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**MINUTES
TO BE
APPROVED**

**MINUTES OF THE WEST JORDAN CITY
REDEVELOPMENT AGENCY MEETING**

Wednesday, August 10, 2016

6:00 p.m.

Council Chambers

8000 South Redwood Road

West Jordan, Utah 84088

BOARD: Chair Kim V. Rolfe, and Board Members Dirk Burton, Zach Jacob, and Sophie Rice. Board Member Chad Nichols arrived at 5:12 p.m. Board Members Jeff Haaga and Chris McConnehey were excused.

STAFF: Mark Palesh, City Manager; Duncan Murray, Deputy City Attorney; Melanie Briggs, City Clerk; David Oka, Economic and Community Development Director; Brian Clegg, Parks Director; Bill Pyper, Acting Finance Director; Wendell Rigby, Public Works Director; Marc McElreath, Fire Chief; Doug Diamond, Police Chief; Kim Wells, Public Information Officer; Paul Coates, Economic Development/ODA Manager; Jeremy Olsen, Economic Development/ODA Supervisor; Chris Kinzel, Fire Captain; Richard Davis, Deputy Police Chief, and Jim Riding, CIP/Facilities Project Manager.

I. CALL TO ORDER

Chair Kim V. Rolfe called the Redevelopment Agency meeting to order at 6:00 p.m.

II. PUBLIC HEARING

**PUBLIC HEARING ON THE DRAFT PROJECT AREA BUDGET FOR THE
PIONEER TECHNOLOGY DISTRICT ECONOMIC DEVELOPMENT PROJECT
AREA**

During the public hearing, the Agency heard public comment on and objections to the draft budget, including whether the draft budget should be revised, approved, or rejected and also received all written comments and objections to the draft budget. Any person objecting to the draft budget or contesting the regularity of any of the proceedings to adopt was asked to appear at the hearing to show cause why the draft budget should not be adopted.

Chair Rolfe read the following statement: "For about 18 months, the City of West Jordan has been working with the Governor's Office of Economic Development, State Legislature, Economic Development Corporation of Utah, Jordan School District, State School Board, and Salt Lake County to recruit a data center.

To recruit these types of businesses, a public/private partnership is structured where a percentage of the property taxes they would pay is rebated back to the company to defray the costs of onsite and offsite infrastructure necessary for this project and other neighboring developments.

With this type of partnership, the Company pays taxes first, then receives a refund – there is no risk to local entities. If they don't build at the site, they do not receive any rebate money.

Currently the land for Project Discus is vacant and generated very little property tax. Property tax is based on the value of the land and the improvements on it. Once it's developed, it generates far more property tax, which then benefits the county, school district, city, etc. If this company locates in our city, these local taxing entities would receive over \$30 million over the next 20 years as a direct result. This money benefits the state, county, school district, city and more. Property tax collected from businesses also helps keep property taxes for residents low.

Taxing entities will begin receiving the additional tax revenue starting in 2018 when the first phase of the project is complete. For example, the school district currently receives about \$439/year from property taxes on the 232-acres where Project Discus would be located. After the first year of project completion, the school district will receive an estimated \$347,895. And at the conclusion of the 20-year agreement, the taxing entities would receive the full benefit of the project area.

Would this area develop without the incentive? Yes. Eventually. But would it bring in the kind of tax revenue this project would? No. If Project Discus moves forward, it would represent an investment in the City of \$1.5 Billion, that's billion with a B.

This area was zoned for commercial development, which brings tax revenue into the system. By contrast, adding more homes or apartments to the area further strains the school system as well as put much more traffic on the roads. We would prefer to see this area develop as planned with businesses rather than see the use changed to high density residential. Or become the site of low-income housing.

There has also been a lot of talk about the number of jobs that would be created by this project. That is only part of the story. The economic impact of construction will also generate hundreds of millions of dollars in economic impact and will support thousands of jobs.

