Final
FALCON HILL PROJECT AREA PLAN

Introduction

The Military Installation Development Authority ("MIDA") was created by the Utah Legislature in 2007 to facilitate the development of Military Land in Utah. MIDA is working closely with the United States Air Force and Hill Air Force Base ("HAFB") and its chosen developer, Sunset Ridge Development Partners L.L.C. ("Sunset Ridge"), to assist in the commercial development of approximately 550 acres of Air Force property located on the west side of the HAFB installation ("Development Project"). The Development Project is commonly referred to as Falcon Hill National Aerospace Research Park, also known as the West Side Development ("Falcon Hill").

As part of the MIDA Act, a necessary step in the process of assisting the Development Project is the preparation of a draft Project Area Plan ("Draft Plan"). As required by law, the Draft Plan was sent to Affected Entities and other interested parties for review and comment and a public meeting was held by the MIDA Board. The Draft Plan was adopted by the Board in July 2008.

After public input is received and evaluated and another public meeting held, the MIDA Board may adopt this document as the final Project Area Plan ("Final Plan").

Definitions

As used in this Final Plan:

A. "Affected Entities" means each county, municipality, local district, special service district under Title 17D, Chapter 1, Special Service District Act, school district, interlocal cooperation entity established under Title 11, Chapter 13, Interlocal Cooperation Act, and an electrical corporation, gas corporation, or telephone corporation, as those terms are defined in §54-2-1 UCA; whose boundaries or service area is within the Project Area.

B. "Communities" means Davis County, Weber County, Clearfield City, Riverdale City, Roy City, and Sunset City.

C. "Development Project" means a project to develop Military Land. In this Final Plan the Development Project is Falcon Hill.

D. "Development Standards" means the MIDA Falcon Hill Development Standards and Guidelines adopted by the MIDA Board after review by the DRC, as may be amended.

E. "Draft Plan" means the prepared Project Area Plan referenced in §63H-1-401(1) UCA and adopted by the MIDA Board in July 2008.

F.   "DRC" means the Development Review Committee created by the MIDA Board.

G.   "Falcon Hill" means the Falcon Hill National Aerospace Research Park, also known as the West Side Development and is the Development Project.

H.   "Final Plan" means this document.

I.   "HAFB" means the United States Air Force and Hill Air Force Base.

J.   "MIDA" means the Military Installation Development Authority.

K.   "MIDA Act" means the Military Installation Development Authority Act found in Chapter 1 of Title 63H, Utah Code Annotated 1953, as amended, or such other amendments as shall from time to time be enacted or any successor or replacement law or act ("UCA").

L.   "MIDA Board" means the governing body of MIDA created under §63H-1-301 UCA.

M.   "Military Land" means land owned by the federal government that is part of an active or closed federal defense and military installation.

N.   "Project Area" means the geographic area described in this Final Plan where the Development Project set forth in this Final Plan takes place or is proposed to take place. The Project Area legal description is set forth in Exhibit "A", which may be updated as described below.

O.   "Project Area Plan" means a written plan that, after its effective date, guides and controls the development within a Project Area. This will be the Final Plan.

P.   "Sunset Ridge" means the Sunset Ridge Development Partners L.L.C.

Legal Description of Project Area

The Project Area consists of approximately 550 acres on the west side of HAFB. Currently approximately 500 of the 550 acre Project Area is known and is more fully described in Exhibit "A" attached hereto. A map showing the Project Area is attached as Exhibit "B".

HAFB has committed to Sunset Ridge that it will make available an additional 50 acres (approximately) to the Project Area but as of November 2008 the exact area of this additional Military Land at HAFB is unknown. At such time as the additional 50 acres becomes known, Exhibit A and B shall be updated and attached to this Final Plan without requiring an amendment to this Final Plan.

Purposes and Intent

For many years, HAFB has been the major economic engine for northern Utah. It provides thousands of direct jobs and thousands more of ancillary employment. Though tax exempt itself, HAFB is the catalyst for generating millions of dollars of tax revenue annually to the State of Utah and local governments. Its fiscal impact cannot be overstated. It is incumbent upon the State and the surrounding

local governments to assist, in appropriate ways, to insure HAFB's long term viability and economic vitality.

The proposed Project Area is located in Davis County, Weber County, Clearfield City, Riverdale City, Roy City, and Sunset City. One of the ways the State and the Communities can assist is through a cooperative effort with HAFB and Sunset Ridge to develop Falcon Hill. MIDA was created specifically to facilitate this type of joint endeavor. This proposed Development Project is the result of HAFB's efforts to exercise its authority under Title 10, United States Code, §2667 to enter into an "Enhanced Use Lease" with Sunset Ridge whereby it will designate the Project Area as property that can be leased on a long term basis for construction of a research park consisting of office buildings, hotels, and other compatible commercial uses.

