

**UTAH STATE BOARD OF EDUCATION
MEETING MINUTES**

August 23, 2016

A special meeting of the Utah State Board of Education was held August 23, 2016 at the Utah State Board of Education Building, 250 East 500 South, Salt Lake City, Utah. Chair David Crandall conducted.

Board Members Present:

Chair David L. Crandall	Member Linda B. Hansen
1 st Vice Chair David L. Thomas	Member Mark Huntsman
Member Dixie L. Allen	Member Stan Lockhart
Member Laura Belnap (by phone)	Member Jefferson Moss
Member Leslie B. Castle (by phone)	Member Spencer F. Stokes
Member Barbara Corry	Member Terryl Warner
Member Brittney Cummins	

Board Members Excused:

Member Jennifer A. Johnson
Member Joel Wright

Executive and Board Staff Present:

Sydnee Dickson, State Superintendent	Lorraine Austin, Board Secretary
Scott Jones, Deputy Supt.	Emilie Wheeler, Communications Specialist
Rich Nye, Deputy Supt.	Nicole Call, Assistant Attorney General
Angie Stallings, Associate Supt.	

Other Present:

Ben McAdams, Stuart Clason, Blake Thomas, Richard Snelgrove, Dave Delquadro—Salt Lake County; Alexandra Eframo—Single West Jordan; George Chapman; Dick Bartoz, Paul Coates—West Jordan City; Erin Laney—EdUtah; Joel Coleman—Utah Schools for the Deaf and the Blind; Spencer Nitz, Billy Hesterman—Utah Taxpayers Association; Evelyn Everton—Americans for Prosperity; Chris Jones, KUTV; Susan Pulsipher, John Larsen—Jordan School District; Jay Blain—Utah Education Association; Matt Piper—Salt Lake Tribune; Ladd Egan—KSL-TV; Katie McKellar—Deseret News; Paul Nelson—KSL Newsradio; Theresa Foxley—Governor’s Office of Economic Development; Beth Snow, Lauren Mark, Kate Gourley Thomas—University of Utah; Alyson Heyrend—Salt Lake County Mayor’s Office; J.F. Harrington—Verify Research Assoc.; Howard Stephenson—Utah State Senate; Natalie Grange, Von Hortin, Keith Lawrence—USBE staff.

Call to Order

Chair David Crandall called the meeting to order at 4:10 p.m.

Taxing Entity Committee to the Economic Development**Area for Pioneer Technology District EDA**

The West Jordan Redevelopment Agency established a new Economic Development Project Area on July 27, 2016, known as the Pioneer Technology District. The State Board of Education is one of eight members of the Taxing Entity Committee (TEC) that will vote to approve the project budget. In its August 12, 2016 meeting the Board discussed the EDA, but did not give direction for how its representative to the TEC should vote.

Chair Crandall reported that since the August 12 meeting more information has been made available to the Board concerning the project.

USBE School Finance Director Natalie Grange reviewed a report she prepared on the Pioneer Technology District EDA—Project Discus.

MOTION was made by Vice Chair Thomas and seconded by Member Huntsman that the Board instruct its representative to the Taxing Entity Committee to vote in favor of the Pioneer Technology District EDA 2016 Budget Resolution with all the following conditions:

1. This approval applies only to Phase I of Project Discus (first two buildings on 232 acres). Future phases would be subject to an amendment to the Budget Resolution requiring a 2/3 majority vote of the TEC.
2. The total EDA term shall not exceed 20 years. The EDA shall be triggered no later than January 1, 2019. The base year for purposes of the EDA is 2016.
3. The tax increment split will be no more than 75 percent to the EDA and 25 percent to the other taxing entities (thus reflecting our traditional RDA split, which is the same as that for Adobe in 2010).
4. The Jordan School District split can be in the form of a rebate that is worked out to the satisfaction of the district through an appropriate form of an interlocal agreement. While this means foregoing increases to the Basic School Levy, only \$21 per year is received, and the need for the Jordan School District to diversify its tax

base is compelling.

5. The Budget Resolution is limited to Project Discus.
6. There shall be a budget cap on the increment collected by the RDA of \$100 million.

Member Lockhart spoke in favor of the motion and of the project. He observed that Project Discus wants to get involved in local schools and be a part of the community. The motion has great merit because it is not going above and beyond previous standards for other EDAs.

Vice Chair Thomas clarified that for future phases the project will need to be amended and will be subject to a vote at that time.

Vice Chair Thomas reported that he has contacted representatives of West Jordan City and they indicated they would rather have an up or down vote on the project budget.

Member Lockhart reported that he met with representatives of Project Discus this morning and apologized to them for how this has been handled. He informed them that the maximum benchmark for companies that are willing to relocate to Utah is 75 percent. He acknowledged that the deal was not one they demanded, but was offered to them by certain parties; unfortunately, he believes the deal is too rich.

Member Stokes reported he also met with representatives from the project and pointed out to them that in the last number of years \$1 billion has been lost to public education from the flat tax and sales tax on food. A decade ago Utah was 7th in its tax effort for public education and is now 33rd. It's very difficult when the Board has been trying to get more money for public education to support the deal as presented.

Motion carried, with Members Corry, Crandall, Cummins, Hansen, Huntsman, Lockhart, Moss, Thomas, and Warner in favor, and Members Belnap, Castle, and Stokes opposed.

Appointment of Alternate Representative to Taxing Entity Committees

MOTION was made by Vice Chair Thomas and seconded by Member Cummins that the Board appoint Deputy Superintendent Scott Jones as an alternative representative to taxing entity committees.

Motion carried.

Adjournment

MOTION was made by Member Stokes and seconded by Member Moss that the meeting adjourn.

Motion carried. The meeting adjourned at 4:55 p.m.

Lorraine Austin, Board Secretary
Minutes approved October 7, 2016