



# Northwest Quadrant

## A Utah Inland Port Project Area

Project Area Plan

Board Approval: May 11, 2023



# DEFINITIONS

Term	Definitions
<b>Authority Infrastructure Bank</b>	“Authority Infrastructure Bank” or “AIB” means the UIPA infrastructure revolving loan fund, established in Utah Code 63A-3-402, with the purpose of providing funding, through infrastructure loans, for infrastructure projects undertaken by a borrower for use within a Project Area.
<b>Base Taxable Value</b>	The taxable value of property within any portion of a Project Area, as designated by board resolution, from which the property tax differential will be collected, as shown upon the assessment roll last equalized before the year in which UIPA adopts a project area plan for that area.
<b>Development Project</b>	A project for the development of land within a Project Area
<b>Effective Date</b>	Date designated in the UIPA board resolution adopting the Project Area Plan on which the Project Area Plan becomes effective. It is also the beginning date UIPA will be paid Differential generated from a Project Area.
<b>Project Area</b>	As to land outside the authority jurisdictional land, whether consisting of a single contiguous area or multiple non-contiguous areas, real property described in a project area plan or draft project area plan, where the development project set forth in the project area plan or draft project area plan takes place or is proposed to take place. The authority jurisdictional land (see Utah Code Ann. sections 11-58-102(2) and 11-58-501(1)) is a separate project area.
<b>Legislative Body</b>	For unincorporated land, the county commission or council. For land in a municipality, it is the legislative body of such municipality.
<b>Loan Approval Committee</b>	Committee consisting of the individuals who are the voting members of the UIPA board.
<b>Project Area Budget</b>	Multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a Project Area.
<b>Project Area Plan</b>	Written plan that, after its effective date, guides and controls the development within a Project Area.
<b>Property Tax(es)</b>	Includes a privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.
<b>Property Tax Differential</b>	The difference between the amount of property tax revenues generated each tax year by all Taxing Entities from a Project Area, using the current assessed value of the property and the amount of Property Tax revenues that would be generated from that same area using the Base Taxable Value of the property but excluding an assessing and collecting levy, a judgment levy, and a levy for a general obligation bond. This is commonly referred to as tax increment.
<b>Taxing Entity</b>	Public entity that levies a Property Tax on property within a Project Area, other than a public infrastructure district that UIPA creates.



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# AMENDMENT/REVISION TABLE

Amendment / Revision Type	Board Approval / Updated Date	Summary of Revisions
Minor Revision	October 30, 2024	Updated to new brand template; Enhanced language for Protection of Natural Resources; Added updated interlocal agreement amendment, which was approved by the UIPA Board on April 29, 2024 to Appendix B; Added Board Approval for Mitigation Money log to Appendix C; Corrected link for Sustainability Action Study



# EXECUTIVE SUMMARY

Numerous stakeholders have expressed significant interest over the previous several decades regarding the development and build-out of the Northwest Quadrant of Salt Lake City and Salt Lake County. In consideration of these stakeholder groups and their concerns, there are many points of agreement upon which the Utah Inland Port Authority (UIPA) can move forward.

*A jurisdictional project plan, also referred to as the UIPA Salt Lake Project Area Master Plan, was presented to the UIPA board on November 21, 2022 and approved by the UIPA board on December 14, 2022.*

In order to achieve the goal of forward progress, this Northwest Quadrant Project Area Plan is split in two phases. This Plan serves as an authorizing document for UIPA's activities in the Project Area. This transparency is critical to provide all stakeholders with awareness for UIPA's activities and will be updated through public processes as is needed. Both phases will be a combined effort with Salt Lake City, Salt Lake County and other stakeholders.

## Project Area Plan Phase 1 – Goals, Objectives, and Activities

Phase 1 of the Project Area Plan provides a public-facing guide for how UIPA will support development and catalyze the economy in the project area.

### ALIGNMENT

UIPA will coordinate with existing publicly adopted development and infrastructure plans by:

- Coordinating UIPA plans with the [2016 Salt Lake City Northwest Quadrant Master](#) plan
- Working with Salt Lake City, Salt Lake County, Magna, West Valley City, UDOT, landowners, and others to optimize infrastructure alignment
- Supporting strategic infrastructure development

### POSITIONING

Create a vision, identity and brand for the project area that is connected to its unique ecological location, and position the project area as a premier global destination for future-facing advanced manufacturers by:

- Ensuring project area is developed in coordinated manner
- Aligning major landowners with long-term vision and objectives
- Use properties currently under UIPA control to enhance positioning
- Supporting positioning with strategic land acquisitions
- Developing rail access as needed
- Developing non-rail logistics solutions to enable strategic growth in the area
- Seeking funding opportunities to support project area initiatives

### ECONOMIC ENGINE

Develop a generational economic engine supporting sustainable growth in the project area by:



Attracting industries and businesses with strong economic multipliers that create high-wage jobs in the region with workforce connections for those in the Salt Lake County area, primarily those identified in the recruitment section below. Our focus will include efforts such as:

- Helping targeted businesses locate or expand to the area using inducements, with a focus on low water using businesses.
- Exploring research opportunities in partnership with colleges and universities within the state, including ecological research.
- Identifying and supporting workforce solutions.

## RECRUITMENT STRATEGY

The Utah Inland Port Authority is authorized to use property tax differential as a business recruitment incentive. The code authorizing this function is found in Title 11 Chapter 58 Part 6 § 603. Incentives will only be given to businesses that meet the long-term objective of creating high wage jobs for Salt Lake County citizens.

