

Jennifer Christopherson

From: Steven Price <jsprice@pricerealty.cc>
Sent: Friday, October 04, 2013 5:42 PM
To: Hirschi, Scott; Stuart Reid; Brad Wilson; Brad Last; Rob Despain; Spencer Eccles; Todd Bingham; Tom Dolan; Ben Christensen; Peter Asplund; Jennifer Christopherson; rbrems@ucut.edu
Cc: Angela Eldredge
Subject: Potential Task Force Recommendations

Honorable Co-Chairs Senator Reid and Representative Wilson,

I want to thank you for the opportunity to serve on, and participate in, the Legislative Economic Development Task Force. Through the Task Force meetings and presentations my understanding, insight and knowledge has increased tremendously for the people and organizations involved in the private and public sectors of business and government in the State of Utah.

The State of Utah, GOED, EDCU, Counties and Cities have individually and collectively worked together on economic development ranging from broad range strategies to individual business relocations and expansions in the State of Utah. Generally, the State of Utah and its partners have been successful in the past decade in their economic development efforts. In looking forward, other states will become more competitive, and Utah will have the opportunity for greater success as we continue to focus on strategies and programs to improve economic development. The Legislative Economic Development Task Force is vital and will assist greatly in the State of Utah's efforts to compete and improve on existing economic development strategies and future programs.

Listed below are my observations and recommendations drawn from day-to-day business experience as a commercial real estate developer/landlord, growing and expanding businesses located in and/or expanding or relocating to Utah and the Mountain West, as well as involvement with the Task Force.

1. GOED has been very successful with economic development in the State of Utah. Currently, GOED is understaffed and needs additional resources to maintain their competitive advantage, and become more competitive in the future with competing states.
2. For Utah State incentives to be awarded by GOED to a business, a city incentive is required. After a business has made the decision to grow their business in Utah, often times city and other municipal officials do not understand the importance of economic development, and may not be supportive of the business, their relocation and/or expansion.
3. Impact Fees are drawing increased attention by businesses in the United States. Significant Impact Fees can discourage businesses from growing, expanding, investing, and/or relocating in a community. Salt Lake City, in particular, is viewed as having high, and what many consider excessive impact fees which is, and will continue to, discourage business expansion.
4. Our business experience has shown us that companies that receive incentives from Utah cities and the State of Utah often times work with consultants, engineers, contractors, suppliers, vendors and other people and businesses that do not have Utah operations. In addition, businesses that have relocated and/or expanded in the State of Utah that have not received incentives also work with consultants, engineers, contractors, suppliers, vendors and other people and businesses that do not have Utah operations. It seems evident that Utah could develop strategies and programs to encourage all businesses in Utah to use other Utah based people, businesses and organizations in their operations and consequently receive incentives and benefits for employing, hiring, purchasing, contracting, etc. with Utah businesses. The economic development stimulus, chain reaction impact would be significant.
5. A Data Center incentive strategy and program should be developed by the State of Utah. National and Global technology firms are expanding and create tremendous positive economic impact. A new and/or expanded DC requires substantial capital investment (\$200M+) and creates significant initial employment during the construction and build-out of the DC. DCs typically employ 50 to 100 people that are highly skilled and are high wage earning employees. Consistent and substantial tax cash flow is created with the initial investment and on-going replacement of equipment. In other communities where DCs are established, technology companies tend to locate, relocate and/or expand their operations.
6. Aggressive and identifiable incentive programs should be established for businesses located and operating in the State of Utah to encourage their continued growth and future expansion.

I look forward to our next Task Force meeting and finalization of the recommendations and report.

Steve Price

	PRICE RealtyGroup	Commercial Real Estate Investment & Development
Price Realty Group, LLC 230 East South Temple Salt Lake City Utah 84111	J. Steven Price 801.450.2222 Mobile jprice@pricerealty.co	☎ 801.478.8000 Fax: 801.478.8001 www.pricerealty.co