

A Meeting of the Nibley Community Reinvestment Agency held at Nibley City Hall, 455 West 3200 South, Nibley, Utah, on Thursday, May 26, 2022.

The following actions were made during the meeting:

Agency Member Larsen moved to approve Resolution CRA 22-01: Malouf Community Reinvestment Area Draft Project Area Plan by Malouf Industries and Lewis Young Robertson & Burningham, as presented. Agency Member Beus seconded the motion.

Voting on the motion to approve Resolution CRA 22-01 was as follow:

Agency Member Bernhardt voted in favor.

Agency Member Beus voted yes.

Agency Member Larsen voted yes.

Agency Member Laursen voted yes.

Agency Member Sweeten voted yes.

The motion passed unanimously 5-0; with Agency Member Larsen, Agency Member Beus, Agency Member Bernhardt, Agency Member Laursen, and Agency Member Sweeten all in favor.

Agency Member Beus moved to approve Resolution CRA 22-02: Malouf Community Reinvestment Area Draft Budget by Malouf Industries and Lewis Young Robertson & Burningham. Agency Member Laursen seconded the motion.

Voting on the motion to approve Resolution CRA 22-02 was as follow:

Agency Member Bernhardt voted in favor.

Agency Member Beus voted yes.

Agency Member Larsen voted yes.

Agency Member Laursen voted in favor.

Agency Member Sweeten voted yes.

The motion passed unanimously 5-0; with Agency Member Beus, Agency Member Laursen, Agency Member Bernhardt, Agency Member Larsen and Agency Member Sweeten all in favor.

City Recorder Cheryl Bodily took minutes

Call to Order

Chairman Larry Jacobsen called the Thursday, May 26, 2022, Nibley Community Reinvestment Agency meeting to order at 6:31 p.m. Those in attendance included Chairman Larry Jacobsen, Agency Member Kathryn Beus, Agency Member Tom Bernhardt, Agency Member Norman Larsen, Agency Member Nathan Laursen, and Agency Member Kay Sweeten. Justin Maughan, Community Reinvestment Agency Executive, and Cheryl Bodily, Community Reinvestment Agency Secretary.

Approval of Agenda

Agency member Larsen moved to approve the evening's Community Reinvestment Agency agenda. Agency member Laursen seconded the motion. The motion passed unanimously 5-0; with Agency member Larsen, Agency member Laursen, Agency member Beus, Agency member Bernhardt, and Agency member Sweeten all in favor.

Public Hearing – Presentation of the Malouf Community Reinvestment Area draft Project Area Plan and draft Project Area Budget by Malouf Industries and Lewis Young Robertson & Burningham for discussion & consideration by the Redevelopment Agency of Nibley City

Spencer Foster, with a consulting firm in SLC called Lewis Young Robertson & Burningham, had a presentation. He used an electronic presentation entitled *Nibley City Community Reinvestment Agency Malouf Community Reinvestment Project Area (CRA)* (a printed copy of this presentation is included in the printed meeting minutes). The topics addressed during his presentation included the following: Presentation Overview, Community Reinvestment Area (CRA)/Tax Increment Financing, Malouf Community Reinvestment Area, Project Area Boundary, Reasons for the Project, Development Plan Assumptions, Participation From Taxing Entities, Base Year Taxes Vs. Taxes After Project Completion, Pass-Through Increment to Taxing Entities, Cost Benefit Analysis, Next Steps, and Questions?

Chairman Jacobsen noted the attendance of Sam Rigby from Cache County School District, Jeffrey Steed, with the Malouf Corporation, and Shawn Milne, representing the Development office of Cache County at the meeting.

Mr. Steed described that Malouf companies had discussed whether they would stay in Nibley and that the campus in Nibley represented one of their smallest property holdings and they had decided to stay if they could make it work. He felt the project, combined with the incentive they received from the state of Utah, made sense. He said Malouf cared very much about the community. They cared about a triple bottom line of: people, planet, and profits. He felt Malouf

had made a positive impact on Cache County. Mr. Steed discussed the jobs he felt would be created by Malouf's presence in the community.

Chairman Jacobsen opened the public hearing at 6:59 p.m.

Al Bingham arrived at 7:02 p.m.

Mr. Al Bingham, who represented the property of Wesley Nelson Farms said they overall supported the concept but had a couple concerns because they'd run into a brick wall over the last 15 months. The issues that had come up were (1) with the roadway at 2600 South, (2) they had a standing offer on their commercial property, (3) the light at highway 89/91 and 2600 South, and (4) the residential piece and 2,000 liner feet of manufacturing and commercial border that they couldn't put single-family homes up against. He felt that before they proceed to go forward with an RDA they needed to have an overall development agreement. His family was in the position of not pursuing the development any longer. The city needed to decide if they wanted the project anymore.

Shawn Milne the Cache County Economic Director highlighted that in the area of deal making and development, he served the municipalities and other jurisdictions and taxing entities to be their owners rep. He said he was on loan to the municipalities. He felt LYRB had done a fantastic job on the case, representing two different parties. Mr. Milne said he was available to advocate on the CRA's behalf.

Seeing no further comments and seeing to objection from the Agency, Chairman Jacobsen closed the public hearing at 7:11 p.m.

