

An aerial photograph of a snowy industrial and residential area. In the foreground, there are several large industrial buildings with white roofs and parking lots. A multi-lane highway runs through the center, with a bridge crossing over a road. The background shows a vast, flat landscape covered in snow, leading up to a range of snow-capped mountains under a clear blue sky. A dark blue diagonal shape is overlaid on the left side of the image, containing the title and date.

Northwest Quadrant and Statewide Logistics Strategy

November 2024



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What is UIPA?



What is UIPA?

UIPA leads the nation in advancing groundbreaking approaches to invest in logistics infrastructure and services: it is a state corporation with a mandate to advance responsible logistics and economic development.



UIPA maximizes long-term economic benefits in Utah by developing and optimizing economic project areas and logistics-based infrastructure.



Through investments in infrastructure such as roads, rail, air cargo, and other logistics-related improvements, UIPA aims to transform Utah through multi-generational, logistics-based, economic solutions.



UIPA supports economic development through resources such as Public Infrastructure Districts, Authority Infrastructure Bank loans, Business Incentives, and Tax Differential financing.

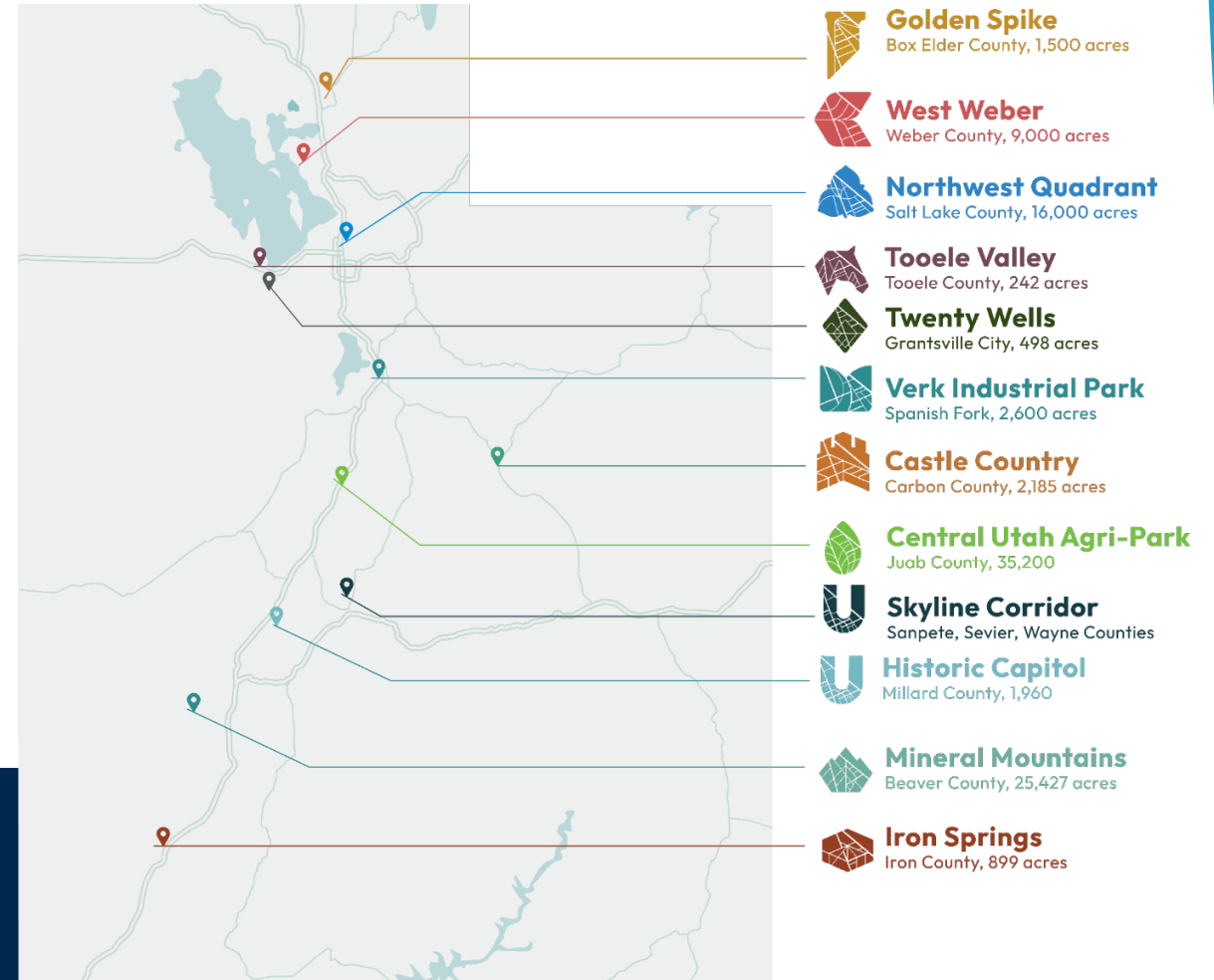
What Does UIPA Do?

UIPA invests in infrastructure in designated port project areas that will provide economic development opportunities.

The Utah Inland Port Authority (UIPA) is dedicated to enhancing Utah's economy and quality of life by developing multimodal logistics options and strengthening regional economies. UIPA's primary funding source for investing in infrastructure is through tax increment financing generated from the economic uplift created within **Project Areas** around the state.

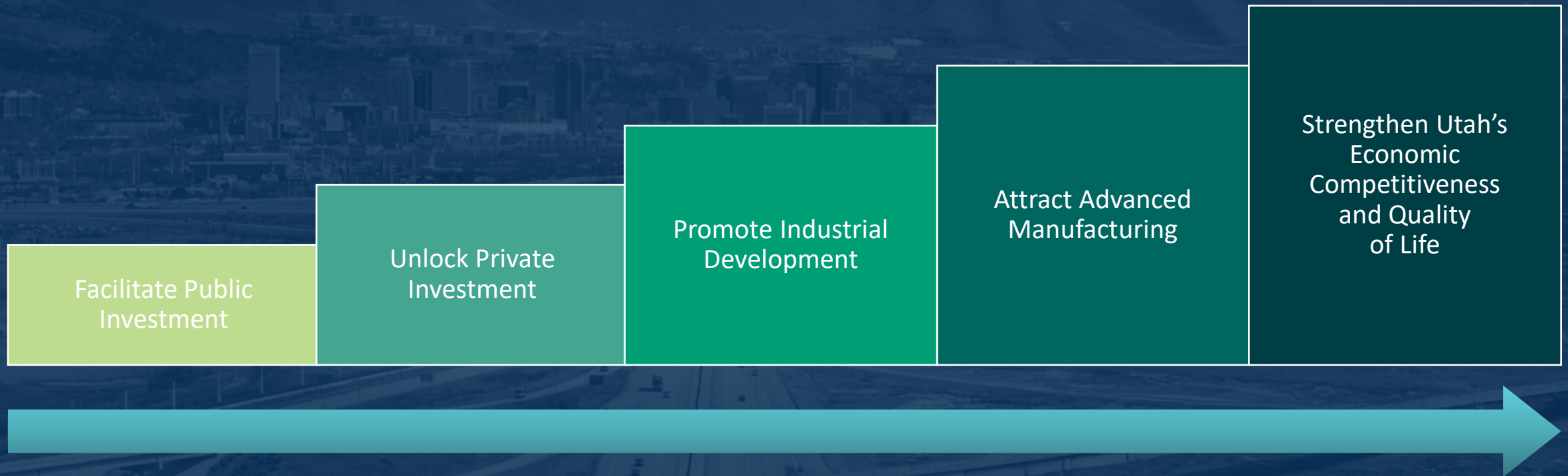
UIPA Project Areas are located throughout Utah, capitalizing on a region's existing logistics and economic infrastructure. Where regional logistics infrastructure does not exist, UIPA can make strategic investments to unlock regional economic growth. Through the support of UIPA and the surrounding communities, a Project Area provides businesses with access to a network of resources and logistics infrastructure.

Project areas represent a true long-term partnership between a local community and the state: by creating a project area through UIPA, a community unlocks UIPA and the state's strengths and resources.



What is UIPA's Role in Utah's Logistics System?

UIPA sits at the nexus of unlocking public and private investment in goods movement that promotes industrial development, which attracts advanced manufacturing companies, strengthening Utah's economic competitiveness and quality of life.



What is UIPA's Vision for Utah's Logistics Future?

Utah will create transformational economic opportunity in rural and urban regions through strategic improvements in logistics infrastructure and services.

UIPA's goal and purpose for logistics investment is to unlock economic development benefits for Utah and its citizens:



Logistics investments are central to Utah's ability to attract top manufacturing companies

Logistics access and costs are major considerations for manufacturing companies. UIPA's investments in infrastructure will make Utah the best state in the Intermountain West for logistics activity and support. Utah's competitive advantages include access to multiple modes of shipping, and the cost, reliability, and timeliness of those shipping options.



Utah's logistics competitive advantage draws new business and grows existing business

Utah's exceptional multimodal logistics system will attract and support a diverse group of manufacturing companies, growing Utah's economy and improving its ability to weather economic downturns.



Utahns benefit

Enabled by world-class logistics services and assets, will provide Utahns with quality, stable, well-paying jobs and will deliver freight more sustainably – with an emphasis on capturing rail mode share.



What is the Utah Logistics Strategy?



Why is UIPA Developing a Logistics Strategy?

Smart logistics investment drives economic development, livability, affordability and sustainability success

A cohesive and actionable Statewide Logistics Strategy will help Utah to:

- Stay ahead of trends impacting manufacturers and other logistics-dependent industries;
- Pivot toward opportunities to grow Utah commerce as opportunities arise;
- Remain resilient against supply chain disruptions and infrastructure shocks;
- Plan for population and economic growth,
- Improve livability, community, sustainability, and environmental stewardship; and
- Position the state as a logistics leader to continue attracting top manufacturers and job creators.

Logistics is Growing in Importance for Utah

Utah's need for logistics is being driven by its residents – Utahns consume more goods and the state's population is forecasted to grow well into the future.

- 1** In 2022, Utah's Gross Domestic Product (GDP) was **\$78 billion**. **37%** of Utah's GDP was generated by logistics-reliant industries, such as manufacturing, wholesale and retail trade, and transportation and warehousing businesses.
- 2** Utah was the **fastest-growing state from 2010-2020**, experiencing an **18%** increase in population. Most of this growth was concentrated along the Wasatch Front. An increase in population will mean an increase in the consumer product demands of Utahns.
- 3** In recent years, Utahns purchasing habits have changed, such as people making **a greater share of their purchases through E-commerce**. Changing purchasing patterns has required changes in warehousing and distribution activity as well, such as the creation of new just-in-time fulfillment centers.
- 4** Utah's need for logistics services will continue to increase as the state's cargo volumes grow. It is forecasted that between 2021 and 2030, cargo tonnages will increase by **18.3%**, while cargo value will increase by **34.4%**.



What are the Objectives of the Logistics Strategy?

The Logistics Strategy provides UIPA with guidance on how – and where - to focus its investments in logistics infrastructure to maximize benefits for Utah.

Major Objectives of the Logistics Strategy:

1. Describe the logistics system as it exists today and its importance to Utah.
2. Conduct a data-driven analysis of the kinds of freight moving on Utah's transportation system and where the key infrastructure assets are located.
3. Identify gaps in the logistics system and the challenges the logistics system faces.
4. Create logistics strategies to support economic development through logistics infrastructure and innovation investment.
5. Develop partnership strategies enabling UIPA to deliver on its mission.



How was the Strategy Developed?

Development of the study was focused on integrating data and stakeholder outreach to more deeply understand and assess logistics needs.

Extensive stakeholder outreach was conducted throughout the logistics study process:

- Shippers and Manufacturers
- Developers
- Railroads
- Landowners
- Trucking Companies
- Cities and Counties
- Seaports
- State Agencies
- Airlines and Airports
- Elected Officials
- Community Residents
- Advocacy Groups

Engagement activities included:

- SWOT Analysis Focus Groups
- Open Houses
- 1/1 Interviews
- Board Meeting Presentations
- City Council Meetings
- County Commission Meetings

Utah economic, trade, and freight data provided insight identifying strengths and opportunities.



Engagement for the Logistics Strategy

Development of the strategy focused on integrating data and stakeholder outreach to more deeply understand and assess Utah's logistics needs. Engagement with stakeholders took many forms.

