

# **Military Installation Development Authority (“MIDA”) Overview**

- History and Background
- Legislation
- Governance
- Revenues and Expenditures
- Goals and Objectives
- Project Areas

## History and Background

# Why was MIDA Created?

- Hill Air Force Base and Enhanced Use Lease (“EUL”)
- EULs – Authorized by Congress to benefit military bases
- Military leases underutilized land to a developer for 50 years
  - Base benefits from Payments in Kind (“PIK”)
  - State benefits from new employment, new tax base, and mitigating risk of base closure

# Hill Air Force Base



- 6,978 Acres
- 1,381 Facilities
- 340 Munitions Storage Structures
- 13,500 ft. Runway



## History and Background

# Hill Air Force Base

- Employment: ~20,000-22,000 (Top 5 of Utah Employers – IHC, State of Utah, UofU, BYU)
- Budget Authority: \$4.233 Billion
- Payroll: \$1.2B
- Estimated economic impact ~\$3B
- Major Activities:
  - 75<sup>th</sup> Air Base Wing
  - Ogden Air Logistics Complex (OO-ALC)
  - Operational Units (388<sup>th</sup> and 419<sup>th</sup> Fighter Wings)
  - Air Force Sustainment Center Engineering Directorate
- Opportunity to attract new missions – e.g. Software Engineers

# History and Background

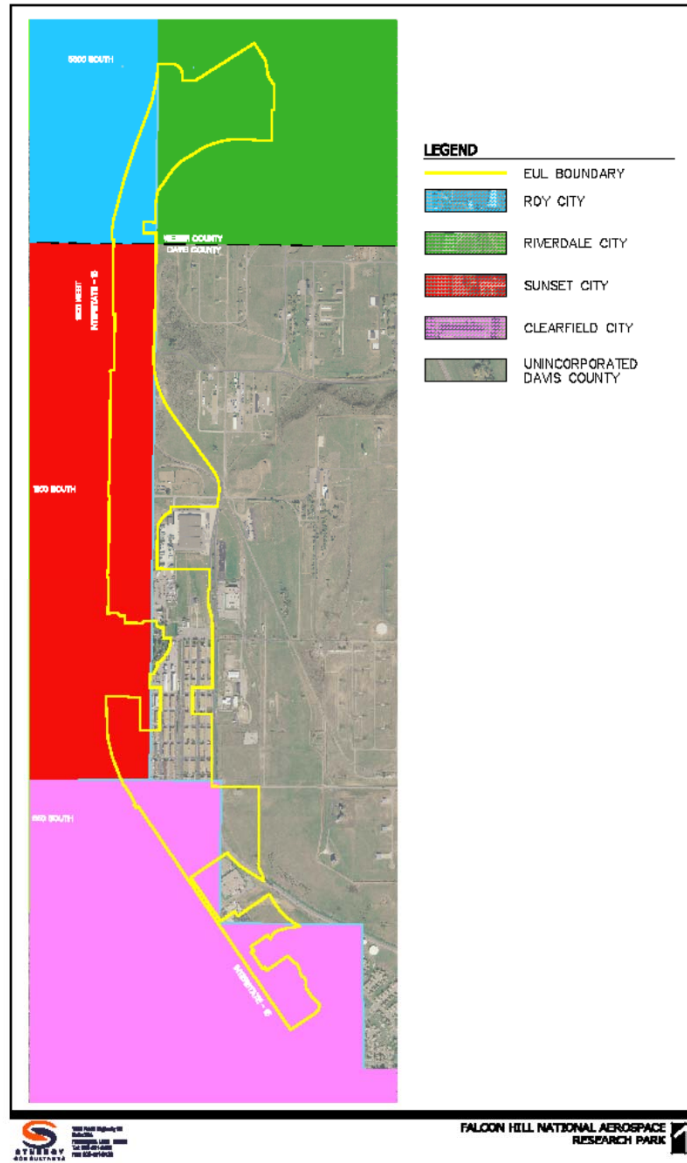
## Problem is Outdated Space





# History and Background

## Falcon Hill EUL





## History and Background

# Falcon Hill EUL

- 500 acres of prime property along I-15 in Davis and Weber County
- Largest Air Force EUL in the United States
- Through RFP process Air Force selected Sunset Ridge Development Partners (“SRDP”)
- SRDP – 50% Woodbury Corp & 50% Hunt Co.
- Project is an Aerospace Research Park both inside and outside the fence

