

# State of the Port

## Legislative Committee Presentation

September 18, 2024



# Core Objectives:



## Objective 1: Support Regional Economies

Foster growth in underserved areas through strategic recruitment and infrastructure support.



## Objective 2: Enhance Logistics Efficiency

Improve air cargo operations and rail systems to boost connectivity and efficiency.



## Objective 3: Safeguard Environmental Integrity

Commit to proactive environmental stewardship in every project.



## Objective 4: Uphold Transparency and Compliance

Maintain open, ethical governance, fostering public trust and accountability.



# Current Project Areas

A **project area** is a hub for collaboration, innovation, and growth designed to facilitate global connectivity and streamline business operations.



# The 4 part process we follow when establishing a UIPA project area

The Utah Inland Port Authority works in partnership with municipalities and counties through



## 1. Resolve

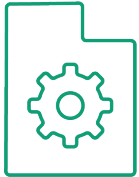
A municipality or county may commence work on a project area plan. The municipality or county may resolve to create a project area resolution.

### *Tools we don't have:*

- Zoning
- Land Use Authority
- Permitting
- Ability to move differential generated out of the project area where it is created

## 2. Adopt

A municipality or county board may adopt a project area or resolution amendment in a public meeting.



## 2. Draft

UIPA staff work with the municipality or county to develop a project area plan. The municipality or county may amend a project area plan for the project area. The municipality or county may review in at least 2 public UIPA board meetings.

## 3. Build & Optimize

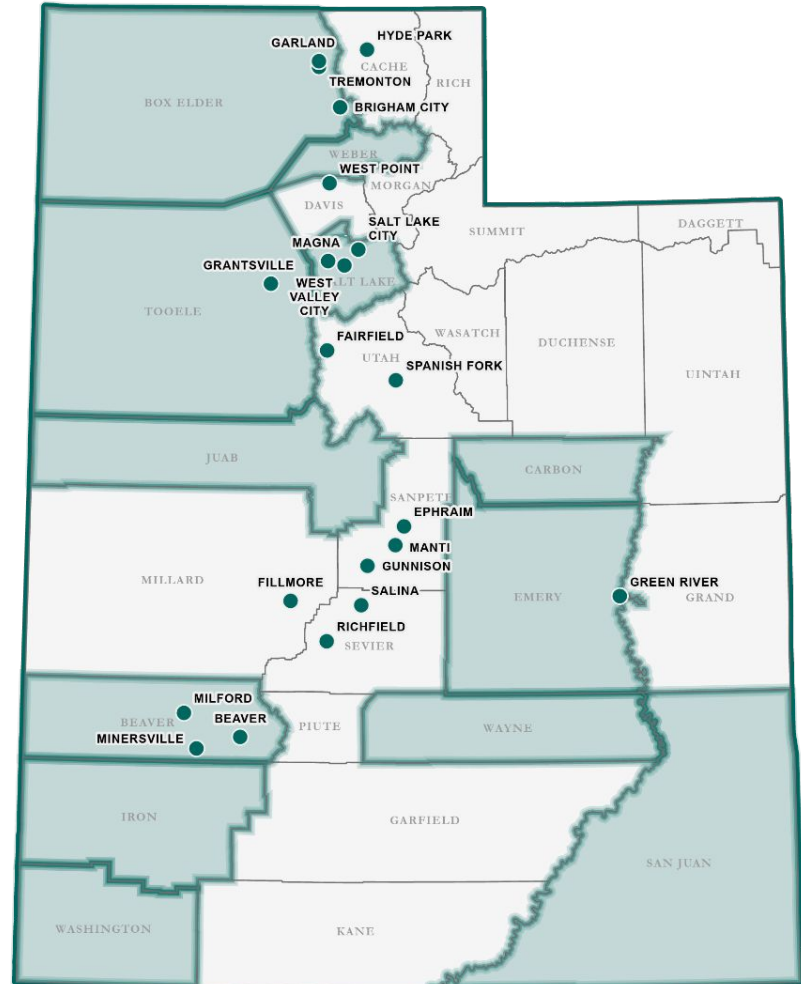
The project area will take 25 years, during which construction, development, and recruitment will occur. Annual budgets are prepared and adopted by the UIPA board, with project KPIs reported and shared.



# Resolutions from 28 communities

This graphic illustrates various cities across Utah where resolutions have been passed, as of September 2024.