The strategy development team consulted with more than 60 individuals and also conducted group discussions.

These efforts included one-on-one interviews to understand the current state of logistics in Utah, and the state's future logistics needs. Consultees included local and state government agencies, shippers, carriers, and developers and landowners.

Following initial consultations, the project team conducted work sessions and group meetings to seek inputs from public sector partners, including the City of Salt Lake City, Utah Department of Transportation, Utah Transit Authority, and other community members and organizations from across the state.

In addition to these targeted outreach efforts, the team provided regular project updates at UIPA board meetings.



Site Visits

Site visits to UIPA project areas and logistics infrastructure provided valuable insight to guide project area-specific strategy recommendations.

In-person visits to each project area accomplished multiple goals, including evaluating current development patterns and infrastructure, assessing existing project areas at project inception, and consideration of the role of newly-created project areas in statewide strategies.

As part of these site visits, the project team met with local officials and transportation planners and other organizations to understand needs. Some key findings from this work include:

- There is consistent local enthusiasm for UIPA to create new economic opportunities in each region.
- Logistics infrastructure investment enables desired economic recruitment.
- Companies and communities need sufficient demand for the movement of goods to justify their infrastructure investments.
- Utah needs to optimize its existing logistics infrastructure, which in many cases operates below its possible capacity.

In addition to visiting project area sites, the project team toured freight facilities across Utah to identify existing logistics strengths and future opportunities.



Open Houses

Open houses gave members of the public opportunities to learn about the Logistics Strategy and provide feedback for strategy development.

Open House materials included displays and tables to familiarize the community about UIPA and local Project Areas. These materials also helped facilitate the project team's collection of feedback for the Logistics Strategy.

The open houses facilitated one-on-one conversations between community members and the UIPA project team regarding logistics needs and issues, and proposed strategies.

Three open houses were conducted in person, with one meeting in Cedar City, and two meetings in the Northwest Quadrant. The project team also created a webinar video presentation to inform the general public about proposed logistics strategies.




YOU'RE INVITED TO AN

Open House

The Utah Inland Port Authority is hosting an open house in Iron County to talk about improving transportation in Utah.

We need your input to help shape our transport and infrastructure plans.

At this event, you can learn about projects and project areas, give your thoughts, and meet others working on Utah's transportation, helping us enhance roads, rails, and how goods are moved around our state.

 **CEDAR CITY**
APRIL 17, 2024
3 P.M. TO 6 P.M.

FESTIVAL HALL
ROOM 1
96 N MAIN
CEDAR CITY, UTAH



IRON SPRINGS
UIPA

What is Logistics?



What is Logistics?

Utah's households and businesses depend on an interconnected logistics system of highways, railroads, airports, and warehouses to move the goods they require to live and thrive.

Logistics is the process of planning, implementing, and controlling procedures for the efficient and effective transportation and storage of goods from the point of origin to the point of consumption.

Logistics includes a range of activities such as:



What is Logistics?

The complex Utah logistics system consists of a multitude different players, all working in coordination to move goods. There are three broad elements that make up this logistics system:

Major Elements of Logistics



Infrastructure

How to gain access to the logistics network

Infrastructure provides access to the logistics network. This infrastructure includes roads, railroads, airports, ports, and other physical cargo-handling facilities.



Capacity

How much cargo can flow through the network

Capacity is created by private logistics companies like trucking companies, railroads, and airlines, and is the driver of service options and pricing.



Goods

The products dependent on the logistics network

Consumers create demand for finished goods. Manufacturers turn raw materials into finished goods, fueling the economy and providing jobs.



Why is Logistics Important?

The logistics system is vital to Utahns' basic needs and economic well-being.

Logistics is not a stand-alone industry. While logistics facilities and service providers create jobs, they are critical in supporting Utah's future economic development. Strategic investment in logistics will attract top manufacturers to Utah, helping to create additional jobs in industries which benefit from Utah's logistics system.

In addition to transportation companies (trucking companies, railroads, and airlines), the logistics sector includes freight forwarders, customs brokers, and 3rd-party cargo handlers, and many others.

Logistics and logistics-dependent companies also benefit other sectors of Utah's economy. Construction, legal services, business services (such as accounting and consulting), maintenance, and other sectors of the Utah economy are needed to support the day-to-day operations of logistics-related industries.

547,000

Number of Utahns employed by industries reliant on logistics.

37%

The share of Utah's total GDP accounted for by industries reliant on the state's logistics system.

32%

The portion of Utah's workforce that is employed in logistics-reliant industries.

\$78.2 billion

The amount logistics-reliant industries directly contribute to Utah's GDP each year.



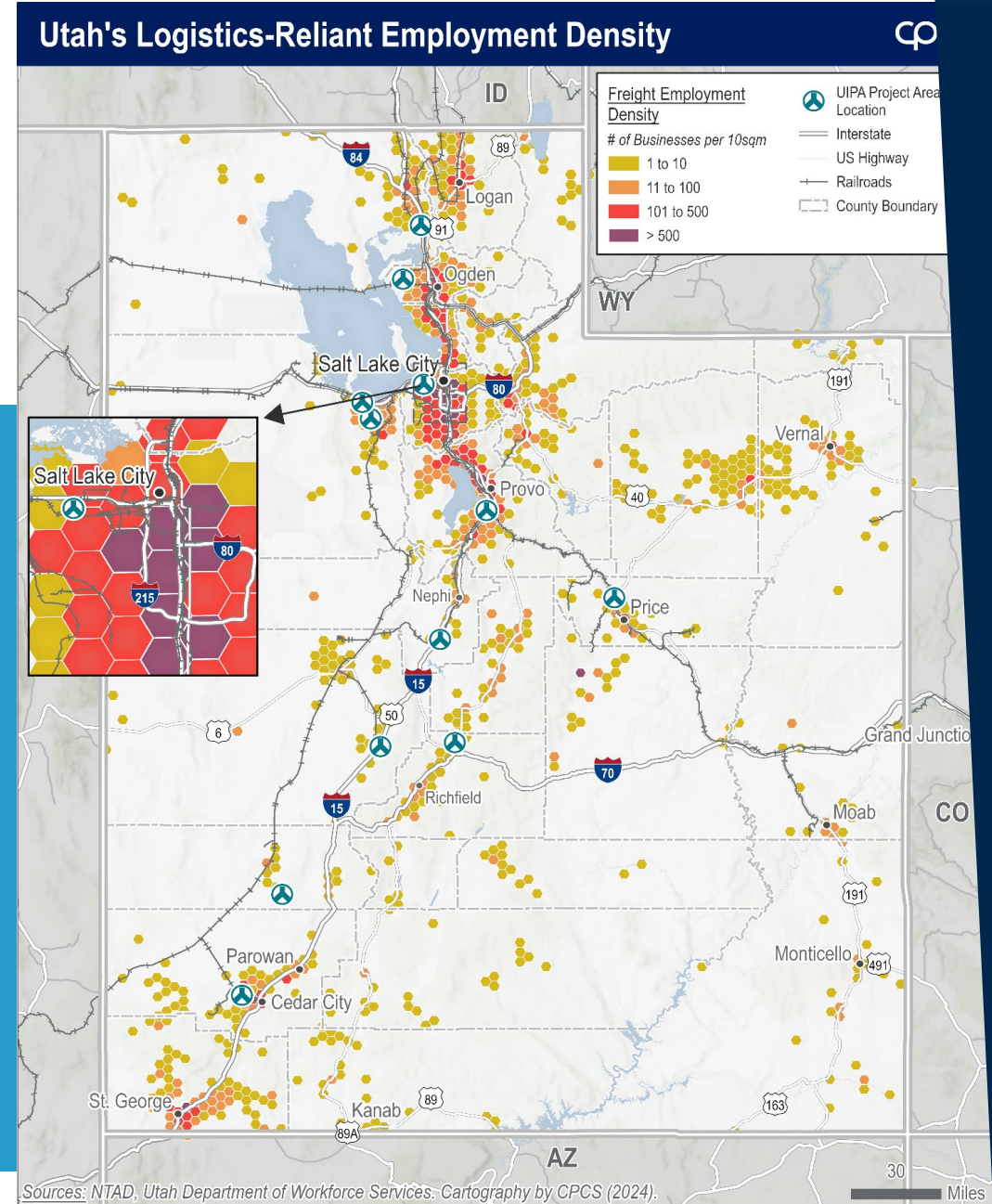
Utah's Logistics Context

Logistics powers Utah's economy and livelihoods.

The intersection of Utah's transportation corridors with major population centers has resulted in the creation of major logistics clusters in Utah, including the Northwest Quadrant of Salt Lake City and Ogden, as well as smaller clusters in Logan, Cedar City, and St. George.

Utah is growing: Utah's population grew by 18% between 2010 and 2020 and is expected to continue growing significantly in the coming years. This in turn will place increasing demand on Utah's logistics services.

While other regions within Utah do not have extremely strong concentrations of logistics activity, investment in local logistics infrastructure is important because it can unlock development opportunities in these areas.



Analyzing Utah's Role in Logistics

A major component of the data analysis is the IHS Global Insight Transearch commodity flow data.



Mode
(truck, rail, air)



Origin, Destination, and
Routing



Commodity type,
tonnage, and value

Key Findings from Commodity Flow Analysis:

- Truck trips to/from Utah connect the state across the country with the greatest tonnage moving to/from neighboring states.
- Counties along the Wasatch Front are the top truck origins and destinations within Utah.
- Utah is the “Crossroads of the West” as it sits along several key road and rail routes moving goods between other states that move to or from or pass through Utah. These routes include I-80, I-15, and one of the Union Pacific’s major transcontinental railroad lines.
- Utah’s logistics network serves all Utah with logistics-dependent employment found across the state.
- The state plays many roles in logistics: distributor to its neighbors, supplier to other states’ industries, and conduit for goods passing through.

The Role of Utah in Trade

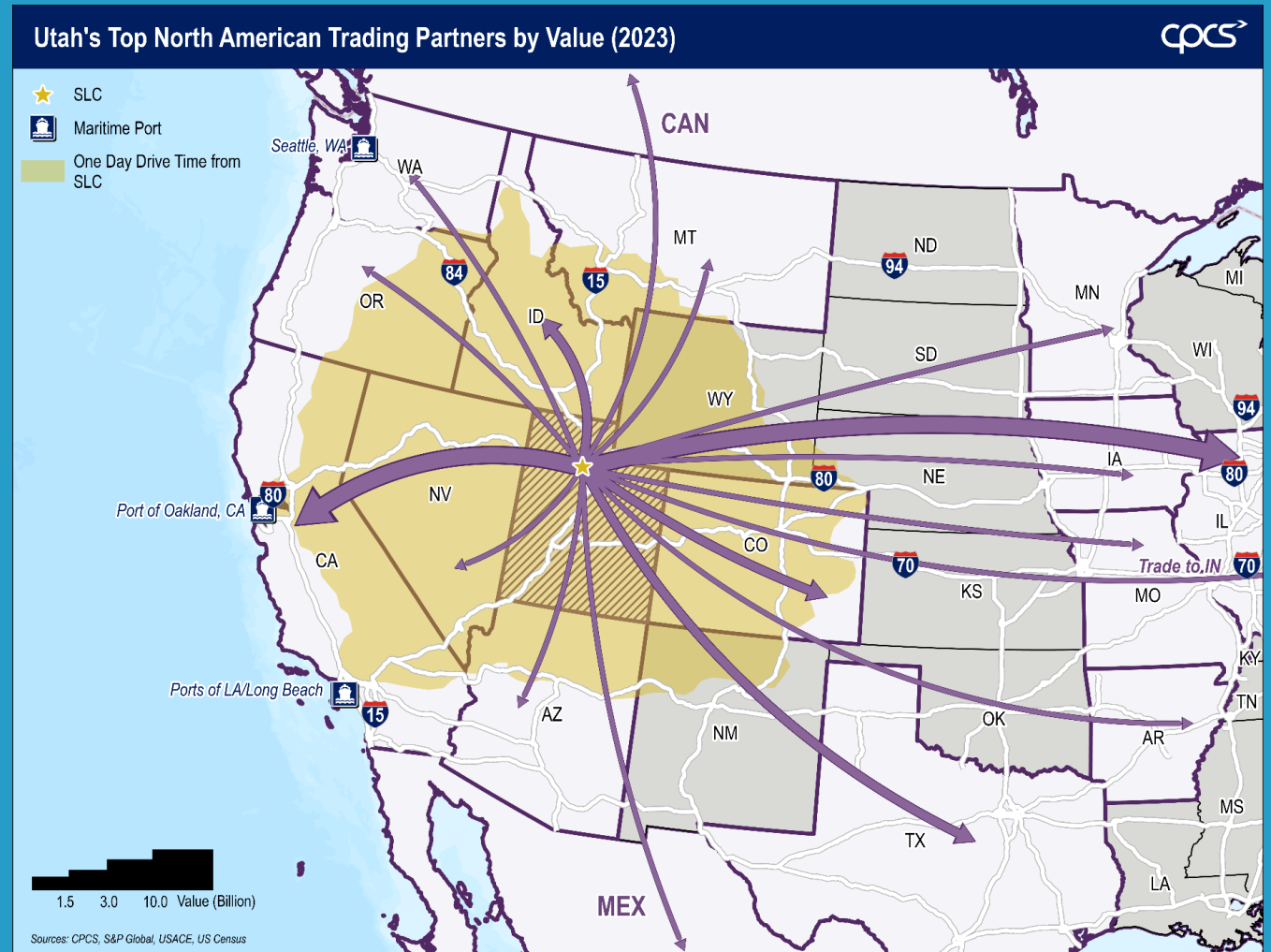
Utah conducts a significant volume of trade with neighboring states, as well as with major state economies in the US.

