Point of the Mountain State Land Authority Board

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**Meeting**

**November 8, 2023**

U**MINUTES**

**Members Present:**

Lowry Snow, Chair

Rep Jordan Teuscher, Chair

Rep Jeff Stenquist

Mayor Troy Walker

April Cooper

Mayor Jenny Wilson

Mayor Dawn Ramsey

Commissioner Geoff Landward

Senator Jerry Stevenson

Ryan Starks

**Members Absent:**

Senator Lincoln Fillmore

Jim Russell

**Staff, Consultants, and Presenters in Attendance:**

Alan Matheson POMSLA

Don Willie POMSLA

Jacey Skinner Ballard Spahr

Steve Mehr Ballard Spahr

Erin Talkington RCLCO

Mike Ambre DFCM

Abbey Ehman Point Partners

Jonathan Bullen Colmena Group

**Members of the Public in Attendance:**

Dina Blaes

Brett Millburn

Greg Hart

Lyle Pearson

David Dobbins

On Wednesday, November 8, 2023 the Point of the Mountain State Land Authority Board held a meeting in Senate Building 210 at the Utah State Capitol Complex. A virtual meeting option was available for those who attended remotely via the Zoom Meeting platform:

<https://zoom.us/webinar/register/WN_11t67FdJTpC2Y5Eu7F_lAQ>

A video of the meeting can be found on The Point’s YouTube channel:

<https://youtube.com/@ThePointUtah>

The meeting was called to order at 9:03 AM.

* **WELCOME**

Chair Jordan Teuscher called the meeting to order and welcomed members of the board who were attending in person and virtually, as well as consultants and the general public.

* **PUBLIC COMMENT**

Chair Teuscher initiated the public comment phase, underscoring the significance of community input. Jonathan Bullen, Chairman and founding partner of the Colmena Group, representing Innovation Point Partners, conveyed gratitude for the progress achieved on the project. He acknowledged the pivotal role played by board members, state employees, legal teams, and consultants in shaping the proposed development agreement.

* **INFRASTRUCTURE LOAN PROPOSAL**

Chair Teuscher explained that the Legislature has appropriated $165,000,000 to a revolving loan fund for use by the Land Authority to construct critical infrastructure at The Point. By statute, the loan committee proposes the use and terms of any loan and this board approves a proposal which will be presented to the Executive Appropriations Committee. Since we adopted the loan terms in August, we have identified some critical additional infrastructure needs and received some direction from the Executive Appropriation Committee; therefore, we would like to propose a new loan package today and will seek EAC approval to draw on the loan at their meeting next week.

DFCM Deputy Director Mike Ambre presented a proposal regarding the use and terms of the infrastructure loan. Highlights of his presentation:

* North Loop Road – previously a full build was proposed but will now be scaled back with right of way on the south side to accommodate the possible light rail circulator
* Costs for Roads
* 3 Million Gallon Water Tank – Package #1
* Water Transmission Line
* Culinary Water Distribution Lines
* High Pressure Gas Line installed this winter with removal of old line
* Low Pressure Gas Line
* Sanitary Sewer
* Storm Drain
* Communication Package
* Power
* Secondary Water
* Utility Cost Summary
* River to Range Landscaping/Parks

Mr. Ambre reviewed the costs for this infrastructure and discussed some unresolved issues that could affect costs; anticipating that the total may be over $165 million. He believes that we may be able to save money in certain areas so the initial ask to the EAC will be the $165 million. Mayor Walker questioned the storm water capacity, considering the amount of water from several recent storms this summer. Mr. Ambre agreed this would be reviewed. Director Matheson indicated the appropriation will be earning interest during this time and could generate additional funds to help with any overages.

Director Alan Matheson reviewed the terms of the loan which will be presented to the Executive Appropriations Committee and will include:

* $165 Million loan
* 3% Interest
* 40 years
* First payment due one year after date of first occupancy
* Interest accrual deferred until date of first payment
* All lease revenues dedicated to paying off the loan

Questions from the board included impact fees, the loan funds draw schedule, interest earned and the safety of the funds.

Erin Talkington of RCLCO examined the comprehensive spreadsheet featuring diverse payback scenarios. She explained the current cash flow dynamics of the loan, offering insights into the various assumptions governing its repayment. There were questions concerning the proposed ground lease revenues, cash flow, and connection fees.

Director Matheson explained there are four steps to obtaining use of this loan which may appear complicated but will allow us to meet the expectations of the state, allow for good return for our citizens and produce a viable project. We want to be accurate but conservative in our approach.

Chair Snow reminded the group of the significant amount of economic return that will result over time from sustained economic development. Studies have shown that these numbers far outweigh any amounts received from ground leases.

## MOTION: Rep. Jeff Stenquist moved that the board approve the loan terms as presented and submit to the Executive Appropriation Committee. The motion was seconded by Mayor Walker.

## Discussion to the Motion:

Chair Tuescher restate the terms of the loan for board members.

The motion passed unanimously.

* **EXECUTIVE SESSION**

Chair Tuescher suggested the board move into a closed executive session pursuant to Utah Code 52-4-205(1)(d) to discuss the development agreement. The board plans to return to open session to take any formal action on these matters.

## MOTION: Chair Snow moved that the board go into closed executive session. The motion was seconded by Ryan Starks and passed unanimously.

The board moved into executive session at 9:45 AM.

At 10:36 AM the board reconvened after the executive session. The motion to end the closed portion of the meeting and return to an open meeting was unanimously approved by the board in the closed session. The board had no action items to address from the executive session.

* **ADJOURNMENT**

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## MOTION: Rep Jeff Stenquist moved to adjourn the meeting. The motion was seconded by Chair Snow and passed unanimously.

The meeting ended at 10:40 AM.