



# WASATCH CHOICE

— 2050 —

## Wasatch Front Economic Development District

November 20, 2017



WASATCH FRONT REGIONAL COUNCIL



# WASATCH CHOICE

2050

## Economic Development

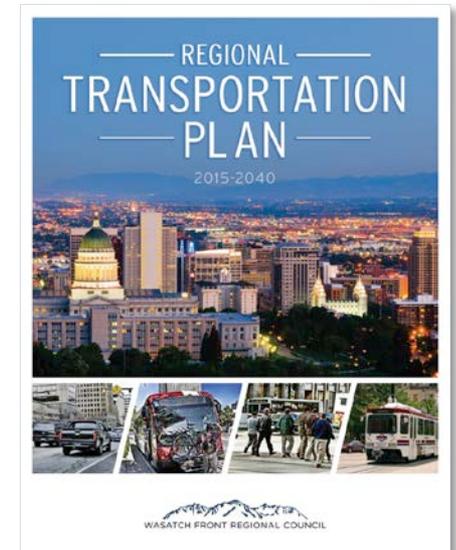
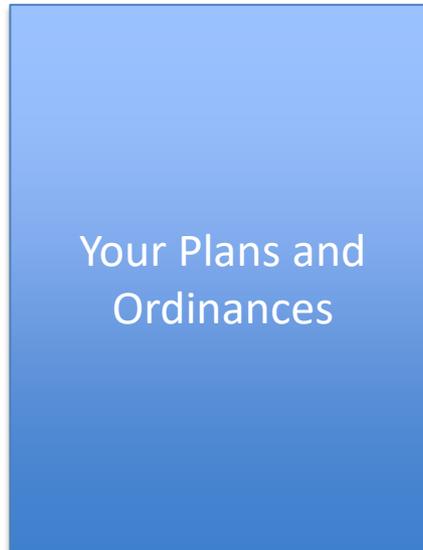
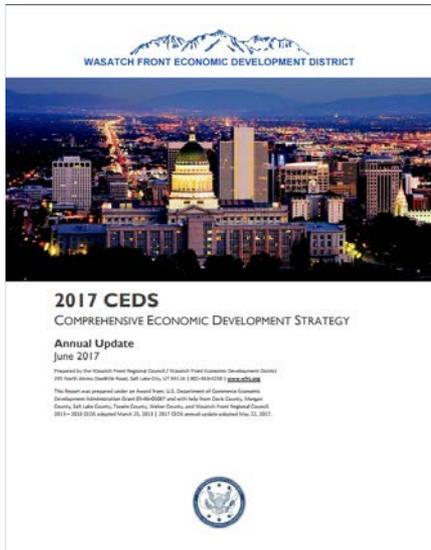
Comprehensive  
Economic Development  
Strategy

## Land Use

Transportation  
and Land Use  
Connection

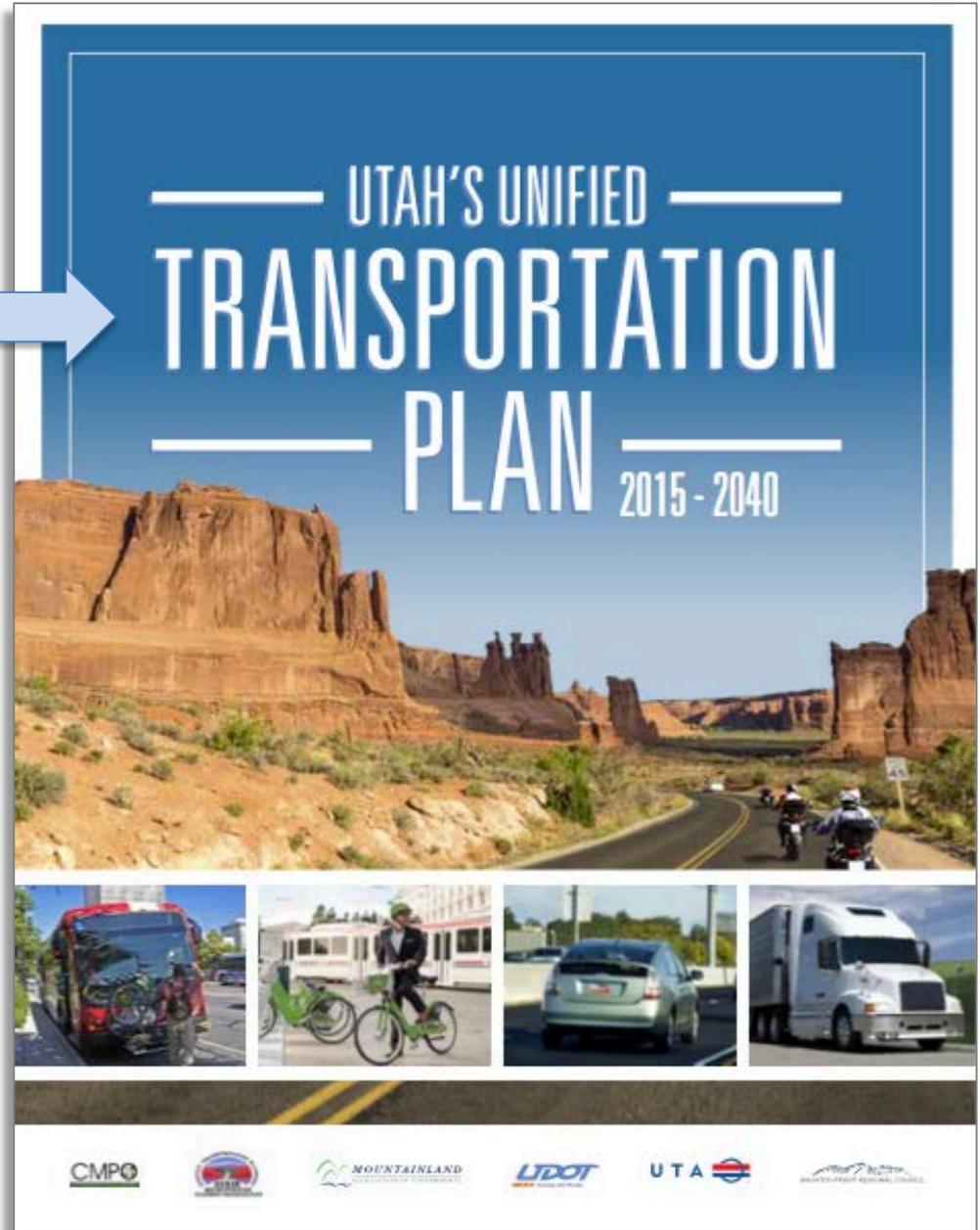
## Transportation

Regional  
Transportation  
Plan





The Wasatch  
Front's  
component of...



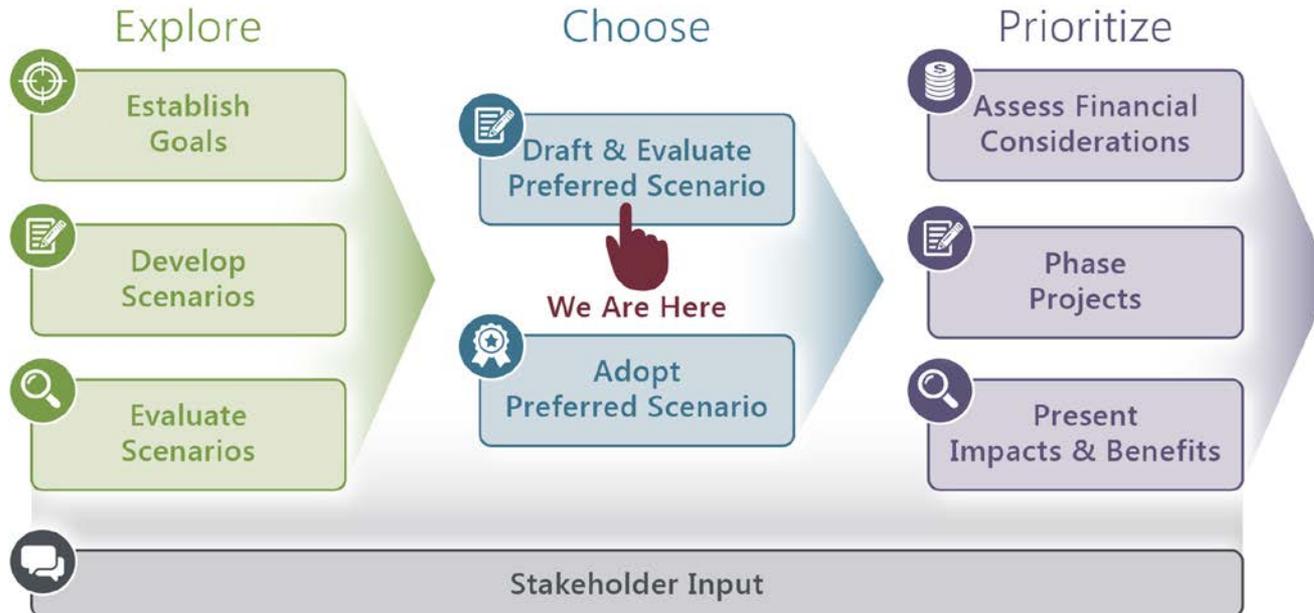
# WC2050 and the CEDS

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- Where we are (almost):
  - Draft Preferred Scenario
- Over the next 6 months:
  - Dig into land use and infrastructure decisions that improve economic development
- After the Vision:
  - Engage in corridor and area planning