Utah's geographic location places it as a literal "crossroads" in the intermountain west. This allows Utah to trade significantly with other US states, Canada, and Mexico.

Top domestic trading partners for Utah include Idaho, Nevada, Wyoming, Colorado, and Arizona. Utah's top domestic 'exports' to these states include large tonnages of minerals, metals, and chemicals.

Other major Utah trading partners include states with large economies such as California, Illinois, and Texas.

In addition to trading with its neighboring states and states with large economies, Utah's transportation assets also play an important role in supporting other state's cargo flows, and Utah also conducts a significant volume of trade with other countries.

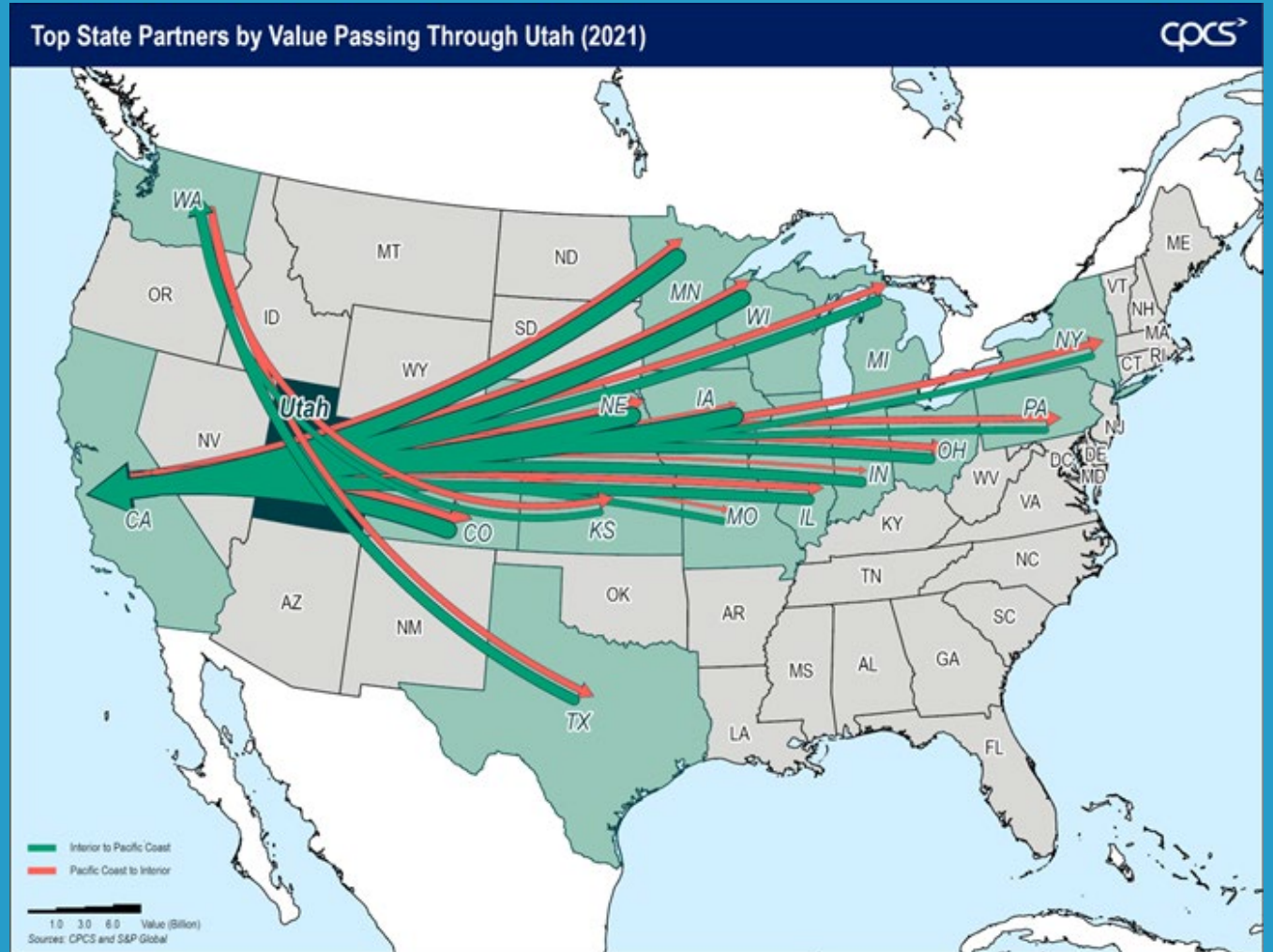


Utah: The Crossroads of the West

Utah's highways and railroads are critical links in the United States' transportation system.

Utah's position as "crossroads of the west" means that the Utah's logistics system is a critical link for much of the United States trade. In particular, Utah's highways and railroads are key corridors linking much of the northern US with major ports in California. The map at right illustrates the top group of states shipping or receiving cargo that passes through Utah; much of this cargo is associated with California ports.

These pass-through flows present an opportunity for Utah – Utah can generate economic opportunities by adding value to these cargo flows through activities like assembly, manufacturing, or specialized warehousing and packing.

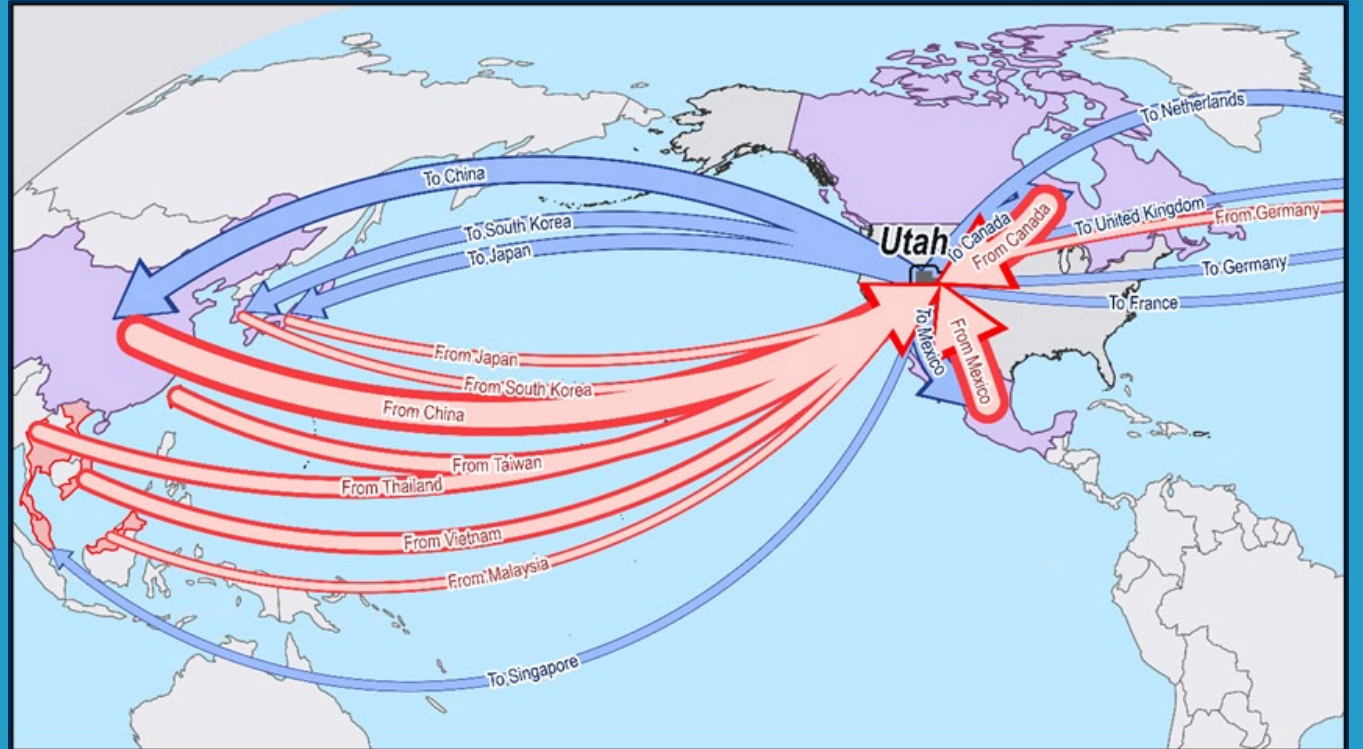


Utah's Place in World Trade

Utah holds a key position in global trade and is heavily-reliant on port gateways in other states to facilitate overseas trade.

Utah's trade grew in value by over 55% in the past 10 years, and its trading patterns are changing. In particular, Mexico has overtaken China as Utah's top trading partner. Utah's central Intermountain West location facilitates trade with maritime port gateways on the west and gulf coasts and via land gateways from Mexico and Canada.

In addition to serving established and growing trade commerce, Utah's proximity to these trade gateways offers shippers logistics resiliency options when supply chains are disrupted.



2023 Utah Trade Value Fast Facts:

Exports \$17.4 Billion | Imports \$18.6 Billion



The Northwest Quadrant: Utah's Logistics Hub

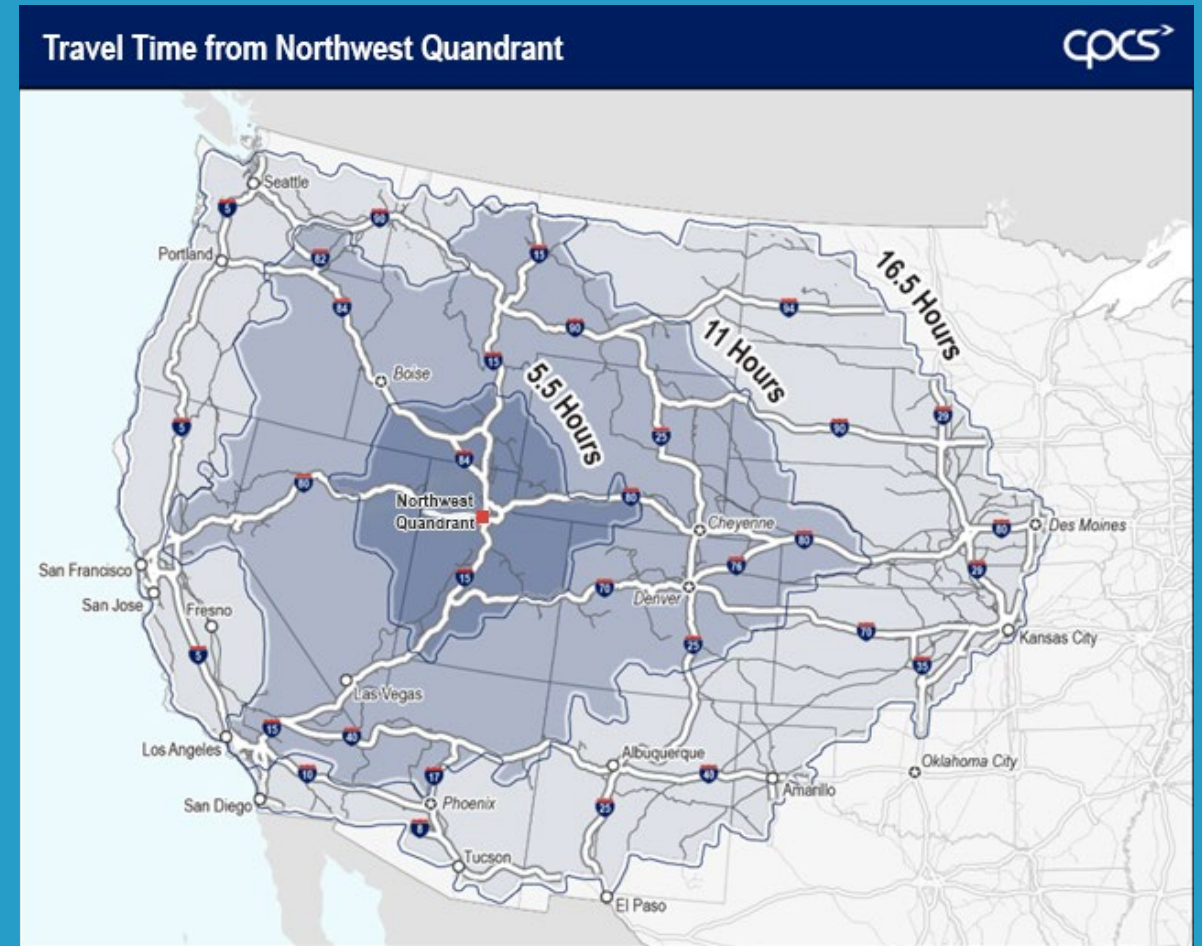
Much of Utah's cargo moves through the Northwest Quadrant (NWQ)