The map emphasizes geographic spread across northern, central, and southern Utah, highlighting urban and rural regions involved in statewide initiatives.

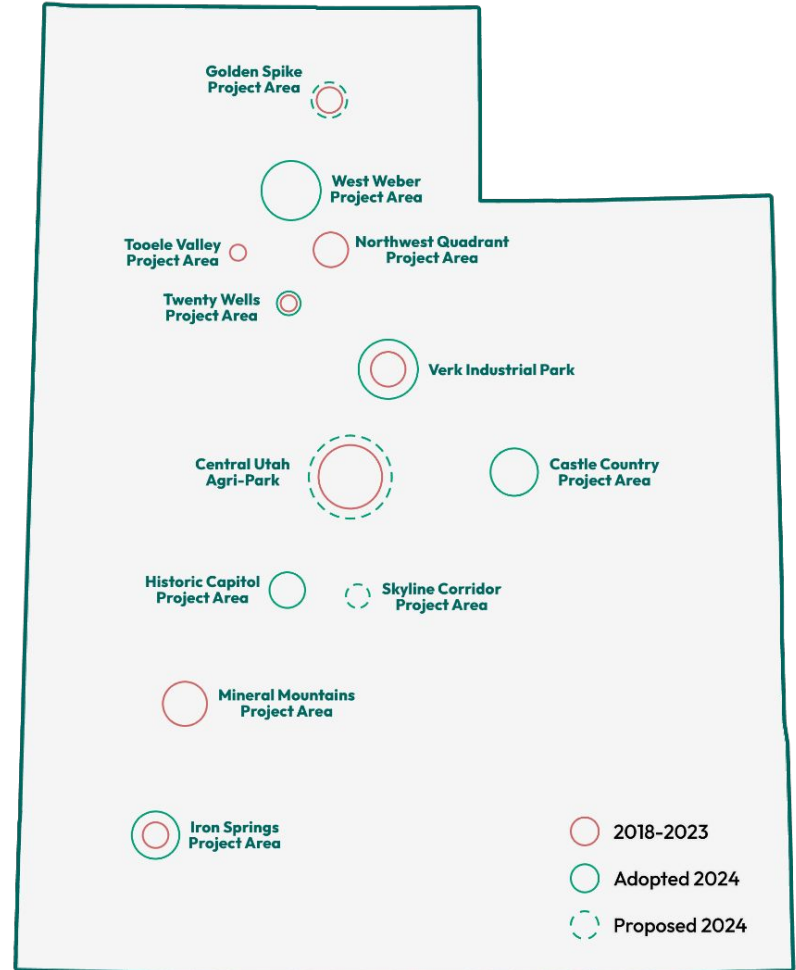




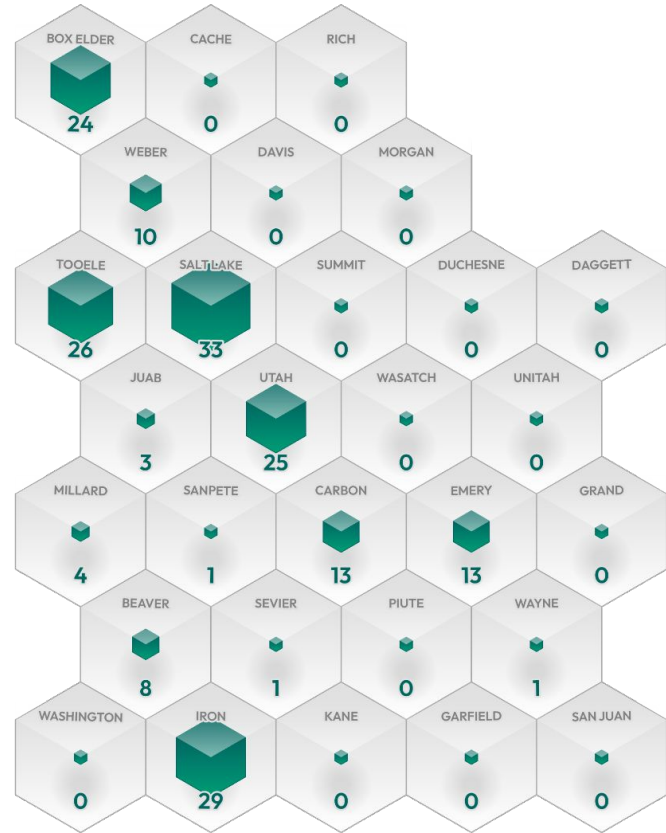
# Project Area Growth Statewide

This Utah map shows the growth of Utah's project areas from 2018 to 2024. Red circles are for 2018-2023, green for 2024, and dashed for proposed areas. Multiple circles mean the project's boundaries have expanded or proposed expansion through amendments, reflecting Utah's ongoing development.