# Developing the Preferred Scenario





WASATCH CHOICE  
2050

Economic Development

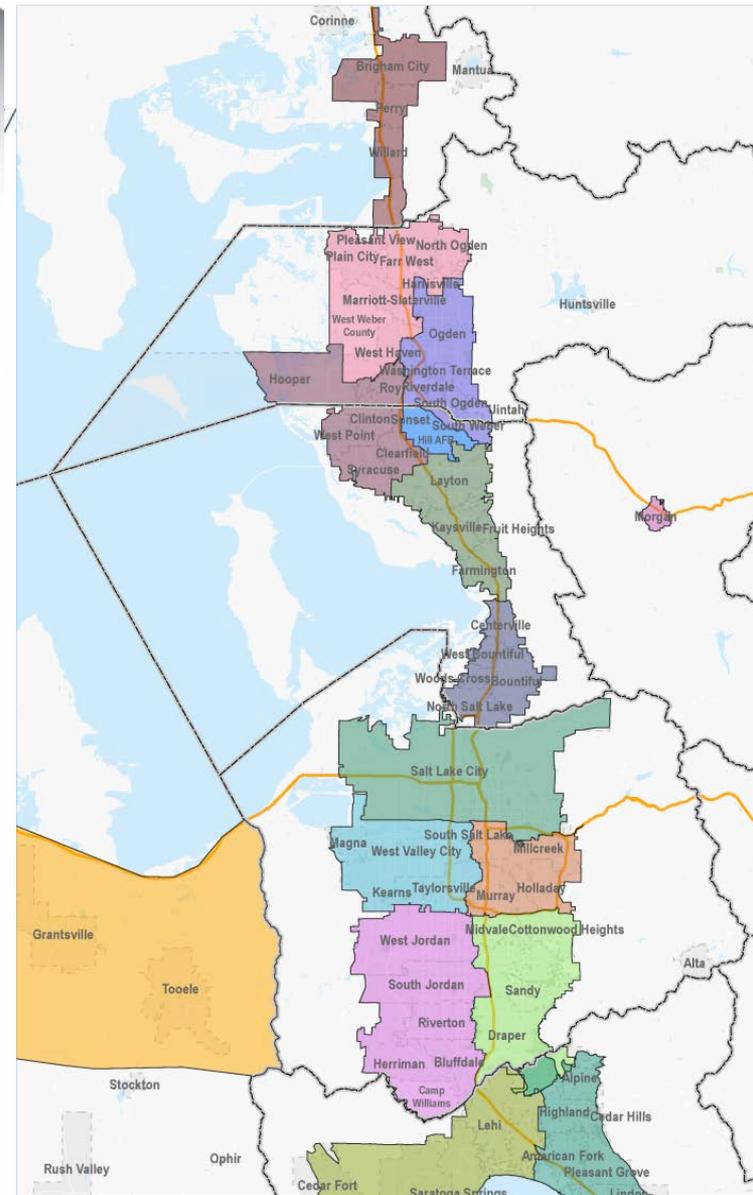
Land Use

Transportation

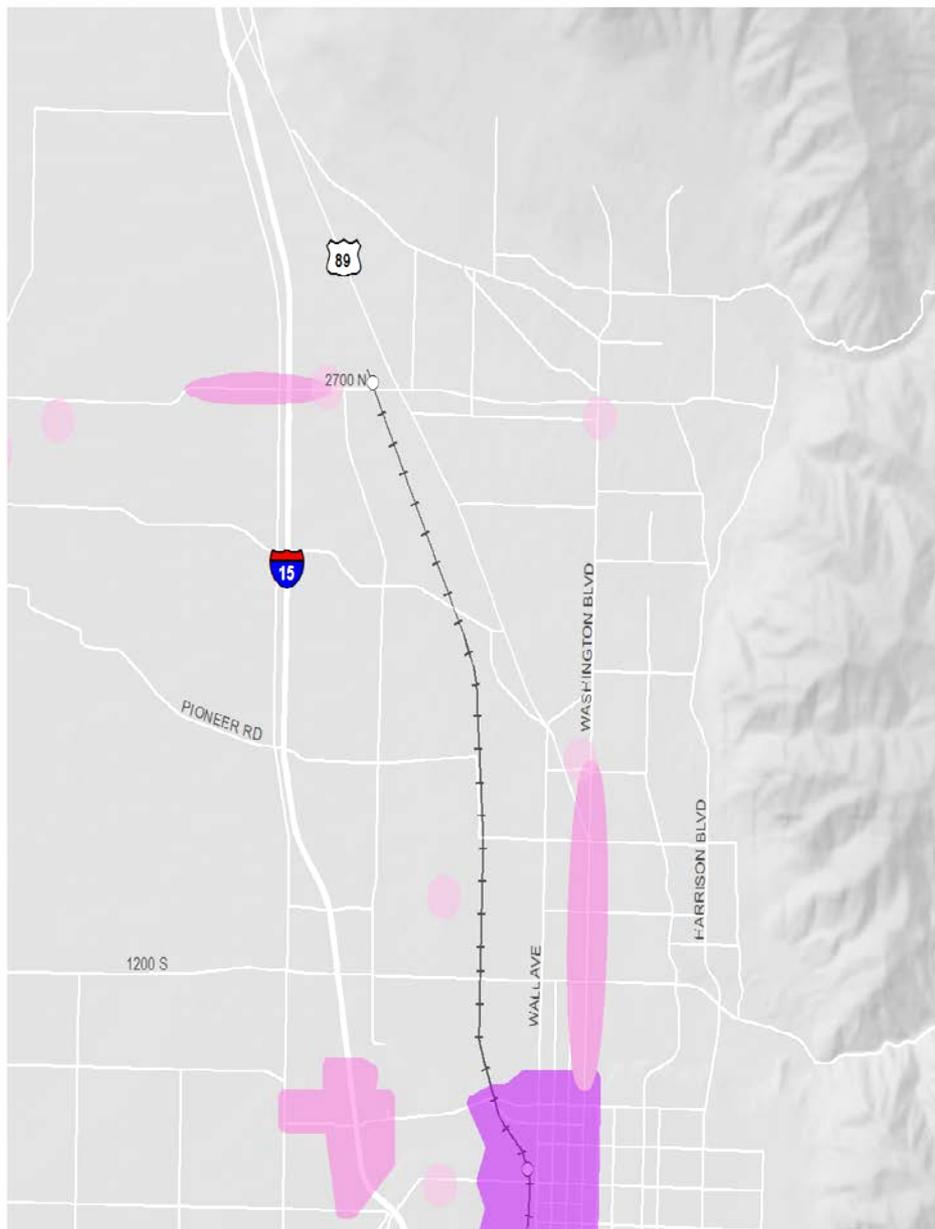
# Preferred Scenario

Detailed enough to inform:

- Local land use
- Local, regional, and state economic development
- Local, regional, and state transportation