Direct recruitment incentives will only be used on the industries:

- Clean Energy
- Biotechnology and life sciences
- Composites and advanced materials manufacturing
- Aerospace and Defense
- Advanced Manufacturing
- Electric and automation technology related to clean technologies
- Environmental technology
- Great Salt Lake preservation research and technology
- Outdoor recreation
- Agritech
- Financial and technology services

UIPA will coordinate with Salt Lake City and other relevant municipalities on this recruitment sourcing strategy and may work in conjunction with the Governor's Office of Economic Opportunity, EDCUtah and other State and regional agencies on recruitment opportunities.

Incentives will be offered as post-performance rebates on generated property tax differential, based on capital investment dollars spent. UIPA will not be tracking wages of jobs created, but rather will target industries that create high-wage jobs.

Per statute, no incentive can be offered to companies that expect to utilize 200,000 gallons or more of potable water per day. No businesses are guaranteed an incentive and the UIPA Board may decline an application at any time for any reason.

UIPA may utilize tax differential on any given parcel in the Project Area. Generally incentive amounts will not exceed 30% of the revenue generated by any business for more than 25 years. All incentives must be approved by the UIPA Board in a public meeting. Incentives will favor the industries listed above, and specifically those that have significant logistics needs. Incentives will only be given to new capital investment by industries listed above. General guidelines for incentives are for businesses that are creating new growth as follows:

<b>New Capital Investment</b>	<b>% of Tax Differential</b>
\$50 million	10%



\$100 million	20%
\$500 million	30%

Variable that could impact the percent of tax differential awarded include the following:

- Anticipated number of jobs created;
- Logistics volume created;
- Platform and capabilities of the business.

Any business that applies to receive a post-performance property tax rebate from the Utah Inland Port Authority must submit a Corporate Stewardship Plan.

The Corporate Stewardship Plan must contain the applicant’s strategy to support items such as the following in the Northwest Quadrant and surrounding neighborhoods:

- Workforce development partnerships
- Support for local education
- Public infrastructure development
- Sustainability initiatives
- Other efforts to support the local community

Any further details will be determined in conjunction with Salt Lake City and other municipal entities within the Jurisdiction.



## TIMELINE

Beginning upon adoption by UIPA Board of Directors and carried forward throughout the duration of the project.

*Phase 1 does not include the development of any logistics facilities. No time, money, or resources will be spent towards the development of any logistics facilities until Phase 2 of the Salt Lake Project Area Master Plan is completed.*

## Project Area Plan Phase 2 – Goals and Objectives

Phase 2 of the Master Development Plan outlines collaborative efforts with Salt Lake City and Salt Lake County to engage vendors to conduct necessary assessments and create infrastructure plans for the Salt Lake Project Area.

### ASSESSMENTS

In cooperation with Salt Lake City and in accordance with procurement policies, hire a vendor(s) to conduct a Community Impact Assessment, a Health Impact Assessment and a Traffic Assessment according to the standards set forth in the SLC – UIPA interlocal agreement. In order for these assessments to be able to accurately determine the impact of planned logistics infrastructure activities by UIPA, such will necessarily need to be done following UIPA's completion and approval of such logistics infrastructure plan.

### LOGISTICS INFRASTRUCTURE PLAN

In cooperation with Salt Lake City, Salt Lake County and in accordance with procurement policies, hire a vendor with significant experience to develop recommendations for logistics infrastructure within the project area.

### PHASE 2 TIMELINE

Beginning upon adoption of this plan by the UIPA Board of Directors with anticipated completion in **24-30 months**.



# OVERVIEW

## Purposes and Intent

By adopting this Project Area Plan, UIPA will be maximizing long-term economic benefits to the Project Area, the region, and the State; maximize the creation of high-quality jobs, and other purposes, policies, and objectives described herein and as outlined in the Port Authority Act.

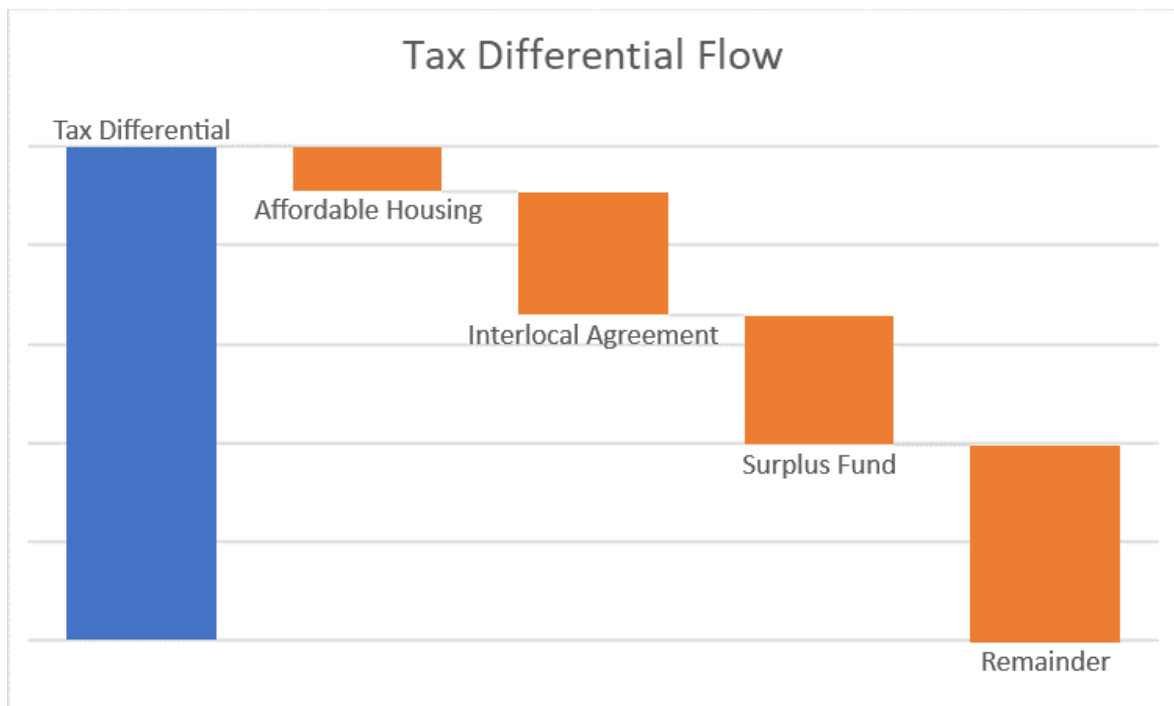
## Area Boundaries

The authority jurisdictional land was provided in the electronic shapefile that is the electronic component of H.B. 2001, Utah Inland Port Authority Amendments, 2018 Second Special Session. Pursuant to subsection 11-58-202(3), the authority maintains an [accurate digital file of the boundary that is easily accessible by the public](#).