The NWQ benefits from proximity to robust transportation and logistics infrastructure and services across multiple modes: road, rail, and air.

The NWQ is the largest freight generator in Utah and the broader Intermountain West. **1 in every 5 truck trips within Utah start or end their journey in the NWQ.**

The NWQ lies within a single-day truck trip to most of the Intermountain West and parts of the upper Great Plains. Both Southern California and Bay Area port facilities are also within a 1-day reach by truck. The map at right illustrates the wide geographic reach of potential truck trips from the NWQ.

In 16 and one-half hours of driving, trucks can access 80 million consumers and reach markets such as Kansas City, the Mexican border region around El Paso, and the Pacific Northwest.

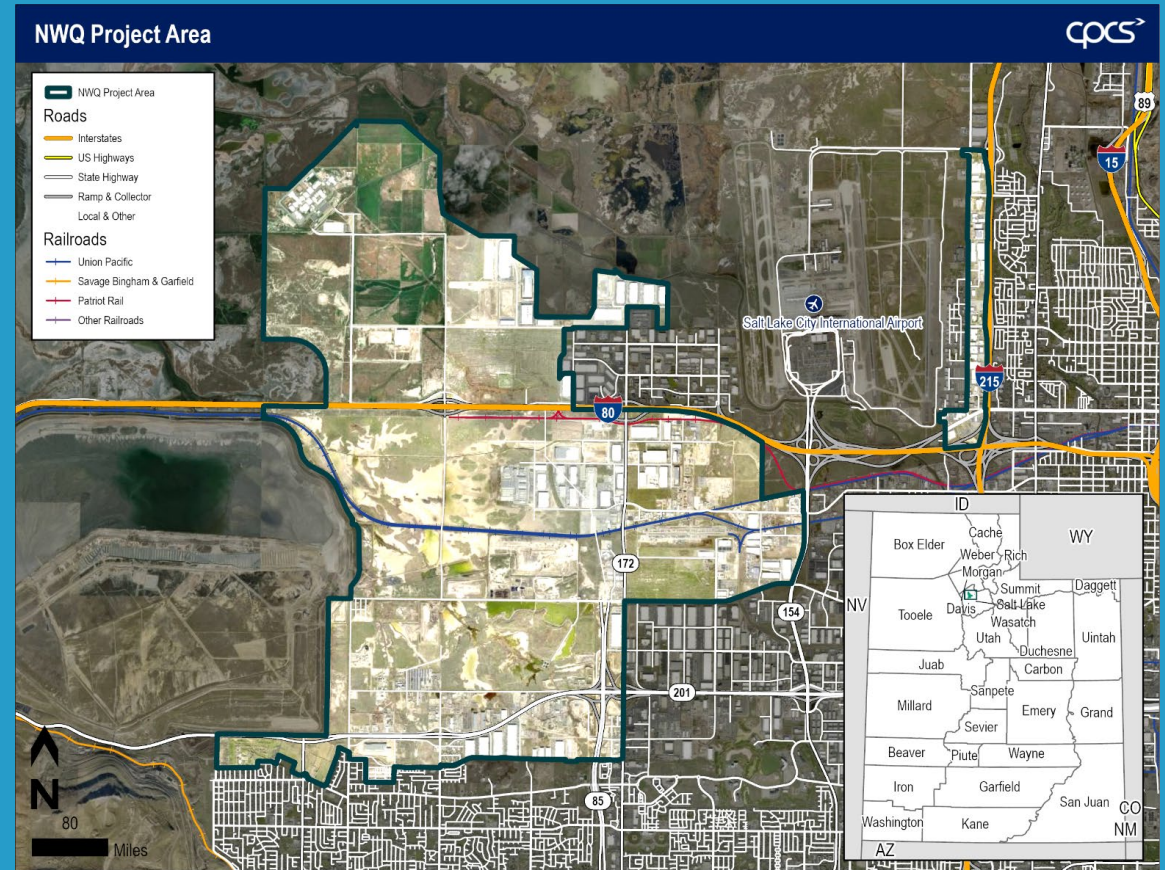


What is the Northwest Quadrant?

The Northwest Quadrant is Utah's largest logistics hub, anchoring a vast inland logistics ecosystem, supported by smaller regional logistics clusters.

Located within the northwest corner of Salt Lake City, the NWQ spans nearly 16,000 acres, and sits near the Salt Lake City International Airport and along I-80.

The NWQ is a key hub in the Intermountain West's logistics systems. This role is supported by the NWQ's access to a large concentration of freight transportation infrastructure and transportation companies in the NWQ and surrounding areas. It is also one of the last, and largest, undeveloped areas in the greater Salt Lake City region.



Statewide Logistics Strategies



Three Pillars for the Statewide Logistics Strategy

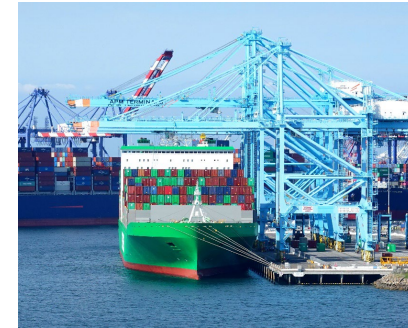
UIPA's approach for enhancing logistics in Utah in support of economic development prioritizes three logistics pillars related to different modes of transportation.

These three pillars do not preclude other investment and development approaches. UIPA will remain nimble to address issues and capitalize on opportunities as they arise. Underpinning these pillars are the foundations of investing in facilities, access, and business attraction.

FACILITIES | ACCESS | ATTRACTION



Develop enhanced rail access to Utah and the Salt Lake City market.



Improve connectivity to coastal ports and global maritime trade networks.



Establish SLC airport as an air cargo gateway.

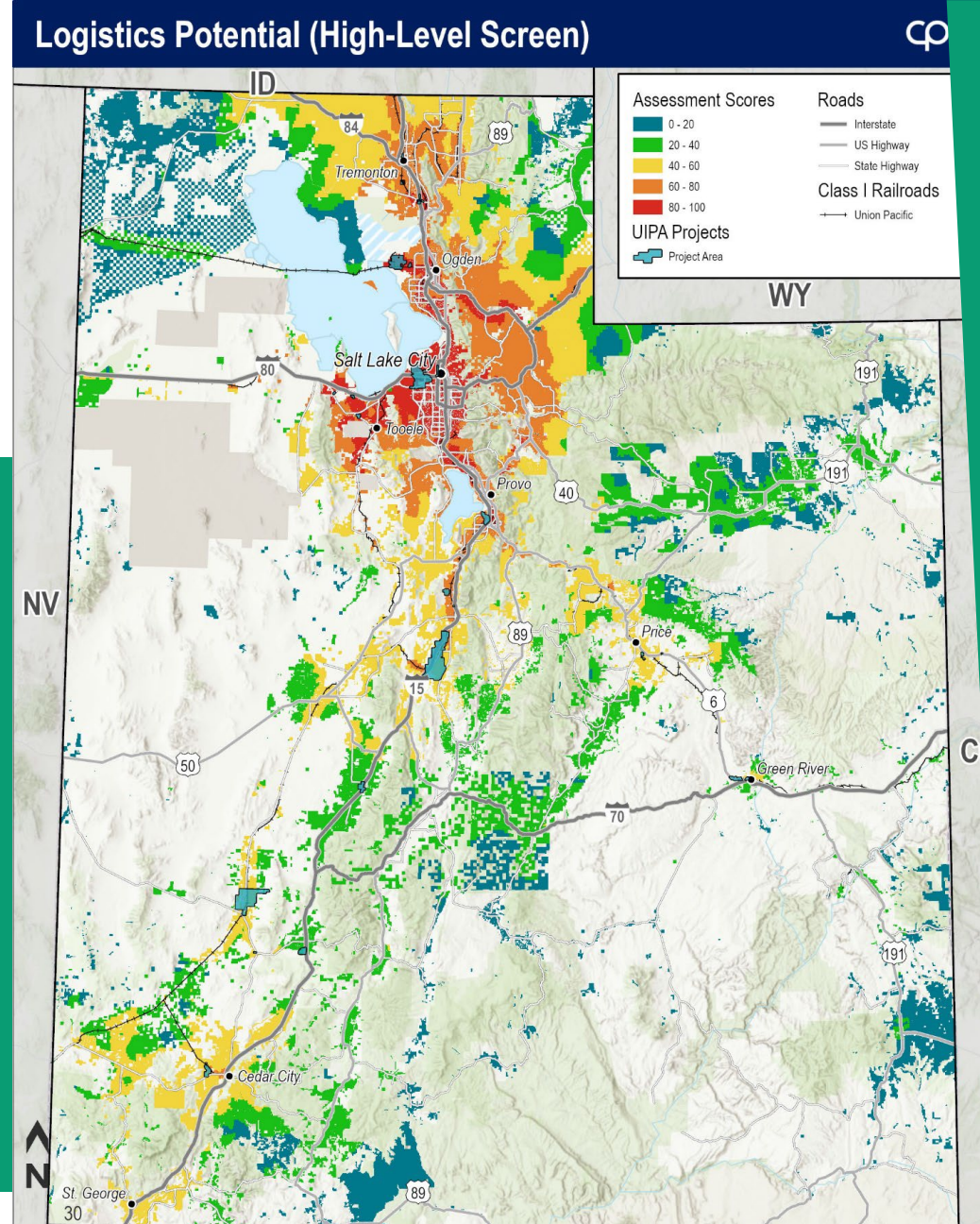
Utah's Logistics Context

Utah has many areas where logistics can support and facilitate economic development.

Several areas along the Wasatch, from north of Tremonton to south of Spanish Fork, including the Northwest Quadrant of Salt Lake City and areas around Ogden, and Provo, have high potential for logistics development.

Strategic investment in logistics infrastructure in locations along I-15 and US 6 in Central and Southern Utah can help the state manage increasing demand on Utah's logistics services and infrastructure and drive economic development.

Assessment scores shown in the map are based on access to key logistics infrastructure across all modes.



Statewide Logistics Challenges and Opportunities

Many of Utah's greatest logistics-related challenges and opportunities are tied to its rapid population growth and the consumption patterns of its residents.

- As Utah's population and urban areas continue to grow, the development of logistics centers throughout the state will be essential to managing and minimizing traffic congestion and environmental impacts in any one region.
- A lack of surplus electric power makes it more difficult to recruit manufacturing firms to Utah. Without adequate support from major utilities, this difficulty will remain.
- Limited water availability makes it more difficult to recruit manufacturing firms to Utah. Utah's business attraction efforts must consider this limitation.
- Utah's statewide logistics network includes a broad range of geographic and economic regions with unique resources, characteristics, and opportunities.
- Improving or expanding access to railroad and air cargo shipping will make Utah more competitive.
- Underutilized assets and workforce in rural Utah can benefit from the diversion of logistics activities from the Northwest Quadrant to other Project Areas.