# Mixed-use centers

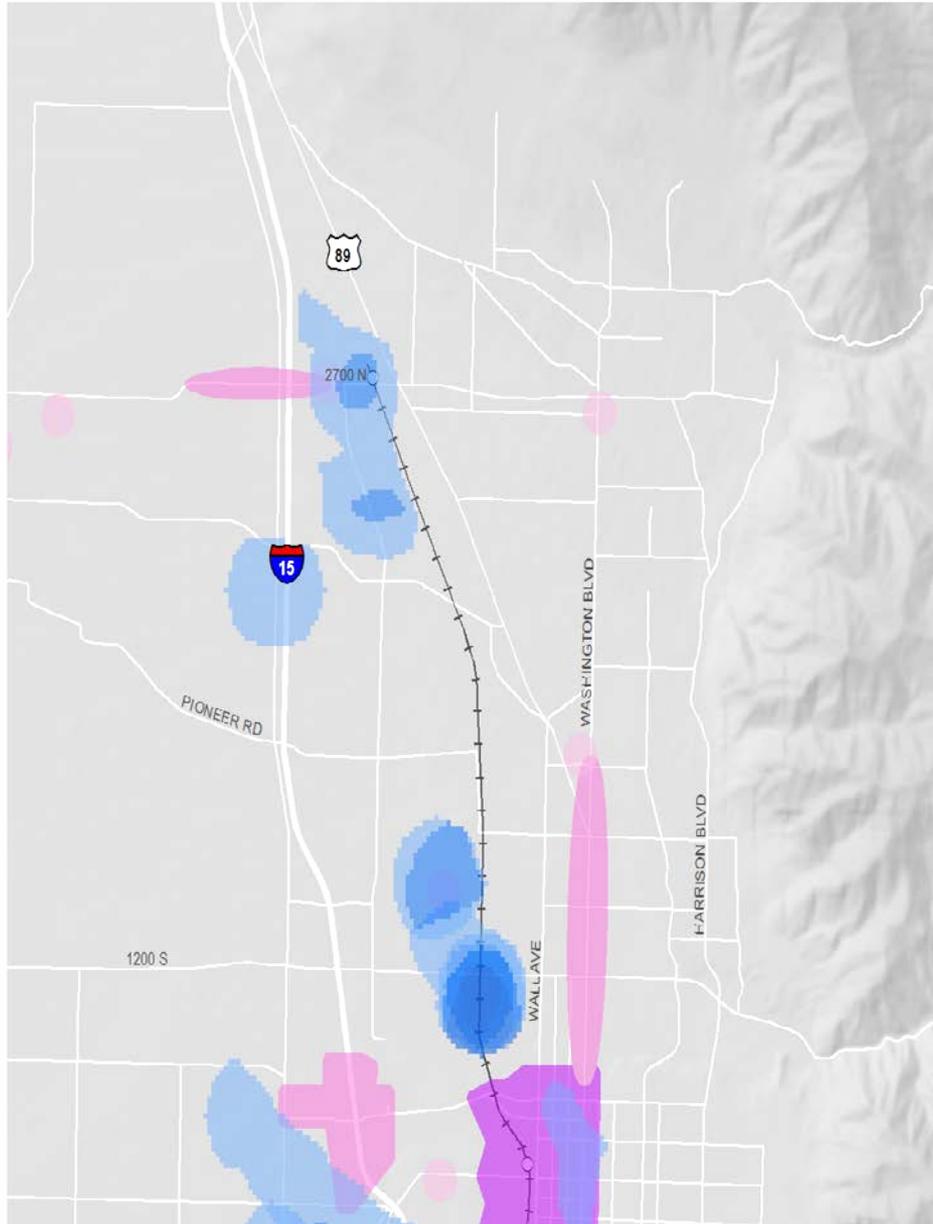


What mixed use centers do you support?

Should NEW centers be explored?

How does transportation support these centers?

# Job and industrial areas

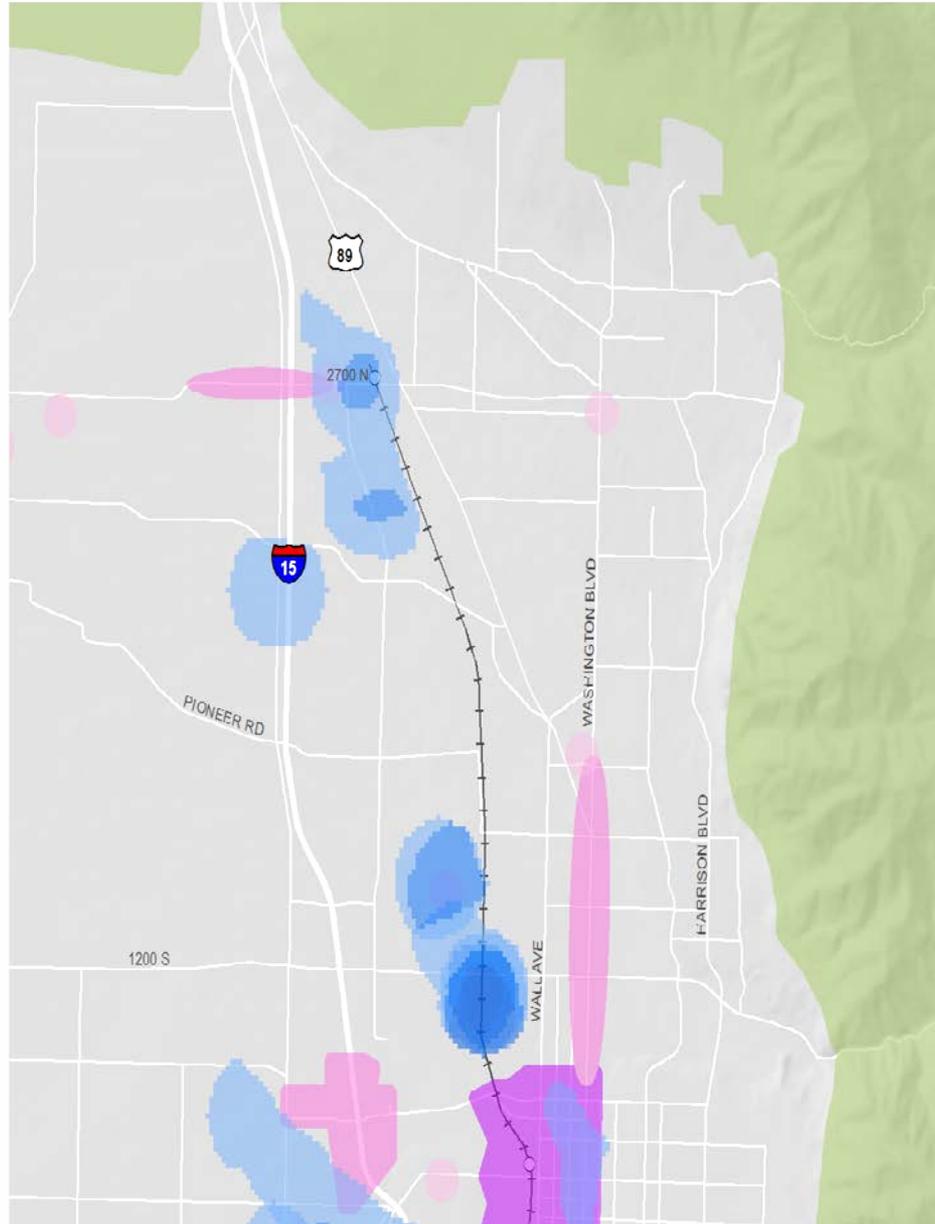


What job/industrial areas do you support?

Should NEW areas be explored?

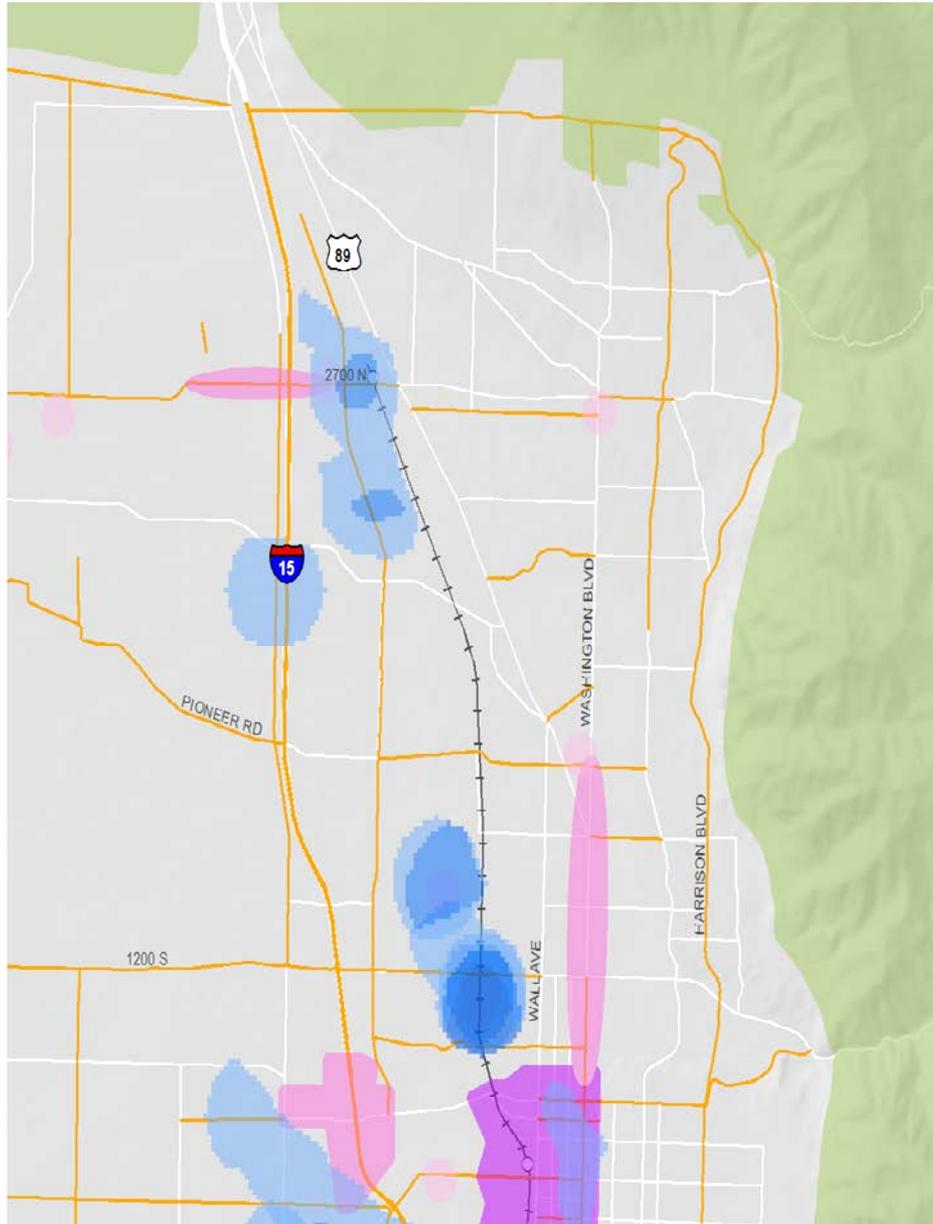
How does transportation support job/industrial areas?

# Regional green infrastructure



Ideas for collaboration on parks, open space or agricultural preservation?