## Project Area Size



# RFI Responses by County



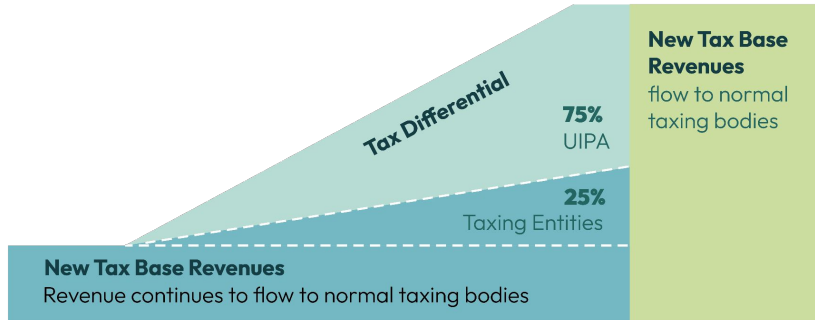
# Tax Differential

Tax differential represents the growth in property tax revenues in a UIPA project area. 75% of these revenues are remitted to UIPA and used for public infrastructure and improvements in or benefiting the project area and incentives to target industries.



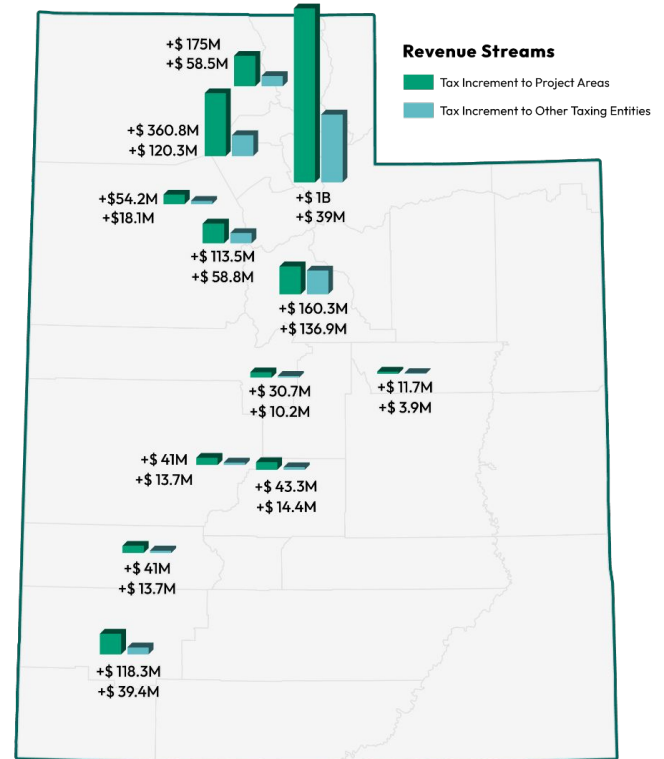
Annual Taxes Generated

- Revenues diverted for differential-eligible purposes:
- Fund regional infrastructure Incentives to eligible companies
  - Pledges to support bond debt services



25 years

Statutory Life of Project Area



MAP NOT TO SCALE. PROJECT AREA LOCATIONS ARE APPROXIMATE.



# Public Financing Tools



## Tax Differential

Tax differential, often referred to as tax increment, represents the growth in property tax revenues in a UIPA project area.



## Public Infrastructure District (PID)

A government entity used to monetize future revenues and pay for infrastructure.



## Authority Infrastructure Bank (AIB)

Funds held by the State of Utah that can be loaned to entities with the approval of UIPA.



## Business Incentives

- Economic Development Tax Increment Financing
- Rural Employment Development Incentive
- Industrial Assistance Account
- Utah Small Business Credit Initiative
- Revolving Loan Funds
- Incentives identified by local community

# Logistics

## Air Cargo Optimization:

- Collaborate with Salt Lake City International Airport to enhance air cargo operations and expand services.
- Boost air cargo capacity through new investments and partnerships.

## Rail System Upgrades:

- Upgrade rail infrastructure for better connectivity and efficiency.
- Establish rail parks and logistics centers to attract rail-dependent industries.