A successful Development Project will further generate thousands of new jobs and, through a cooperative arrangement with HAFB, result in the ability to tax previously nontaxable property, the proceeds of which can be used to fund MIDA's operations, enhance the Development Project, and provide a new revenue source to the State and the surrounding communities. In addition, the type of tenants anticipated for Falcon Hill will further support HAFB's mission thus sustaining its long term viability. This synergistic relationship will be a boon to the State's economic development interests.

Pursuant to the MIDA Act, MIDA can assist in a variety of ways, including the collection and use of tax increment financing, and other funding sources to facilitate the development of Falcon Hill. MIDA can also coordinate with the Communities for the provision of municipal services.

Thus, it is the purpose and intent of MIDA, with the assistance and participation of HAFB, the Communities, and Sunset Ridge to encourage new development within the Project Area that will provide new employment, strengthen the tax base of the communities, and otherwise fulfill the objectives set forth in the MIDA Act. Specifically, the purposes and intent of MIDA, with respect to the Project Area, is to:

A. Encourage and assist economic development.

B. Create additional jobs.

C. Provide for the expansion of the tax base and economic health of the Communities and the State of Utah.

D. Implement the tax increment financing provisions of the MIDA Act.

E. Where available, use other funding sources to enhance the Development Project, pay the Communities for services provided, and disperse those funds not needed for these purposes to the Communities according to a mutually agreed upon formula.

F. Encourage economic use of and new construction upon the real property located within the Project Area.

G. Promote and market the Project Area for economic development that would be complimentary to HAFB and other existing businesses and industries or would enhance the economic base of the communities through new investment and job creation.

H. Provide for compatible relationships among land uses and quality standards for development such that the Project Area functions as a unified and viable center of economic activity.

I. Removal of impediments to development through a streamlined development review.

J. Insure that the Project Area is provided the necessary public utilities and infrastructure improvements.

K. Achievement of an environment reflecting an appropriate level of concern for architectural, landscape and design principles, developed through encouragement, guidance, and appropriate controls.

Development Process

The MIDA Board created the Development Review Committee ("DRC") which consists of members appointed by the MIDA Board from each of the Communities and the MIDA Executive Director. DRC's purpose is to assist with the creation of development standards, guidelines, processes, and procedures; help establish permitted, conditional, and prohibited uses ("Development Standards"); and, to make recommendations to the MIDA Board regarding submittals from Sunset Ridge of specific development proposals within the Project Area. These Development Standards shall be reviewed by the DRC and approved by the MIDA Board. They may be amended after review by the DRC and approval of the amendments by the MIDA Board.

Permitted, Conditional, and Prohibited Uses

As part of the Development Standards, the DRC and the MIDA Board will finalize the permitted, conditional, and prohibited uses and amend the list as the need arises. Initially, approved uses shall include any lawful non-prohibited use consistent with or incidental to the development and operation of an aerospace research and business park that promote, assist, and support the missions of the HAFB including office buildings; research, educational or public service functions of HAFB; laboratories and other prototype production facilities; light manufacturing; warehousing and storage incidental to and in support of the above; and retail uses incidental to and in support of the above, including hotels, meeting facilities, restaurants and other food services, child care, recreation facilities, and retail services such as banking and postal services.

Prohibited uses shall include the following unless otherwise approved in writing by the HAFB:

A. Ultra-hazardous activities involving the storage, treatment, transportation, disposal, or manufacture of hazardous materials, hazardous substances, or hazardous wastes, except as specifically authorized by HAFB.

B. Correction or detention facilities.

C. Arms or munitions testing.

D. Timber cutting, mining operation or sand or gravel removal.

E. Residential use.

F. Big box retail -which is a large single commercial facility that is not incidental to or in support of allowed uses listed above.

Findings and Determination

Pursuant to §63H-1-401(2)(c), the MIDA Board makes the following findings and determinations:

1. *Public Purpose*

"there is a need to effectuate a public purpose"

MIDA was created by the Utah Legislature for the specific public purpose of facilitating the development of Military Land in the State of Utah. Falcon Hill is located entirely on Military Land. HAFB and Sunset Ridge have requested that MIDA utilize its authority granted under the MIDA Act to assist in its successful development. The MIDA Board has determined and found that use of its authority under the MIDA Act will be needed to develop the Project Area and fulfill its public purpose.

2. *Public Benefit*

"there is a public benefit to the proposed development project"

The MIDA Board determines and finds that there are many public benefits that will result from the Development Project. Specifically, the support and accomplishment of HAFB's existing mission; the creation of new employment opportunities; and the increased tax base of the State and the Communities.

