

# Exhibit A



## ANNEXATION DECLARATION

### INTRODUCTION

Utah law requires each municipality to prepare an annexation policy or plan. This document is prepared for the Town of Hideout (“Town”) to satisfy that requirement.

This annexation policy, and other policies spelled out in the General Plan, provides policy guidelines to be used by the Town Council. The annexation policy allows the Town to balance the tax base of the community by anticipating future expansion of municipal and emergency services while protecting valuable open space and sensitive environmental areas.

The Town recognizes typical annexation procedures begin with landowners and their desire to have their property included within the municipal boundaries. In certain scenarios, the Town can be the instigator of an annexation petition. Therefore, while the Town and other municipalities can plan for future annexation, the timing of municipal expansion is primarily dependent upon landowners bringing petitions for annexation to the Town for approval.

The annexation policy is also incorporated as part of the General Plan. The terms and provision of this annexation policy provide the specific criteria that will guide the Town’s decision whether to grant future annexation petitions. The Town’s annexation policy is subject to change from time to time through normal municipal procedures.

### BACKGROUND

In the 2001 session of the Utah State Legislature, statutes governing municipal annexations were amended to include a requirement for an annexation policy or plan.

### STATUTORY REQUIREMENTS

This annexation policy plan was prepared and adopted by the Town pursuant to Utah Code §10-2-401.5. If any provision of this annexation policy plan is found to be inconsistent with state law, or any other provision of law or ordinance, that provision shall be severed and all remaining portions of this annexation policy plan shall remain in full force and effect.

## **PURPOSES AND OBJECTIVES**

In order to prepare for future expansion of municipal services, to further the goals of the General Plan, to identify public safety boundaries, to plan for an appropriate growth balance, and to preserve environmentally sensitive areas, the goals of the annexation policy plan include, without limitation:

- GOAL 1.** Increase livability and quality of life for Hideout residents by creating public spaces to congregate and recreate and by preserving the outstanding views around it.
- GOAL 2.** Enhance and expand current utilities including water, electricity, sewage, parks and telecommunications to account for current and future population growth (in cooperation with service districts and utility providers where appropriate).
- GOAL 3.** Establish the potential for additional schools within either the Wasatch or Summit School District so children can attend schools closer to Hideout and reduce their current commute time.
- GOAL 4.** Providing adequate recreational facilities for the enjoyment of Town residents.
- GOAL 5.** Protecting and enhancing, where possible, environmentally sensitive areas from inappropriate development.
- GOAL 6.** Balancing the tax base of the Town between residential housing and other types of development, including commercial.

## **PURPOSES FOR A WELL-DEFINED ANNEXATION POLICY PLAN**

The Town Council finds that a well-defined annexation policy plan serves to bring property owners and Town officials together to formulate a land use pattern that can improve the community while allowing property owners the ability to realize the economic benefit of their property. The Town Council strives to find a balance between private property rights and community values. Objectives of property owners and the Town may sometimes differ. An effective annexation procedure can mitigate the tension often associated with the development process.

The Town encourages annexations where proper planning of an area can be completed, and premature replacement of infrastructure and improper circulation patterns can be avoided. Annexation petitions should include a specific plan for each annexation; including zoning, land use patterns, density, required infrastructure, financial analysis and other design elements.

## **CHARACTER OF THE COMMUNITY**

Each community possesses unique characteristics that are important to protect. Such characteristics give a community a sense of place and help residents feel comfortable. A sense of pride can be established in the community by focusing on those amenities that residents value and find worthy of protection. The Town has many unique characteristics, such as its beautiful mountain views, feeling of spaciousness, peacefulness, and a sense of community. Such attributes should be protected as the Town grows.

## **HISTORICAL DEVELOPMENT PATTERN**

The Town of Hideout was originally developed as a residential community and as a place of peace and refuge for individuals and families. Hideout seeks to be a stable and well-functioning municipality focused on its residents and the environment.

## **ANTICIPATED FUTURE DEVELOPMENT PATTERN**

New development should be sustainable and be beneficial to the community. If development of an area of proposed annexation does not in some way further the goals of the Town, it should not occur.

## **MUNICIPAL SERVICES IN UNINCORPORATED AREAS**

Development in unincorporated areas may pose a future burden on Town resources if they are not annexed in an intelligent manner. The area covered by this annexation policy plan is an area primarily without urban development. There is no area containing urban development within ½ mile of the Town's boundary.

