

**Joint Meeting of JCIDA Loan Review and JCLDC Alternative Energy
Committee Meeting Minutes
February 23, 2021**

Present (Loan Review): Robert Aliasso, Chair, David Converse, John Jennings
Present (Alternative Energy): William Johnson, Paul Warneck

Also Present: David Zembiec, Marshall Weir, Lyle Eaton, Peggy Sampson, Jay Matteson, Lisa LøHuillier

- I. Call to Order:** Loan Review Chair Aliasso called the meeting to order at 8:01 a.m.
- II. Pledge of Allegiance**
- III. UTEP for renewable energy projects:**

Mr. Aliasso said he believes there should be a rider or amendment to the UTEP for renewable energy projects. Mr. Warneck said that he advocates for a subsection in the UTEP or a separate UTEP for alternative energy projects. He said that we should put a moratorium on accepting alternative energy project applications until the UTEP is done.

There was general discussion on individual projects for Lightstar, the Chaumont project, the Omni projects that have been put on hold, and Nexamp projects in Henderson.

Mr. Aliasso said that there should be an addendum or rider for host community agreements along with escrow. Mr. Warneck feels that the current application is lacking for alternative energy projects.

Committee members discussed the current fee structure but mentioned that it may need to be revised for larger-scale projects. Mr. Zembiec said that counsel bills clients directly. Committee members asked if Attorney Moses has billed the Omni projects and wondered if he has been paid. Mr. Zembiec said that he will inquire. Mr. Warneck suggested Mr. Eaton put together our expenses and bill Omni. Mr. Aliasso said that we could have a cancellation schedule because there should be an expiration on delay so it can't be indefinite. Mr. Warneck and Mr. Converse agree that the IDA should bill the client and pay the attorney. Mr. Zembiec said that he will ask the attorney's what their preference and will check with other IDA's.

Mr. Aliasso said there could be a section to determine if escrow is needed. He said it could be discussed at Loan Review.

Mr. Aliasso mentioned the use of farmland. He said that while we can't prohibit it, we could give negative impact in the cost benefit analysis. Mr. Matteson was asked to provide a summary to the board on how prime farmland could be defined by soil type.

Mr. Warneck said that we need to get policies in place before we consider large-scale projects. He said that he has no problem with smaller projects that already have local approvals.

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Mr. Converse brought up the host community agreements and said that they shouldn't affect what we charge. Mr. Warneck said that once we allow them, the taxing jurisdictions will all start requesting one before they accept a PILOT. He said it's unfair to what we've done in the past.

Mr. Zembiec said the IDA will be participating in a Henderson meeting tonight. He said that he will let them know that our board is not in favor of host community agreements because they are looked at negatively at this time.

It was agreed that Mr. Zembiec will send out a marked up UTEP incorporating his suggestions and then board members can submit their suggestions.

Mr. Zembiec noted that he will not require a support letter from taxing jurisdictions for projects that follow the UTEP since it creates confusion. He said that we should require letters for projects that have already begun. He also said that we could create a one-page certification to identify whether or not a host community agreement will be used.

IV. Other/Unfinished Business:

1. REDI Grant Projects – Mr. Zembiec said that he recently sent out a form letter to all 64 recipients. He said that 30 have responded and 7 of those have indicated that they are interested in financing. Mr. Zembiec asked if we should use our traditional 5% interest rate or a lower rate of 3%. Committee members agreed with using 3%.

Mr. Zembiec said that he also created a template for a letter some recipients to show they made a good faith effort to obtain the required local match.

V. Adjournment: A motion to adjourn the joint meeting was made by Mr. Converse, seconded by Mr. Aliasso. The joint meeting adjourned at 9:20 a.m.

Respectfully submitted,

Peggy Sampson