3. *Economic Soundness and Feasibility*

"it is economically sound and feasible to adopt and carry out the project area plan"

The MIDA Board determines and finds that development of the Project Area as contemplated by MIDA, HAFB, and Sunset Ridge will be economically sound and feasible. One of the key components of the Development Project's economic feasibility is MIDA's ability to use tax increment funds (75% of the new tax increment derived from increased property taxes associated with the Development Project) for up to 25 years. In addition, there may be the ability to collect and use other fees and tax revenues normally associated with the provision of municipal services. The tax increment funds and other revenues may be used to pay debt service on bonds issued to pay for public infrastructure, fund MIDA's operating costs, pay for the provision of municipal services within the Project Area, and otherwise assist in the development of Falcon Hill.

The information and data provided below are based on estimates of office space, retail uses, and hotels with a focus on the north and south areas developing first over the next 10-15 years. In addition,

there will be additional development in the middle portion of the Project Area that will further have a significant positive economic impact for the region. [1]

Initial analysis of some of the potential tax revenue associated with the development of Falcon Hill includes:

A. High Level of Investment
   The Development Project will have an exceptionally high level of investment, on a per acre basis, when compared with the existing taxable value of the impacted communities. Based on information provided by Sunset Ridge as of November 2008, Falcon Hill will include an investment of $600 million in buildings and land, plus an additional $23 million in personal property value over the next 15 years.[2] Assuming 550 acres are developed, this represents **an average investment of $1.1 million per acre** for the project. In comparison, the average value per acre (of all property – both developed and undeveloped) is shown in the following table for all of the Communities. Falcon Hill will therefore add significantly to the property tax base of these Communities.

	Taxable Value	**Acres**	**Value per Acre**
Davis County	$14,280,260,326	406,292	$35,148
Clearfield City	$1,085,800,201	4,960	$218,911
Sunset City	$138,921,764	941	$147,663
Weber County	$10,601,027,770	421,993	$25,121
Riverdale City	$488,914,505	2,842	$172,056
Roy City	$1,129,321,146	4,864	$232,180
Source: Weber and Davis County CAFR's; Governor's Office of Planning and Budget; LYRB			

B. Generation of Tax Increment
   Using an *average* property tax rate of the Communities, the Project Area will generate over $102 million in property tax increment over the next 20 years, with a net present value of approximately $54.5 million.[3] At buildout, the project will generate $7.6 million in total tax increment ($2008) annually.

---

[1]The north and south areas are shown on the two maps in Exhibit "B" in a darker shade. The middle portion referred to in this paragraph is the lighter shaded areas.

[2] Because no residential development is included in the development, the $623 million should represent not only market value, but also taxable value.

[3] Assumes a discount rate of five percent and a fifteen year absorption time period.

The specific amount generated for each Affected Entity has not yet been calculated, but will be included in the project area budget when the use of tax increment financing is presented in more detail. However, because the land is now federally-owned, it is not currently taxed. Therefore, all property taxes generated in the future will be incremental to what the Affected Entities are now receiving.

C. Expansion of the Utah Aerospace Industry
Utah has identified 11 core industries to target for future economic growth.[4] The aerospace industry is one of these core groups, and HAFB is the ideal spot in Utah for an aerospace research and technology park.

Major employers in the aerospace industry, with 50 or more employees, are shown on the map. A clear concentration exists in the vicinity of HAFB, making Falcon Hill, with its focus on the aerospace industry, an ideal economic fit for the site.[5]
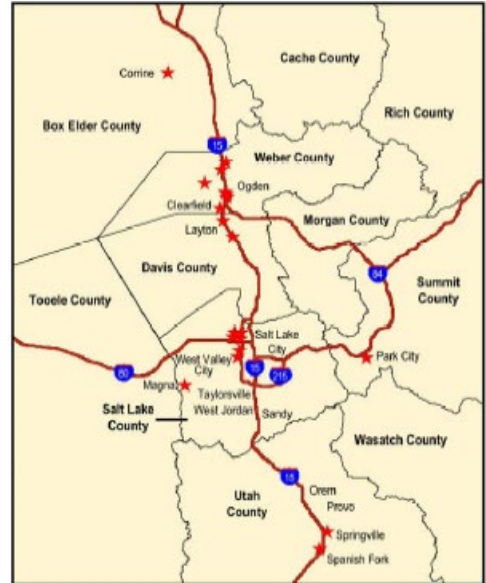
D. Research Park Space Shortage in Utah
The University of Utah Research Park has only 26 acres remaining for development, and these acres are being held by the University for departmental uses. Therefore, the State is actively seeking additional research park space along the Wasatch Front. A research park near HAFB could play a vital role in a system of technology parks in Utah, focusing on the aerospace industry and related business clusters.