## History and Background

# MIDA's Role in Falcon Hill

- Be the one-stop-shop for municipal services
  - Regulatory
  - Land use permits
  - Utilities outside the boundary fence
- Economic Development – help with infrastructure and government facilities
- PIK Account trustee for Air Force
- MIDA, Air Force and SRDP entered into a 3-way agreement for Falcon Hill

# First Commercial Building



# Falcon Hill

## Other Construction

- Second commercial building is under construction
  - 75k sq. ft 3 story building
  - 1<sup>st</sup> floor will be occupied by Air Force
  - will be complete by end of the year
- 10k sq. ft. of retail is under construction outside of fence

# Base Construction



Security Forces Squadron Building



New West Gate

# Falcon Hill Project Area Funding

- Since 2008 the legislature has appropriated \$20.89 million to MIDA
- MIDA has issued \$2.5 million in tax increment bonds
- Projects built with funds
  - Rebuilt 650 North road to Hill
  - Install infrastructure
  - built new Hill West Gate
  - built new Hill Security Forces Building
  - 1<sup>st</sup> floor of new commercial building for Air Force is under construction
- Private investment to date is \$53 million
- Being planned
  - 100k sq. ft. flex building inside the fence (\$10 million)
  - 75k sq. ft. building outside the fence (\$12 million)

# Legislation and Powers

- MIDA was created in 2007
- There have been legislative changes in 2009 through 2014
- MIDA creates project areas to promote the development of military land
- MIDA acts as the municipality in the project area
- MIDA acts as the economic development authority both in distributing legislative appropriations and issuing bonds

# Create Project Area

- Draft Project Area Plan
- Notification and public process before adopting plan
- Project area must contain military land
- Project area may contain non-military land only with permission of local jurisdiction and landowner



# Military Land



- Hill Air Force Base
- Utah Test and Training Range
- Utah National Guard
  - Camp Williams
  - Salt Lake Air Base
- Dugway Proving Ground
- Tooele Army Depot
- Fort Douglas
  - US Army Reserve
  - US Navy Reserve
  - US Marine Corps Reserve

# Governing Body

- 7 Member Board
  - 5 Appointed by the Governor
    - 3 elected officials from counties and/or municipalities near project areas
    - 1 who is interested in military efforts in the State
    - 1 who is in the executive branch involved in military issues
  - 1 Appointed by the Speaker of the House
  - 1 Appointed by the President of the Senate
- Board member are not paid and are not provided any per diem or mileage to attend meetings