# Road investments

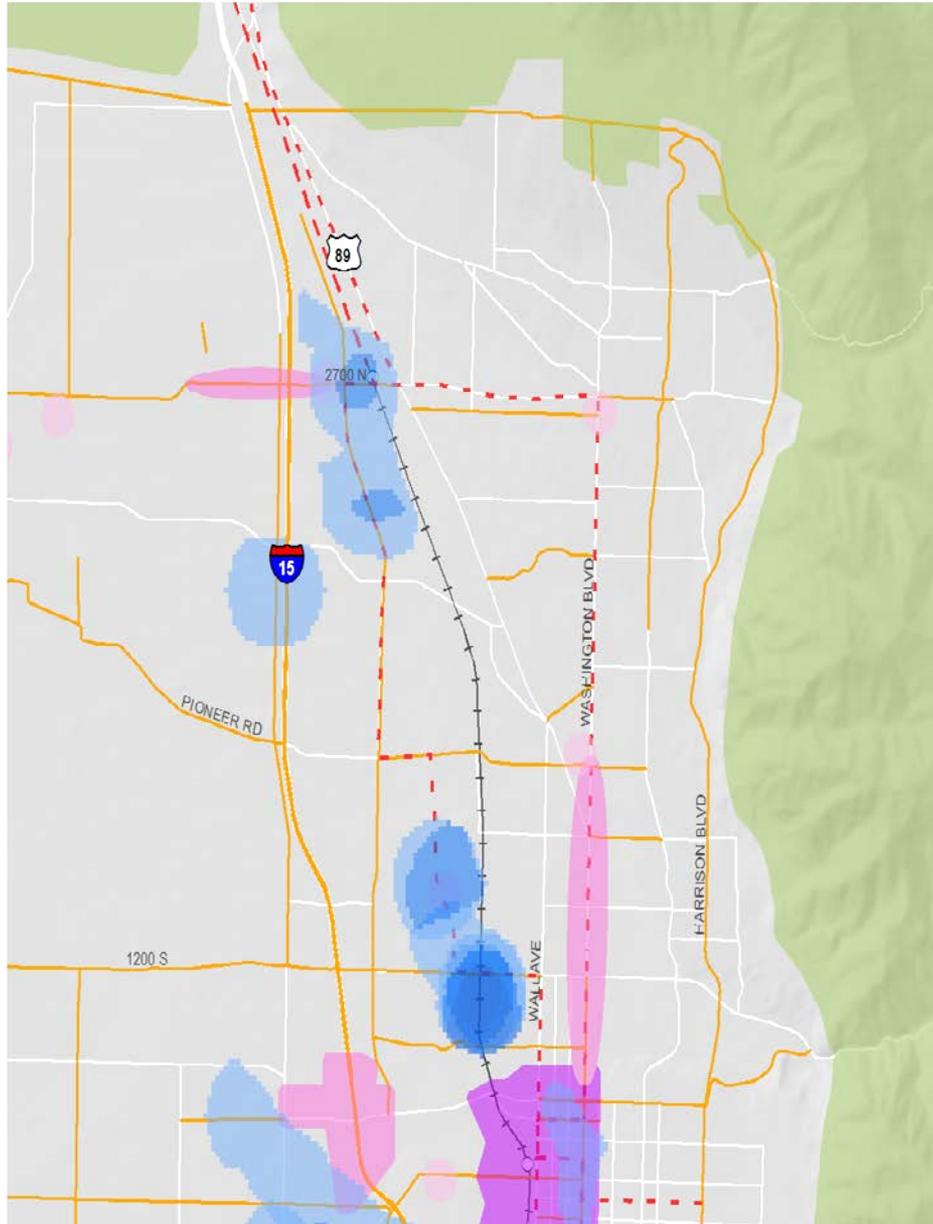


How might proposed roads affect....

Congestion?  
Access to destinations?

How do they support  
land use and economic  
development goals?

# Transit investments

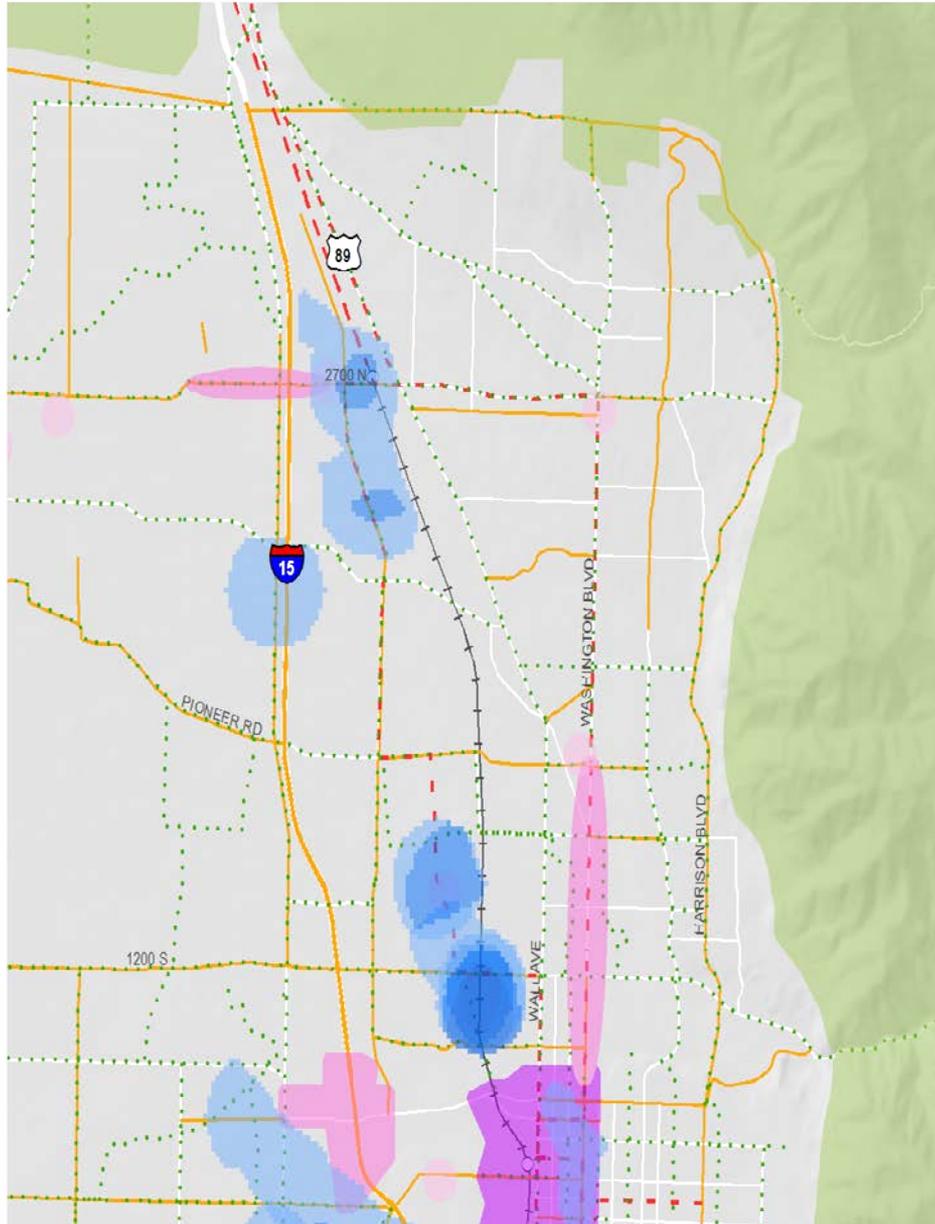


How might proposed transit affect....

Ridership and mode?  
Access to destinations?

How do they support  
land use and economic  
development goals?