This area is intentionally left blank]

E. Sales Tax Revenue and Retail Development
The following percentages apply to the gross sales generated in the development area.

---

[4] EDCUtah

[5] Utah is currently one of the top ten states in the country in the concentration of aerospace employment.[5] ATK, one of the largest aerospace and defense companies in the nation, maintains three large facilities across the state. ATK is the world's largest supplier of solid propellant rocket motors and a leader in the advanced composites industry. Hexcel, located in Magna, is one of the three largest carbon manufacturers in the nation.

	Local Option Sales & Use*	Mass Transit	Addt'l Mass Transit	County Option Sales Tax*	Botanical, Cultural, Zoo Tax
Davis County	1.00%	0.25%	0.25%	0.25%	
Clearfield	1.00%	0.25%	0.25%	0.25%	
Sunset	1.00%	0.25%	0.25%	0.25%	
Weber County	1.00%	0.25%	0.25%	0.25%	0.10%
Riverdale	1.00%	0.25%	0.25%	0.25%	0.10%
Roy	1.00%	0.25%	0.25%	0.25%	0.10%
*The local entities would receive only 50 percent of these amounts based on point of sale; the other 50 percent is distributed based on population.					

The development proposes 46,000 retail square feet, 23,000 restaurant square feet, and 350 hotel rooms that will generate sales-related taxes. These retail uses are incidental and in support of the research park nature of Falcon Hill.

	Units	Sales	Occupancy	Annual Sales
Retail	46,000 sf	$300 per sf	Na	$13,800,000
Restaurant	23,000 sf	$350 per sf	Na	$8,050,000
Hotel	350 rooms	$89 per room night	60%	$6,821,850
TOTAL				**$28,671,850**

The nearly $28.7 million in sales will produce approximately $143,000 annually in local sales tax revenues, based on one-half of one percent local option distribution for point of sale.

Further, the new jobs created at the site will stimulate the demand for more retail development in the surrounding communities. Research shows that regions can generally support approximately 60 square feet of retail space per employee. Therefore, the nearly 20,000 jobs created at the site (see below) will create demand for approximately 1.2 million square feet of retail space – far more than the retail space planned in the development. This retail demand will be satisfied in surrounding cities, and will further increase their sales tax revenues.

F. Tourism Taxes

Sunset Ridge has stated its intention to construct two hotels, with 350 rooms, as part of the Development Project. The main tourism-related taxes that may apply to this Project Area are shown in the following table. Note that only Davis and Weber counties would benefit from the Transient Room Countywide and Restaurant Taxes. While these taxes are charged within municipal boundaries, they do not flow to cities. At their option, cities can enact a municipal

transient room tax, in addition to the countywide tax. Of the affected communities, only Clearfield and Riverdale City have currently chosen to do so.[6]

	Transient Room Countywide	Transient Room – Municipal	Tourism - Restaurant Tax
Davis County	4.10%		1.00%
Clearfield	4.10%	1.00%	1.00%
Sunset	4.10%		1.00%
Weber County	4.10%		1.00%
Riverdale	4.10%	1.00%	1.00%
Roy	4.10%		1.00%

Approximately $205,000 will be generated annually in transient room taxes. These revenues will flow to Davis and Weber counties. In addition, the restaurant development will generate over $80,000 annually, based on the one percent restaurant tax that may be charged by counties.

G.   Energy and Telecommunications Fees and Taxes

Energy and telecommunications fees and taxes may be collected based on the level of energy and telecommunications use, as well as the number of phone lines. With roughly 3.4 million square feet of commercial space (including the hotel rooms), the development will likely generate in the neighborhood of $5.1 million annually in energy costs, with a resulting $300,000 estimated annually in local municipal energy taxes.

	Telecommunications Emergency Services*	Telecommunications License Tax**	Energy***
Davis County	$0.76		
Clearfield	$0.76	3.50%	6.00%
Sunset	$0.76	3.50%	6.00%
Weber County	$0.76		
Riverdale	$0.76		
Roy	$0.76	3.50%	6.00%
*Monthly charge per telephone line.			
**This is a tax on the provider, not the consumer.			
***Defined to include gas and electricity.			

---

[6] While there are other tourism-related taxes (motor vehicle, tourism short-term leasing tax, tourism short-term leasing population, etc.), these taxes will likely not have any significant impact on the proposed development and have, therefore, not been included in the discussion at this point.