Thus, before any annexation petition is approved, the Town Council should consider the Town's ability to provide adequate municipal services to unincorporated areas that may become dependent on the Town and is in the interest of residents and property owners.

## **EXTENSION OF MUNICIPAL SERVICES**

Extension and expansion of municipal services into the Town and neighboring areas covered by this annexation policy plan may be accomplished in several ways, including, without limitation, the following:

1. **Culinary Water:** The region is currently serviced by JSSD (Jordanelle Special Service District) for culinary water. All growth and expansion should be done in coordination with, and in cooperation with JSSD. As the Town grows and annexation petitions are approved, additional water resources/delivery may be obtained by:

- 1.1 Extension of water-main lines through installation by developers. Some extensions of water-main lines may be eligible for reimbursement through impact fees. Any extension should be planned and coordinated with JSSD.
- 1.2 In cooperation with JSSD, plan and construct new water storage facilities through a mix of developer funds, impact fees and Town funds. New storage facilities may be needed as development occurs in the areas covered by this annexation policy plan.
- 1.3 Developers obtaining adequate water rights for their projects and then transferring those water rights to the Town for each new development (or JSSD as applicable).
- 1.4 The Town may require that maintenance of culinary water supply lines remain with the developer or property owners' association.

2. **Sewer:** The region is currently serviced by JSSD (Jordanelle Special Service District) for sewer services. All growth and expansion should be done in coordination with, and in cooperation with JSSD. Each new development in the Town is required to connect to a sanitary sewer system. As

the Town grows and annexation petitions are approved, the creation/expansion of a sewer system may be required. Probable service/expansion plans include:

- 2.1 Developers, who will be responsible to coordinate with JSSD to extend the sewer lines and complete any necessary upgrades to provide sewer service to new developments. Some of the extensions and upgrades may be eligible for reimbursement through impact fees. (Because of topography, developers may be required to install lift stations to transport waste water to the treatment facility. The Town may require that ownership and maintenance of such lift stations remain with the developer or property owners' association.)
- 2.2 The Town may need to plan, and coordinate with JSSD to build additional capacity to serve areas that may be annexed.
- 2.3 The municipalities, which in the eastern part of Wasatch or Summit County may need to plan and coordinate with JSSD to construct a regional waste-water treatment facility. All new sewer facilities in the Town should work cooperatively with JSSD.

3. **Electricity:** The Town does not provide municipal electric service. As the Town grows and annexation petitions are approved, the expansion of the electric system within the Town will be the responsibility of the developers in cooperation with Rocky Mountain Power or successor electric delivery entities. The location and construction of all electric lines located above or below a public street; or within a public right-of-way must be approved by the Town.

4. **Public Safety:** The public safety services in all of Hideout including the area covered by this annexation policy plan are currently provided at the county level.

5. **Solid Waste Disposal:** As areas covered by this annexation policy plan are annexed by the Town, solid waste collection and disposal service will be provided in the same manner as is used in the remainder of the Town.

6. **Recreational Facilities:** Development results in an increased demand for recreational facilities. The Town Council has adopted an acceptable level of service in connection with imposition of recreation impact fees and may propose additional active recreation areas such as playing fields and parks and will improve existing facilities to provide service to the residents of areas annexed. The Town may also provide passive recreation facilities such as trails and nature parks. Developers may be given credit toward recreation impact fees for providing recreational facilities or the land for such facilities.

7. **Coordination with Other Entities:** As the boundaries of the Town of Hideout expand, other service providers will be affected. The Town will communicate and coordinate with the following entities, and others that may be affected, when appropriate:

7.1 Wasatch County

7.2 Wasatch School District

7.3 Rocky Mountain Power

7.4 Telecommunication Providers

7.4.1 Utopia Fiber

7.4.2 All West Communications

7.4.3 Qwest Communications (Century Link)

7.5 Dominion Energy

7.6 Jordanelle Special Service District (JSSD)

7.7 Wasatch County Fire District

7.8 Wasatch County Sheriff's Office

7.9 Jordanelle State Park

7.10 Kamas

7.11 Park City

7.12 Summit County

7.13 Utah Department of Transportation (UDOT)

## FINANCING OF SERVICES

Providing municipal services is expensive and is funded using many sources. Potential funding sources have been included in other parts of this annexation policy plan. In general, funding of extension and expansion of municipal services will include, without limitation, the following:

1. Installation of infrastructure by developers to serve new development projects.
2. Reimbursement for installation of some infrastructure from funds collected from impact fees.
3. Town sponsored improvement projects funded from Town general revenue.
4. Creation of special improvement districts.
5. Inter-jurisdictional projects in cooperation with state, county and other entities.

