

# Tooele Valley Annual Report 2024



12.19.2024



# Executive Summary



Dear Tooele Valley Stakeholders,

The Tooele Valley Project Area is a dynamic initiative in northern Tooele County that has made significant strides over the past 12 months. With its focus on sustainable development and infrastructure, the project area spans 242 acres and is poised to become a key economic hub in the region, attracting a diverse range of businesses and industries.

In its first year, the Tooele Valley (TV) Project Area has already achieved key milestones, including the creation of the Tooele Valley Public Infrastructure District (PID), which is responsible for funding critical infrastructure projects. The PID has begun issuing bonds to support essential developments such as water and wastewater systems, road expansion, and utilities that are vital to businesses. In addition to the TV PID, the Zenith development group secured short-term loans from the Authority Infrastructure Bank (AIB), providing the necessary financial backing to ensure continued progress on infrastructure and rail advancements.

A major achievement for the Tooele Valley Project Area is the recent approval granted by the Surface Transportation Board (STB) for Savage Tooele Railroad Company (STR) to construct and operate an 11-mile rail line in Tooele County. This new rail development will significantly enhance the region's logistical capabilities and provide businesses with easy access to rail transport. The rail line is expected to mirror the positive effects seen in the Twenty Wells Project Area, by improving regional connectivity and creating opportunities for new industries.

The Tooele Valley Project Area's focus on infrastructure, connectivity, and sustainability will ensure that it continues to be a key economic driver in northern Tooele County. The foundation laid in the first year is just the beginning, as Tooele Valley will continue to develop into a robust, thriving business hub.

We have loved acting as a partner to develop your community,

Kind regards,



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# Corporate Recruitment

The marketing efforts for the industrial site have been highly successful, reflecting the property's strong appeal and strategic advantages. Enormous interest has been generated from a variety of sources, including GOEO, EDCUtah, and cRc Nationwide, the brokerage team representing the site. This collaborative outreach has resulted in 24 active prospects from a diverse range of industries, such as manufacturing, light industrial, warehousing and distribution, build-to-suit projects, and speculative development. Among these prospects, several are particularly drawn to the site's rail-served capabilities, further highlighting its versatility. It has been a mix of local companies looking to expand their business operations in-state as well as groups from all over the US and internationally who have identified Utah as their spot for expansion or relocation.

These efforts have already translated into negotiations for three purchase contracts for parcels sized 6-10 acres, 20 acres, and 50 acres, with closings anticipated in early 2025. Additionally, we have two other prospects in active negotiations, demonstrating ongoing momentum. The diversity and volume of interest reinforce the site's position as a prime location for industrial development, capable of accommodating a wide range of operational needs.

Active Projects

**24**

In Negotiation

**5**

Closed

**0**

# Financials



**Creation of TV PID** - March 26, 2024 the Inland Port Authority Board resolved to create the Tooele Valley Public Infrastructure District



**AIB Loan Award** - Zenith Bolinder was awarded a \$4.875M short-term Infrastructure Bank loan by the Inland Port Authority Board on April 29, 2024

## When to Trigger?

To optimize for maximum tax differential, parcel triggering takes place after improvement is completed. UIPA statute allows us to trigger project areas parcel by parcel, ensuring we capture the most tax increment possible.

**1**

Construction has completed and the property tax valuation will take into account the entire improvement

**2**

The tax IDs for the improved parcels are identified and confirmed with the county assessors

**3**

A resolution to trigger the parcels is taken to the UIPA board for approval

**4**

Once approved, triggered parcels are flagged by the county assessors and tax differential begins to flow the following tax year

# Infrastructure Improvements and Site Work



Construction on site commenced in March 2024. Significant progress has been made since the development broke ground:

## Access Points and Initial Work

Two main access points to the site have been established: one off Burmester Road (west side) and the other off Higley Road (south side). Gates have been installed at both entrances to control access.

Initial site work began with grubbing operations, which started on March 15 and were completed by mid-May, excluding wetland areas and Burmester Road.

By April 15, work commenced on gutting the subgrade, followed by hauling cut materials to areas adjacent to the wetlands.

## Subgrade Preparation and Utility Installation

Subgrade preparation involved compacting the soil using rollers, water, scarifying techniques, and industrial-grade coconut oil. This phase took approximately two months. In July, Strang Construction imported fill material to stabilize the site further.

