

Mayor's Report

8 November 2022 – 12 November 2022

Larry Jacobsen

Greetings, boss. Here is my status report showing some recent Nibley activity. I realize that this is a rather long report this week. I encourage you to pick and choose topics of interest.

2600 South

The road at 2600 South has been a recurring topic in these status reports. I feel we made real progress this week, and I will go into a bit of detail even if some of the information is repeated from previous reports. I included a summary at the end of this section.

You have likely noticed the new road at 2600 South between 1200 West and US 89-91. This road was built by a private landowner named Nibley Development (not Nibley City) in anticipation of a commercial project on the west end of the road and a residential project adjacent to 1200 West. This road promises a traffic signal at the intersection with US 89-91. The road is owned by Nibley Development and is currently closed by their decision. Nibley City believes that this new road, the anticipated traffic light, and the accompanying commercial project will benefit the citizens of Nibley. The project fits with our General and Transportation Plans, and we welcome the commercial tax base – including potential retail sales tax that will likely come with this project. More importantly, our citizens will be safer accessing US 89-91 if we have a traffic light at 2600 South.

Nibley Development would like to dedicate 2600 South to Nibley City and have Nibley City open the road. This dedication would transfer ownership to Nibley City, and with that ownership, liability for the road. Nibley City would like to accept that dedication; however, the road is not complete. The risk to Nibley City of accepting an incomplete road is the possibility that Nibley citizen taxes would have to complete the road. The incomplete road lacks the final two inches of asphalt as laid out in the existing agreement between Nibley Development and Nibley City, and a complete road would include curb, gutter, sidewalk, and landscaping that will come with further development. While there are ways to mitigate the risk of accepting an unfinished road with financial bonds, the current agreement does not include that assurance to Nibley City. Another issue is that while Nibley City can require developers to pay for roads that benefit their projects, the city cannot require developers to pay more than the proportional impact of their project. I believe (as does our attorney) that our current road agreement does not require Nibley City to pay any part of building or completing 2600 South. However, that is not the expectation of Nibley Development. Sorting out those different expectations has led to delays and threats from Nibley Development to abandon their project altogether. While I am willing for Nibley City to stand our ground even in the face of that extreme possibility, a third consideration offers a solution.

This third consideration – and a solution to the above dilemma – is a Community Reinvestment Agency (CRA) already formed with the Malouf Companies. This existing CRA offers an incentive to Malouf to keep and grow their headquarters in Nibley City with an agreement for Nibley City to invest a portion of the tax increment generated by the Malouf expansion in infrastructure within the CRA area. The tax increment is only reinvested on infrastructure improvements when the additional tax that results from the Malouf expansion is, in fact, generated. The expectation between Nibley City and Malouf (negotiated before my term) included the Nibley Development property where 2600 South lies as an area that generates the tax increment, but not an area that could receive any tax increment for

infrastructure reinvestment. Recently, Nibley City renegotiated the CRA agreement with Malouf to include the Nibley Development area (including 2600 South) as the recipient of \$500k of the tax increment when it is earned in the Nibley Development property. This relieves Nibley citizens of having to pay what Nibley Development viewed as the city's cost of 2600 South that was beyond the impact of their project. Just as importantly, Nibley Development recently agreed that if Nibley City accepts 2600 South before it is finished, then Nibley Development will secure the appropriate bonds to assure that Nibley City will not have to pay to finish the road.

Whew! If you followed all of that, then good for you!

To summarize, renegotiating the Community Reinvestment Agency agreement with the Malouf Companies allows Nibley City to use part of that CRA tax increment – when it is earned – to help pay costs for Nibley Development's 2600 South Road that they view are beyond the impact of their project. In addition, Nibley Development has agreed to post appropriate financial bonds to assure that Nibley citizens will not have to finish 2600 South, even if Nibley City accepts dedication of the road before it is complete. The Nibley City Council agreed to these new terms last week, and we can move forward with the supporting documents. Getting to this point represents a substantial effort – an effort that I believe is worthwhile given the eventual benefit of a 2600 South commercial development and traffic light on US 89-91. Construction on that commercial project could start as early as the summer of 2024.

The Cache Summit

On Wednesday, several Nibley staff members, Planning Commissioners, and I attended the 2022 Cache Summit. The Cache Summit is an annual event that started in 2015 where private and public representatives discuss growth and development issues in Cache Valley. It involves a wide range of people, including developers, builders, planners, lenders, consultants, educators, realtors, municipal staffs, and elected officials. Cache Valley's current success with economic development (as shown by one to two percent unemployment) forces us to deal with the positive and negative aspects of the accompanying growth. I was pleased that we talked about the importance of open space and ways to preserve it. Our own Levi Roberts, Nibley City Planner, gave a presentation on the Transfer of Development Rights (TDR) Ordinance that we are working on towards that goal.

It was interesting for me to interact with developers in this setting. I hope – but am not always convinced – that city governments and developers have a common goal of community development. While I believe Nibley City is always focused on community development, and while we need developers and builders to provide housing for our community, it's always on the back of my mind that developers have a profit motive. I don't blame them for that. It does, however, get my "spidey senses" tingling as I interact with developers. I believe that by and large, we have had good developers in Nibley who share our vision for our community. However, they must prove it to get me there.

Construction Projects

Tom Dickinson, Nibley City Engineer, is hitting the ground running with a couple of important construction projects. Last week, Tom organized several meetings to coordinate Nibley's efforts on those projects. They include building 1200 West that I previously mentioned, and the city park in

Ridgeline Park. It's obvious that we need a better name for that second project. Regardless, these are going to be great additions to our community.

Nibley – Logan Boundary Adjustment?

Mayor Holly Daines and I discussed a possible boundary realignment between Nibley and Logan. Logan has proposed a package deal that would redraw the boundary in several areas on Nibley's north and west extents. It is a proposal like what we have discussed before, and I promised Holly that I would investigate it with our City Council. I have my own opinions on the proposal, and I am keeping an open mind until I talk to individual Councilmembers.

Mayors Association with Logan Regional Hospital

The informal Mayors Association met with Logan Regional Hospital on Saturday evening. It was good to learn about the hospital's continuing expansion plans. I was impressed to hear Logan Regional Hospital's mission to keep people out of the hospital by focusing on wellness and preventative medicine. I offered to Brandon McBride, Logan Regional Hospital Administrator, cooperation from Nibley City on outreach and wellness efforts. Other mayors agreed with that intent, and we will look for those opportunities.

Holy smokes, this was a long report. I hope it helps keep you up to date with goings on at Nibley City. Thanks for reading, boss. Please call, text, or write anytime.

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Many thanks to Leslie Maughan, a Nibley citizen, for proofreading this report.