Population growth is driving new demand for logistics services in Utah:

+18%

Population growth between 2010 and 2020

+1.6 million

new residents expected between 2020 and 2050



Rail Development Strategies

A key opportunity for UIPA is fostering further development and utilization of railroad service in Utah.

Establish a role as a logistics educator and advocate

UIPA should be a resource to educate firms on how to access rail shipping, and act as an advocate for companies seeking to obtain access to the rail network through direct access like rail spurs or indirect access through intermodal and transloading facilities.

Preserve rail-adjacent parcels in Project Areas for use by rail-served industries

Utah has limited locations where rail-served development is best-suited. When large, developable rail-served parcels are located in Project Areas, UIPA should seek to preserve those limited parcels for rail-served businesses through tools like the purchase of development rights.

Establish a role as convener

UIPA should maintain a regular, frequent schedule of dialogue with Utah's railroads, with the goal of understanding opportunities to recruit rail-served firms to project areas, improving rail service, and connecting those firms to the resources UIPA can provide.

Establish a role as a facilitator

Lead, advance, and accelerate the negotiation of multi-party investments such as mainline realignment in NWQ, short line access to the NWQ north of I-80, and creation of an extended test track south of I-80.

Why should UIPA support rail-related logistics development?

Utah's railroad network is important for companies shipping large and bulk materials, particularly over long distances. The rail network is also critical for companies shipping intermodal containers through the intermodal terminal in Salt Lake City.

Rail plays a particularly-important role in helping companies move cargo over medium- to long-distance trade lanes and helps link Utah with international ports.

While rail is important, Utah has a limited set of rail-served industrial parcels available for development, so preserving some of these parcels for the expansion or attraction of rail-served businesses is an important logistics consideration.



Rail Development Strategies

Intermodal development is a long-term (10 to 15-year) opportunity for logistics development.

Invest public funds in rail connection infrastructure

UIPA should invest TIF and Authority Infrastructure Bank (AIB) funds to support rail infrastructure investments in Project Areas, such as creation of new turnouts and spur tracks.

Facilitate growth of the rail carload franchise

The carload business, which includes industrial products in Agriculture, Chemicals, Minerals, Forest Products, Metals, Construction, and Industrial Products is a core revenue source for railroads and opportunity to facilitate economic growth through logistics improvements with railroads.

Seek to attract a major Beneficial Cargo Owner (BCO) or Non-Vessel Operating Common Carrier (NVOCC) importer to Utah

Recruiting a major BCO will draw more import containers into Utah, making empty export containers available for Utah exporters. (This is a shared strategy with Port Partnerships).

Plan for future intermodal needs

Work with railroads, shippers, local/state/federal agencies, and other stakeholders to meet Utah's future intermodal service and facility needs across the state.

Intermodal, Carload, and Unit Train Railroad Service:



Intermodal service focuses on the movement of intermodal containers via intermodal terminals. First- and last-mile movements are handled by trucks.



Carload service is the transportation of individual railcars between specific rail-served facilities.



Unit trains are focused on moving large consolidated blocks of railcars made into single trains over defined trade lanes.



Air Cargo Development Strategies

Elevating SLCIA into an air cargo gateway through investments in air cargo infrastructure and access to global markets will attract more advanced manufacturers to Utah.

Better utilize and expand air cargo capacity and handling: Work with SLCIA and carriers to maximize investment in SLCIA's capital projects benefiting cargo carriers and shippers.

Implement a pilot program for main-deck freighter service to inform service and facility needs that will shift more air cargo to SLCIA: Develop and fund a limited-duration, scheduled charter main-deck freighter service working with SLCIA and the cargo industry to identify and test the parameters of market-demand (trade lanes, commodities, size and weight, frequency, time of day, day of week, size of aircraft, pricing, etc.) and identify ground handling equipment and service needs.

Develop the market for dedicated freighter service: Jointly with state and local economic development agencies and project area sponsors, attract companies to Utah that will increase the demand for air cargo service to make the market more attractive to cargo carriers. Provide incentives and make investments where SLCIA and others cannot do so.



Air Cargo's Role in Utah's Logistics System

While volumes are smaller than other modes, air cargo supports the movement of Utah's highest value goods for many of the state's highest paying industries.

High-value goods, such as pharma, medical equipment, life sciences, and perishable items require the time-sensitive shipping option that air freight provides.

While air cargo is important for Utah's high-tech industries, more than 90 percent of all of Utah's international air cargo shipments are currently trucked to other airports, such as LAX. There is an opportunity to route more of this cargo through Salt Lake City.

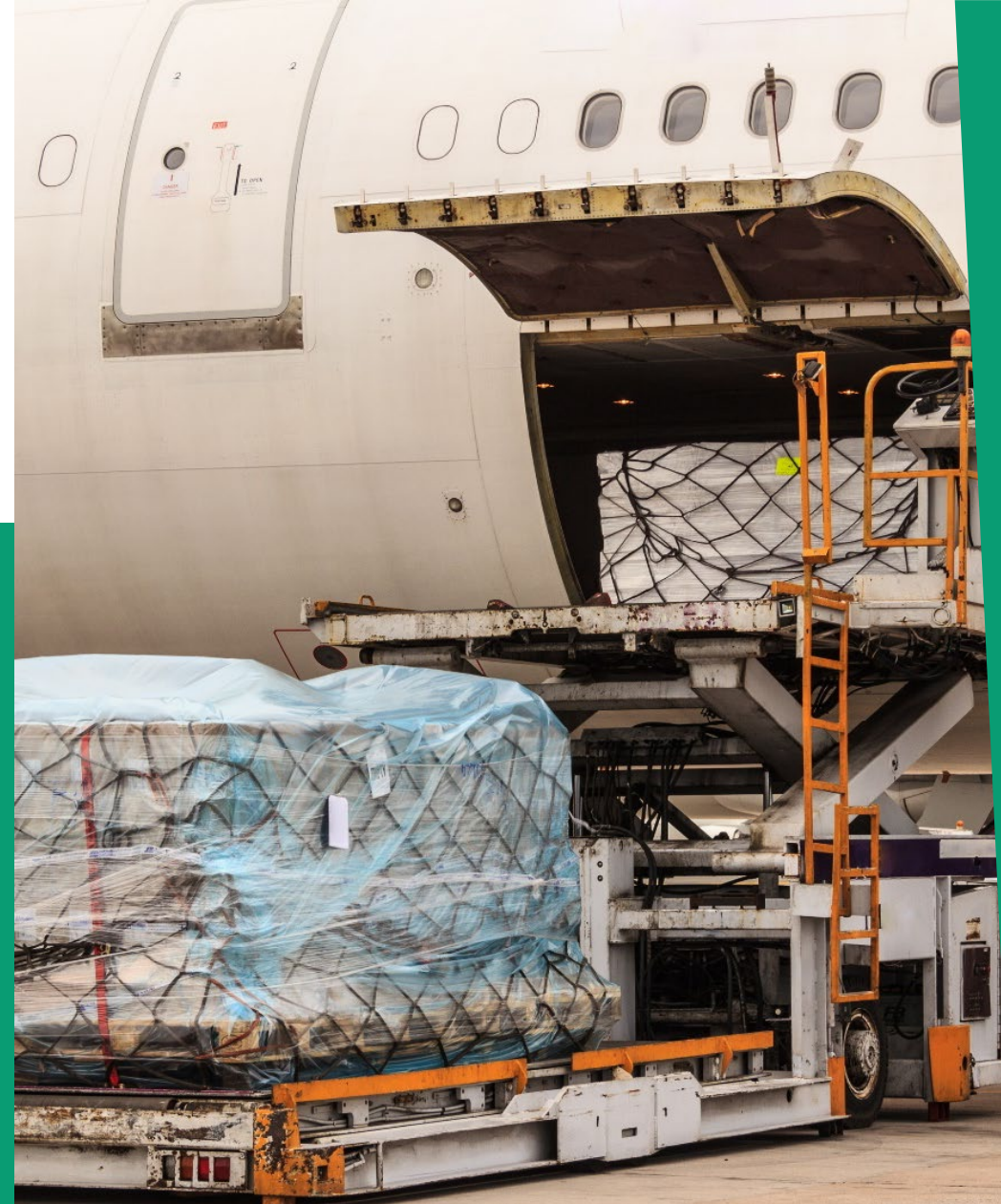


Air Cargo Development Strategies

In addition to market development, stakeholder outreach identified two specific opportunities for supporting the growth of air cargo services in Utah:

Make strategic investments that improve air cargo capacity and enable growth. Identify and invest in on-airport cargo handling facilities and equipment that will attract and retain a variety of air cargo aircraft and services such as cold chain, ground service equipment, specialized cargo handling, etc. Support off-airport facility development in project areas as needed.

Advanced Air Mobility (AAM) Strategy: Build on previous studies to assess the potential logistics benefits of advanced air mobility technologies, such as drone delivery, and identify potential investments needed to support the research, development, manufacturing, and deployment of these technologies in Utah. Identify project areas that are well suited for deployment of AAM for cargo and those that can support R&D and manufacturing. Consider partnership with UDOT to conduct the study.



Port Connectivity Strategies

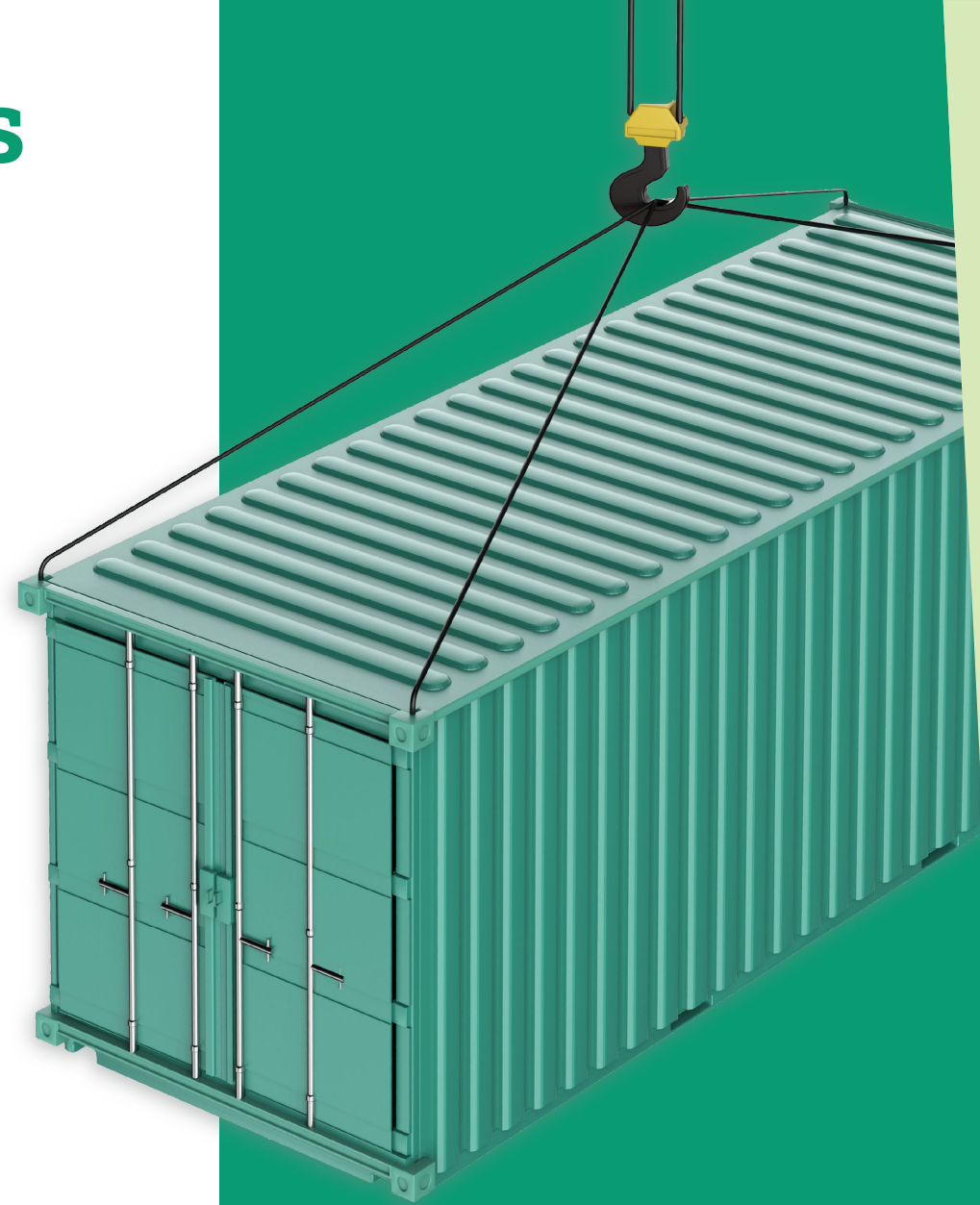
Establish an inland intermodal terminal to provide seamless off-dock services and enhance access to the global network of ocean carriers to improve import-export supply chains for manufacturers and shippers.