## TAX CONSIDERATIONS

Property taxes in the Town are higher than those in the area covered by this annexation policy plan. Property taxes imposed for general county purposes are the same whether the property is within or without the boundaries of the Town. The area covered by this annexation policy plan is within County Service Areas. A comparison of the property tax rates in the year 2018 is shown in the following table:

	Unincorporated Wasatch Co. Area	Town of Hideout
Wasatch County	.001445	.001445
Central Utah Water Conservancy	.000400	.000400
State Assess/Collection	.000121	.000121

Local Assess/Collection	.000210	.000210
County Bond	.000080	.000080
Multi County Assess/Collect	.000009	.000009
Basic ST School Levy	.001666	.001666
Wasatch School District	.004762	.004762
School District Bond	.001571	.001571
Charter School Levy	.000052	.000052
Library	.000174	.000174
Wasatch County Fire District	.000538	.000538
Health	.000101	.000101
Parks and Rec General	.000241	.000241
Town of Hideout		.000437
TOTAL	.011254	.011691

Source – Wasatch County Assessor’s Office

As an example of Summit County unincorporated 2018 tax rates, the Richardson Flat area taxes are shown in the table below:

	Unincorporated Summit Co. Area
Summit County	0.000831
Snyderville Basin Water	0
Local Assess/Collection	0.000169
Basin Bond	0.000291
Multi County Assess/Collect	0.000009
Basic ST School Levy	0.001666
Park City School District	0.002664
Park City Charter School	0.000039
Park City Fire District	0.000726
Mosquito	0.000030
Basin Recreation	0.000621
Municipal (County Provided Municipal Services)	0.000622
<b>TOTAL</b>	<b>0.007668</b>

Source – Summit County Auditor’s Office

While Hideout has one of the lowest property tax rates in Wasatch County, the property tax burden for existing residents will likely continue to increase as property taxes are used in part to fund Town services and the Town government.

## COMMENTS FROM AFFECTED ENTITIES

Representatives of affected entities as defined by state law are invited to attend public review sessions of this annexation policy plan and provide comments. Their attendance and any comments they have provided are or will be recorded in the minutes of the Planning Commission and/or Town Council and have been

considered by the Planning Commission and Town Council in connection with adopting this annexation policy plan.

The affected entities have been informed they have opportunity to provide additional information for consideration by the Planning Commission and Town Council. State law allows affected entities to submit written comments to the Town for a period of ten days after the Planning Commission public hearing. A statement addressing comments made by affected entities, and others, is attached hereto as **Appendix A**, and incorporated herein.

## **COMMENTS RECEIVED AT PUBLIC HEARINGS**

Comments received by the Planning Commission have been recorded and filed with the minutes of any public hearing regarding the approval of this annexation policy plan and have been considered by the Planning Commission and Town Council in connection with adopting this annexation policy plan.

## **GAPS AND OVERLAPS WITH SURROUNDING MUNICIPALITIES**

There may be gaps and overlaps between the areas covered by this annexation policy plan and similar policies adopted by neighboring municipalities. A review of other annexation policies indicates that no other municipality has an overlap with the Town of Hideout. State law does not require the gaps or overlaps in annexation policies of adjacent municipalities be eliminated.

## **CURRENT POPULATIONS FOR THE TOWN OF HIDEOUT AND SURROUNDING COMMUNITIES**

In adopting this annexation policy plan, the Planning Commission and Town Council considered the current populations of cities in the area. Populations are expected to grow in the future, albeit at a slower rate over the next five years.

### *2020 ESTIMATED POPULATION*

Town of Hideout	1,253
Wasatch County	32,741
Summit County	45,491
Kamas	2,246
Park City	9,358
Heber City	15,387

2012 Baseline Projections – Utah Governor’s Office of Management and Budget

## **FACILITIES NECESSARY TO PROVIDE MUNICIPAL SERVICES**

The Planning Commission and Town Council are aware that additional facilities may be needed in order to provide municipal services to the areas covered by this annexation policy plan. The anticipated facilities have been included above under Extension of Municipal Services.

## CONSIDERATION OF GENERAL PLAN

The Town Council finds that the information contained in this annexation policy plan is consistent with the goals and objectives of the other sections of the Town General Plan. This annexation policy plan promotes several of the goals of the entire General Plan.

