COMMUNITY REINVESTMENT AGENCY AGENDA

Tuesday, September 1, 2026, 7:00 PM
1020 E. Pioneer Rd.
Draper, Utah 84020
Council Chambers

1. Call to Order

2. Items for Board Consideration

2.a Approve the August 18, 2026 Community Reinvestment Agency Meeting Minutes

2.b Action Item: Approve Resolution #CRA-26-05

3. Adjourn to City Council Meeting

I, the City Recorder of Draper City, certify that copies of this agenda for the **Draper Community Reinvestment Agency** meeting to be held **September 1, 2026**, were posted at Draper City Hall, Draper City website www.draperutah.gov, and the Utah Public Notice website at www.utah.gov/pmn.

Nicole Smedley, CMC, City Recorder
Draper City, State of Utah

In compliance with the Americans with Disabilities Act, any individuals needing special accommodations or services during this meeting shall notify Nicole Smedley, City Recorder at (801) 576-6502 or nicole.smedley@draperutah.gov, at least 24 hours prior to the meeting.

MEMO

To: Community Reinvestment Agency
From:
Date: 2026-09-01
Re: Approve the August 18, 2026 Community Reinvestment Agency Meeting Minutes

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Comments:

ATTACHMENTS:

2026-08-18 DRAFT CRA Meeting Minutes.pdf

MINUTES OF THE DRAPER CITY COMMUNITY REINVESTMENT AGENCY MEETING HELD ON TUESDAY, AUGUST 18, 2026, IN THE DRAPER CITY COUNCIL CHAMBERS, 1020 EAST PIONEER ROAD, DRAPER, UTAH

PRESENT:	Chair Troy K. Walker, and Boardmembers Kathryn Dahlin, Mike Green (via ZOOM), Bryn Heather Johnson, Tasha Lowery, and Fred Lowry
EXCUSED:	
STAFF PRESENT:	Mike Barker, City Manager; Kellie Challburg, Assistant City Manager; Scott Cooley, City Engineer and Public Works Director; Spencer DuShane, Assistant City Attorney; Rich Ferguson, Chief of Police; Traci Gundersen, City Attorney; Jennifer Jastremsky, Community Development Director; Rhett Ogden, Parks and Recreation Director; Derek Orth, Human Resource Director; Nicole Smedley, City Recorder; Clint Smith, Fire Chief; Jake Sorensen, Network Manager; and John Vuyk, Finance Director

Business Meeting

1.0 Call to Order at 8:35 pm

2.0 Items for Board Consideration

2.a Approval of June 2, 2026 and June 9, 2026 Community Reinvestment Agency Meeting Minutes

Boardmember Johnson moved to accept the June 2, 2026 and June 9, 2026 Community Reinvestment Agency Meeting Minutes. Boardmember Dahlin seconded the motion.

A roll call vote was taken. The motion passed unanimously.

	Yes	No	Absent
Boardmember Green	X		
Boardmember Johnson	X		
Boardmember T. Lowery	X		
Boardmember F. Lowry	X		
Boardmember Dahlin	X		
Boardmember Walker			

2.b Action Item: CRA Resolution #26-04 adopting the 2026 Annual Report of the Community Reinvestment Agency of Draper City

Jason Burningham with LRB Public Finance Advisors presented the 2026 Annual Report of the Community Reinvestment Agency of Draper City.

He said the City had six active project areas: FrontRunner CDA, Crescent RDA, South Mountain CRA, Sand Hills RDA, East Bangerter EDA, and West Freeway. The Sand Hills RDA, East Bangerter EDA, and West Freeway project areas had expired collection periods and unexpended Fund Balances, and Mr. Burningham asked the Boardmembers to consider objectives and use of the unexpended Fund Balances going forward.

Mr. Burningham said the Draper project areas had been some of the most successful and fruitful in the State from a financial perspective. Boardmember Dahlin referred to a proposed development in the East Bangerter EDA, and suggested Fund Balance could be used to improve and meet infrastructure needs.

Boardmember Green moved to approve CRA Resolution #26-04. Boardmember Johnson seconded the motion.

Boardmember F. Lowry said there were other areas that should also be explored to use some of the available funding, and referred to undeveloped property by the Pluralsight area and potential for a museum.

A roll call vote was taken. The motion passed by majority vote.

