

A RESOLUTION BY THE TOWN COUNCIL OF BLUFF, UTAH TO WITHDRAW ITS APPLICATION FOR PERMANENT COMMUNITY IMPACT FUNDS TO USE FOR THE PURCHASE AND RENOVATION OF THE FORMER BLUFF ELEMENTARY SCHOOL

WHEREAS, the Town of Bluff (Town) and the San Juan School District (School District) have engaged in conversations and negotiations about the Town securing the former Bluff Elementary School (School);

WHEREAS, these conversations and negotiations have been ongoing since at least early 2019;

WHEREAS, at the start of the process, the Town had made a request that the School be given or sold to the Town as the School would serve a public purpose to the Bluff community;

WHEREAS, the School District subsequently determined that it needed to sell the School and not give it away for a nominal amount, at which time the Town then suggested a price of \$250,000 which represented a ballpark figure of slightly more than \$60,000 per acre;

WHEREAS, the Town met with both Zions Bank and the Permanent Community Impact Board (CIB) staff to determine funding in the amount of \$500,000 which represented \$250,000 for the School purchase and land and \$250,000 for renovations;

WHEREAS, during the past months while working with the CIB staff and at their suggestion, the Town increased its request for a grant from \$500,000 to \$1,592,422 as the CIB requires a project to be completed in its entirety upon conclusion of the project, a fact which is reasonable and understandable;

WHEREAS, there is a sentiment that has been expressed by some members of the CIB that the Town of Bluff is opposed to all oil and gas drilling but that is not accurate; the Town has opposed drilling through its aquifer;

WHEREAS, in early 2020, the COVID-19 virus took hold in the United States and in Bluff's community; this virus has resulted in a crashed economy, substantial unemployment, and devastation to health and welfare of US citizens;

WHEREAS, the oil and gas market was already in a down-turned economic cycle and with the impact of COVID-19 and the crashed economy, the CIB funding will be impacted and it is anticipated that the requested \$1,592,422 will be offered as a loan/grant package;

WHEREAS, because Bluff recently incorporated in August 2018, it is unlikely that Town could meet the funding obligations that would support a loan of even 50% of the almost six million dollar figure;

WHEREAS, the Town is a tourism-driven town that relies on revenue from sales tax, transient tourist tax, municipal energy tax, and resort tax; the Town will apply for its property tax for the first time in June 2020;

WHEREAS, the Town and the Community would greatly benefit from buying the School but it is not economically feasible in this current economic climate nor is it fiscally responsible to encumber the Town with debt that could be as high as \$1,592,422 in a probably combination of a loan and a grant from the CIB;

WHEREAS, the Town has been notified that the bids will be reviewed by the School District on June 23, 2020 and, to avoid undue prejudice to the School District, time is of the essence; and

WHEREAS, in the best interests of the Town, the Town must withdraw its bid for CIB funding for this project and should notify the San Juan School District of the same.


THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF BLUFF, UTAH:

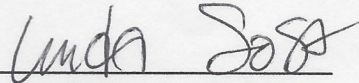
SECTION 1. Withdrawal of Request for CIB Funding to Purchase and Renovate the Former Bluff Elementary School. The Town hereby withdraws its request for CIB funding to purchase and renovate the former Bluff Elementary School.

SECTION 2. Effective Date. This Resolution shall become effective upon passage.

APPROVED BY THE TOWN COUNCIL OF THE TOWN OF BLUFF, UTAH, ON THIS 16th DAY OF JUNE, 2020 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Town Council Member Hook	<u>X</u>	___	___	___
Town Council Mayor Leppanen	<u>X</u>	___	___	___
Town Council Member Murray	<u>X</u>	___	___	___
Town Council Member Sayers	___	___	<u>X</u>	___
Town Council Member Sosa	<u>X</u>	___	___	___

Mayor: 
Mayor Ann K. Leppanen

Attest: 
Town Recorder Sosa

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