## Intermodal Gateway Expansion:

- Forge stronger ties with coastal ports and railroads for a robust inland terminal strategy.
- Relocate terminal services to optimize logistics and economic gains within Utah.



# Northwest Quadrant

## Northrop Grumman

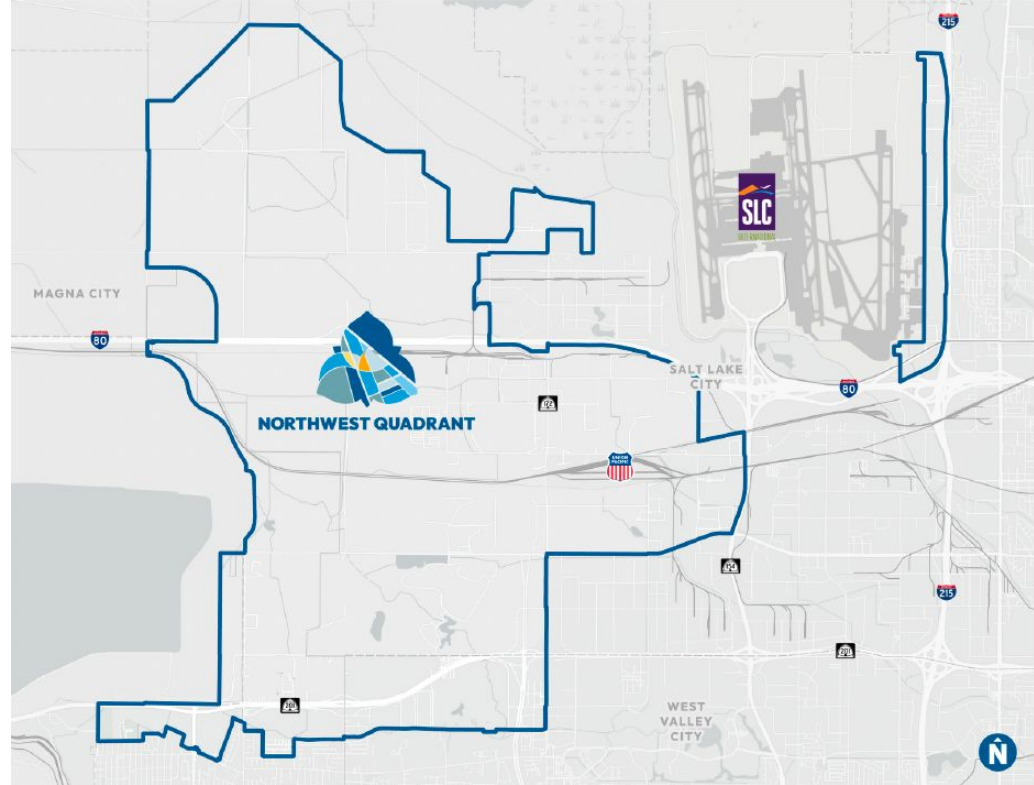
- Post-performance recruitment incentive approved
- \$70M-\$100M investment for rocket motor case manufacturing
- Converts 300,000 sq ft building into aerospace and defense facility
- Creates high-quality, well-paying jobs

## NextEra Energy Resources

- Approved post-performance recruitment incentive
- Supports \$300M+ investment in 200 MW Battery Energy Storage System (BESS)
- Enhances grid resilience and green energy production

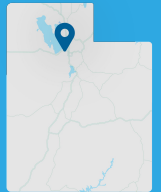
## Holcim

- New LEED-certified facility opened
- Benefits from UIPA-funded rail extension, reducing trucking
- Expected to create 75-80 jobs



## Infrastructure Development

- Funded test track at Stadler Rail US location
- Supports electrified rail manufacturing
- Provides job and training opportunities
- Enhances rail accessibility for nearby businesses



≈ 16,000 Acres

# Golden Spike



## Key Logistics in the Area:

Interstate 15, Interstate 84, US Highway 89, US Highway 91, Union Pacific Railroad, and an adjacent General Aviation Municipal Airport in Brigham City

## Main Purposes:

Optimize transportation assets, attract and retain businesses

## Lakeshore Learning Materials

- 1.2 million sq. ft. facility in Garland
- Operational: January 2025
- 550 jobs
- \$62 million investment over the next decade
- Significant regional benefits

“Collaborating with UIPA on the Golden Spike Project Area marks a turning point for Box Elder County and the entire region. With a focus on light industrial, aerospace, composites, food manufacturing, steel-related industries and more, this Project Area is set to attract high-tech advanced manufacturing jobs and create a thriving economic focal point.”