Conduct pilot of intermodal rail interchange in Utah: Create a pilot program to evaluate the viability of an intermodal interchange capable to handling domestic and international cargo moving by truck, rail, and intermodal services working with port, ocean carrier, and rail partners.

Seek to attract a major Beneficial Cargo Owner (BCO) or NVOCC importer to Utah: Recruiting a major BCO will draw more import containers into Utah, making empty export containers available for Utah exporters.

Strengthen partnerships with West Coast ports: Structure tailored partnerships with West Coast ports/port complexes that meet port business, operational, and sustainability objectives, while creating logistics (better access to more options) and economic development benefits (job creation, business attraction and retention) in Utah. Focus initially with carriers with on-dock rail transfer capability.

Participate in maritime industry events/trade shows to connect with ports and ocean carriers: These events provide both networking and learning opportunities, including the IANA (Intermodal Association of North America) Intermodal Expo and the Journal of Commerce TPM (Trans-pacific Maritime) event.



Northwest Quadrant Strategies



NWQ Background

The NWQ is the prevailing logistics cluster in the Intermountain Region - serving the Wasatch Front, Utah, and a multi-state market.

Creating and implementing a common vision unlocks the full potential of the NWQ to attract manufacturing and quality jobs to the state.

- The NWQ is a maturing logistics area with significant development space for future growth.
- Warehousing, distribution centers, and manufacturing firms currently dominate the NWQ area.
- The NWQ has an advantageous location with a major international airport, national rail network access, intermodal facilities, interstate highway access, and adjacency to a fast-growing, globally recognized, economically dynamic region.
- Sensitive habitats, wetlands, and air quality basin require thoughtful action to balance economic opportunity, quality of life, and natural resources.

Salt Lake City is a market of the future!

- Salt Lake City's strategic location continues to attract investment in public- and private-sector logistics infrastructure and services and serves a growing population base inside and beyond Utah.
- Continued investment by high tech, aerospace, pharmaceutical manufacturers attests to the region's inherent logistics strengths and opportunities.
- As key coastal gateways (across all modes) become more congested, Salt Lake City offers shippers a growing array of logistics options as well as resiliency in serving markets during national climate events, labor actions, and peak season capacity challenges (perishables, consumer goods).

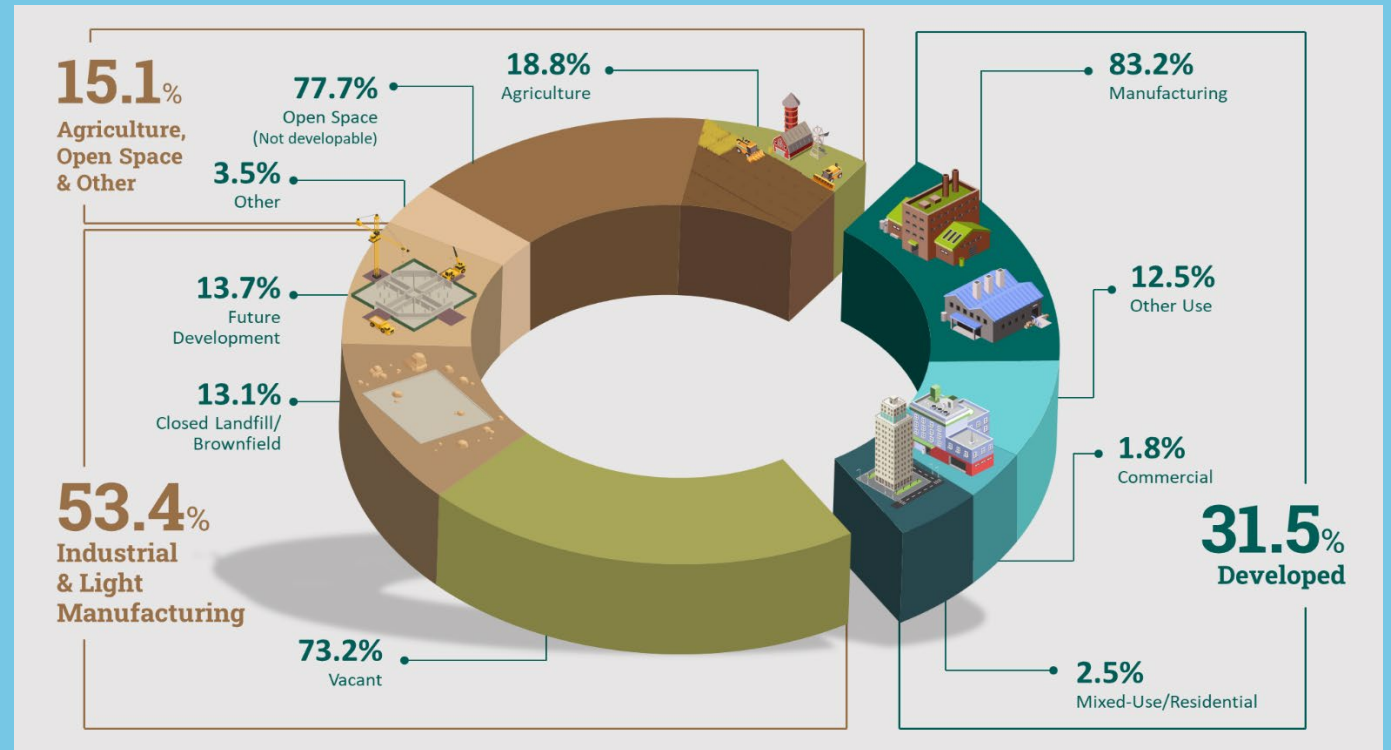


Northwest Quadrant's (NWQ) Logistics Context

The NWQ is a maturing logistics area with significant development space for future growth, but rapid development over the last few years.

NWQ boasts a remarkable convergence of freight transportation infrastructure and logistics firms. Its strategic location and existing infrastructure make it a pivotal logistics hub within Utah and the broader Intermountain West, all closely integrated into the Salt Lake City region.

- Some 15 percent of the NWQ's land is set aside for open space, agricultural use, and other non-industrial uses. The NWQ is also home to several landfills, including the North Temple Landfill, requiring remediation to prevent damage to Great Salt Lake.
- The remaining developable vacant land is primarily zoned for light manufacturing, supporting development of both logistics and advanced manufacturing facilities.



Zoning & Development Status in the NWQ

Source: CPCS analysis, 2023



The NWQ's Value in Utah's Logistics System

The NWQ has significant logistics importance, due to its strategic location and transportation connections.

The NWQ has several unique characteristics that make it an ideal epicenter for a freight transportation hub:

- Its **strategic location** within close reach of Salt Lake City International Airport, major highways, and extensive rail networks.
- The **presence of numerous logistics and supply chain companies** already operating within its boundaries and in areas adjacent to it.
- A **considerable expanse of vacant land**, which is primarily zoned for light manufacturing development. This zoning supports the expansion of distribution and warehousing activities, as well as the establishment of manufacturing facilities.

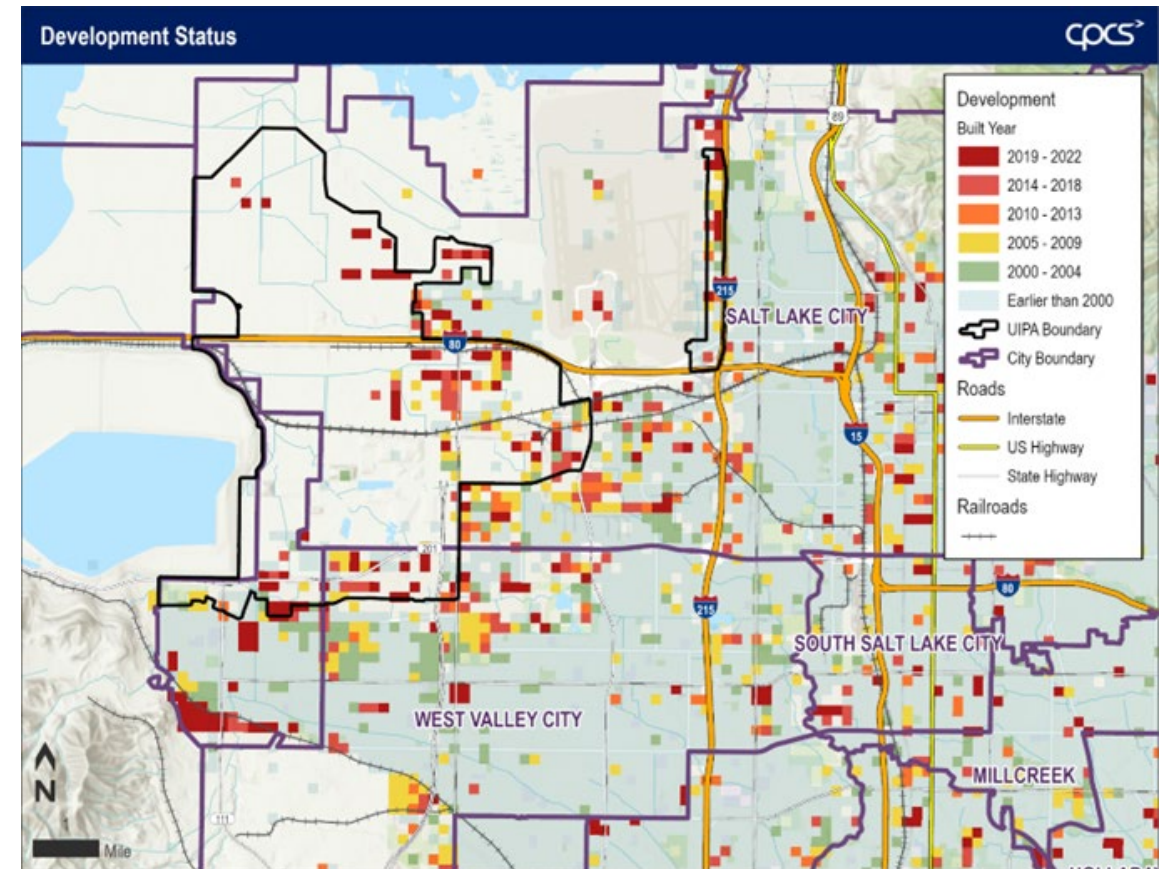


Trends Impacting Logistics in the Northwest Quadrant

In addition to broad statewide trends, rapid development and increasing land values are shaping the NWQ.

As the region's population has grown, logistics facility development along the Wasatch Front, particularly in the NWQ, has increased:

- Rapid industrial development in the NWQ and its environs during 2022 and 2023 resulted in record breaking additions of space to the industrial real estate market.
- Reflecting this growth, NWQ industrial space lease rates increased 9.2% in 2023. This outpaced the overall SLC lease rate growth rate of 8.6%. Activity has slowed in the first half of 2024 and lease rates have declined slightly. Analysts have a positive outlook for the NWQ and attribute the slight downturn to the 1) the market absorbing some of the space recently delivered to the market and 2) an easing on lease rates after 15 straight quarter-over-quarter increases.
- The NWQ is the logistics center of gravity for Utah with 21% of Utah's truck trips starting or ending here.



NWQ Logistics Opportunities and Challenges

In the Northwest Quadrant Project Area, the convergence of several trends present challenges to ensuring the NWQ meets its full potential, and many relate to the rapid growth of the Salt Lake City metro area.