	Yes	No	Absent
Boardmember Green	X		
Boardmember Johnson	X		
Boardmember T. Lowery		X	
Boardmember F. Lowry	X		
Boardmember Dahlin	X		
Boardmember Walker			

3.0 Adjournment

Boardmember Green moved to adjourn the meeting and return to regular Council Meeting. Boardmember Johnson seconded the motion, which passed by unanimous voice vote.

The meeting adjourned at 8:58 pm.

MEMO

To: Community Reinvestment Agency
From: Mike Barker, City Manager
Date: 2026-09-01
Re: Action Item: Approve Resolution #CRA-26-05

Comments:

Nexcore Healthcare Development LLC ("Nexcore") or its affiliate intends to obtain a leasehold interest in certain real property upon which it proposes to develop the project commonly known as Lone Peak Medical Office Building IV (the "Project") within Draper City, Utah (the "City").

The Project consists of a three (3)-story medical office building consisting of approximately 80,000 square feet at 11925 South State Street, Draper, Utah (the "Site" or "Property"). Tenants at this facility will employ approximately 150 medical professionals who will provide specialized healthcare services, including cancer treatment and orthopedic care. The Project will be co-located next to the Lone Peak Hospital, thereby improving patient convenience, reducing travel times, and enhancing continuity of care.

In the interest of spurring economic development, creating high-wage medical jobs, and providing high-quality healthcare options within the City, the Community Reinvestment Agency (the "Agency") is willing to reimburse Nexcore for a portion of the costs incurred by Nexcore in development of the Property, subject to the terms and conditions set forth in the Participation Agreement.

The Agency and Nexcore desire to improve the Site in the Crescent Redevelopment District (the "District") within Draper, Utah; and Title 17C of the Utah Code, Community Reinvestment Agency Act, (formerly known as the Utah Redevelopment Agencies Act), as amended, authorizes the use of tax increment funding for such purposes within the District.

Staff Recommendation: Approve CRA Resolution 26-05 approving a participation agreement with Nexcore Healthcare Development LLC for the development of a medical office building in the Crescent Redevelopment District.

ATTACHMENTS:

Nexcore_Participation_Agreement_--_Final.pdf

RESOLUTION NO. CRA 26-05

A RESOLUTION APPROVING A PARTICIPATION AGREEMENT WITH NEXCORE HEALTHCARE DEVELOPMENT LLC FOR THE DEVELOPMENT OF A MEDICAL OFFICE BUILDING IN THE CRESCENT REDEVELOPMENT DISTRICT

WHEREAS, Nexcore Healthcare Development LLC ("Nexcore") or its affiliate intends to obtain a leasehold interest in certain real property upon which it proposes to develop the project commonly known as Lone Peak Medical Office Building IV (the "Project") within Draper City, Utah (the "City"); and

WHEREAS, the Project consists of a three (3)-story medical office building consisting of approximately 80,000 square feet at 11925 South State Street, Draper, Utah (the "Site" or "Property"). Tenants at this facility will employ approximately 150 medical professionals who will provide specialized healthcare services, including cancer treatment and orthopedic care. The Project will be co-located next to the Lone Peak Hospital, thereby improving patient convenience, reducing travel times, and enhancing continuity of care; and

WHEREAS, in the interest of spurring economic development, creating high-wage medical jobs, and providing high-quality healthcare options within the City, the Community Reinvestment Agency (the "Agency") is willing to reimburse Nexcore for a portion of the costs incurred by Nexcore in development of the Property, subject to the terms and conditions set forth in the Participation Agreement attached hereto as Exhibit A; and

WHEREAS, the Agency and Nexcore desire to improve the Site in the Crescent Redevelopment District (the "District") within Draper, Utah; and Title 17C of the Utah Code, Community Reinvestment Agency Act, (formerly known as the Utah Redevelopment Agencies Act), as amended, authorizes the use of tax increment funding for such purposes within the District; and

WHEREAS, the Community Reinvestment Agency Board of Directors hereby finds approval of the Participation Agreement is in the best interest of the health, safety and general welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY REINVESTMENT AGENCY OF DRAPER CITY, STATE OF UTAH AS FOLLOWS:

Section 1. Approval. The Participation Agreement with Nexcore Healthcare Development LLC, attached as Exhibit A, is approved and the Mayor is directed to execute the same on behalf of the Draper Community Reinvestment Agency.

Section 2. De Minimus Changes. The City Attorney is authorized to attach the final exhibits to this Agreement and correct any punctuation, spelling, formatting, clerical, or de minimus errors or omissions, provided such changes do not alter the substantive terms of the Agreement as approved by the Community Reinvestment Agency Board.