Trenching for dry utilities began mid-July, with pipe installation following towards the end of the month.

By July 23, work had started on the installation of dry utilities, sanitary sewer, and culinary waterlines. As of today, all dry utilities and crossings are complete, except for one final crossing.

Storm drain materials have been delivered to the site, with installation expected to commence in the next week or two.

## Inspections and Adjustments

There have been many inspections throughout July and early August. Specifically, GSH Engineering conducted deflection tests on the roads. The tests confirmed the strength of the roads, although some areas required elevation adjustments to meet grading specifications.

## Well Drilling

The drilling for the well began in April, but progress was delayed due to equipment failures, specifically a busted drill bit. As of August 19, the drilling has reached a depth of approximately 560 feet, but water has not yet been located. We are continuing to work on this and will provide further updates as they become available.

## Asphalt Installation

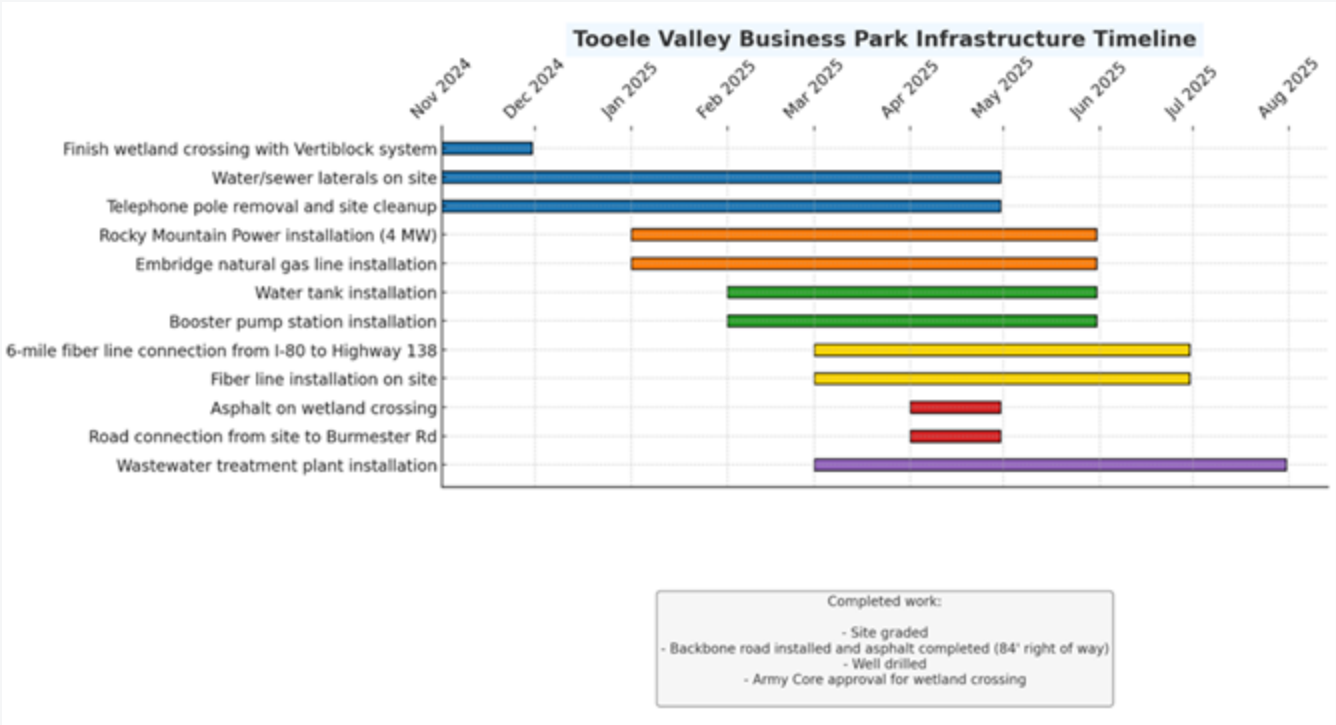
Throughout the Fall, asphalt went in on the backbone roads (except the wetland crossing) on GSL Drive and Sun Stone Drive. This is a major achievement for the project and facilitates ease of access for prospects as well as construction crews.