Misinformation regarding the water needs of this company has flooded the media. Numbers from this company's existing data centers indicated the actual water usage to be less than a million gallons per day during hot weather. And during 6 months of the year, our climate ensures little water is needed. Our cool dry climate is one of the reasons Utah was in the running as a site for this data center.

Any time we look at bringing a new business to the City, we always look at infrastructure needs. We have been working with the Jordan Valley Water Conservancy District. They assure us that they can provide the required water to meet the needs of this business and that it would not impact current residents and businesses.

This business would pave the way for other companies to follow. In fact, other companies have already shown interest in the area. We plan for this area to be a tech corridor. The types of jobs generated by high-tech companies tend to be high paying.

The reason these kinds of companies receive these types of agreements is because they were so sought after. They are industry leaders that invest large amounts of money into the local economy and have a “halo effect” where similar companies follow their lead and locate in the region.

This company had the potential to contribute greatly not only to our City economy but also the state's economy. This was why the state, county and other entities have been working with us for a year-and-a-half to bring this company to our state. Utah is a great place to live and do business, and this company would be a welcome addition to our state.”

Chair Rolfe opened the public hearing.

Alexandra Eframo, West Jordan resident, supported Project Discus and was surprised and frustrated with Salt Lake County Council stating they just recently heard of the project.

Boardmember Nichols arrived at 5:12 p.m.

Steve Jones, West Jordan resident asked the following questions:

- In the next 20-years whether his taxes would be raised due to this facility?
- What about the infrastructure getting the water in/out of the facility?
- Damage to existing roads in the core of the City

If this cost the residents of the City an increase in taxes and provides no service to the City of West Jordan then it would be of no value to West Jordan. He felt high salary employees would live outside West Jordan.

He said if there was a hint of a chance based on this facility solely, that he would be taxed higher and utility fees would rise, then the business should go elsewhere.

Dennis Randall, West Jordan resident, said he would be available in any way to participate in the negotiations or the development of this project let him know. He supported the proposed project.

Jamie Bevilhymmer, West Jordan resident, moved into her home when the area was considered rural. She supported the Mayor, but wanted to make sure in the future that Project Discus would not affect her utilities and taxes.

She asked the Council to treat each other kindly and remove the rocks from the dais.

There was no one else who desired to speak. Chair Rolfe closed the public hearing.

Boardmember Jacob agreed that if this would cost the residents more money, he would be against it. He felt all of the Council over the last 10-years agreed that the City needed to focus on business development in the City.

Residential communities were a drain of resources and do not provided property tax revenue like businesses. Project Discus was providing the City a chance. He said the decision was whether over the next 20-years we wanted \$33.8 million in property taxes or \$1,000 per year which was what we currently receive. He said the City could take the chance and wait for someone else to come in, but it would be a chance. He supported this project.

Boardmember Burton said this project would be required to use Utah Licensed contractors. He also supported this project.

Boardmember Nichols reported that a phone call took place where he, City staff, and Project Discus discussed the water issue. He said representatives from Project Discus allowed the City to state that significantly less than one-million gallons of water would be used per day. He said the water issue to him was highly personal. He felt Project Discus was good for the City, county, and the State of Utah.

Boardmember Rice agreed with the rest of the Council and was excited for the prospect.

Chair Rolfe felt this would be a great project for the City and State of Utah.

III. ADJOURN

MOTION: Board Member Rice moved to adjourn the Redevelopment Agency meeting and convene the City Council meeting. The motion was seconded by Board Member Nichols.

A roll call vote was taken

Board Member Burton	Yes
Board Member Haaga	Absent
Board Member Jacob	Yes
Board Member McConnehey	Absent
Board Member Nichols	Yes
Board Member Rice	Yes
Chair Rolfe	Yes

The motion passed 5-0.

The meeting adjourned at 6:28 p.m.

The content of the minutes is not intended, nor are they submitted, as a verbatim transcription of the meeting. These minutes are a brief overview of what occurred at the meeting.

KIM V. ROLFE
Chair

ATTEST:

MARK PALESH
Executive Director

Approved this day of 2016

DRAFT