

MEDA

Millard County Economic Development Association

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DATE: February 14, 2024
TO: Economic Development Board Members
SUBJECT: Economic Development Meeting

There will be a meeting of the Millard County Economic Development Board to be held on **Wednesday, February 14, 2024 at 8:00 a.m.** in the Millard County Commission Chambers at the Millard County Court House, 50 S. Main, Fillmore, Utah. All are encouraged to attend.

AGENDA

1. Welcome - Chairman Evelyn Warnick
2. Approval of January 17, 2024 minutes
3. Binders/Bylaws
4. Discussion on Revolving Loan Fund/discussion on proposed Funding from November.
5. Group Discussion Role of MEDA/Group Vision Discussion, ideas for discussion.
 - 1- Marketing Packets to send out about the County
 - 2- Identify Business we would like to have in the County
 - 3- Invite Local business each month to present-how can we help
 - 4- Clinics for business/Study/survey business
6. Other Business
Follow-up two weeks email with any assignments.
7. Adjournment

Board Members: Please call if you are unable to attend.

MILLARD COUNTY ECONOMIC DEVELOPMENT BOARD BYLAWS

ARTICLE I. NAME OF ORGANIZATION

The Millard County Economic Development Board (the “Board”).

ARTICLE II. BOARD PURPOSE

Section 1. Purpose

This board is organized by the Board of County Commissioners of Millard County (the “BOCC”) to further the economic development, workforce opportunities, real estate development, and business services across the County. The Board will liaise with public and private institutions to insure the management of sustainable economic growth in the County. The Board will provide advice and guidance to the BOCC on the Rural County Grant Program (“RCGP”), created by Utah SB 0095 (Economic Development Amendments, 2020), which mandates that for each rural county to apply they must have a Board in place. The Board will also serve as the starting point for any incentive requests from private industry. The Board will also coordinate with County planning staff to ensure that all projects are adhering to County Land Use Ordinances

Section 2. Specific Purposes

The Board shall assist and advise the BOCC by providing recommendations to the BOCC on the following areas:

- Applying for a grant under the RCGP
- What projects should be funded by grant money provided to a rural county under RCGP
- Preparing reporting requirements for grant money received by a rural county under RCGP
- Creation of Community Reinvestment Areas (CRAs)
- Analyzing all requests for public incentives from municipalities and private companies

ARTICLE III. MEMBERSHIP

Section 1. Eligibility for Membership

The BOCC shall appoint members of the Board. The board will consist of at least nine members. When vacancies occur, the board may recommend a list of names to the BOCC from which a

Section 3. Notice of Meetings

Electronic notice of each meeting shall be given to each voting member not less than two days prior to the meeting. The Board will also follow The Open and Public Meetings Act (Utah Code Title 52, Chapter 4), which mandates that notice and the agendas of public meetings be available to the public.

Section 4. Quorum

A quorum will be composed of at least five (5) members before official business such as approving minutes or accepting a motion may be carried out.

Section 5. Voting

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place.

ARTICLE VI. MEMBER RESPONSIBILITIES & TERM

Section 1. Member Responsibilities

All applications for the RCGP shall be received, reviewed, and voted on by the members of the Board and submitted as recommendations for BOCC final approval. Recommended applications will be submitted to the BOCC for final approval before submitting to the Office of Rural Development in collaboration with the rural partnership board in accordance with SB 0095 and Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

The board will ensure that approved grants meet eligibility and reporting criteria for a rural county to receive grant money under SB 0095 Subsection (4)(b), including relevant submission forms, reporting requirements, and deadlines.

The Board will not recommend more than \$800,000 of aggregate grant awards annually and will work with BOCC to prioritize applicants that:

- Align with the existing economic development priorities of the County
- Demonstrate clear economic need
- Utilize local or in-kind resources in combination with the grant
- Have evidence that jobs will be created
- Have evidence that there will be a positive return on investment

All other requests for incentives will first be reviewed by the Incentives Committee. This committee will decide if the requested incentive meets the requirements to advance to the

The purpose of the conflict of interest policy is to protect this Board and its members from approving grants and/or incentives that might benefit the private interest of a board member. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to governmental organizations.

Section 2: Definitions

a) Interested Person

Any board member who has a direct or indirect financial interest, as defined below, is an interested person.

b) Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Board is considering an application, transaction, or arrangement,
2. A compensation arrangement with the Board or with any entity or individual with which the Board has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Board is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures

- a) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the board considering the proposed transaction or arrangement.
- b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

The Chairperson will not typically be involved in the voting process but will be called upon to cast a vote in case of a tie or if there are insufficient board members to quorum.

The Chairperson will not make motions. The Chair may, however, suggest a motion be called leaving the responsibility to the members of the Board.