H.   Jobs and Wages

The Development Project will generate significant jobs with above-average wages that will then be spent in the local communities, creating multiplier effects. Projected employment is based on an average number of square feet per employee for office, retail and restaurant development, and on an average number of employees per hotel.

EMPLOYEE PROJECTIONS

Office	160	sf per emp
Retail	333	sf per emp
Restaurant	222	sf per emp
Hotel	275	emps per hotel

The proposed development, with over three million square feet of office space, 46,000 square feet of retail space, 23,000 square feet of restaurant space, and 350 hotel rooms, is expected to generate nearly 20,000 new jobs at the development site.

JOBS SUMMARY

	South Area	North Area	Total
Office	12,125	6,875	19,000
Retail	57	81	138
Restaurant	59	45	104
Hotel	275	275	550
TOTAL	12,516	7,276	19,792

Wages in the aerospace industry (which is expected to have a significant presence in the proposed development) along the Wasatch Front range between roughly $71,000 and $73,000. In comparison, the average wage in Utah in 2007 was $38,820.

I. Construction Impacts

In addition to the long-term employment at the site, there will be short-term construction impacts. Construction employment has been estimated based on total construction costs of the project, reduced to reflect the 40 percent attributable to labor and average construction wages

of $40,000.[7]   Further, construction at HAFB will provide employment at a time when the construction industry is suffering.

Total construction costs are estimated at roughly $600 million, with an estimated 6,000 construction jobs created for the equivalent of a one-year period. Assuming that development is spread evenly over a ten-year period results in an average of 600 construction jobs per year over a ten-year period.

The majority of construction materials will be bought in the local area. Total construction costs are estimated at 40 percent of building value, or approximately $240,000,000. Local option point of sale tax revenues on building supplies will reach nearly $1,200,000. These purchases and tax revenues will likely benefit those cities surrounding HAFB – cities that have building supplies readily available.

4. *Local Community*

"carrying out the project area plan will promote the public peace, health, safety, and welfare of the community in which the project area is located."

The MIDA Board determines and finds that fulfilling the Project Area Plan will be a significant benefit to the Communities as they will directly benefit from the economic growth described above. In addition, one of the challenges of developing a large area of land that is located within the boundaries of four different municipalities and two counties, is the coordination of the provision of municipal services such as fire protection and police services; providing a uniform development process; the construction and maintenance of public infrastructure that crosses the localities' boundary lines; and, the orderly collection and disbursement of fees and certain taxes or other revenue. MIDA was created to insure that developments, such as Falcon Hill, are seamlessly supported and serviced without regards to boundary lines. Through Community cooperation and arrangements, MIDA intends to fulfill these responsibilities thereby promoting public peace, health, safety, and welfare.

---

[7] Source: Department of Workforce Services, http://stats.bls.gov/oes/current/oes_41620.htm#b47-0000

Exhibit "A"