Wetland Crossing

In September, the project received the long awaited approval from the Army Corp of Engineers to begin work on the wetland crossing. In order to accomplish this task, an innovative “Verti-block” system was used. Using a Verti-block system for a wetland crossing is an efficient and environmentally conscious solution, offering both structural integrity and aesthetic appeal. Verti-block’s interlocking design allows for the construction of durable retaining walls that minimize land disturbance, which is crucial in sensitive wetland areas. The system’s large, lightweight blocks reduce installation time and costs while providing superior load-bearing capacity for supporting pathways or roadways over the wetland. Additionally, the customizable design ensures proper drainage, which helps maintain the natural hydrology of the wetland, preserving its ecological function. This approach balances engineering needs with environmental stewardship. Asphalt will go on this crossing in the Spring when temperatures begin to warm up.

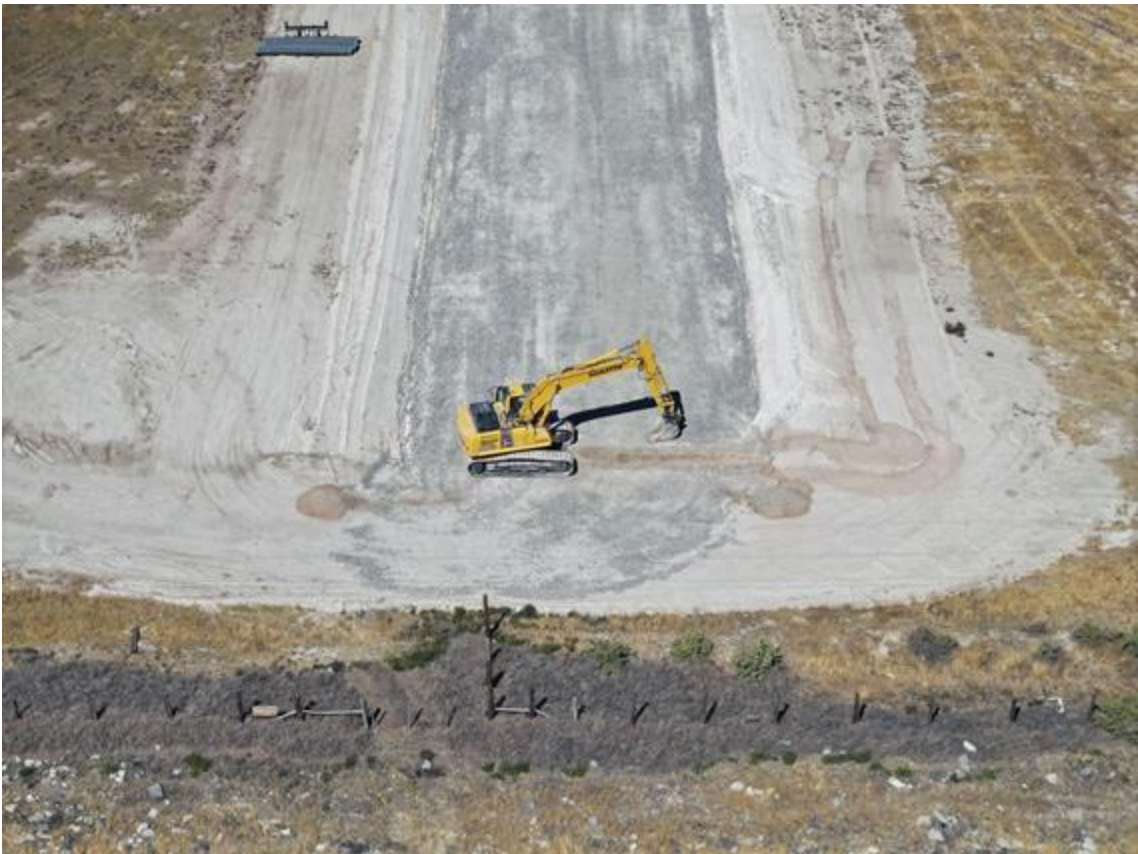
Permitting and Road Development

Efforts are underway to secure a permit for Burmester Drive, and we continue to coordinate closely with Tooele County on this matter. Strang Construction is finalizing its application to the county.