# Bicycling backbone



Consider cross-town bicycling backbone with adjacent communities

# Achieving Regional Goals:

## How does the Preferred Scenario perform relative to existing plans?



Livable and healthy communities



Access to economic and educational opportunities



Manageable and reliable traffic conditions



Quality transportation choices



Safe, user friendly streets



Housing choices and affordable living expenses



Clean air



Ample parks, open spaces, and recreational opportunities



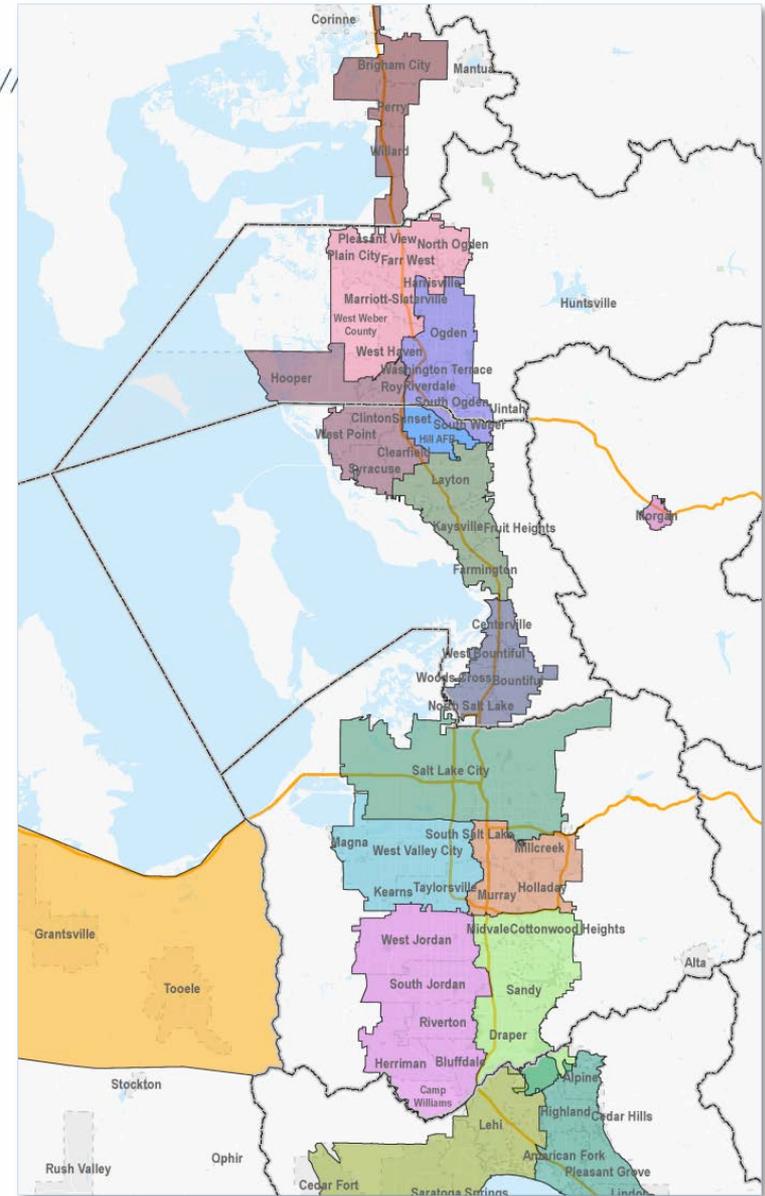
Sustainable environment, including water, agricultural, and other natural resources



Fiscally responsible communities and infrastructure

# How to get involved

- WFEDD February Input
- Local government group meetings: January through March
- Individual city/county meetings (optional)
- Technical committees
- Online engagement
- Open houses



# Presentation Outline

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- Where are (almost):
  - Draft Preferred Scenario
- **Next 6 months:**
  - **Dig into land use and infrastructure decisions that improve economic development**
- After the Vision:
  - Corridor and Area Planning



# What form should “the city” take to...

- Help a targeted cluster grow?
- Attract / retain firms within a targeted cluster?

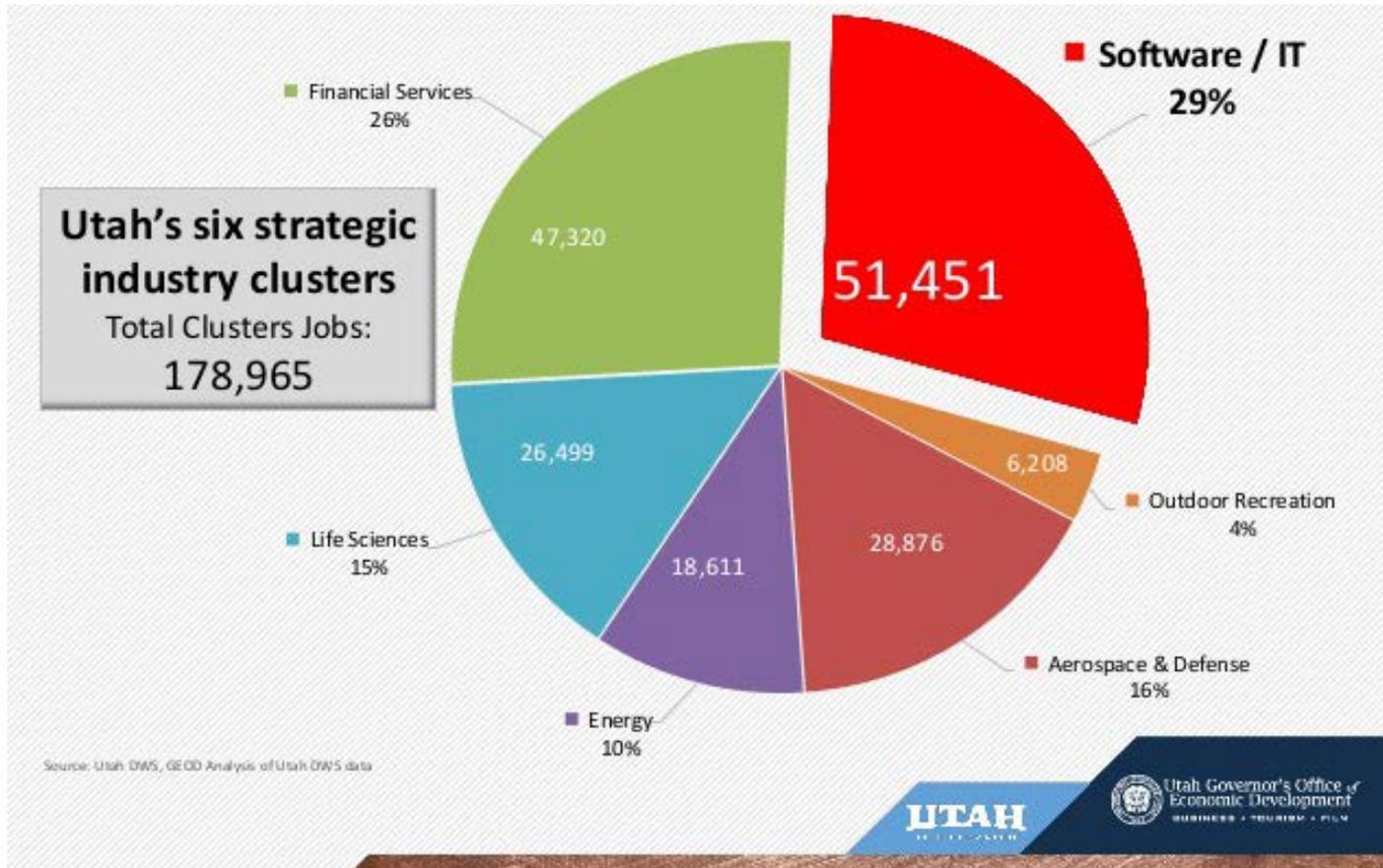
What is needed, where, and how do they all work together?



Interstate Access



# Utah's Targeted Industry Clusters



# Life Sciences example

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1. What is the **community ecosystem** that attracts it / helps it thrive

- Labor needs within 30 minutes?
- Community characteristics to attract skilled labor?
- Infrastructure requirements and desires?
- Preferred nearby land uses or destinations?



2. How important are these ingredients?

3. Map the weighted ingredients

- Where do these ingredients exist versus where the industry clusters exist?
- How can we strengthen existing clusters?
- Where are opportunity areas for new clusters?
- Can/ should new opportunity areas be explored?

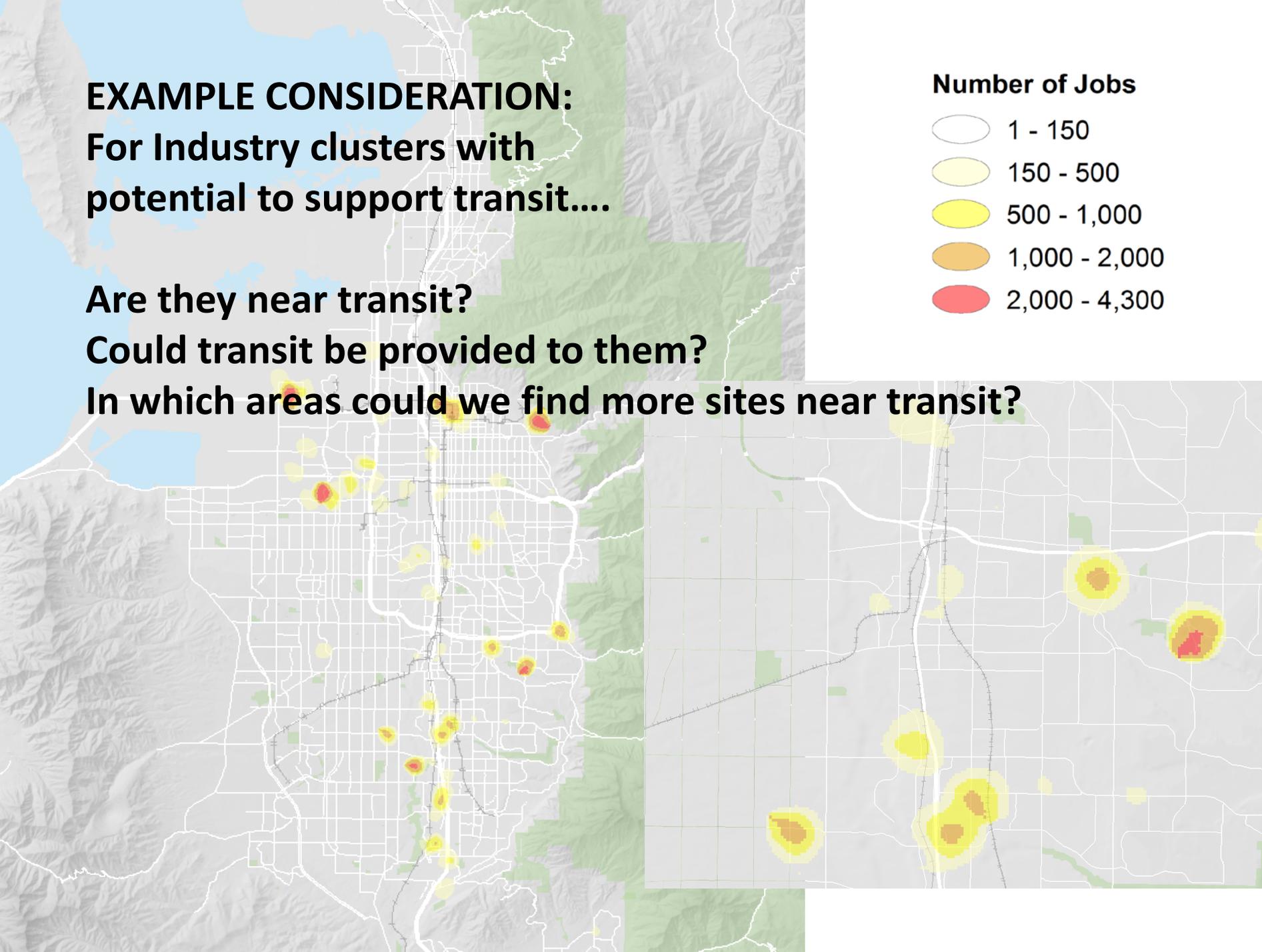
**EXAMPLE CONSIDERATION:  
For Industry clusters with  
potential to support transit....**

