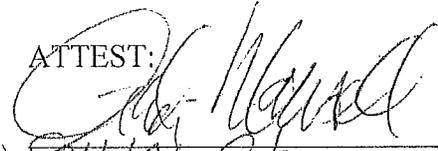
(n) Relationship of the Parties. Nothing contained in this Agreement shall constitute or be construed to create any partnership or agency relationship between the County, RDA, and the City, or to create any new entity.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Members have executed this Interlocal Cooperation Agreement to be effective as of the Effective Date.

SALT LAKE CITY CORPORATION, a Utah municipal corporation

By: 
Mayor or Designee

ATTEST: 
Salt Lake City, City Recorder

Approved as to legal form:


Boyd Ferguson, Senior City Attorney



Salt Lake City, by resolution duly adopted by its City Council, a copy of which is attached hereto, caused this Agreement to be signed by its Mayor and attested by its City Recorder.

IN WITNESS WHEREOF, the Members have executed this Interlocal Cooperation Agreement to be effective as of the Effective Date.

REDEVELOPMENT AGENCY OF
SALT LAKE CITY, a public agency

By:  _____

Name: Ralph Becker

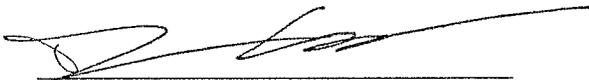
Its: Its Chief Administrative Officer

By:  _____

Name: DJ Baxter

Its: Executive Director

Approved as to legal form for RDA:

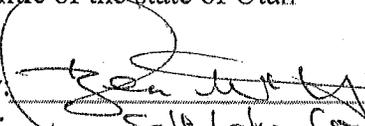


Damon George, Senior City Attorney

RDA, by resolution duly adopted by its Board, a copy of which is attached hereto, caused this Agreement to be signed by its Chief Administrative Officer and its Executive Director, and approved as to legal form by its legal counsel.

IN WITNESS WHEREOF, the Members have executed this Interlocal Cooperation Agreement to be effective as of the Effective Date.

SALT LAKE COUNTY, a body corporate and politic of the state of Utah

By: 
Its: Salt Lake County Mayor
Print Name: Ben Adams

County, by resolution of its County Council, a copy of which is attached hereto, caused this Agreement to be signed by the Mayor, or his designee.

APPROVED AS TO FORM
Salt Lake County District Attorney's Office
By: 
Deputy District Attorney
Date: 2-28-13