- A rapidly growing population is demanding more from the region's logistics services and increasing traffic volumes on roadways in and around the NWQ.
- A decline in housing affordability challenges workforce development for logistics firms. As development in the Project Area continues, the support of a nearby workforce will be essential.
- Rail service does not currently meet all needs. While some businesses are satisfied with existing rail service, others are not.
- NWQ is Salt Lake County's last large industrial area adjacent to the largest logistics cluster in the Intermountain West.



NWQ Logistics Strategies

Northwest Quadrant logistics strategies are about bending the arc of development towards generational change: higher value, higher paying industries that really make a substantive difference for Utah's economy, its people, its households, and its future.

Alignment with UIPA and Salt Lake City goals and objectives framed NWQ logistics strategy development.

- **Northwest Quadrant logistics strategies are connected to UIPA's statewide pillars.** They are designed to develop enhanced rail access to Utah and the Salt Lake City market, improve connectivity to coastal ports and global maritime trade networks, and establish SLC airport as an air cargo gateway.
- **These strategies also support existing Salt Lake City Northwest Quadrant Master Plan goals** for development and transportation.
- Focusing on business attraction in advanced manufacturing, the NWQ logistics strategies intentionally target industries which require air cargo or rail access. This will **leverage UIPA's resources and the area's proximity to the transportation system, maximizing the return on the public's investment.**



Rail Development Strategies

A robust rail system offers Utah manufacturers, miners, farmers and consumers shipping options. Rail strategies seek to grow or preserve these options.

- Unlock rail-served sites north of I-80.
- Attract rail-served manufacturers with emphasis on advanced manufacturing sectors. This will enhance the region's competitive advantage for manufacturers.
- Invest in additional rail infrastructure in the NWQ to support existing companies and enhance the area's rail capacity and services.
- Preserve options for growth in rail service.

NWQ's Freight Rail Landscape

- The NWQ has dual Class I rail service provided by both the Union Pacific and BNSF. UP provides both intermodal and carload service, while BNSF provides only carload service.
- The NWQ is home to UP's Salt Lake City Intermodal Terminal and Patriot Rail's bulk transload facility.
- Existing track and a rail underpass beneath I-80 provide a jump start to connect the northern part of the NWQ to the regional and national rail network.
- Stadler both manufactures and tests passenger rail cars on tracks in NWQ



Air Cargo Development Strategies

Invest in air cargo facilities and services to SLCIA and the NWQ to better meet the needs of shippers.

Partner with SLC or a P3 to develop cargo facilities. Support an increase in air cargo service through investing in facilities to support existing and new carriers, provided needed cargo handling services for shippers, and provide, as needed, aircraft maintenance and support facilities.

Attract advanced manufacturing industries (such as pharma, medical, aerospace, and perishables) and air cargo handling companies to NWQ. NWQ's proximity to SLCIA will be a draw for companies who need transportation system reliability to minimize shipping time and meet exact delivery schedules and windows.

Recruit main-deck freighter service to SLCIA. Work with SLCIA to identify high-priority routes and the carriers most likely to serve them, develop the value proposition for the carriers to serve SLCIA, and create service start-up risk mitigation packages tailored to the carriers' needs.

NWQ's Role in Air Cargo

NWQ is adjacent to SLCIA, which is home to a variety of air cargo services. There are some 300 flights per day to and from 90 locations around the US, Canada, Mexico, Europe, and soon, Asia, with belly capacity for cargo.

UPS, FedEx, and DHL provide express and wholesale service in and out of SLCIA.

SLCIA serves as a cargo hub for the Wasatch Front, all of Utah, and the Intermountain West as well.



Port Connectivity Strategies

Leverage NWQ sites and transportation infrastructure and services to better connect shippers to coastal ports and global trade networks.

Strengthen partnerships with West Coast ports and terminal operators: Structure partnerships and relationships with West Coast ports and terminal operators to influence the flow of ocean containers into Utah via NWQ. Focus initially with carriers with on-dock rail transfer capability.

Leverage NWQ's access to intermodal rail to attract a major Beneficial Cargo Owner (BCO) or NVOCC importer: Recruiting a major BCO into or near NWQ will support the case for routing import containers into Utah.

Coastal Port Linkages to the NWQ

- Port of Oakland imports destined for Chicago and other Midwest markets move by truck on I-80 directly through the NWQ.
- UP's SLC Intermodal Terminal has regular intermodal service to and from Southern California ports as well as Oakland.
- Much of the containerized ocean cargo traveling by truck between points in the Intermountain West and West Coast ports passes through or near the NWQ on I-80 and I-15.



Potential Visions for the Northwest Quadrant

The strategies for the NWQ reflect public- and private-sector stakeholder input regarding how to leverage UIPA's expertise and financial capacity, providing UIPA with a vision of how to maximize the benefit to Utahns.

The NWQ logistics strategies suggest a series of visions that UIPA can combine to create a unified, composite vision of the NWQ as it builds out. These visions, outlined on the following pages, are in service to the three pillars of rail, air cargo, and port partnerships, and center on advanced manufacturing and logistics.

Focusing on advanced manufacturing and logistics requires UIPA and stakeholders to invest in air cargo service and facilities, rail and road networks, transit service, active transportation, workforce development, and sustainability.





Aerotropolis

Aerotropolis:

Target air cargo dependent industries (e.g. life sciences, advanced manufacturing) to locate in the Northwest Quadrant.

SLC Cargo North:

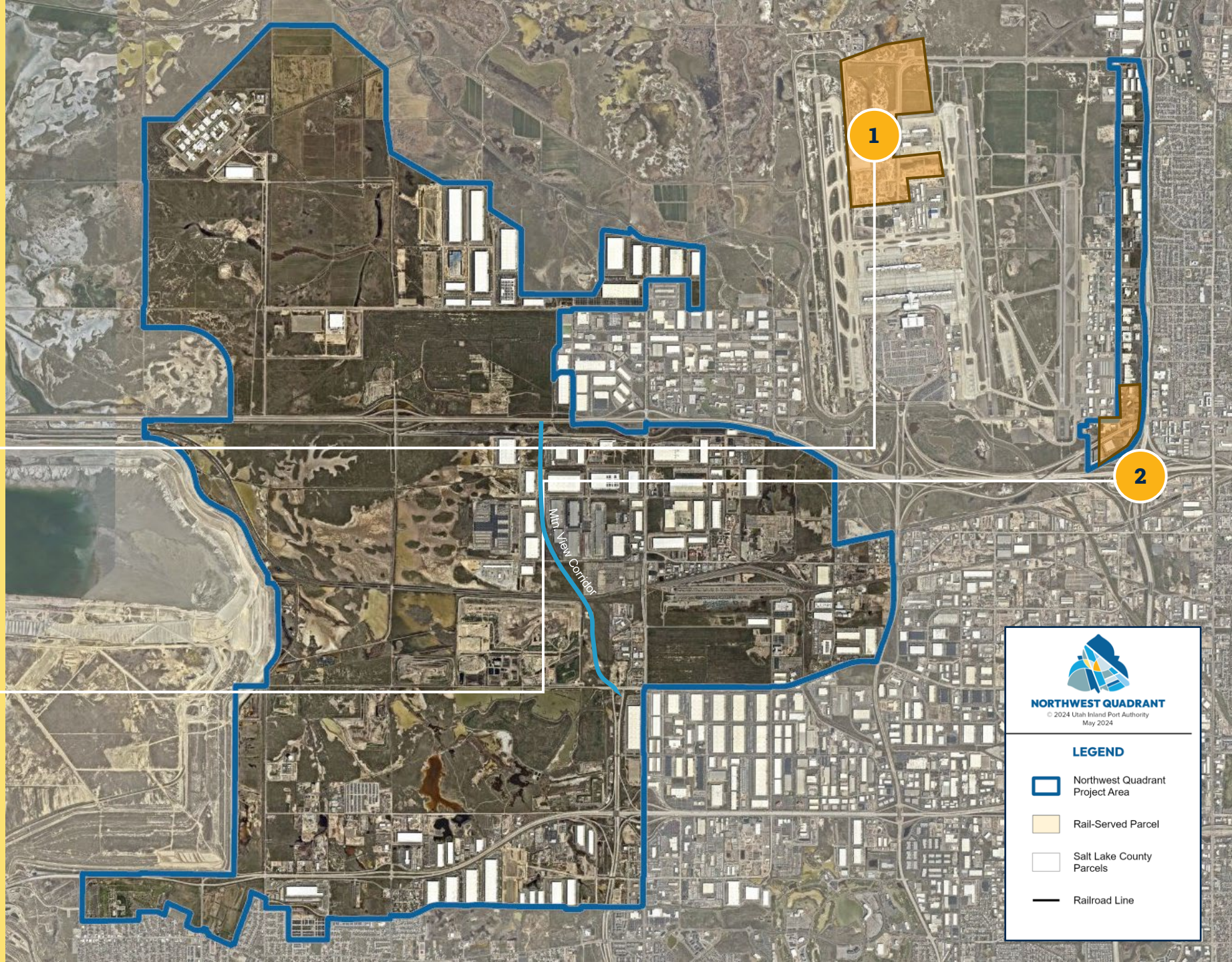

In partnership with SLC and/or P3, develop general flex facility (for multiple carriers), phased facilities for air cargo handling facilities (such as temperature-controlled facilities to support food, pharma, aerospace, life sciences), within a new air cargo facility. Develop, as needed, aircraft maintenance and support hangars for passenger and cargo carriers.

Aerotropolis N. Temple Gateway:

Reimagine N. Temple Gateway into a world-class airport-adjacent business park concept (aerospace HQ, hotels), subject to future airport development needs and zoning. Currently zoned Mixed-use Employment Transit Station. Helps anchor Power District and Trax corridor. Provides one-stop LRT to airport (becomes part of airport complex).





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NORTHWEST QUADRANT
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May 2024

LEGEND

-  Northwest Quadrant Project Area
-  Rail-Served Parcel
-  Salt Lake County Parcels
-  Railroad Line



Aerotropolis

The strategies for the NWQ reflect public- and private-sector stakeholder input regarding how to leverage UIPA's expertise and financial capacity, providing UIPA with a vision of how to maximize the benefit to Utahns.

The Aerotropolis vision suggests that UIPA work closely with SLCIA to develop a robust ecosystem of shippers and dedicated "main deck" freighter service. UIPA leads to:

- Develop air cargo facilities for individual or multiple carriers and for on-airport cargo handling capabilities, as needed.
- Maximize the use of NWQ airport-adjacent lands to create a cluster of air cargo shippers located in close proximity to the airport.
- Attract dedicated international freighter service to key international markets.
- Grow passenger carrier belly cargo capacity domestically and internationally.
- Provide incentives to attract air cargo shippers, air carriers, and related facilities.
- Advocate for North Temple Gateway hotels, aviation/air cargo-related HQs.

SLCIA develops into an air cargo gateway to capture more of Utah's international air import and export cargo. Transform the N. Temple portion of NWQ at the airport into a gateway and airport-related commercial center.