**Are they near transit?**

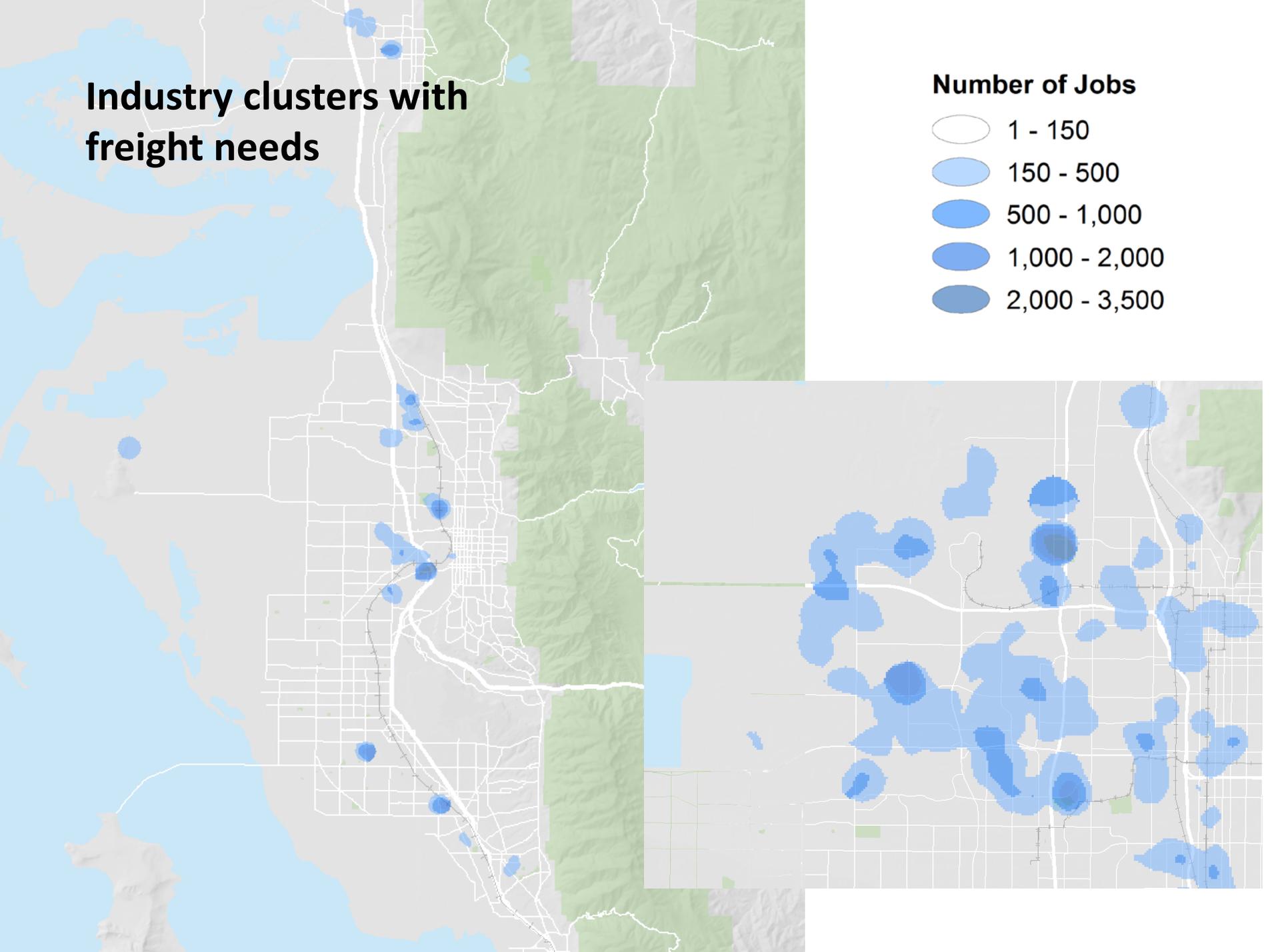
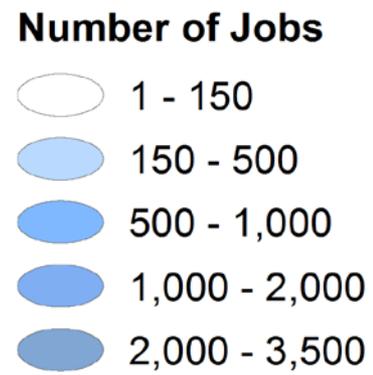
**Could transit be provided to them?**

**In which areas could we find more sites near transit?**

**Number of Jobs**



# Industry clusters with freight needs



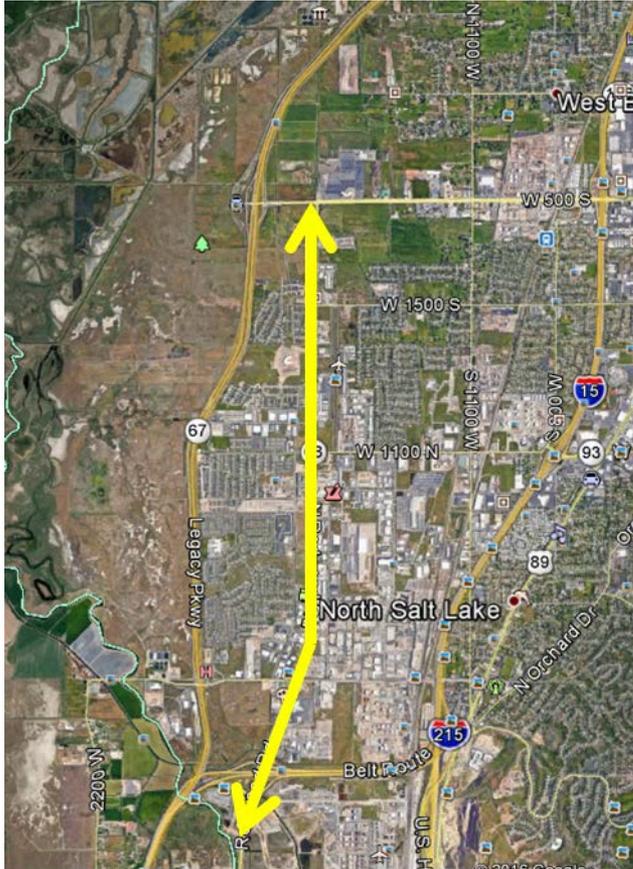
# Presentation Outline

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- Where are (almost):
  - Draft Preferred Scenario
- Next 6 months:
  - Economic development  
community ecosystem  
analysis
- **After the Vision:**
  - **Corridor and Area Planning**



# The transit investment catch 22



- “With 25% more riders, we’d get rapid transit!”
- “So, potential station areas need more development”
- “...but I’ll only add development near transit if the adjacent cities do as well”
- “...and I’ll only add development if I *know* we’ll get the transit investment”

# Corridor/ Area Planning

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- Bring infrastructure, community and economic development partners together
- Develop an integrated plan for land use, transportation and economic development
  
- Identify barriers
- Develop a strategy to overcome barriers through implementation
  
- Corridor/ area plans can vary in level of detail, participants, products, and formal adoption

# Corridor/ Area Next Steps

- WC2050:
  - Scope-out a few mutually agreeable areas
  - Identify key issues, opportunities, and next steps
  
- Transportation and Land Use Connection
  - Resources currently available for Corridor/ Area Planning



# WC2050 and the CEDS

- Draft Preferred Scenario
  - How do regional land uses and infrastructure elements align and work together?
- Economic Development Community Ecosystems
  - Identify the desired **community ecosystem** for each key industry cluster
  - Map the ecosystems
  - Make recommendations for ecosystem improvements
- Corridor and Area Planning
  - Refine and begin implementing the Preferred Scenario and improve the ED Community Ecosystem





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# Creating Sustainable Value

Taxable Value Per Acre



1906

**What is sustainable long term value. Sufficient ongoing revenue to support the ongoing growth of costs to city services and infrastructure.**

Walmart  
\$593,200 per acre



Masonic Lodge  
\$2,475,636 per acre

# OGDEN'S BREAK EVEN

Do You Know the Value  
of Your Community?