Section 3. Severability. If any section, part, or provision of this Resolution is held invalid, or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Resolution, and all sections, parts, and provisions of this Resolution shall be severable.

Section 4. Compliance With State Law. Pursuant to Utah Code Sections 17C-1-202(5)(d) and 17C-1-409(6), the Agency is authorized, directly or through the Salt Lake county treasurer, to use funding that would otherwise be provided to Developer under this Agreement to pay any delinquent property tax or privilege tax owed by Developer (or its successor) or to resolve any political subdivision lien against Developer (or its successor) related to the Property or Project. Before providing any tax increment funding under this Agreement, the Agency shall consult with the county treasurer as required by the Act.

Section 5. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED BY THE COMMUNITY REINVESTMENT AGENCY BOARD OF DRAPER CITY, STATE OF UTAH, ON THE 1ST DAY OF SEPTEMBER, 2026.

COMMUNITY REINVESTMENT AGENCY
OF DRAPER CITY BOARD

____
Chairperson

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ATTEST:

____
Nicole Smedley, City Recorder

VOTE TAKEN:	YES	NO	ABSENT
Board Member K. Dahlin	___	___	___
Board Member M. Green	___	___	___
Board Member B. Johnson	___	___	___
Board Member T. Lowery	___	___	___
Board Member F. Lowry	___	___	___
Mayor Walker	___	___	___

EXHIBIT A

(Participation Agreement)

PARTICIPATION AGREEMENT

THIS PARTICIPATION AGREEMENT (this "Agreement") is made and entered into as of the ______ day of ____________________, 2026, by and between the **REDEVELOPMENT AGENCY OF DRAPER CITY,** a public agency organized and existing under the laws of the State of Utah (the "Agency"), and **NEXCORE HEALTHCARE DEVELOPMENT LLC**, a Delaware limited liability company (herein after referred to as the "Developer").

RECITALS:

WHEREAS, Developer or its affiliate intends to obtain a leasehold interest in certain real property upon which it proposes to develop the project commonly known as Lone Peak Medical Office Building IV (the "Project") within Draper City, Utah (the "City"), and

WHEREAS, the Project consists of a three (3)-story medical office building consisting of approximately 80,000 square feet at 11925 South State Street, Draper, Utah (the "Site" or "Property"), more particularly described in Exhibit "A" attached hereto and incorporated by reference. Tenants at this facility will employ approximately 150 medical professionals who will provide specialized healthcare services, including cancer treatment and orthopedic care. The Project will be co-located next to the Lone Peak Hospital, thereby improving patient convenience, reducing travel times, and enhancing continuity of care, and

WHEREAS, in the interest of spurring economic development, creating high-wage medical jobs, and providing high-quality healthcare options within the City, the Agency is willing to reimburse Developer for a portion of the costs incurred by Developer in development of the Property, subject to the terms and conditions set forth herein, and

WHEREAS, the Agency and the Developer desire to improve the Site in the Crescent Redevelopment District (the "District") within Draper, Utah; and Title 17C of the Utah Code, Community Reinvestment Agency Act, (formerly known as the Utah Redevelopment Agencies Act), as amended (the "Act"), authorizes the use of tax increment funding for such purposes within the District.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Project and Site Improvements. To the extent Developer proceeds with the Project, Developer shall, at its sole cost and expense (subject only to the Reimbursement provided in Section 2), design, construct and complete the buildings and related improvements constituting the Project (the "Improvements") on the Site in accordance with all applicable laws, ordinances, codes, and permits.

2. Agency Reimbursement Obligations. In consideration for the construction of the Improvements on the Property, the provision of high-quality healthcare options, and the creation of high-wage medical jobs, the Agency agrees to reimburse Developer (hereinafter the

“Reimbursement”) for a portion of the capital expenditures Developer incurs with respect to the Project as more particularly set forth below. Total Reimbursement payments by the Agency shall not exceed Three Million Three Hundred Thousand and 00/100 Dollars ($3,300,000.00). The Reimbursement will be paid from funds being held by the Agency in accordance with the following provisions:

(a) The Agency agrees to reimburse Developer for eligible capital expenditures associated with the Site (Exhibit A). All payments are subject to verification of actual expenditures incurred, compliance with this Agreement, and the availability of unobligated funds in the District.