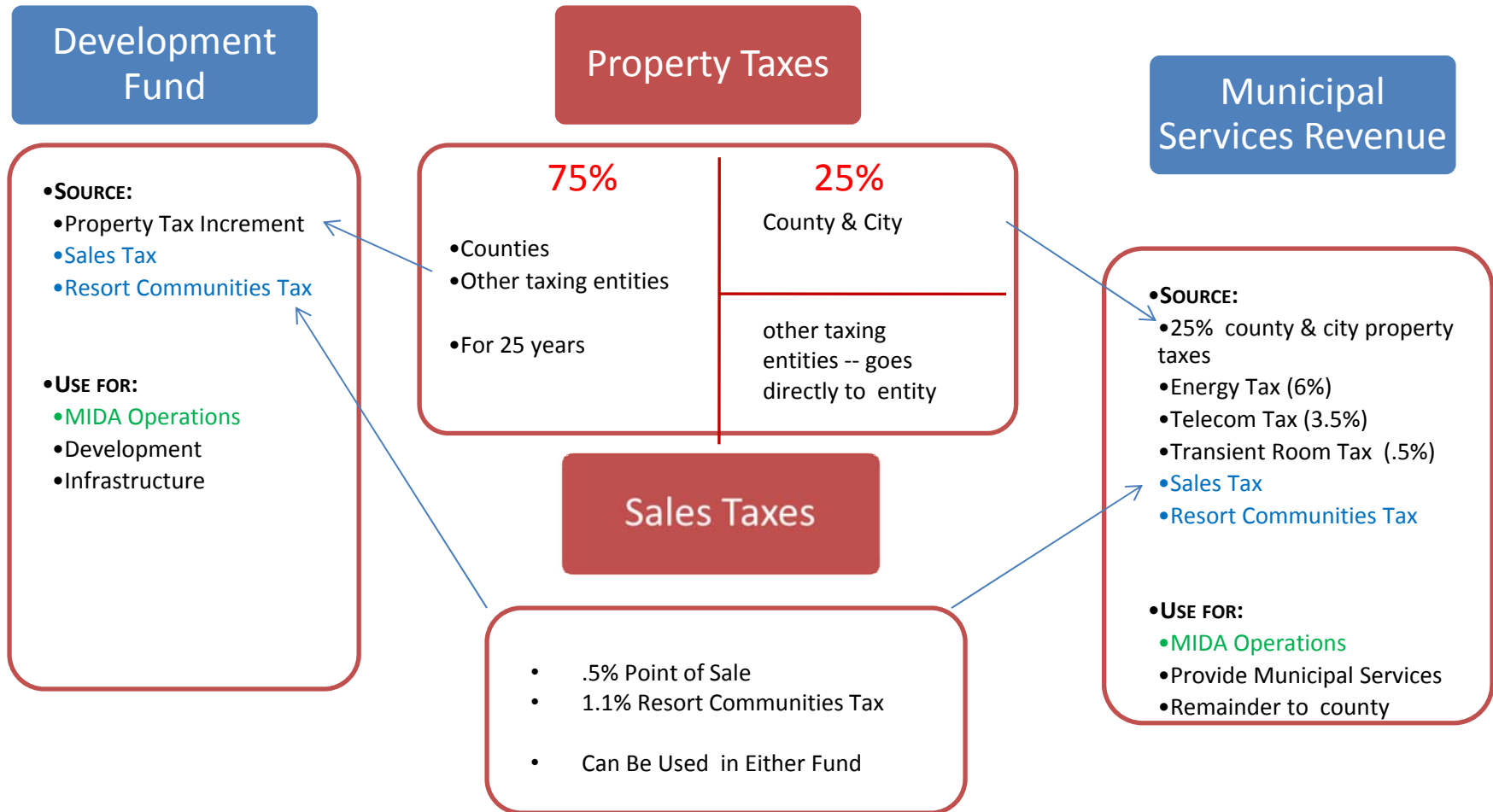
# Revenues and Expenditures

- MIDA staff is small – 5 people
- Board wants it to remain small and contract out services
- Annual operations is about \$800k
- MIDA is funded by the legislature and contract revenue until it is financially self-sustaining
- Officed at the Northfront Business Resource Center on the Davis Applied Technology College in Kaysville

# Revenues and Expenditures

- MIDA either receives or levies the same taxes and fees that a municipality does in a project area
- Depending on development within project areas, MIDA estimates operational self funding in 7 to 8 years

# MIDA Project Funding



# Goals and Objectives

- Promote the development of military land
- Bring new jobs and tax base to Utah
- Assist military so that existing missions are more secure
- Help create environment for new missions to come to Utah

# Current Projects

- Falcon Hill – Hill Air Force Base
- Utah Data Center – Bluffdale
  - MIDA constructed offsite utilities
  - Project is largely complete
- Military Recreation Facility – Wasatch County
  - Both military land and private land
  - Location for public/private military hotel
  - Will assist in development of Deer Valley
- Just created Runway at East Gate – Hill Base

# MIDA's Possible Projects

- May assist with Utah Test and Training Range
- May assist with a geothermal project on military land in west desert
- May facilitate new software buildings on Hill Air Force Base
- May assist Air National Guard if it relocates to Hill