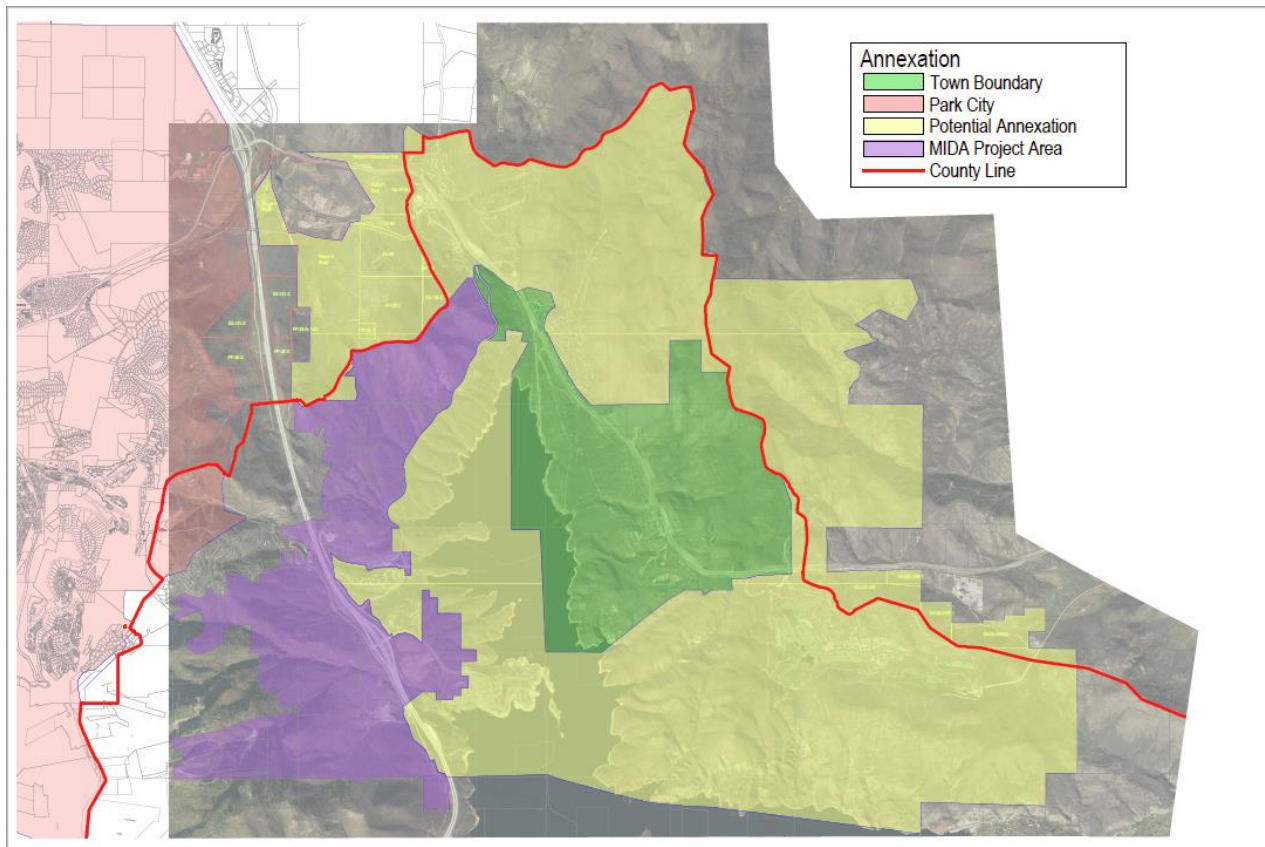
## INCLUSION OF AGRICULTURAL LANDS, FORESTS, RECREATION AREAS, AND WILDLIFE MANAGEMENT AREAS

The areas covered by this annexation policy plan are primarily intended for development. But where appropriate, the Town of Hideout is committed to preserving Open Space.

## ANNEXATION POLICY MAP

The area covered by this annexation policy plan showing the proposed expansion area is shown on the map in Figure 9.1. This map is an illustration of the Town of Hideout's *potential* annexation boundary and is not intended to establish precise dimensions and/or surveyed boundaries.

**FIGURE 9.1 – ANNEXATION MAP**



## APPENDIX A – PUBLIC COMMENT

Public Comments are available on request from the Town of Hideout.