(b) The Agency will pay Developer the following maximum amounts in the specified fiscal years (each a “Fiscal Year,” running from July 1 to June 30) upon satisfaction of the applicable milestones and verification requirements set forth below:

Maximum Fiscal Year Payments:

FY 2026-27: $1,300,000.00

FY 2027-28: $1,300,000.00

FY 2028-29: $700,000.00

(c) Agency’s payments to Developer shall not exceed the cumulative amount of $3,300,000.00.

(d) Fiscal Year Payments shall be made only after the Developer submits satisfactory documentation and the Agency verifies the following applicable milestones and requirements:

1. FY 2026-27: Payment shall be made upon verification of closing of Developer’s construction loan for the Project, which verification may be evidenced by a recorded construction mortgage or its functional equivalent.

2. FY 2027-28: Payment shall be made upon Draper City (or such other applicable governmental authority) issuing a building permit for the construction of the structure and submission and Agency verification of at least Three Million and 00/100 Dollars ($3,000,000.00) in eligible Project expenditures for the Improvements after the lease for the Site is executed.

3. FY 2028-29: The remaining $700,000.00 shall be paid upon Agency verification of all of the following: the structure core and shell receiving a certificate of occupancy (or its functional equivalent); the first tenant’s improvements have been completed and a final certificate of occupancy (or its functional equivalent) has been issued for such tenant improvements; and the employment requirements for FY 2028-2029 set

forth in subparagraph (e) below have been met. The parties may allocate the $700,000.00 between these milestones by separate written agreement if desired.

(e) The request for and payment of the FY 2028-2029 payment is subject to verification that Developer or its tenants has created and is maintaining at least thirty (30) full-time equivalent (FTE) medical professional positions earning at least Ninety-Six Thousand and 00/100 Dollars ($96,000.00) per year. Developer shall verify such FTEs and wages for FY 2028-2029 by providing certified employment reports and payroll records satisfactory to the Agency, to the extent such information is available to Developer or obtainable by Developer through commercially reasonable efforts. Verification shall occur on or before the first day of June of each fiscal year (or such other date as mutually agreed).

If, in FY 2028-2029, fewer than the required FTEs are reported, or if the average wage does not meet or exceed such threshold, that fiscal year's annual payment to the extent not yet paid will be reduced by the corresponding percentage shortfall.

(f) The parties to this Agreement agree that the only source of monies for the Reimbursement required by this Agreement are the tax increment funding monies previously collected and currently being held by the District pursuant to the Act, based upon the value of the improvements to be constructed by the Developer on the Property, as well as the value of the personal property located therein.

(g) The obligations of the Agency for the payment of the Reimbursement as set forth in this paragraph 2 shall not in any way obligate or be considered a general obligation of the City.

(h) Developer's rights and obligations under this paragraph 2 may be assigned to another party operating upon the Property upon written notice to the City and the Agency.

(i) Notwithstanding any other provision of this Agreement, Developer may assign its right to receive the Reimbursement due under this Section to its lenders as collateral security for a construction or permanent loan in connection with the acquisition and development of the Property, and the Agency agrees to execute and deliver such consents, acknowledgments, assignments or other instruments as may be reasonably required to effect such collateral assignment, provided that such instruments do not materially increase the Agency's obligations or liability.

(j) Pursuant to Utah Code Sections 17C-1-202(5)(d) and 17C-1-409(6), the Agency is authorized, directly or through the Salt Lake county treasurer, to use funding that would otherwise be provided to Developer under this Agreement to pay any delinquent property tax or privilege tax owed by Developer (or its successor) or to resolve any political subdivision lien against Developer (or its successor) related to the Property or Project. Before providing any tax increment funding under this Agreement, the Agency shall consult with the county treasurer as required by the Act.

3. Assignability. The Developer may assign all of its interest, rights and obligations hereunder to another entity established by Developer or its affiliate to own or operate the Project located on the Site without the consent of the Agency (but with notice thereof to Agency within a reasonable period of time thereafter) and without further obligation under this Agreement thereafter; provided, however, that in connection with such assignment, Developer shall cause such assignee to assume all obligations of Developer accruing on and prior to, as well as after, the effective date of such assignment. This Agreement shall not be assigned by Agency without Developer's consent, except to a successor agency or as required by law.

4. No Waivers of Appeals Rights Intended. Nothing in this Agreement shall be construed as a waiver of Developer's appeal rights with respect to both real and personal property tax assessments or other City or county assessments or taxes.

