



Military Installation Development Authority

MIDA Board Meeting Minutes: May 5, 2015 at 9:00 am. Held at Northfront Business Resource Center 450 Simmons Way, Kaysville, Utah

Board Members Present: Stuart Adams (Chair), Jerry Stevenson (Vice Chair), Derk Timothy, Mark Shepherd, Gary Harter, Mike Ostermiller (by telephone)

Board Members Absent: Joe Ritchie,

1. **Welcome:** Stuart Adams, (Chairman)
2. **Approval of minutes for April 7, 2015:** Motion to approve the minutes for April 7, 2015: Derk Timothy, 2nd Mark Shepherd. Those voting yes: Stuart Adams, Jerry Stevenson, Mark Shepherd, Derk Timothy, Gary Harter, Mike Ostermiller. Those voting no: none.
3. **Consideration of Resolution 2015-05 Approving a 30 Year No Rental Cost Lease with the Government (Air Force) and an Estoppel, Subordination, and Non Disturbance Agreement with the Government and Sunset Ridge Development Partners and all Other Necessary Documents and Agreements in Conjunction with the Lease of Unit 101 in Building 1580 in the Falcon Hill Project Area:** Paul Morris: The agreement presented is the same as was presented three months ago to the MIDA Board, discussing the 30 Year No Rental Cost Lease with the Government. The Air Force has signed it as well as SRDP and Griffon. Griffon is the LLC created by SRDP to actually own the physical building 1580. MIDA is the last party to sign the agreement. This resolution approves the three agreements which are: 1) The 30 year lease 2) Estoppel, Subordination and Non-Disturbance agreement, what that means is that all parties that sign the agreement won't interfere with the Air Force quiet use and enjoyment of the condominium. 3) The memorandum of the Lease: This is a simple document that gets recorded. Rather than recording the entire lease it simply states that there is a lease of this condominium unit. The lease is a 30 Year No Rental Cost Lease with the Government (Air Force) that provides for a number of things, basically that they can occupy it and that they will pay for all utilities, janitorial costs from the walls in, which we own and from the walls out that is owned by the condominium association that was created when we recorded the plat and that the Board approved. That association buys the insurance and does the landscaping and maintenance around the building. MIDA will receive the bills from the association and will in turn give the bill to the Air Force who will pay the bill. If the Air Force chooses not to pay the bill they will have MIDA pay it out of the PIK account which is their money and if there is no money in the PIK account then SRDP would have to pay the bill from the developer's equity. At no time is MIDA responsible to pay for anything inside or outside of the building. The only responsibility that MIDA has is to furnish its own liability insurance. MIDA does not have any indemnification or hold harmless requirements and will be responsible for our own actions and the Government is responsible for its own actions. It was mentioned that the only obligation that we have of indemnification or hold harmless is if we do something environmentally bad on the property. It was also noted that Mayor Timothy had some questions that were answered by Paul Morris prior to the meeting. Motion to adopt Resolution 2015-05: Derk Timothy, 2nd Mark Shepherd, Those voting yes; Stuart Adams, Jerry Stevenson, Mark Shepherd, Derk Timothy, Gary Harter, Mike Ostermiller. Those voting no: none.

4. **Consideration of Resolution 15-11 Appointing Ben Hart, Managing Director of Urban and Rural Business Services for the Governor's Office of Economic Development, to the MIDA Board as a Nonvoting Member to serve a 4 year term ending March 2019:** Paul Morris: Gary Harter had met with Val Hale to discuss having a GOED member present on the MIDA Board in a non-voting capacity. GOED has the responsibility for Economic Development where MIDA has the Military Economic Development and this would create a more cohesive relationship whereby better coordination would occur and they would be able to share resources. The MIDA Board has the authority to appoint non-voting members to the MIDA Board. Ben is very aware of what MIDA is and what it is trying to do. Stuart Adams: Ben is very familiar to members of the Board and expressed the choice as an excellent addition. Others members of the board gave their overwhelming approval as well. Motion to approve Resolution 15-11: Gary Harter, 2nd Jerry Stevenson, those voting yes: Stuart Adams, Jerry Stevenson, Mark Shepherd, Derk Timothy, Gary Harter, Mike Ostermiller. Those voting no: None
5. **Other Business, including project area updates:** Falcon Hill Project Update: Gary Stewart noted that they are finalizing the lease on the second floor in Bldg 1580. There has been a request for a 25,000sf building outside the fence. SRDP is working with the contractor and the software support group to better define their requirements and move on to the second step which would be value engineering. Workload – Ground Base Strategic Deterrent – silos across the Midwest need to be upgraded and the folks designing the upgrades will be housed on the 2nd floor of Bldg 1580. David Williamsen: New groups are showing interest in coming to HAFB and there is a real good relationship between the Air Force and the Developer to bring those people here. There was a general discussion regarding the square footage requirements for the new Software Building. Paul Morris: MIDA will request that the Utah Defense Alliance will give MIDA 250,000 for the preliminary design work for the Software Building. Starbucks will be open for business shortly and efforts will be made to let the public know that it is open.
6. **Motion to adjourn:** Those voting yes; Stuart Adams, Jerry Stevenson, Mark Shepherd, Derk Timothy, Gary Harter, Mike Ostermiller. Those voting no: none. Adjourned at 9:40 a.m.
7. **The next regular meeting – June 2, 2015.**
8. **Those in attendance:** Ron Richins, Detlef Galke, Paul Morris, Ted Frederick, Cory Shupe, Gary Stewart, David Williamsen, Mark Holt, Ben Hart