A legal description of the authority jurisdictional land for this project area boundaries and a map can be found in [Appendix A](#).

## Project Area Budget

Tax differential revenue received by UIPA from the Salt Lake Project Area is committed to various uses based on debt obligations and the interlocal agreement entered into with Salt Lake City, as shown in the chart below.



### TAX DIFFERENTIAL

75 percent of tax differential collected in the Project Area from taxing entities other than Salt Lake City (“Nonmunicipal Differential”) are remitted to UIPA as provided by Utah Code Ann. 11-58-601.



The amount of tax differential to be remitted to UIPA for property in the Project Area from property taxes assessed by Salt Lake City ("City Differential") is governed by Utah Code Ann. 11-58-604. The following language from the Interlocal Agreement summarizes such provisions:

- a. UIPA shall receive, for a period of 25 years, 25% of the City Differential (the "25% Set Percentage").
- b. UIPA shall receive an additional percentage of the City Differential which shall decrease over a period of 25 years as follows (the "Decreasing Percentage"):
  - 40% for the first tax year after the effective date of this Agreement, decreasing 2% for each year so that by 2029, the payment is 28%;
  - 10 % from 2030 for seven years; and
  - 8% from 2037 to 2047 - at which time the payment of the City Differential to UIPA shall be 0%.

### **AFFORDABLE HOUSING**

10 percent of City Differential is remitted to the Redevelopment Agency of Salt Lake City.

### **INTERLOCAL AGREEMENT**

The amount of City Differential received by UIPA is governed by Utah Code Ann. 11-58-604. The use of such City Differential is governed by the UIPA/Salt Lake City Interlocal Agreement dated October 25, 2022 which provides a process for allocating funds to environmental mitigation (40%), mitigation for communities (40%), and economic development (20%).

### **SURPLUS FUND**

Following affordable housing and interlocal agreement obligations, 40 percent of remaining tax differential funds are paid to the bond trustee to be held in the surplus fund. This occurs until the surplus fund reaches \$15 million.

### **REMAINDER**

Remaining tax differential funds from the Salt Lake Project Area will be used to pay bond obligations (interest-only payments begin in 2025 and principal payment begins in 2034), UIPA operating costs, project costs in the Salt Lake Project Area, and tax incentives for business recruitment and workforce support.

### **WORKFORCE SUPPORT**

According to allowances within statute to support industry within a Project Area, the Port Authority may use tax differential to support workforce support programs within the jurisdictional area. These programs must be tied to the development of high wage careers and be supported by public providers of secondary education training.

### **PROTECTION OF NATURAL RESOURCES**

According to allowances within statute, the Port Authority may use tax differential for acquiring a conservation easement within the boundaries of the jurisdictional land, for purposes of perpetual preservation of land from development and to create buffer areas between jurisdictional and non-jurisdictional land. The Port Authority may also use tax differential to grant money to the Department of Natural Resources (DNR) for their purchase of property for wetland protections, as allowed in Utah State Code, 11-58-505(2)(c). This would include any divisions within DNR including, but not limited to, the Division of Wildlife Resources.



## NONMUNICIPAL TAX DIFFERENTIAL TIMELINE FOR TAXING ENTITIES OTHER THAN SALT LAKE CITY

UIPA received pre-designation Nonmunicipal Differential for the Salt Lake Project Area beginning in November 2019 and will continue to receive it until November 2044. The UIPA Board may extend the receipt of Nonmunicipal Differential for the Salt Lake Project Area for an additional 15 years through resolution. Additionally, the board may designate individual parcels as post-designation parcels, which allows differential to be collected for 25 years beginning at the time of designation. The purpose of this post-designation status is to allow the collection of differential over the full 25 year period on a parcel once substantial development begins. Since much of the project area may not be developed for years, this enables the full range of public financing options. Like the project area itself, the board may extend post-designation tax differential for an additional 15 years.

### YEARLY BUDGET

UIPA adopts a yearly budget each year which includes Salt Lake Project Area tax differential projected revenues and expenditures. For FY2023, projected tax differentials were \$7.5 million and budgeted expenses were \$3.725 million. Uses of these funds include the affordable housing payment, property site development, and master plan studies. Future budgets will be adopted by the board prior to the start of each fiscal year on July 1.

## Initial Environmental Review

The [Northwest Quadrant Sustainability Action Study](#) was completed in 2022, presented to the UIPA board on December 14, 2022, and adopted by the UIPA board on February 27, 2023. It is being adopted as part of this Project Area Plan and Budget.

## Written Consent

Pursuant to UCA 11-58-5, this is not required.