5. No City Approvals Intended. Except as specifically noted, nothing in this Agreement shall be construed as granting any approvals required by the City or any other governmental authority, nor as a waiver of any regulatory land-use, building, or other requirement.

6. Counterparts. This Agreement may be executed in counterparts.

7. Severability. If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable under applicable law, the remainder hereof and the application of such term, covenant or condition to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby.

8. Applicable Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of Utah, excluding any choice of law rules that would apply the law of another jurisdiction.

9. Successors and Assigns. To the extent assignable pursuant to the terms of this Agreement, this Agreement shall inure to the benefit of Developer and the Agency, and their respective successors and assigns.

10. Miscellaneous. This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, representations, and agreements between the parties relating to the subject matter hereof.

11. Attorney's Fees. If either party brings suit to enforce or interpret this Agreement, the prevailing party shall be entitled to recover from the other non-prevailing party the reasonable attorneys' fees and costs incurred by the prevailing party in any such action or in any appeal from such action, in addition to the other relief to which the prevailing party is entitled.

12. Notices. Any notice or demand to be given by one party to the other shall be given in writing by personal service, express mail, Federal Express, DHL or any other similar form of courier or delivery service, or mailing in the United States mail, postage prepaid, certified, return receipt requested and addressed to such party's representative at the address provided in writing by the representative to the other representative. Either party's representative may change the address at which such representative desires to receive notice on written notice of such change to the other party. Any such notice shall be deemed to have been given, and shall be effective, on delivery to the notice address then applicable for the person to which the notice is directed; provided, however, that refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

Agency:

Redevelopment Agency of Draper City
12441 South 900 East
Draper, Utah 84020
Attention: Mayor and City Manager

With courtesy copy email to info@draperutah.gov

Developer:

NexCore Healthcare Development LLC
1550 Market Street, Suite 200
Denver, Colorado 80202
Attention: General Counsel

13. Use Restriction and Repayment Obligations. Developer agrees that the Property shall be used continuously as a medical office building providing healthcare services for a period of not less than seven (7) years following the final certificate of occupancy for the first tenant, except to the extent such continuous use is prevented by events or circumstances outside of Developer's reasonable control. In the event the Project is not substantially completed by December 31, 2028 (other than for reasons outside Developer's reasonable control), or the Property ceases to be used as a medical office facility for healthcare services (other than for reasons outside Developer's reasonable control), Developer shall promptly repay to the Agency any Reimbursement amounts previously paid, together with interest at the statutory rate.

14. Annual Reporting and Audit Rights. To the extent in Developer's possession or control, Developer shall provide the Agency with annual reports (by June 30 of each year) for FY 2026-27, FY 2027-28, and FY 2028-29, detailing occupancy rates, employment numbers and wages, and property taxes paid with respect to the Property. The Agency shall have the right, upon reasonable notice, to audit only those of Developer's records related to the Project and the Reimbursement reasonably necessary to verify compliance with this Agreement; provided, however, that such audit rights shall expire on December 31, 2029.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first herein above written.

DEVELOPER:

NEXCORE HEALTHCARE DEVELOPMENT LLC, a Delaware limited liability company

By: NexCore Real Estate LLC, a Delaware limited liability company, its Managing Member

By: NexCore Companies LLC, a Delaware limited liability company, its Managing Member

By: ______________________________
Name:_____________________________
Its: ______________________________
Date: _____________________________

AGENCY:

COMMUNITY REINVESTMENT AGENCY OF DRAPER CITY, a governmental entity

By: ___________________________
Its: Board Chair
Date: __________________________

Approved as to form and legality:

____
City Attorney

Attest:

____
City Recorder

CITY ACKNOWLEDGMENT

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

On the ____ day of ___________, 2026, personally appeared before me Troy K. Walker, who being by me duly sworn, did say that he is the Board Chair of the Community Reinvestment Agency of Draper City, a political subdivision of the State of Utah, and that said instrument was signed in behalf of the City by authority of its City Council and said Board Chair acknowledged to me that the City executed the same.