Legal Description of Project Area

A part of the North Half of Section 1, Township 4 North, Range 2 West, a part of the South half of Section 13 and a part of Sections 24, 25 and 36, Township 5 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point which is 1315.085 feet South 89°20'45" East along the Section line and 57.721 feet North from the Northwest corner of said Section 24; (Basis of Bearings is North 0°47'30" East UTM Twelve North, between the Northwest corner and the West quarter corner of Section 24, State Plane bearing is North 0°27'51" East); running thence East 261.162 feet to a point of curvature; thence Southeasterly along the arc of a 200.105 foot radius curve to the right a distance of 316.631 feet (Central angle equals 90°39'38" and Long Chord bears South 44°40'11" East 284.618 feet) to a point of tangency; thence South 0°39'38" West 98.050 feet; thence East 252.320 feet; thence North 57°41'42" East 1280.601 feet; thence South 33°26'54" East 385.067 feet; thence South 8°35'47" East 290.731 feet; thence South 33°20'50" East 210.038 feet; thence South 0°27'15" West 453.527 feet; thence North 89°30'00" West 43.697 feet; thence South 0°30'00" West 569.052 feet; thence Northwesterly along the arc of a 1250.000 foot radius curve to the left (Center bears South 4°32'36" West) a distance of 99.120 feet (Central angle equals 4°32'36" and Long Chord bears North 87°43'42" West 99.094 feet); thence West 72.067 feet; thence Southwesterly along the arc of a 1250.000 foot radius curve to the left (Center bears South) a distance of 75.257 feet (Central angle equals 3°26'58" and Long Chord bears South 88°16'31" West 75.246 feet); thence Southwesterly along the arc of a 1455.000 foot radius curve to the left (Center bears South 11°05'07" West) a distance of 281.506 feet (Central angle equals 11°05'07" and Long Chord bears North 84°27'27" West 281.067 feet); thence West 72.064 feet; thence Southwesterly along the arc of a 1455.000 foot radius curve to the left (Center bears South) a distance of 924.724 feet (Central angle equals 36°24'51" and Long Chord bears South 71°47'34" West 909.239 feet); thence Southwesterly along the arc of a 1041.000 foot radius curve to the left (Center bears South 24°44'23" East) a distance of 553.683 feet (Central angle equals 30°28'27" and Long Chord bears South 50°01'23" West 547.180 feet); thence South 34°47'08" West 405.854 feet; thence South 9°20'15" West 209.153 feet; thence South 0°43'52" West 364.820 feet; thence North 89°16'10" West 220.625 feet; thence South 0°46'37" West 200.051 feet; thence South 89°16'09" East 235.343 feet; thence South 0°48'12" West 647.141 feet; thence South 0°52'25" West 573.021 feet; thence South 0°50'38" West 461.482 feet; thence South 2°27'22" West 545.018 feet to a point of curvature; thence Southeasterly along the arc of a 1775.931 foot radius curve to the left a distance of 1196.414 feet (Central angle equals 38°35'57" and Long Chord bears South 16°50'36" East 1173.917 feet) to a point of tangency; thence South 36°08'35" East 1299.056 feet to a point of curvature; thence Southeasterly along the arc of a 600.315 foot radius curve to the right a distance of 477.226 feet (Central angle equals 45°32'52" and Long Chord bears South 13°22'08" East 464.759 feet) to a point of tangency; thence South 9°24'18" West 230.247 feet; thence North 89°30'59" West 862.666 feet; thence South 0°25'05" West 92.509 feet; thence Southwesterly along the arc of a 602.616 foot radius curve to the left (Center bears South 30°02'06" East) a distance of 361.450 feet (Central angle equals 34°21'58" and Long Chord bears South 42°46'55" West 356.057 feet); thence South 0°23'13" West 794.419 feet; thence South 88°26'26"

East 314.929 feet; thence North 89°58'33" East 654.584 feet; thence South 0°26'04" West 363.313 feet; thence South 12°24'50" West 48.972 feet; thence South 0°36'07" West 237.704 feet to a point of curvature; thence Southeasterly along the arc of a 250.131 foot radius curve to the left a distance of 64.708 feet (Central angle equals 14°49'20" and Long Chord bears South 6°48'33" East 64.528 feet) to a point of tangency; thence South 14°13'13" East 215.590 feet to a point of curvature; thence Southeasterly along the arc of a 250.131 foot radius curve to the right a distance of 59.101 feet (Central angle equals 13°32'16" and Long Chord bears South 7°27'05" East 58.964 feet) to a point of tangency; thence South 0°40'56" East 129.721 feet; thence South 1°20'20" East 249.781 feet; thence South 0°22'05" West 858.947 feet; thence North 89°40'53" West 364.473 feet; thence South 0°20'22" West 495.455 feet; thence South 89°52'09" East 364.187 feet; thence South 0°22'44" West 1339.609 feet; thence South 89°33'32" East 881.617 feet; thence South 0°28'06" West 1431.938 feet to a point of curvature; thence Southeasterly along the arc of a 300.157 foot radius curve to the left a distance of 211.389 feet (Central angle equals 40°21'04" and Long Chord bears South 19°42'27" East 207.048 feet); thence South 14°16'44" East 133.219 feet; thence North 56°58'51" West 123.130 feet; thence North 58°15'24" West 307.292 feet to a point of curvature; thence Northwesterly along the arc of a 1000.525 foot radius curve to the right a distance of 359.552 feet (Central angle equals 20°35'24" and Long Chord bears North 47°57'42" West 357.620 feet) to a point of tangency; thence North 37°40'00" West 79.914 feet; thence South 55°53'19" West 820.761 feet; thence South 34°20'17" East 980.736 feet; thence North 55°27'36" East 313.889 feet; thence South 34°32'31" East 102.539 feet; thence North 55°27'29" East 716.200 feet; thence Southeasterly along the arc of a 1296.680 foot radius curve to the left (Center bears North 61°17'14" East) a distance of 23.081 (Central angle equals 1°01'12" and Long Chord bears South 29°13'22" East 23.081 feet); thence Southeasterly along the arc of a 1296.000 foot radius curve to the left (Center bears North 64°23'11" East) a distance of 819.585 feet (Central angle equals 36°14'01" and Long Chord bears South 43°43'49" East 805.996 feet); thence South 83°15'05" West 254.798 feet; thence South 74°04'50" West 186.754 feet; thence South 51°20'24" West 88.347 feet; thence South 28°26'35" West 107.474 feet; thence North 34°42'55" West 90.274 feet; thence South 55°11'22" West 377.778 feet; thence South 34°36'48" East 92.224 feet; thence South 55°23'12" West 50.000 feet; thence South 34°36'48" East 368.000 feet; thence North 55°23'12" East 43.279 feet; thence South 34°41'57" East 71.013 feet; thence North 55°03'57" East 461.901 feet; thence South 49°42'58" East 216.915 feet to a point of curvature; thence Southeasterly along the arc of a 201.466 foot radius curve to the right a distance of 169.164 feet (Central angle equals 48°06'33" and Long Chord bears South 25°39'41" East 164.238 feet) to a point of reverse curvature; thence Southeasterly along the arc of a 107.056 foot radius curve to the left a distance of 90.630 feet (Central angle equals 48°30'17" and Long Chord bears South 25°51'33" East 87.948 feet) to a point of tangency; thence South 50°06'41" East 64.110 feet; thence South 21°09'34" East 57.332 feet; thence South 5°26'29" West 72.766 feet; thence South 10°32'15" East 59.889 feet; thence South 34°16'05" East 144.884 feet; thence South 43°48'53" East 239.728 feet; thence South 1°55'55" East 33.357 feet to a point of curvature; thence Southwesterly along the arc of a 80.042 foot radius curve to the right a distance of 28.728 feet (Central angle equals 20°33'51" and Long Chord bears South 8°21'00" West 28.574 feet) to a point of tangency; thence South 18°37'56" West 23.366 feet to a point of curvature; thence Southwesterly along the arc of a 175.090 foot radius curve to the right a distance of 114.360 feet (Central angle equals 37°25'21" and Long Chord bears South 37°20'36" West 112.338 feet) to a point of tangency; thence