## Project Area Performance Indicators

UIPA will monitor and record the economic benefit of this Project Area and report this information bi-annually to the UIPA Board and key stakeholders. UIPA will work with Salt Lake City and Salt Lake County to determine the right key performance indicators. The following represent likely performance indicators that UIPA will report on:

1. Business recruitment into the area by targeted industry
2. Capitol recruitment in targeted industries
3. Affordable housing units created with associated occupancy and affordability levels
4. Improvements to road, rail, and air
5. Commodity flow by type and value
6. Environmental mitigation initiatives and outcomes (from UIPA/SLC Interlocal Agreement)
7. Community mitigation initiatives and outcomes (from UIPA/SLC Interlocal Agreement)
8. Green technology / alternative fuel infrastructure and adoption



## Conclusion

While there is no statutory requirement for the UIPA board to adopt a project area plan for the authority jurisdictional land, UIPA executive leadership determined that the previously adopted UIPA Salt Lake Project Area Master Plan would best be adapted as a Northwest Quadrant Project Area Plan and Budget. This approach will allow for:

- Future project amendments, which will follow the statutory requirements pursuant to 11-58-504. It is anticipated that project area amendments will follow the completion of interlocal agreement studies and Phase II actions.
- Annual project area preparation and adoption, which will follow the statutory requirements pursuant to UCA 11-58-505.

## Staff Recommendation

The Staff of the Utah Inland Port Authority recommends the Port Authority Board approve the Northwest Quadrant Project Area Plan, which will supersede the previously adopted UIPA Salt Lake Project Area Master Plan.



# REQUIREMENTS

Pursuant to UCA 11-58-501-1a, the authority is not required to adopt a project area plan for a project area consisting for authority jurisdictional land.

The UIPA Act outlines certain steps that must be followed before a Project Area Plan (for land outside the authority jurisdictional land) is adopted. The requirements are as follows:

## Statutory Requirement

A draft of the Project Area Plan must be prepared.

A Project Area Plan shall contain:

- (a) Legal description of the boundary of the project area;
- (b) The Authority's purposes and intent with respect to the project area; and
- (c) The board's findings and determination that:
  - (i) there is a need to effectuate a public purpose;
  - (ii) there is a public benefit to the proposed development project;
  - (iii) it is economically sound and feasible to adopt and carry out the project area plan; and
  - (iv) carrying out the project area plan will promote the goals and objectives stated in Subsection 11-58-203(1).

Adoption of the Project Area Plan is contingent on the UIPA Board receiving written consent to the land's inclusion in the project areas from:

- Legislative Body

Source: UCA 11-58-501 Preparation of project area plan -- Required contents of project area plan.

The UIPA Board shall hold at least one public meeting to consider the draft Project Area Plan.

At least 10 days before holding the public meeting, the board shall give notice of the public meeting:

- (a) to each Taxing Entity;
- (b) to a municipality where the proposed project area is located or any municipality that is located within one-half mile of the proposed area; and,
- (c) on the Utah Public Notice Website.

After public input is received and evaluated and at least one public meeting is held, the UIPA Board may adopt this Project Area Plan, which such modifications as it considers necessary or appropriate.

Source: UCA 11-58-502 Public meeting to consider and discuss draft project are plan – Notice – Adoption of plan

In addition, after the Project Area Plan is adopted, its adoption must be property advertised and notice given to certain governmental entities, along with an accurate map or plat, all as provided in the UIPA Act.

Source: UCA 11-58-503 Notice of project area plan adoption – Effective date of plan – Time for challenging a project area plan or project area



# BOARD FINDINGS & DETERMINATION

Pursuant to UIPA Act, the Board makes the following findings and determination:

## Public Purpose

**“There is a need to effectuate a public purpose.”**

UCA 11-58-201(3)a states “the purpose of the authority is to fulfill the statewide public purpose of working in concert with applicable state and local government entities, property owners and other private parties, and other stakeholders to encourage and facilitate development of the authority jurisdictional land and land in other authority project areas to maximize the long-term economic and other benefit for the state, consistent with the strategies, policies, and objectives described in this chapter, including:

- (i) the development of inland port uses on the authority jurisdictional land and on land in other authority project areas;
- (ii) the development of infrastructure to support inland port uses and associated uses on the authority jurisdictional land and on land in other authority project areas; and
- (iii) other development on the authority jurisdictional land and on land in other authority project areas.”

## Public Benefit

**“There is a public benefit to the proposed Project Area.”**

UCA 11-58-201(3)b asserts the following public benefit for the jurisdictional land of the NWQ Project Area and the “concern, importance, interest, and impact, due to multiple factors, including:

- (i) the strategic location of the authority jurisdictional land in proximity to significant existing and potential transportation infrastructure, including infrastructure provided and maintained by the state, conducive to facilitating regional, national, and international trade and the businesses and facilities that promote and complement that trade;
- (ii) the enormous potential for regional and statewide economic and other benefit that can come from the appropriate development of the authority jurisdictional land, including the establishment of a thriving inland port;
- (iii) the regional and statewide impact that the development of the authority jurisdictional land will have; and
- (iv) the considerable investment the state is making in connection with the development of the new correctional facility and associated infrastructure located on the authority jurisdictional land.”



## Economic Soundness and Feasibility

**“It is economically sound and feasible to adopt and carry out the Project Area plan.”**

UCA 11-58-601(2)a dictates that “the authority shall be paid pre-designation differential generated within the authority jurisdictional land:

- (i) for the period beginning November 2019 and ending November 2044; and
- (ii) for a period of 15 years following the period described in Subsection (2)(a)(i) if, before the end of the period described in Subsection (2)(a)(i), the board adopts a resolution extending the period described in Subsection (2)(a)(i) for 15 years.”