0 0.25 0.5 0.75 1 Miles

**LEGEND**



TOOELE VALLEY  
PROJECT AREA



# What's Next?

2025



## Project Area Amendment

UIPA in partnership with Tooele County will collaborate on an annual amendment cycle for 2025 for the project area.



## Marketing Strategy

National and international marketing and outreach efforts are being implemented to inform and promote the Tooele Valley Project Area.



## Corporate Recruitment

Our goal is minimum of four successful recruitment efforts into project area sites that align with Tooele County's economic development strategy and benefit from the developments advantages



## Differential Generation

We anticipate capital will begin to flow into the project area allowing us to trigger parcels as soon as 2025-2026 fiscal year. This increment will go toward paying back bonds, financing infrastructure buildout as well as expanding our recruitment efforts.



## Environmental Partnerships

One percent of the generated differential is earmarked for wetland preservation. We intend to operationalize these funds and identify wetland preservation projects of regional significance to finance.



## Logistics and Infrastructure

With the STR shortline rail under construction, UIPA will continue to support the regional transportation assets being built and insuring these assets benefit the industrial growth.

# Looking Ahead

## 2025 Amendment Cycle

First amendment cycle to kick off in 2025.

## Public Financing

First parcels to be triggered in 2025.

## Recruitment

Announcements for a minimum of four new industrial investments in the project area.

# Utah Inland Ports Financial Tools

## Post-performance Property Tax Incentives:

Eligible companies can qualify for post performance property tax incentives not to exceed 30% of annual property taxes for up to 25 years. Incentive value will be determined by a local incentive committee and will take into consideration the following qualifying factors:

- Targeted industry businesses
- Average wages
- Logistics volume created
- Platform and capabilities of the business



The PID has taxing authority, for infrastructure. They are created only with consent of 100 percent of property owners in their boundaries, which may include all of a project area or a single parcel. The PID has taxing authority, and assessed taxes, potentially with differential, can be pledged to bond for money to pay for infrastructure. This is a useful tool in getting money upfront with the backing of future revenues.



The AIB can provide low-interest loans to private entities at a rate .5 percent above the State of Utah's AAA bond rates. The UIPA board emphasized use of rail infrastructure for these loans, and loan terms are negotiated in conjunction with UIPA. To be approved, a loan must be approved by the UIPA loan committee, the UIPA board, and the Legislative Executive Appropriations Committee. property owners in their boundaries,

## State Incentive Stackability:

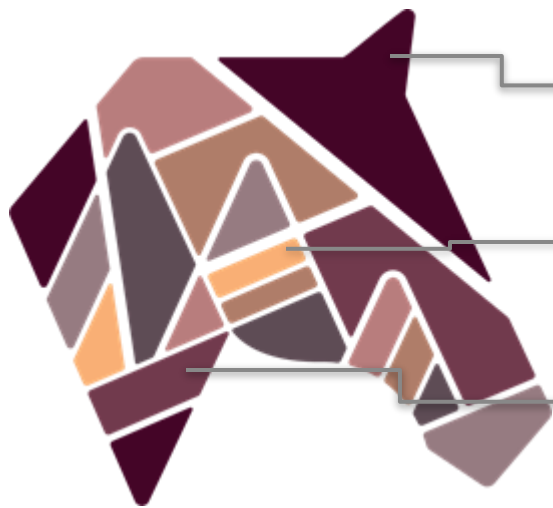
Eligible companies who qualify for local property incentives and state incentive programs will be able to stack incentives.

Learn more about financial services that may be available to you:





# We Are Moving Utah Forward. Make Tooele Valley Your Next Move



## **Discover**

a place where business growth potential is booming, and the quality of life is rich in adventure, culture, and beauty.

## **Engage**

with a connected community that supports business success and offers a skilled and cutting-edge workforce.

## **Work**

in an area that has ample land for a variety of development, opportunities for sustainable practices and the infrastructure to help your business thrive.

## Get In Touch and Learn More

### **Visit Our Website**

For additional resources about Tooele Valley and the Utah Inland Port Authority, please visit:

<https://inlandportauthority.utah.gov/>

### **Reach Out to the Tooele Valley Development Team**

To Inquire about being part of the Tooele Valley project site or for more specific details, please contact:



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### **Connect With Us on Social Media**