South 56°03'16" West 548.539 feet to the existing West perimeter fence for Hill Air Force Base; thence Northwesterly and Northerly thirteen (13) courses along said existing West perimeter fence for Hill Air Force Base as follows: North 34°17'30" West 787.136 feet; North 34°19'28" West 2442.062 feet; North 34°15'58" West 1790.873 feet; South 55°44'14" West 48.148 feet; North 34°15'46" West 65.581 feet; North 55°44'14" East 26.979 feet; North 26°02'44" West 183.137 feet; North 33°19'38" West 199.633 feet; North 46°32'34" West 40.574 feet; North 23°55'26" West 166.144 feet; North 21°09'33" West 376.288 feet; North 13°45'51" West 369.754 feet; and North 02°33'00" West 784.896 feet; thence South 89°53'24" East 421.041 feet; thence South 0°22'40" East 24.382 feet; thence South 89°41'47" East 217.305 feet; thence South 0°29'22" West 48.214 feet; thence South 0°06'45" East 118.188 feet; thence South 0°53'55" West 89.719 feet; thence South 0°29'35" West 86.016 feet; thence South 0°40'06" West 32.638 feet; thence South 0°40'44" East 232.283 feet; thence South 89°19'18" East 355.824 feet; thence North 0°08'16" East 341.538 feet; thence South 89°47'29" East 14.340 feet; thence North 0°12'31" East 24.951 feet; thence South 89°59'22" East 7.164 feet; thence North 0°02'32" West 431.560 feet; thence South 89°33'24" West 205.722 feet; thence North 2°44'21" East 253.716 feet; thence South 86°57'25" East 64.794 feet; thence North 23°01'02" East 114.300 feet; thence North 30°38'07" East 72.793 feet; thence North 44°34'15" West 30.603 feet; thence North 50°42'57" East 144.652 feet; thence North 34°26'07" East 172.052 feet; thence North 21°54'29" East 68.596 feet; thence North 11°04'48" East 120.519 feet; thence North 0°17'20" East 59.156 feet; thence North 89°42'40" West 139.475 feet; thence North 0°57'46" East 198.044 feet; thence North 88°41'45" West 59.789 feet to a point of curvature; thence Northwesterly along the arc of a 70.037 foot radius curve to the right a distance of 107.545 feet (Central angle equals 87°58'50" and Long Chord bears North 44°42'20" West 97.286 feet) to a point of tangency; thence North 0°42'55" West 45.490 feet; thence North 89°33'35" West 223.725 feet; thence South 43°48'48" West 33.644 feet; thence South 63°42'34" West 29.328 feet; thence South 87°35'58" West 42.404 feet; thence North 87°09'20" West 30.105 feet; thence North 77°13'33" West 20.133 feet; thence North 64°40'20" West 9.180 feet; thence South 89°31'27" West 218.496 feet; thence North 0°38'48" East 129.476 feet; thence North 88°28'20" West 85.544 feet; thence North 54°30'54" West 54.470 feet; thence North 0°22'50" West 17.952 feet; thence South 89°37'11" West 182.820 feet to said existing West perimeter fence for Hill Air Force Base; thence Northerly forty three (43) courses along said existing West perimeter fence for Hill Air Force Base as follows: North 1°30'07" East 86.554 feet; North 0°52'34" East 594.580 feet; North 68°57'44" West 12.354 feet; North 86°39'54" West 13.081 feet; North 1°30'35" East 10.215 feet; North 6°36'19" East 202.424 feet; North 0°40'04" East 1291.931 feet; West 12.065 feet; North 0°16'56" East 212.852 feet; North 38°25'25" West 18.185 feet; North 4°17'55" East 21.317 feet; East 24.181 feet; North 0°36'54" East 1285.698 feet; North 89°42'53" East 9.886 feet; North 10.276 feet; North 88°55'41" West 10.429 feet; North 0°38'22" East 744.570 feet; North 14°48'29" West 30.656 feet; North 72°51'59" East 78.364 feet; North 0°38'50" East 1028.624 feet; West 39.402 feet; North 0°37'44" East 1382.141 feet; North 78°52'40" West 34.377 feet; North 0°18'28" East 123.776 feet; North 7°17'47" East 141.397 feet; North 8°05'08" East 106.186 feet; North 14°50'27" East 394.111 feet; North 14°33'33" East 346.822 feet; North 18°08'32" East 30.213 feet; North 18°25'13" East 482.359 feet; Northeasterly along the arc of a 3976.802 foot radius curve to the right (Center bears South 73°00'15" East) a distance of 235.376 feet (Central angle equals 3°23'28" and Long Chord bears North 18°41'29" East 235.342 feet) to a point of tangency; North 20°23'13" East 265.642 feet; North 20°10'14" East 89.913 feet; North 20°38'50" East