## Promote Statutory Goals and Objectives

**“Carrying out the Project Area Plan will promote UIPA goals and objectives.”**

UCA 11-58-203 defines the policies and objectives of the authority, of which carrying out the NWQ Project Area Plan will promote. These goals and objectives are as following:

- (a) maximize long-term economic benefits to the area, the region, and the state;
- (b) maximize the creation of high-quality jobs;
- (c) respect and maintain sensitivity to the unique natural environment of areas in proximity to the authority jurisdictional land and land in other authority project areas;
- (d) improve air quality and minimize resource use;
- (e) respect existing land use and other agreements and arrangements between property owners within the authority jurisdictional land and within other authority project areas and applicable governmental authorities;
- (f) promote and encourage development and uses that are compatible with or complement uses in areas in proximity to the authority jurisdictional land or land in other authority project areas;
- (g) take advantage of the authority jurisdictional land's strategic location and other features, including the proximity to transportation and other infrastructure and facilities, that make the authority jurisdictional land attractive to:
  - i) businesses that engage in regional, national, or international trade; and
  - ii) businesses that complement businesses engaged in regional, national, or international trade;
- (h) facilitate the transportation of goods;
- (i) coordinate trade-related opportunities to export Utah products nationally and internationally;
- (j) support and promote land uses on the authority jurisdictional land and land in other authority project areas that generate economic development, including rural economic development;

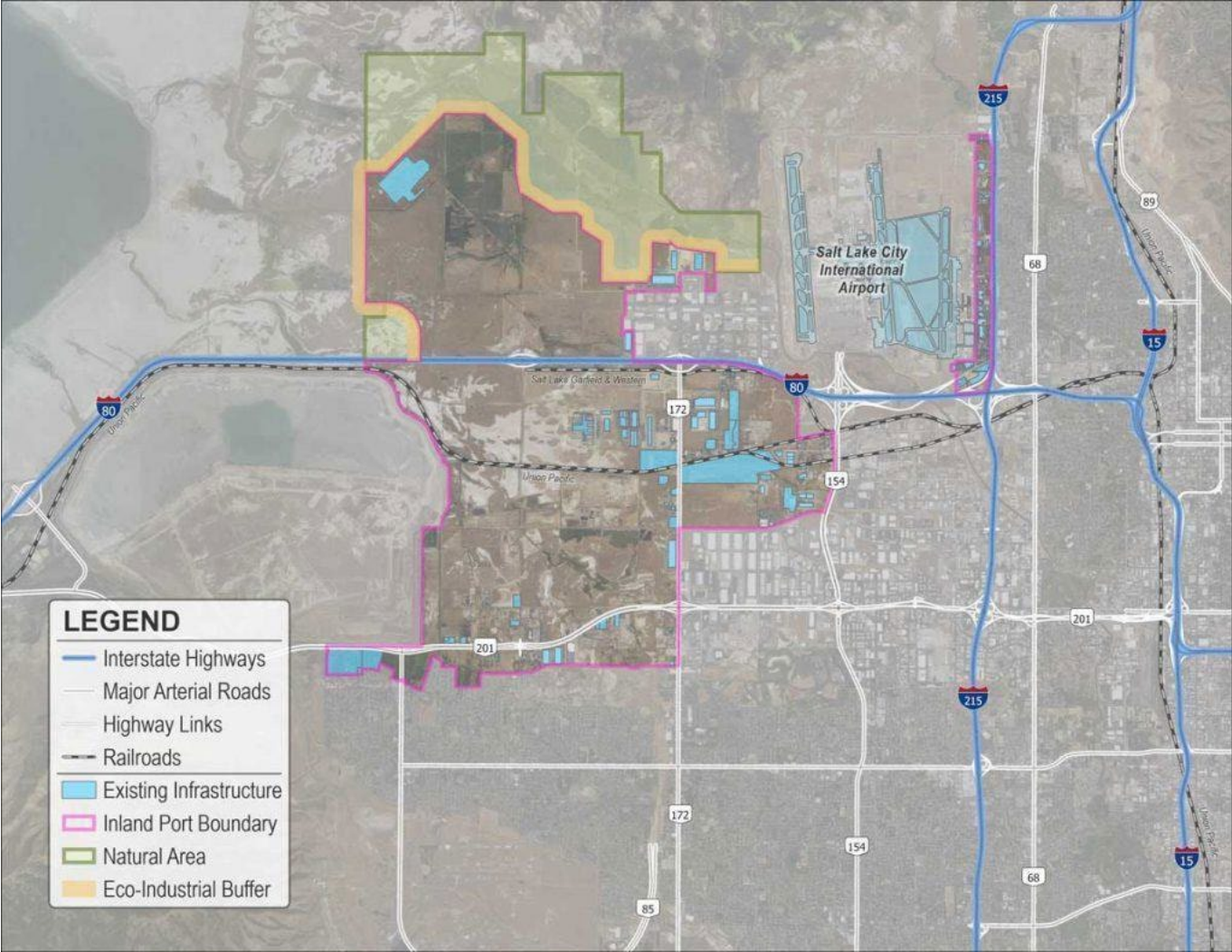


- (k) establish a project of regional significance;
- (l) facilitate an intermodal facility;
- (m) support uses of the authority jurisdictional land for inland port uses, including warehousing, light manufacturing, and distribution facilities;
- (n) facilitate an increase in trade in the region and in global commerce;
- (o) promote the development of facilities that help connect local businesses to potential foreign markets for exporting or that increase foreign direct investment;
- (p) encourage all class 5 through 8 designated truck traffic entering the authority jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and urban bus exhaust emission standards for year 2007 and later;
- (q) encourage the development and use of cost-efficient renewable energy in project areas;
- (r) aggressively pursue world-class businesses that employ cutting-edge technologies to locate within a project area; and
- (s) pursue land remediation and development opportunities for publicly owned land to add value to a project area.



# APPENDICES

## Appendix A: Legal Description of Project Area



# Appendix B: Interlocal Agreement

## FIRST AMENDMENT TO INTERLOCAL COOPERATION AGREEMENT

**THIS FIRST AMENDMENT TO INTERLOCAL COOPERATION AGREEMENT** (“**First Amendment**”) is dated 07/25/2024, 2024, to be effective on the date the last keeper of records for each Party attests and files the Agreement (“**Effective Date**”), by and between Salt Lake City Corporation, a Utah municipal corporation (“**City**”), the Redevelopment Agency of Salt Lake City, a Utah public entity (“**RDA**”), and the Utah Inland Port Authority (“**UIPA**”), a Utah public entity. The City, RDA, and UIPA are sometimes referred to individually as “Party” and collectively as the “Parties.”