Section 2. Vice-Chairperson

Vice Chairperson shall be:

- Elected to a one-year position by popular vote of the Board members.
- The Board may recommend to the BOCC that the Vice Chair rotate into the Chair position.
- Responsible for duties of the Chairperson when the Chair is unable to attend

Section 3. Committees

The Board will create at least one standing committee, the Incentives Committee. This committee will consist of three (3) members, the Chair and two other members voted on by the Board. This committee will convene to review any sensitive and/or proprietary information associated with potential economic development projects. The analysis of the project and the potential of providing an incentive using the guidelines from "Project Area" creation set forth in Section 17C-5-104 of Utah Code. The Board can create any new standing or ad hoc committees with a vote.

Section 4. Working Groups

The Board will create working groups to focus on topics directly related to economic growth in the County. These groups will consist of two (2) to four (4) Board members and outside partners. They will allow the Board members to analyze specific issues and opportunities in smaller groups and bring findings back to the entire Board. The five (5) groups that will be created are Workforce, Housing, Municipalities, Business Expansion & Retention, and Real Estate Development. The Board can create new working groups with a vote.

ARTICLE V. MEETINGS OF MEMBERS

Section 1. Regular Meetings

Regular meetings of the members shall be held [monthly], at a time and place designated by the board chair.

Section 2. Special Meetings

Special meetings may be called by the chair or a simple majority of the board of directors.

Board for a vote. The Board will establish an incentives policy outlining the general requirements for the Board to provide an incentive.

Section 2. Reporting Responsibilities

On or before September 1st of each year, if the county has received a grant under the RCGP in the previous 12 months, the Board shall provide a written report to the rural partnership board that describes:

- The amount of grant money the county has received;
- How grant money has been distributed by the county, including what companies or entities have utilized grant money, how much grant money each company or entity has received, and how each company or entity has used the money;
- An evaluation of the effectiveness of awarded grants in improving economic development in the county, including the number of jobs created, infrastructure that has been created, and capital improvements in the county;
- How much matching money has been utilized by the county and what entities have provided the matching money;
- Any other reporting, auditing, or post-performance requirements established by the Office of Rural Development in collaboration with the rural partnership board under Subsection (6) in SB 0095.

Note, County staff may be appointed to assist with the creation of reporting documents.

Section 3. Tenure, Requirements, and Qualifications

Newly appointed members of the Board who have not served before shall serve initial one-year terms. At the conclusion of the initial one-year term, the BOCC with recommendation from the Board may decide to retain the members for additional terms or appoint new members.

Each member of the Board of Directors shall attend at least 50% of the meetings of the Board per year.

Section 4. Forfeiture

Any member of the Board who fails to fulfill any of his or her requirements as set forth in this Article by shall automatically forfeit his or her seat on the Board.

ARTICLE VII. – Conflict of Interest

Section 1: Purpose

new board member may be appointed. Board members will serve for a term of three years and may be reappointed to serve an additional term. Board members who terminate without completing their term will be replaced with the new member starting with their first three-year term beginning of the year (January), of the year in which they were appointed. The Board will also make appointments that fall in line with Section 17-54-104 of Utah SB 0095, which states that the Board shall be composed of at least the following members:

- A county representative
- A representative from a municipality in the county
- A workforce development representative
- A private sector representative
- A member of the public who lives in the county

Members are appointed at the behest of the BOCC, but applications shall be open to any current resident, property owner, business operator, or employee of the county.

Section 2. Rights of Members

Each member shall be eligible to appoint one voting representative to cast the member's vote in association elections.

Section 3. Resignation and Termination

Any member may resign by filing a written resignation with the board. A member can have their membership terminated by the County's legislative body.

Section 4. Non-voting Membership

The board shall have the authority to establish and define non-voting categories of membership to the extent it sees that necessary.

ARTICLE IV. OFFICERS, COMMITTEES, AND WORKING GROUP

The officers of this Board shall be the Chairperson and Vice-Chairperson. All officers must have the status of active members of the Board.

Section 1. Chairperson

Chairperson shall be:

- Appointed by the Board of BOCC to a one-year term
- Responsible for calling meetings and setting the agenda
- Responsible for orderly flow of meetings

c) Procedures for Addressing the Conflict of Interest

1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
3. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the CED Board's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

d) Violations of the Conflicts of Interest Policy

1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial creators of this board, and we consent to, and hereby do, adopt the foregoing Bylaws.