245.473 feet; North 20°17'53" East 234.335 feet; North 10°52'44" East 57.992 feet; North 12°15'20" East 355.261 feet; North 11°22'01" East 16.939 feet; North 5°33'05" East 70.325 feet; North 3°18'15" East 39.762 feet; North 7°54'45" East 33.819 feet; North 1°41'39" West 108.657 feet to the point of beginning.

<div align="center">

Contains 506.520 Acres total

</div>

Less and excepting Parcel 1	4.158	Acres
Less and excepting Parcel 2	3.153	Acres
Net	499.209	Acres

LESS AND EXCEPTING PARCEL NO. 1

A part of the West half of Section 25, Township 5 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point which is 472.517 feet North 0°42'19" East along the Section line and 1148.676 feet East from the West quarter corner of Section 25; (Basis of Bearings is North 0°42'19" East UTM Twelve North, between the Northwest corner and the West quarter corner of Section 25, State Plane bearing is North 0°22'37" East and Davis County Surveyor is North 0°02'19" East); running thence North 89°58'08" East 313.627 feet; thence South 0°15'53" West 400.815 feet; thence South 77°53'17" West 82.954 feet; thence South 8°40'09" East 73.195 feet; thence Southwesterly along the arc of a 558.893 foot radius curve to the left a distance of 327.614 feet (Central angle equals 33°35'09" and Long Chord bears South 62°42'24" West 322.943 feet); thence North 0°58'11" East 588.206 feet; thence North 35°03'09" East 61.526 feet to the point of beginning.

<div align="center">

Contains 4.158 Acres

</div>

LESS AND EXCEPTING PARCEL NO. 2

A part of the Southwest Quarter of Section 36, Township 5 North, Range 2 West, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point which is 2272.828 feet South 89°38'01" East and 742.150 feet South from the West Quarter Corner of said Section and running thence South 54°35'34" East 337.793 feet; thence South 35°20'52" West 14.297 feet; thence South 54°59'43" East 88.861 feet; thence South 35°00'17" West 325.330 feet; thence North 54°59'43" West 385.750 feet; thence North 35°00'17" East 163.588 feet; thence North 54°59'43" West 40.810 feet; thence North 35°00'17" East 178.412 feet to the point of beginning.

<div align="center">

Contains 3.153 Acres

</div>

Exhibit "B"
Map of Project Area

Exhibit "B"
Map of North Project Area

Proposed Explosives-laden
truck access/parking

Proposed Roy
Access Facility

HILL AFB EUL BOUNDARY-NORTH

Confidential and Proprietary

SCALE: 1" = 600'

Date: 7-15-2008

Exhibit "B"
Map of South Project Area

Proposed Access
Control Facility

HILL AFB EUL BOUNDARY-SOUTH

Confidential and Proprietary

SCALE: 1" = 600'

Date: 7-15-2008