### RECITALS

- A. During the general 2022 Utah legislative session, the Utah Legislature enacted HB443, which revised Utah Code §§ 11-58-102, *et seq.* (the “**Inland Port Act**”) to change, among other things, the distribution from Salt Lake County to UIPA, the City and the RDA of exempt area property tax differential, (defined in Utah law as the portion of property tax differential generated by a property tax levied by Salt Lake City in the port authority jurisdictional land (“**City Differential**”). Specifically, Utah Code Ann. § 58-11-604(4) specifies how UIPA may spend portions of the City Differential.
- B. On October 25, 2022, the Parties executed an Interlocal Cooperation Agreement (the “**Agreement**”) to comply with Utah law, to establish a contractual relationship creating certainty on the 25-year distribution of the City Differential to UIPA and to commit to a process for the expenditure of a portion of the City Differential and the efficient processing of land use applications relating to authority jurisdictional land.
- C. Pursuant to the Agreement, the Parties committed to spending a portion of the City Differential defined in the Agreement as Environmental Differential as follows: (a) to engage an outside firm with national expertise to prepare a health impact assessment (“**HIA**”) analyzing the planned inland port development in the authority jurisdictional land within the City; and (b) to engage an outside firm with national expertise to prepare a traffic study using data-based analysis on best practices to mitigate environmental impacts on communities related to logistics hubs, railyards, and truck traffic (“**Traffic Study**”).
- D. Pursuant to the Agreement, the Parties committed to spending the first portion of the City Differential defined in the Agreement as the Community Differential to engage an outside firm with national expertise in community impact assessments to create a comprehensive community impact assessment (“**CIA**”) for the planned inland port development in the authority jurisdictional land and the impacts on the Westside Community (defined in the Agreement).



- E. The Parties agreed that the HIA, Traffic Study, and CIA would be complete by December 31, 2023.
- F. Since executing the Agreement, the Parties have engaged in collaborative discussions with each other and with community stakeholders. The Parties agree that, rather than conducting an HIA, Traffic Study, and CIA, a portion of the Community Differential and Environmental Differential would be more productively spent to establish a baseline evaluation of current development trends and potential outcomes in the port authority jurisdictional land and the Northwest Quadrant. After establishing the baseline evaluation, the Parties desire to establish a mutually agreed upon preferred scenario for future development in the port authority jurisdictional land and the Northwest Quadrant. This preferred scenario would be intended to establish policies and metrics that could serve as an evaluation tool for allocating future resources from the Parties and could also identify potential changes, if any, to the City’s adopted Northwest Quadrant Plan. All parties recognize that the UIPA is not responsible for the development trends or any conclusions reached in the baseline scenario.
- G. The Parties desire to amend the Agreement to reflect this new agreement.

For good and valuable consideration, the Parties agree to amend the Agreement as follows. Any sections of the Agreement that are not specifically amended in this First Amendment shall remain in full force in effect. To the extent there is a conflict between the Agreement and this First Amendment, this First Amendment will control.

- 1. **Expenditure of the City Generated Differential.** During the term of the Agreement, within a week of receiving the 25% Set Percentage and the Decreasing Percentage (defined in the Agreement, and collectively, the “**City Generated Differential**”), UIPA will notify the City of the amount of City Generated Differential it received. UIPA shall spend the City Generated Differential as follows and pursuant to the process set forth in Section 1(e), below:
  - a. *Baseline and Preferred Scenario Studies.* The Parties agree that a portion of the City Generated Differential (both the Environmental Differential and the Community Differential, defined below and in the Agreement) will be initially spent on the following:
    - i. *Baseline Study.* After engaging in a competitive process in which the Parties will, at a minimum, have an equal role on the selection committee, the Parties will select and the UIPA will engage a mutually agreed-upon outside firm (which may subcontract with other firms for subject-matter expertise) to analyze the current development trends in the port authority jurisdictional land and the broader Northwest Quadrant, including by



studying current traffic trends, possible health impacts of current development, and possible community and environmental impacts related to current development in these areas (“**Baseline Study**”). The Baseline Study will consider current development trends in the port authority jurisdictional land based on current zoning and the broader Northwest Quadrant, using existing data related to building permit issuance/applications and requests for increased capacity in public infrastructure. The Baseline Study will also rely on existing environmental, traffic, emissions, and demographic data and plans compiled by Salt Lake City department experts. The purpose of the Baseline Study will be to identify the potential impacts on the community, environment (including air quality, water quality, water resources, habitat, wetlands and the ecosystem), residents, economic development, including job creation (types and number of jobs) and Salt Lake City if development continues on pace with the trends identified in the Baseline Study.

