

March 10, 2022

The Board of Mayes County Commissioners met in a special meeting with all members present: Chairman Darrell Yoder, Ryan Ball and Matt Swift, Member, Brittany True-Howard County Clerk, County Clerk. The initial notice of the meeting was received in writing March 8, 2022, and the agenda for this meeting was posted on the lower floor of the Court House at 9:30 a.m., March 8, 2022. Commissioner Yoder called the meeting to order in compliance with the Open Meeting Law and the following business was done:

- Jeff Sabin presented a power point with Mayes County-MidAmerica Industrial Development Project Plan. Review Committee's proposed 10-Year TIF, \$300M budget scenario, plus 1 additional alternate scenario:
 - At 3/3322 meeting, review committee requested documentation for following scenario:
 - 10-year TIF district
 - 50/50 revenue split between taxing entities and specific project costs
 - \$300 million total budget-
 - \$150 million for taxing entities
 - \$140 million for direct incentive for Project Ocean
 - \$10 million for infrastructure costs

General Notes-

- 3 different projections spreadsheets have been provided:
 - One represents the review committee's scenario using the same/original set of projections assumptions used previously
 - A second shows a more aggressive set of assumptions-no discounted assessment valuation, flat depreciation of personal property, and a 3% (instead of 2%) appreciation rate for real property improvements
 - A third shows a more conservative set of assumptions-maintaining discounted assessment valuation and personal property depreciation, 1-year delay in collections of revenue
- Each spreadsheet highlights the review committee's proposed 10-year TIF and when, based on each set of assumptions, the proposed \$300 million budget would be met and when the previously-proposed \$554 million budget/\$277 million project costs would be met
- 2 alternative project plan proposals have been provided-
 - Alternative 4 is the review committee's proposal, as requested
 - Alternative 5 is a 12-year modification of review committee's proposal based on more aggressive/liberal projections assumptions and an attempt to fund the previously proposed \$554 million project budget
- Redline of each project plan continues to show changes made against the "Alternate 1" draft provided and presented at the 2/18 review meeting

Alternative 4:

50/50 Revenue Split, 10-year TIF, \$300M Budget

- Under conservative assumptions, \$300m budget would require 11 yrs.
- Under liberal assumptions, \$300m budget would be met after 7 yrs.
- Under original assumptions, \$300m budget would be met after 9 yrs.
 - \$150 million specific revenue source distributions during 9 yr.-TIF
 - \$12.6 million portion of Year 9 ad valorem revenues=not TIF
 - \$639 million post-TIF ad valorem revenue Years 10-25
 - Total 25-Year Revenues=\$801.6 million
- Taxing entity revenues would increase under both conservative or liberal scenarios, but for different reasons

Alternative 5: Modified Proposal

12-Year TIF, 50/50 Revenue Split, \$554m Budget

- \$10m infrastructure budget based on belief that ARPA funding in state incentive package for Project Ocean could be used for the same infrastructure improvements for which MAIP had been seeking TIF funding
- \$140m Project Ocean direct incentive was the amount suggested on 2/18 based on \$4b investment amount
- Under conservative projections assumptions, the review committee's \$300 proposed budget would not be met within 10 years
- On the other hand, under liberal projections assumptions, the previous \$554m proposed budget would be met within 11 years
- 12-Year TIF using liberal projections assumptions as the basis could:
 - Provide the opportunity for full funding for the previous proposed project costs.

- Involve the kind “risk” that the TIF might not meet its full budget as the review committee’s 10-year, \$300m proposal
- Still only provide for 10-yrs. Of actual increment collections-2 to 3 yr. construction period and then 9-10 years of revenue collections
- Taxing entities revenue under liberal assumptions-
 - \$277m specific revenue source distributions during 11-year TIF
 - \$30.5m portion of Year 11 ad valorem revenues=not TIF
 - \$1.1b post-TIF ad valorem revenue years 12-25
 - Total 25-year revenues: \$1.4B
- Taxing entity revenue potential may increase if infrastructure funding needs are less than \$66m or if collections are insufficient to fund full budget within 11-yr. period, but may decrease if collections don’t begin until yr. 4

Motion was made by Commissioner Yoder, seconded by Commissioner Ball, to adjourn. Yoder, Yes; Swift, Yes; Ball, Yes.

Approved this March 21, 2022

(SEAL)

BOARD OF MAYES COUNTY COMMISSIONERS

S/DARRELL YODER _____
CHAIRMAN

ATTEST:

S/RYAN BALL _____
MEMBER
S/MATT SWIFT _____
MEMBER

S/BRITTANY TRUE-HOWARD
COUNTY CLERK

Mayes County does not discriminate on the basis of handicapped status in its admission to, or access to, or treatment in or employment in its programs or activities