*Do you know what revenue per acre it takes  
for your community to recover the costs of  
providing services?*

- Ogden's BE Example
- Ogden 17,240 acres
- Taxable acreage 10,345
- \$60 million dollar general fund budget
- **BE \$5800 per taxable acre**
- **OR \$1.5 million per acre tax valuation**
- *EX: Avg home contributes \$1610 per acre-on a 7000 square foot lot*

# PROPERTY TAX REVENUE to OGDEN CITY (Per Acre)

				
BDO	Business Exchange	Downtown	East of Harrison	Junction
\$2,265**	\$3,624*	\$4,132	\$6,274*	\$25,686
Average <b>Commercial</b> Revenue/Acre				

					
BDO	Business Exchange	East of Harrison	Downtown	Junction	Shadow Valley
\$661	\$1,026	\$1,051	\$1,187	\$1,200	\$1,602
Average <b>Residential</b> Revenue/Acre					

Are these values sufficient to cover the costs of services

BE \$5800 per Acre

Most of the residence pay less than 20% of the economic cost of providing services

\* Prospective: Projected Inclusive of new construction

\*\* Before profit participation

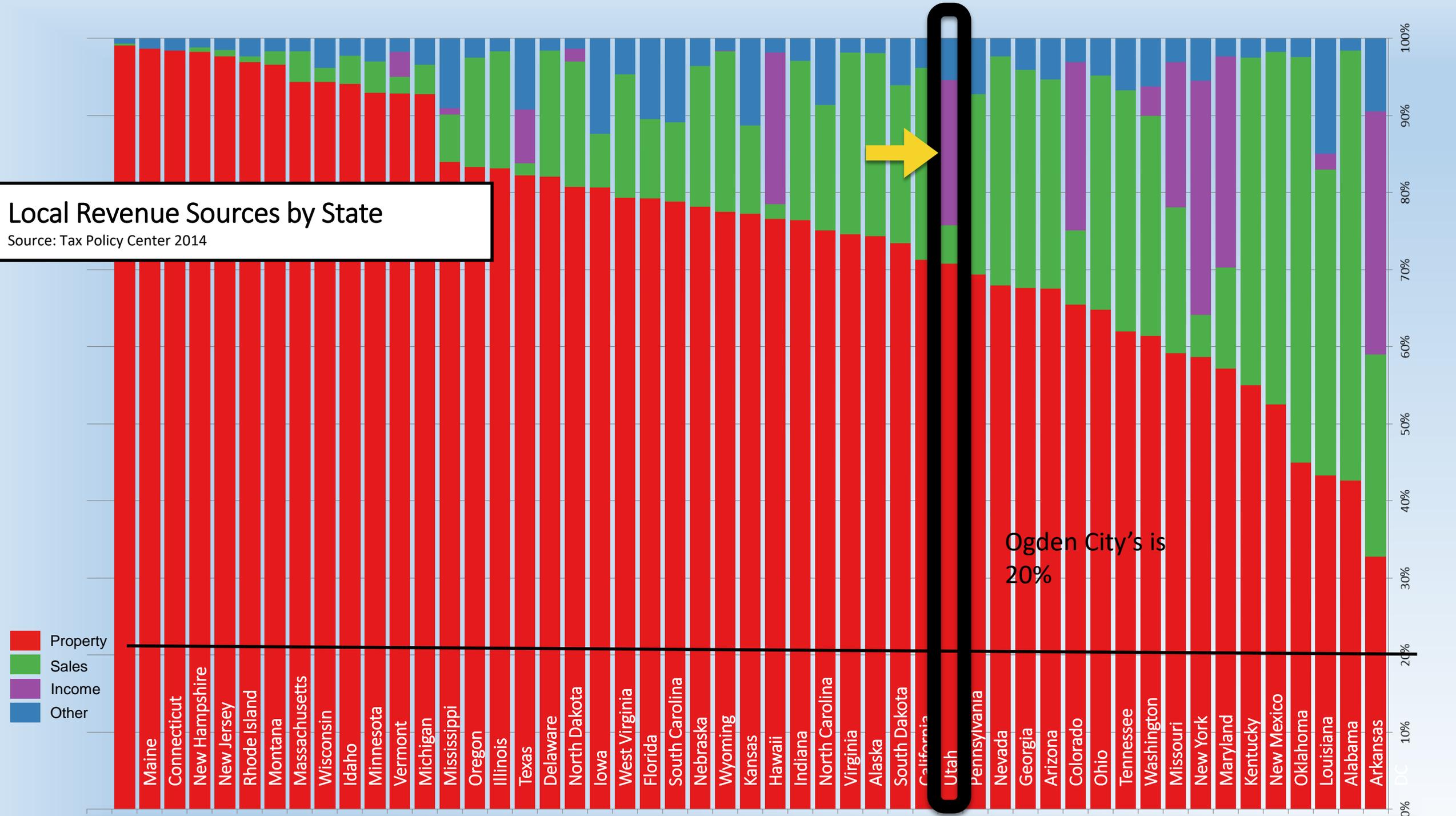
# What is the Value of Your Community

- Current General Fund Budget (rounded)
- \$60,000,000
- Current Tax Rate .00395
- $\$60,000,000 / .00395$
- In order to BE to our GF Ogden needs \$15 billion in value from its primary sources of revenue to recover its costs of providing services to the community
- Less than 20% of that cost comes from property tax
- Currently Ogden is 3.5 billion
- What does it need to be in order to sustain the budget?
- Either sales tax and franchise taxes have to grow or the communities value must grow to sustain services
- Can sales tax grow at sufficient level to overcome under valuing a community

What Does the Value  
Need for Communities  
to be Sustainable?