- ii. *Preferred Scenario.* Upon completion of the Baseline Study, after engaging in a competitive process in which the Parties will, at a minimum, have an equal role on the selection committee, the Parties will select and the UIPA will engage a mutually agreed-upon outside firm (which may subcontract with other firms for subject-matter expertise) to identify a preferred development scenario for the Northwest Quadrant; the port authority jurisdictional land; the property adjacent to the Salt Lake City International Airport; and property directly affected by development in the port authority jurisdictional land, including the Great Salt Lake shoreline heritage area. The preferred development scenario will take into account the trends identified by the UIPA Logistics Study, UIPA Sustainability Study, Baseline Study, as well as the Parties and stakeholders’ objectives related to optimal economic growth, optimal logistics strategies, community mitigation, environmental preservation, water consumption and water quality, air quality and related human health impacts, sustainable transportation, job creation (both types of jobs and numbers of jobs) and economic development (“**Preferred Scenario**”). The outside firm will establish the preferred scenario by engaging with the community, Salt Lake City Corporation, property owners, developers, Northwest Quadrant jurisdiction businesses, and the UIPA Board, and taking into consideration the priorities of each entity. Such engagement will include conducting a robust and equitable community engagement process using various means of engagement, including, but not limited to public hearings, multiple-language meetings, and small group meetings with key stakeholders and leaders within the community. The outside firm may compensate these community members and stakeholders for their participation in the engagement process, consistent with current city



policies and prior precedent. This engagement will be to effectuate the objective of creating new policies and matrices to guide future decisions related to the expenditure of the Environmental Differential, and Community Differential. The Preferred Scenario will include a list of potential projects or investments the Parties could make to effectuate the Preferred Scenario (“**Preferred Projects**”), which will help the Parties prioritize the expenditure of the Environmental Differential and the Community Differential, pursuant to Utah law. In addition, the Preferred Scenario will establish policies and metrics to serve as an evaluation tool for allocating future resources from the Parties, a plan for regular status reviews and long-term accountability to ensure the policies and matrices continue to achieve the Parties’ objectives under the Preferred Scenario. The Preferred Scenario will identify which policies and metrics are within the scope of authority of UIPA, the City, and/or other entities. The Preferred Scenario could also identify potential changes, if any, to the City’s adopted Northwest Quadrant Plan. The UIPA Board has the authority to make all final funding determinations consistent with this First Amendment and State law. The preferred scenario will provide guidance where any conflicts occur, except in cases where there are cross-cutting regulatory or legal obligations that the parties are required to meet future plans. In such an instance, the Parties will work towards maintaining the intent of the Preferred Scenario while meeting regulatory and legal obligations.

- b. Upon completion of the Preferred Scenario, the outside firm will present the findings and recommendations to the Salt Lake City Council and the UIPA Board, in public meetings, which include public comment opportunities, for potential formal adoption.
- c. *Environmental Mitigation Projects within the Authority Jurisdictional Land:* Under Utah law, UIPA will spend 40% of the City Generated Differential on environmental mitigation projects in the authority jurisdictional land within the City (“**Environmental Differential**”) according to the following:
  - i. A portion of the Environmental Differential will be used by the City and UIPA to engage the mutually agreed upon and selected outside firm to create the Baseline Study and Preferred Scenario in a timely manner. Any additional Environmental Differential will be spent on either UIPA’s Community Enrichment Grants or other projects, to be mutually agreed upon by the Parties under the terms of this First Amendment.
  - ii. While the Baseline Study and Preferred Scenario are being established, any unspent Environmental Differential may fund UIPA’s Community



Enrichment Grants, particularly grants that mitigate the environmental impacts on Salt Lake City related to the development of the authority jurisdictional land. Such environmental mitigation projects may include, but are not limited to, net zero, electric, or equivalent building; mitigation of truck traffic; protection of wetlands and other areas important to the function of the Great Salt Lake and habitat; construction that supports migratory bird patterns in and around the jurisdictional land; low water usage; solar or renewable energy and/or transportation electrification, including rail, trucks, vans, transit and non-road vehicles and projects related to rail and clean air. The Parties agree that the City and UIPA will establish mutually agreed upon standards for the Community Enrichment Grant applications, prior to releasing any grant applications, to ensure that the Environmental Differential is being allocated pursuant to Utah law.

- iii. Expenditure of the Environmental Differential for Community Enrichment Grants will only occur after the City and UIPA follow the process described in Section 1(e) below. After the establishment of the Baseline Study and Preferred Scenario, the Environmental Differential may fund the Preferred Projects, which will be prioritized pursuant to the process described in Section 1(e) below. So long as it is consistent with this First Amendment and State law, the UIPA board will maintain final approval of any expenditure for Environmental Differential.
- d. *Mitigation Projects for Communities within the City.* UIPA will spend 40% of the City Generated Differential (“**Community Differential**”) on mitigation projects for communities that are within the City; are adjacent to the authority jurisdictional land; and are west of the east boundary of the right of way of commuter rail used by the City (“**Westside Community**”) according to the following:
  - i. A portion of the Community Differential will be used by the City and UIPA to engage the mutually agreed upon and selected outside firm to create the Baseline Study and Preferred Scenario in a timely manner. Any additional Community Differential will be spent on either UIPA’s Community Enrichment Grants or other projects, to be mutually agreed upon by the Parties under the terms of this First Amendment.
  - ii. While the Baseline Study and Preferred Scenario are being established, any unspent Community Differential may fund UIPA’s Community Enrichment Grants, particularly grants that mitigate the impacts of development of the port authority jurisdictional land on the Westside Community, including but not limited to, projects that address community-identified priorities, including creating quiet zones, railroad crossings, new infrastructure to benefit adjacent communities,



apprenticeship programs, career and youth development, and scholarships for certain careers associated with UIPA, and clean air opportunities related to rail. The Parties agree that the City and UIPA will establish mutually agreed upon standards for the Community Enrichment Grant applications, prior to releasing any grant applications, to ensure that the Community Differential is being allocated pursuant to Utah law.

- iii. Expenditure of the Community Differential for Community Enrichment Grants will only occur after the City and UIPA follow the process described in Section 1(e) below. After the establishment of the Baseline Study and Preferred Scenario, the Community Differential will fund the Preferred Projects, which will be prioritized pursuant to the process described in Section 1(e) below. So long as it is consistent with this First Amendment and State law, the UIPA board will maintain final approval of any expenditure for Community Differential.

iv.

