



UTAH SYSTEM OF  
HIGHER EDUCATION

# MEMORANDUM

July 12, 2024

## Utah State University – Non-Traditional Arrangement Monument Valley Campus

Board policy [R712, \*Nontraditional Arrangements for Development of Facilities on Campuses\*](#) requires the Board to approve institutional requests for the use of non-traditional financing arrangements. Similar to a financing arrangement approved by the Board in October 2020 for the Moab Academic Building, Utah State University (USU) requests approval to use the New Market Tax Credit (NMTC) financing to cover \$3,000,000 of construction costs for the Development of Facilities on the Monument Valley Campus. In the 2022 General Session, the Legislature approved \$5,000,000 for the Monument Valley Academic Building. It is anticipated that the university is expected to use donations and other non-state institutional funds for additional project costs. New Market Tax Credits allow corporate investors to receive a tax credit against their federal income tax in exchange for making an equity investment in a development project in a historically low-income community.

All contracts and agreements will be reviewed by the Attorney General's office to ensure compliance with state law and Board policy. The USU Board of Trustees reviewed and approved this request in their June 28, 2024 Board meeting. Additional information on this financing arrangement is included in the attached letter from the institution and an additional document with questions and answers.

### **Commissioner's Recommendation**

The Commissioner recommends the Board authorize Utah State University to enter into the non-traditional arrangement to use New Market Tax Credits for the Development of Facilities on the Monument Valley Campus.

### **Attachments**

- Attachment 1 – USU Nontraditional Arrangements for Monument Valley Academic Building Letter
- Attachment 2 – USU Q&As for Nontraditional Request for Monument Valley Academic Building