—Stan Summers, Box Elder County Commissioner







# Iron Springs

**Key Logistics in the Area:** Union Pacific Railroad: Cedar City Branch, RailSync transloading facility, Interstate 15, Utah SR 56, Interstate 70 and Cedar City Regional Airport

**Main Purpose:** Serve southwestern Utah with two transloading facilities and the creation of a 725-acre rail-served industrial park for new business development

## New Facilities:

- RailSync by BZI and Savage Cedar City Transload opened.
- Services: train-to-truck and truck-to-train for steel, lumber, food-grade oils, fuel oils, and mined materials.

## Commercial Development:

- Construction of BZI's Nautilus 1 underway.
- Adds 67,000 sq. ft. of industrial space.

## Project Area Expansion:

- Proposed amendment to add 1,400 acres.
- Aims to meet Iron County's needs for light industrial space and economic diversity.

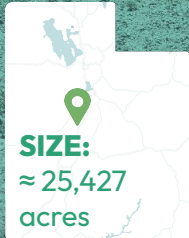
“The intent of the Iron Springs Project Area is to make Iron County an even more attractive place for families to live and work. This will bring additional jobs and new, dynamic commerce opportunities.”

—Ryan Obray, Commerce Crossroads Project Executive, BZI



**SIZE:**  
≈ 899 Acres





# Mineral Mountains



**Key Logistics in the Area:** Union Pacific Railroad, Smithfield Unit Train Loop Track, Interstate 15, Utah SR 257, Interstate 70, Milford Municipal Airport, and Beaver City Airport

**Main Purpose:** Optimize transportation assets, energy and mining resources, and other key factors to develop new primary employment opportunities in Beaver

## Unitech

- 50,000 sq. ft. building.
- 50 new jobs created

## Fervo Energy:

- Phase 1 of the 400-MW Cape Station Project
- Geothermal project to be operational by 2026
- 200 construction jobs over 2 yrs
- Full-time jobs once operational

"Our most precious resource is our kids, and unless we figure out a way of keeping them here and figuring out an economy that will sustain their livelihoods, [then] we're exporting them."

—Tammy Pearson, County Commissioner, Beaver County



# Environmental Stewardship & Sustainability



## Board-approved Wetlands Policy

### Project Area Environmental Reviews



West Weber: Wetlands strategy

Verk Amendment

- Castle Country: Cultural assets protection



NORTHWEST QUADRANT

- 
- EPA Clean Ports Grant (awaiting approval)
  - Great Salt Lake Leachate Protection for NTL Remediation
  - Great Salt Lake Shoreline Preserve
  - Drafting RFP for Salt Lake City Interlocal Agreement Baseline Studies & Preferred Scenarios
  - Train Crossing Safety Signage





# Legislative Audit

## Implemented:

- Master Development Plan
- Annual Tax Differential Forecast
- Best Practices for Board Members of Limited Purpose Entities
- Public Board Meeting Materials
- Board Treasurer
- Finance & Audit Committee
- Board-approved Procurement Policy
- Contracts & Risk Management



# Compliance

Statutory and value-driven foundation for carrying out UIPA's strategic plan, mission and vision



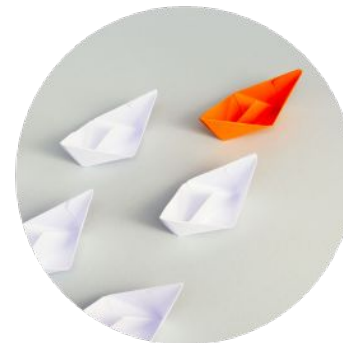
## Operational Risks

Includes financial, infosec, people (HR), and vendor (3<sup>rd</sup> party risks & controls



## Legal & Compliance Risk

Includes regulatory and statutory requirement risks & controls



## Strategic Risks

Includes external and reputational risks & controls

## Get In Touch and Learn More

### Visit Our Website

For testimonial videos and additional resources about the Utah Inland Port Authority, please visit: [www.https://inlandportauthority.utah.gov](https://inlandportauthority.utah.gov)

### Reach Out to the UIPA Team

### Connect With Us on Social Media



# THANK YOU!



**UTAH INLAND PORT AUTHORITY**

— Moving Utah Forward —