____
NOTARY PUBLIC

My Commission Expires: _______________
Residing at: _______________________

DEVELOPER ACKNOWLEDGMENT

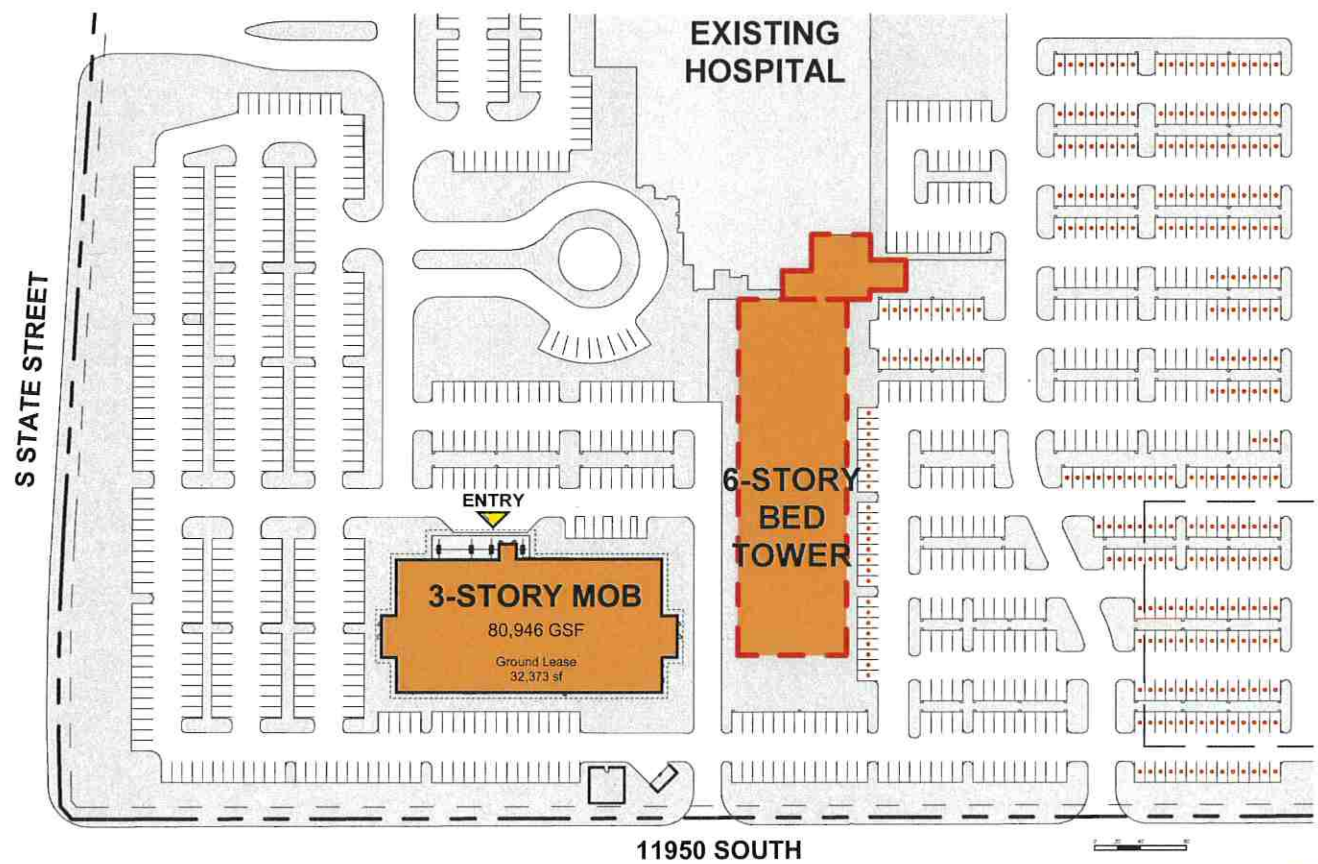
STATE OF COLORADO)
:ss.
COUNTY OF DENVER)

On the ____ day of ___________, 2026, personally appeared before me ______________, who being by me duly sworn, did say that he/she is the ______________ of NexCore Companies LLC, a Delaware limited liability company, the Managing Member of NexCore Real Estate LLC, a Delaware limited liability company, the Managing Member of NexCore Healthcare Development LLC, a Delaware limited liability company and that the foregoing instrument was duly authorized by the company at a lawful meeting held by authority of its operating agreement and signed in behalf of said company.

____
NOTARY PUBLIC

My Commission Expires: _______________
Residing at: _______________________

Exhibit "A"



NexCore GROUP

LONE PEAK HOSPITAL - MEDICAL OFFICE BUILDING CORE/SHELL
ARCHITECTURAL SITE PLAN - FUTURE

SHEET #: AS002
DGL PROJECT #: 5770.24
ISSUE DATE: 05/21/2026

Devenney GROUP