ADOPTED AND APPROVED by the BOCC on this 27 day of November 2027

Evelyn Warrick

[BOCC]

Evelyn Warrick

[Board Chairperson]

Rural County Grant Program Economic Development

Date	Revenue	Expense	Notes
10/22/2020	\$ 95,833.00		
12/23/2020		\$ 15,000.00	4th QTR E.D. Contract UAC
2/26/2021		\$ 15,000.00	1st QTR E.D. Contract UAC
9/24/2021		\$ 15,000.00	3rd QTR E.D. Contract UAC
9/24/2021		\$ 15,000.00	4th QTR E.D. Contract UAC
10/21/2021	\$ 200,000.00		
2/11/2022		\$ 15,000.00	1st QTR E.D. Contract
3/25/2022		\$ 15,000.00	2nd QTR E.D. Contract
7/1/2022		\$ 15,000.00	3rd QTR E.D. Contract
7/1/2022		\$ 15,000.00	4th QTR E.D. Contract
2/6/2023	\$ 200,000.00		
6/16/2023		\$ 30,000.00	1st & 2nd QTR E.D. Contract
11/17/2023		\$ 15,000.00	3rd QTR E.D. Contract
12/28/2023		\$ 15,000.00	4th QTR E.D. Contract
1/22/2024	\$ 200,000.00		
2024 Budget year		\$ 40,000.00	2024 Contract

Total Revenue	Total Expenses	Total Funds Available
\$ 695,833.00	\$ 220,000.00	\$475,833.00

Updated 02/13/2024 VB requested by BLS

{Agri-Park was paid from LATCF funds voted on 2/21/2023}

2024 Budget is \$200,000

Memorandum

Millard County Economic Development

To: Roger Killpack

From: Stuart Clason

Date: 10/31/23

CC: Commissioner Wright, Commissioner Lyman, and Commissioner Johnson

Re: Millard County Infrastructure Enterprise Fund

Introduction

The Millard County Economic Development Board (MEDA) has had in depth discussion on potential uses for the Rural County Grant Program funds, and a major focus of the board is on creating infrastructure investments in the county. The direction that the board has decided to take is creating a process that will establish a county-level public infrastructure loan fund that uses two tools made available by the state to the county:

1. The Rural County Grant Program (RCGP), and
2. Community Reinvestment Areas.

The following sections in this document outline how the program would work, and the next steps required to establish the program.

Proposed Millard County Infrastructure Enterprise Fund: Program Overview

The concept for this program is a combination of several factors: 1) Millard County and its municipalities need infrastructure (i.e. roads, water, sewer), 2) One of the uses for RCGP funds is infrastructure, and 3) Infrastructure is costly and local governments have limited resources.

The State of Utah provides Millard County with a \$200,000 grant annually via the RCGP, and an allowable use for this funding is for infrastructure. The proposed program would take an annual allocation of this funding to put towards building infrastructure for new development in the County.

The County would also look to use another tool enabled by state statute, which is the creation of Community Reinvestment Areas (CRA's). Utilizing CRA's would allow for the new development that would be enabled by the improved infrastructure to create new tax growth, which would then be collected through a CRA before finally being directed to the proposed Infrastructure Enterprise Fund established by the County. The County could then use the newly collected tax funds to reinvest into other infrastructure projects, or other County projects in general, to generate additional new tax revenue.

Potential Program Impacts & Oversight

This model will effectively work as a revolving loan fund to build infrastructure throughout the County, with the ability for the County/MEDA Board to increase or decrease the fund via allocations from the \$200,000 awarded annually from the RCGP.

It is assumed that the County/MEDA will work to drive projects in the CRA that, at a minimum, will create enough new taxable value to repay the annual amount invested from the RCGP plus a 5% annual compounding interest rate over a 10-year period. As a theoretical example, if the fund were created and made \$100,000 investments in infrastructure improvement annually over the next 5 years, enabling new development of a large enough size to create substantial incremental tax dollars, then the CRA would yield a payback of \$815,000 on the \$500,000 invested (assuming a 5% interest rate and 10-year period).

The oversight of the program would start with the MEDA Board receiving and reviewing applications. Any favorable applications would be referred to the County Commission for initial approval. The initial approval would begin the process to create the CRA, which will include Interlocal Agreements outlining the terms and conditions for the funds distributed and collected.

Next Steps & Timeline

The proposed next steps needed to advance this effort are as follows:

1. The MEDA Board decides on an amount of funding to provide from the RCGP funds and requests this funding to be approved by the County Commission.
2. The County Commission creates the County Infrastructure Enterprise Fund to enable the strategy.
3. Seek approval from the municipalities in the County to launch the program.
4. Identify the infrastructure investment(s) to consider in the County

These first three action items should begin as soon as possible because it will require significant effort to launch the first investment, but it will become more efficient and streamlined as more investments are made. The target completion date for the aforementioned tax is April 30th, 2024.