Rail Investment

Short Line Served Sites

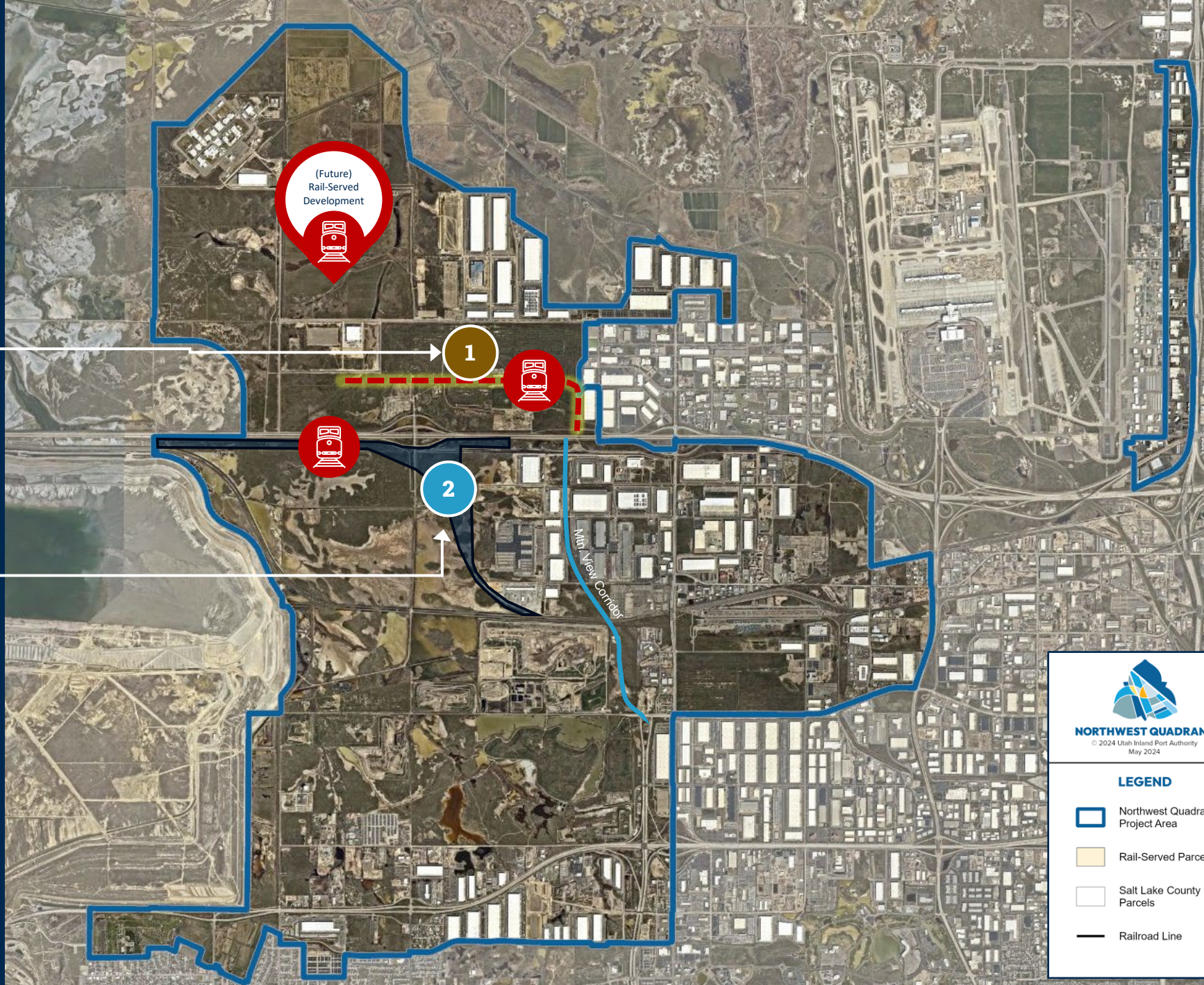

- Enhance Utah's competitive advantage for manufacturers.
- Extend rail to serve properties north of I-80.
- Recruitment of rail-dependent manufacturing and distribution north of I-80.

Infrastructure Development Area

Rail and industrial development and connections.





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NORTHWEST QUADRANT
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May 2024

LEGEND

-  Northwest Quadrant Project Area
-  Rail-Served Parcel
-  Salt Lake County Parcels
-  Railroad Line



Rail Investment

Rail-served sites north of I-80 enable advanced manufacturing, spur re-development and provide shippers with transportation options.

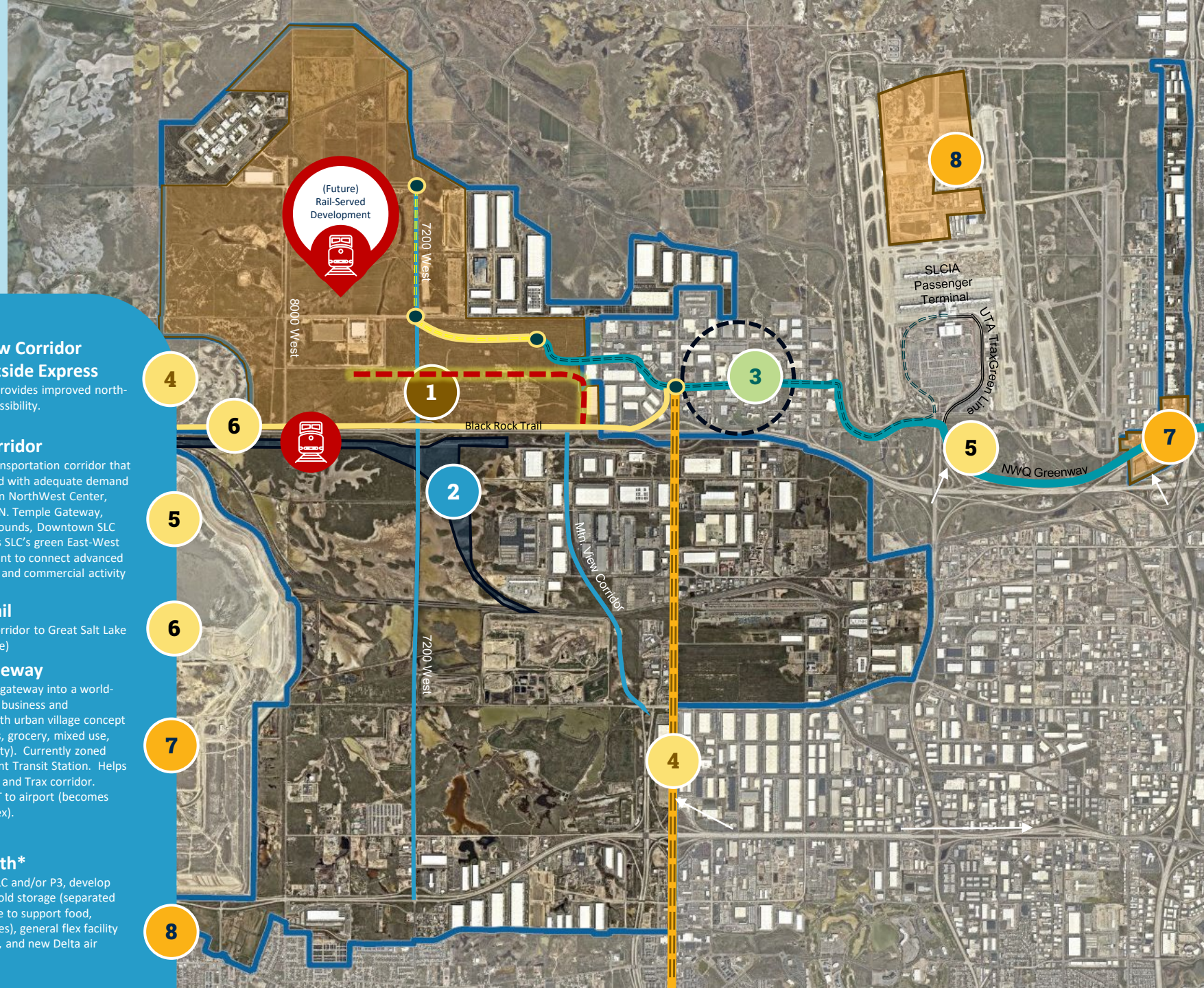
- Create new connection to land north of I-80 to unlock rail-served properties.
- Maximize connectivity for rail-served sites and rail operations.
- Champion rail-centric development and support investments in connective rail infrastructure and enhanced rail services.
- Attract rail-dependent firms, particularly advanced manufacturing, in concert with rail partners.





Northwest Quadrant (NWQ)

*Includes properties outside UIPA jurisdiction but with a strong nexus to UIPA NWQ.



Targeted Industries

Concentration of life sciences/biotech/aerospace R&D and related manufacturing. Designed with wetlands preservation and trails. Focused on high-value, time-sensitive, air/truck logistics uses, proximity to SLCIA.

Workforce Training

Mid-skill labor force in logistics-intensive industries, construction, life sciences. Eligible DOC population programming.

Workforce / Retail Amenities

Childcare or early education facilities, retail, restaurants, hospitality, fitness.

Rail-Served Sites

Build-to-suit rail served sites for manufacturing.

Infrastructure Development Area

Rail and industrial development and connections.

International Center 2.0*

Work with SLC to reimagine next 50 years and its potential for mixed-use TOD, corporate HQ, R&D.

Mountain View Corridor Transit / Westside Express

Runs on 5600 West. Provides improved north-south workforce accessibility.

Greenway Corridor

Transit and active transportation corridor that evolves over time and with adequate demand to link nodes between NorthWest Center, Amelia Earhart, SLC, N. Temple Gateway, Power District/Fairgrounds, Downtown SLC and U of U. Becomes SLC's green East-West artery and a focal point to connect advanced manufacturing, R&D, and commercial activity to region.

Black Rock Trail

Extends Greenway Corridor to Great Salt Lake State Park (and Tooele)

N. Temple Gateway

Redevelop N. Temple gateway into a world-class airport-adjacent business and entertainment hub with urban village concept (aerospace HQ, hotels, grocery, mixed use, residential, high density). Currently zoned Mixed-use Employment Transit Station. Helps anchor Power District and Trax corridor. Provides one-stop LRT to airport (becomes part of airport complex).

SLC Cargo North*

In partnership with SLC and/or P3, develop phased facilities for cold storage (separated facilities by cargo type to support food, aerospace, life sciences), general flex facility (for multiple carriers), and new Delta air cargo facility.

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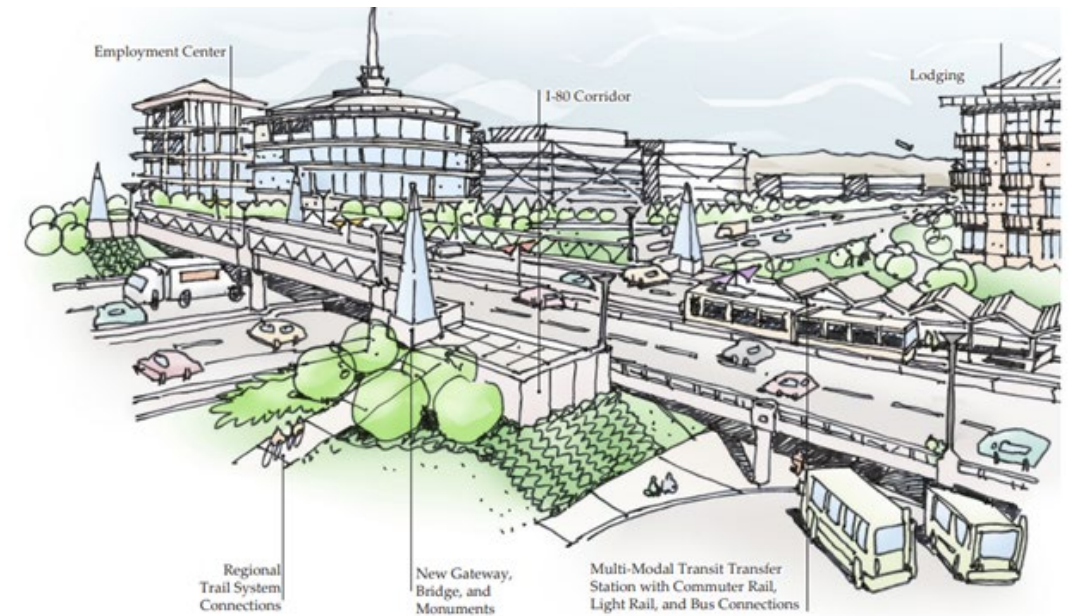


Northwest Quadrant

This composite vision embodies UIPA's core logistics aims and elements of each individual vision, focusing on air cargo and rail investment. Additionally, it suggests coordinated development of a world-class research/ manufacturing hub, transportation/transit assets, and complementary land uses.

The long-term vision for NWQ consists of UIPA working with SLC, UDOT, UTA, SLCIA, landowners, and others to:

- Protect the Great Salt Lake.
- Invest in rail infrastructure north/south of I-80.
- Complete the Mountain View corridor.
- Develop bus/BRT/other transit service along 5600 W, north of I-80, and connect into SLC.
- Recruit and retain dedicated air freighter service and develop related air cargo facilities.
- Attract advanced manufacturing firms.
- Develop workforce training facilities/programs.
- Create business and worker amenities such as childcare, restaurants, urgent care, and others.
- Create active transportation links on Frontage Road and elsewhere for commuting/recreation.
- Reimagine the International Center as an HQ, TOD, and R&D center.



Interstate 80 and 7200 West Gateway to Salt Lake City

From Salt Lake City Northwest Quadrant Mater Plan | Adopted August 16, 2016 | P. 46