Discussion & Consideration – Resolution CRA 22-01: Malouf Community Reinvestment Area Draft Project Area Plan by Malouf Industries and Lewis Young Robertson & Burningham

Chairman Jacobsen redirected that the CRA was talking about creating a plan and budget for a community redevelopment area and the identification of developers involved in the process were not part of the current process. The evening's discussion created the community redevelopment area but did not include the development plans.

Agency Member Laursen asked how the assessed values were selected. Mr. Foster said they'd worked with Malouf to come up with some assumptions and had looked at comparisons in Cache County and had looked throughout the United States for comparable studies of what the project would cost. Agency Member Laursen sought for clarification that they were approving that they agreed with the money and the assessed values, that they had a plan for the area the

plans would be used on and started the process of interlocal agreements with other entities. Chairman Jacobsen said the specificity of what was before the Agency was that 75% of Nibley City property tax, and if the School District joined them, there would also be a sales tax part of this that would be worked out between Nibley City and the school district. Agency Member Laursen asked if the agreement with sales tax with the school district was part of the negotiations that happened outside of CRA meetings? Mr. Maughan said this had been discussed with the school district and they were not interested unless the sales tax was a part of the agreement. This was new and not done often but the school district found it hard to give up property tax without anything extra coming in for a long time was "hard to swallow." Mr. Rigby said the sales tax was being used more often. As a rural school district, they relied heavily on the property tax base. He said the school district was in favor of the proposal and looked forward to further negotiations. He said they looked forward to the future of what the proposal brought to the school district in the future. Agency Member Bernhardt asked if they had confidence, they could split sales tax out. Mr. Maughan said he'd been told it could be split out by representatives at the meeting and the taxing state agency could provide reports at a private level. Agency Member Laursen asked Mr. Milne's opinion of assessed values. Mr. Milne confirmed what Mr. Maughan had said and shared that he thought the assessed values and the County Assessors job was to ensure the assessed values were proper. He said LYRB was a reputable organization, and the value was akin to adopting a tentative budget.

Mr. Bingham said he'd like to see things work out but if they couldn't come to a mutual decision he didn't see a purpose of participating in an RDA.

Agency Member Larsen moved to approve Resolution CRA 22-01: Malouf Community Reinvestment Area Draft Project Area Plan by Malouf Industries and Lewis Young Robertson & Burningham, as presented. Agency Member Beus seconded the motion.

Agency Member Bernhardt asked if Wesley Nelson Farm and Nibley City didn't come to an agreement, would they have to go through the process and would Wesley Nelson Farm have to be in the CRA. Mr. Milne said he saw very little reason to advise the Agency to exclude the property. It would require an amendment to what LYRB had done and he was a faithful observer that things could be worked out, and very favorably for Mr. Bingham and his family of businessmen. He said it would unnecessarily complicate the work they had in front of them tonight and would lengthen the process on the future. There was and plenty of capacity to work with Mr. Nelson and what he'd heard of what his project could be. Agency Member Laursen asked if they added to the parcel, what the restrictions would be. Chairman Jacobsen said the tax increments needed to be spent in the project area.

Agency Member Sweeten asked what the cons or downside to the agreement were. Chairman Jacobsen said one could assume that Malouf was there to stay and would do the project regardless and didn't need an incentive to do these things. That was a statistical possibility. Nibley City could take the additional tax that was generated from the improvement and spend it however Nibley City decided to spend it, as opposed to taking the increment and earmarking it for improvement in the project area. Agency Member Sweeten clarified that once the timeframe ended the restrictions where the funds were spent ended. Chairman Jacobsen said this represented a fantastic economic opportunity for Nibley and for Cache County. He questioned if they wanted this? If they were tired of winning? Where they growing in a quality way?

Agency Member Beus asked if they would be the sole agency that would allocate funds? Was Cache County School District giving the Agency the authority to make these decisions? Mr. Foster said all the taxing agencies were giving the RDA the authority to use the tax increment how they felt was best for the project area. The CCSD were relinquishing their capacity to 75% of the tax increment and gave the RDA the authority to use the tax the way they felt best for the project area.

Voting on Resolution CRA 22-01 was as follow:

Agency Member Bernhardt voted in favor.

Agency Member Beus voted yes.

Agency Member Larsen voted yes.

Agency Member Laursen voted yes.

Agency Member Sweeten voted yes.

The motion passed unanimously 5-0; with Agency Member Larsen, Agency Member Beus, Agency Member Bernhardt, Agency Member Laursen, and Agency Member Sweeten all in favor.

Discussion & Consideration – Resolution CRA 22-02: Malouf Community Reinvestment Area Draft Budget by Malouf Industries and Lewis Young Robertson & Burningham

Agency Member Beus moved to approve Resolution CRA 22-02: Malouf Community Reinvestment Area Draft Budget by Malouf Industries and Lewis Young Robertson & Burningham. Agency Member Laursen seconded the motion.

Voting on Resolution CRA 22-02 was as follow:

Agency Member Bernhardt voted in favor.

Agency Member Beus voted yes.

Agency Member Larsen voted yes.

Agency Member Laursen voted in favor.

Agency Member Sweeten voted yes.

The motion passed unanimously 5-0; with Agency Member Beus, Agency Member Laursen, Agency Member Bernhardt, Agency Member Larsen and Agency Member Sweeten all in favor.

The meeting of the Community Reinvestment Agency adjourned at 7:49 p.m. and moved to the meeting of the Nibley City Council.

Attest: _____
Agency Secretary