*Process to Review and Identify Expenditures for the Environmental Differential and Community Differential.* During each fiscal year, within 30 days after receiving the amount of City Differential from the County, the UIPA executive team will first allocate sufficient Environmental Differential and Community Differential to complete the Baseline Study and Preferred Scenario in a timely manner. If Environmental Differential and Community Differential remain unallocated, the UIPA executive team will develop a list of priority projects to spend the Environmental Differential and Community Differential (collectively, the “**Mitigation Money**”), in conformance with the priorities of this First Amendment. By April 15 of each year, the UIPA executive team will submit any proposed use of Mitigation Money to the City’s advisory group of experts, via the Mayor’s office, which will be comprised of members of City departments, including but not limited to, the Redevelopment Agency, Community and Neighborhoods, Public Utilities, and Sustainability, Mayor’s Office and Council Office, and stakeholders invested in the City’s Northwest Quadrant including the Audubon Society and community leaders from westside neighborhoods (“**NWQ Review Group**”). The NWQ Review Group may develop a separate list of priority projects to spend the Mitigation Money. If the NWQ Review Group develops a separate list of priority projects, the NWQ Review Group will share this list with the UIPA executive team no later than May 1 of each year.

- e. The UIPA team and representatives of the NWQ Review Group will seek to develop a joint recommendation to be presented to UIPA’s board no later than June 15 of each year. The Parties anticipate that there will always be more ways to spend the Mitigation Money than there is money available. If there is no agreement on a joint recommendation, the NWQ Review Group’s identified projects and the UIPA executive team’s identified projects will both be submitted to the UIPA Board. Upon completion of the Preferred Scenario, the Parties agree that the list of priority projects will either be the Preferred Projects identified in the Preferred Scenario or



will be identified using the policies and matrices established in the Preferred Scenario and within the scope of authority of the City and/or the UIPA. In all events, UIPA's board shall consider the budget requests and approve a budget after a public hearing at a public meeting located within Salt Lake City boundaries, and such budget will include line-item approval of projects for the expenditure of the Mitigation Money. The UIPA board may approve a multi-year option for significant projects, so long as such projects are consistent with this First Amendment and State law.

- f. *Economic Development Activities.* UIPA will spend the remaining 20% of the City's Property Tax on economic development projects within the authority jurisdictional land in Salt Lake City. UIPA will use commercially reasonable efforts to incentivize economic development projects that align with Preferred Scenario, the City's Northwest Quadrant Master Plan, and/or the UIPA Northwest Quadrant Project Area Plan.

2. **Interlocal Cooperation Act.** In satisfaction of the requirements of the Interlocal Cooperation Act, and in connection with this Agreement, the Parties agree as follows:

- (a) This Agreement shall be approved by each Party pursuant to Utah Code §11-13-202.5 of the Interlocal Cooperation Act, including by the Board of the RDA, the Salt Lake City Council, and the UIPA Board of Directors.
- (b) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party, pursuant to Utah Code §11-13-202.5 of the Interlocal Cooperation Act.
- (c) A duly executed original counterpart of this Agreement shall be filed with keeper of records of each Party, pursuant to Utah Code §11-13-209 of the Interlocal Cooperation Act.
- (d) Except as otherwise specifically provided herein, each Party shall be responsible for its own costs of any action taken pursuant to this Agreement, and for any financing of such costs.
- (e) Any Party may withdraw from the joint or cooperative undertaking described in this Agreement only upon the termination of this Agreement.
- (f) No real or personal property shall be acquired jointly by the Parties as a result of this Agreement. To the extent that a Party acquires, holds, or disposes of any real or personal property for use in the joint or cooperative undertaking contemplated by this Agreement, such Party shall do so in the same manner that it deals with other property of such Party.
- (g) No joint board or entity is created through this Agreement.



(h) The functions to be performed by the joint or cooperative undertaking are those described in this Agreement.

IN WITNESS WHEREOF, the Parties are executing this First Amendment to Interlocal Agreement to be effective as of the Effective Date.

Utah Inland Port Authority, a Utah public entity



Name: Ben Hart  
Title: Executive Director

Salt Lake City Corporation, a Utah municipal corporation

  
Jill Love (Jul 25, 2024 14:38 MDT)

Erin Mendenhall, Mayor

Approved as to Proper Form and Compliance with Applicable Law:



Brook McCarrick, Attorney for Utah Inland Port Authority

Approved as to Proper Form and Compliance with Applicable Law:

  
Katherine Lewis (Jul 25, 2024 14:22 MDT)

Katherine Lewis, City Attorney

Redevelopment Agency of Salt Lake City, a Utah public entity

  
Jill Love (Jul 25, 2024 14:38 MDT)

Erin Mendenhall, Executive Director

Approved as to Proper Form and Compliance with Applicable Law:

  
Katherine Lewis (Jul 25, 2024 14:22 MDT)

Katherine Lewis, City Attorney

Attest:

  
Cindy Trishman (Jul 25, 2024 15:18 MDT)

Cindy Lou Trishman, City Recorder

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RECORDED

07/25/2024



## Appendix C: Board Approval for Mitigation Money

### APPROVED BY UIPA BOARD ON NOVEMBER 6, 2023

- Required studies from October 18, 2022 board approved interlocal agreement: CIA, HIA, and Traffic
- Westside Community Enrichment Initiative Grants:
  - Neighborhood House \$100,000
  - NeighborWorks \$100,000
  - Salt Lake Police Foundation \$10,000
  - Suazo Business Center \$50,000
  - TreeUtah of Salt Lake City \$50,000

### APPROVED BY UIPA BOARD ON JUNE 24, 2024

- Great Salt Lake Shoreline Preserve \$2,497,039.50
- Baseline & Preferred Studies \$400,000
- Great Salt Lake Leachate Protection \$2,497,039.50
- Train Crossing Safety Signage \$150,000
- Air Cargo Development Airport \$2,600,000