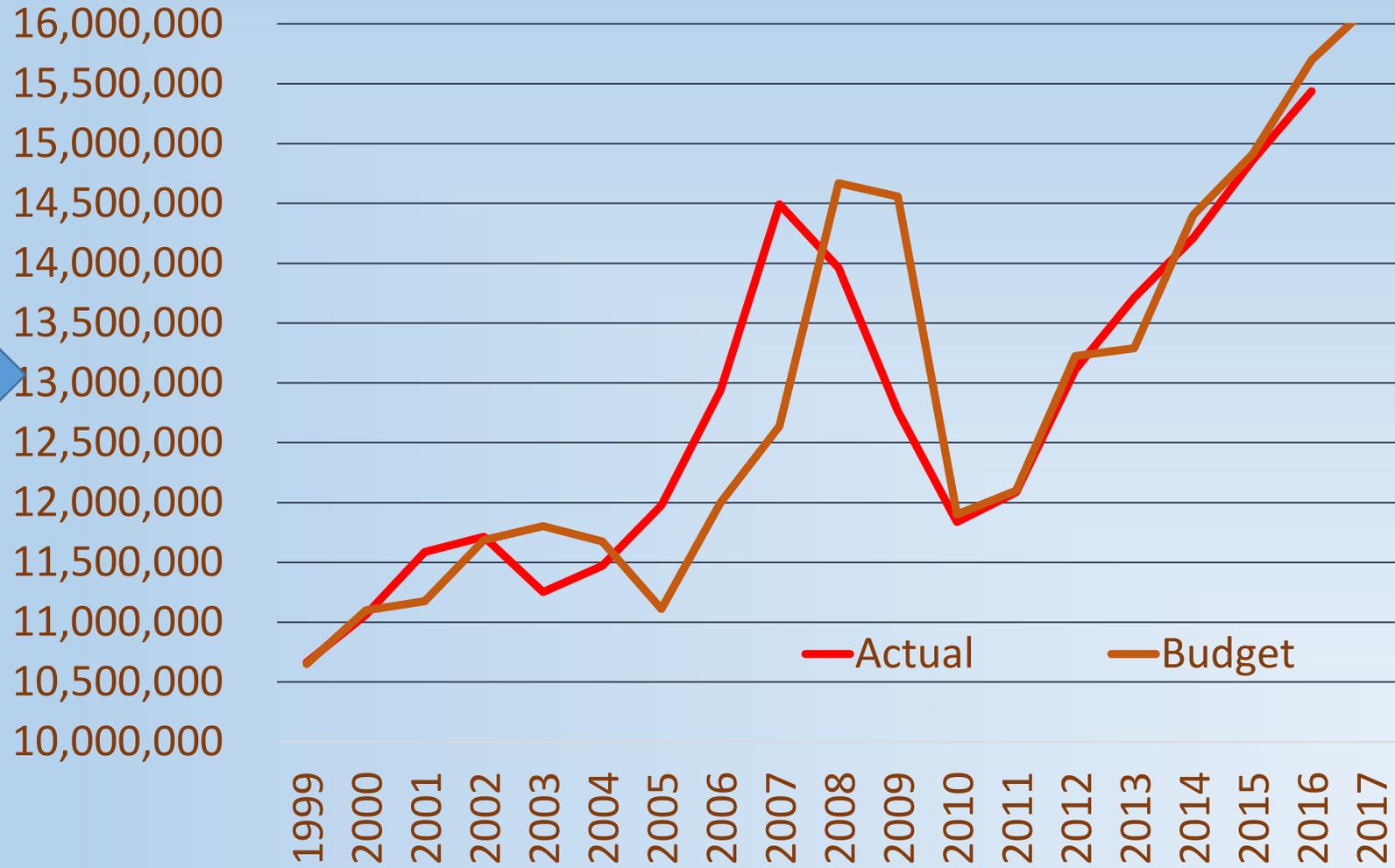
# Local Revenue Sources by State

Source: Tax Policy Center 2014



Ogden City's is 20%

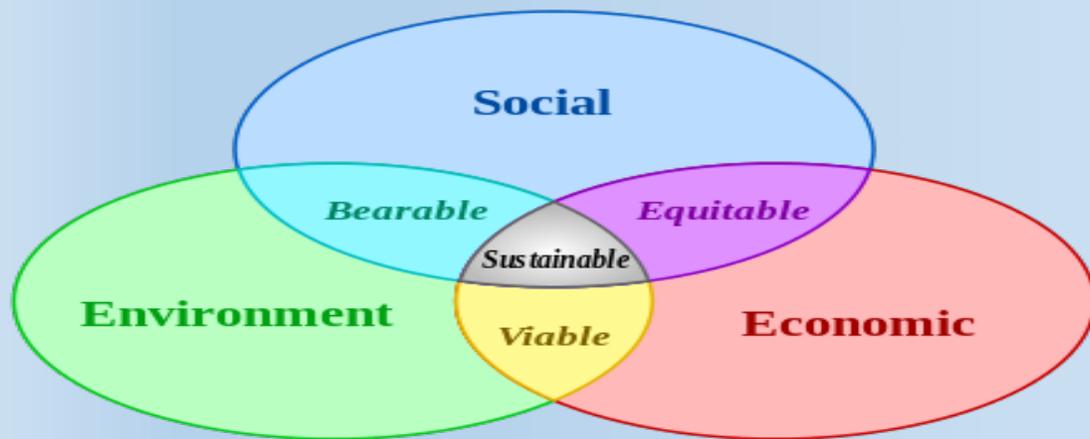
## Sales Taxes Revenue 17 Year Trend





Is 20% of GF coming from property tax sufficient portion total revenue to support needed services?

Are National State Level Benchmarks applicable to the City level?



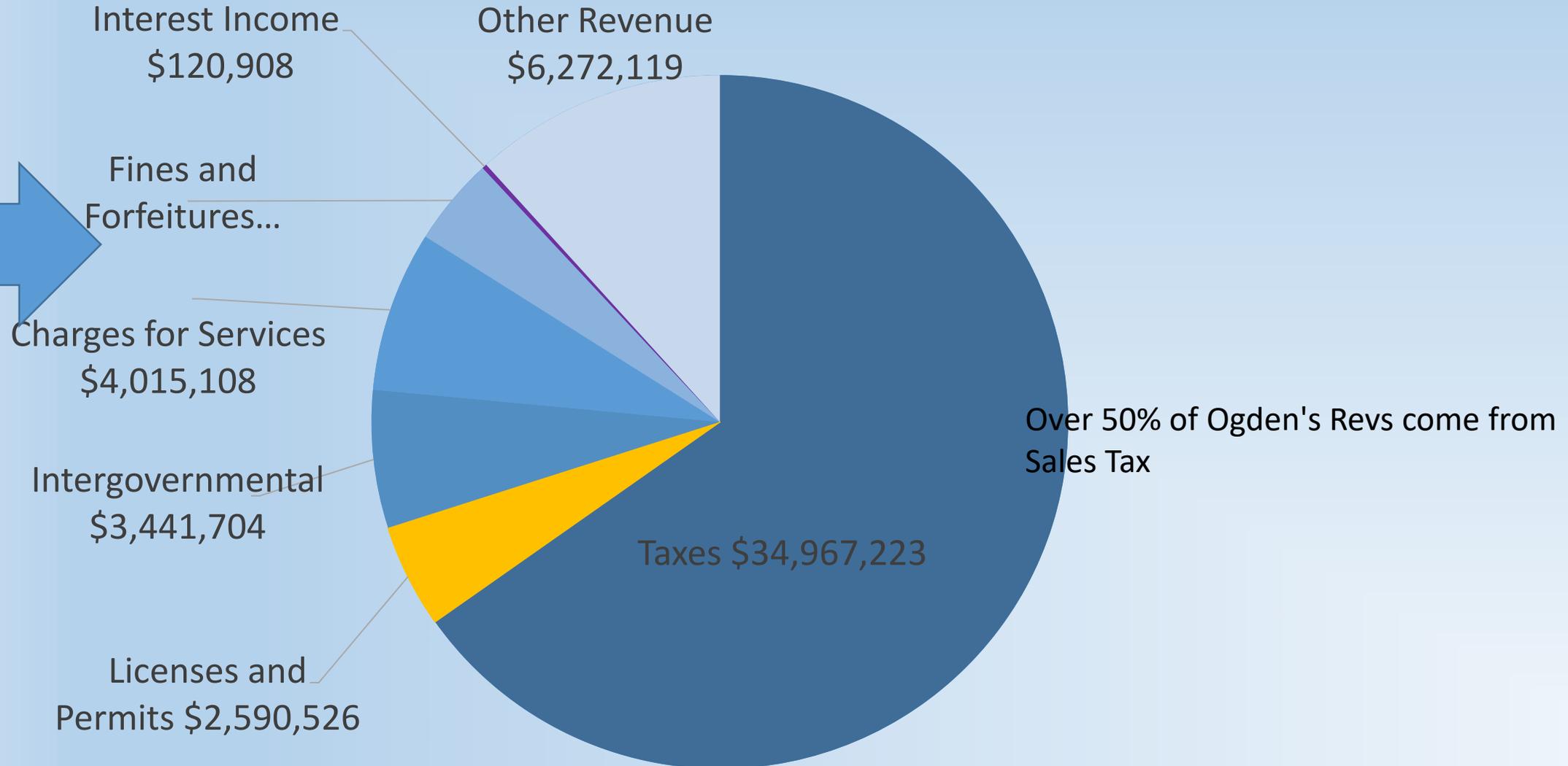
- The majority of the US states show:

- 70% of revenues comes from property tax
- Ogden is 20%

**Symptoms of unsustainability:**

- Economic decay
- Road/bridge decay
- Growth of dependent societies
- Growth of Poverty
- Environment
- Pollution
- Economic distress
- Increased taxation

# General Fund Revenue Fiscal Year 2016



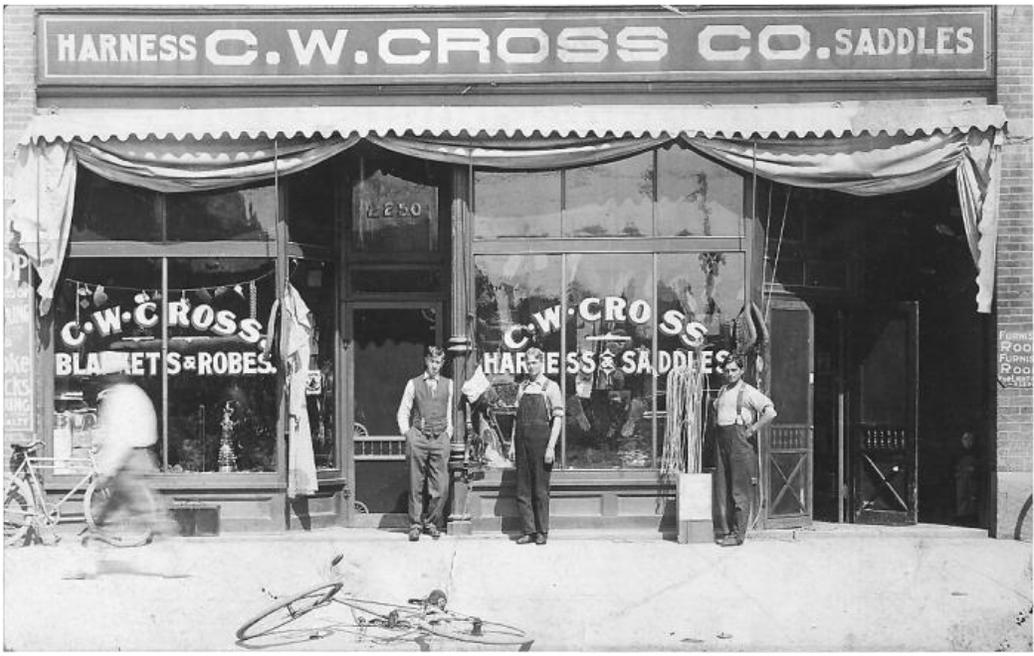
# So What Level of Value Does the City of Ogden Need to Reach as Sustainable Level?

- If 70% is the average benchmark for property taxes and Ogden's current \$60 million budget then:
  - \$42 million should come from property tax –currently \$12 million
  - $\$42 / .00395 = \$10.6$  billion dollars of valuation
  - Current valuation \$3.5 billion
- **Deficient \$7.1 billion in targeted valuation to reach theoretical sustainability?**

**How does a city get to a sustainable revenue?**

# HOW TO CREATE SUSTAINABLE VALUE

## INCREASING VALUE PER ACRE



1878

Does this building have more value to a city than a Walmart?



Walmart

\$593,200 per acre without sales tax

CW Cross Building

\$4,149,339 per acre

CW Cross Building  
\$4,149,339 per acre



## Weber County, UT

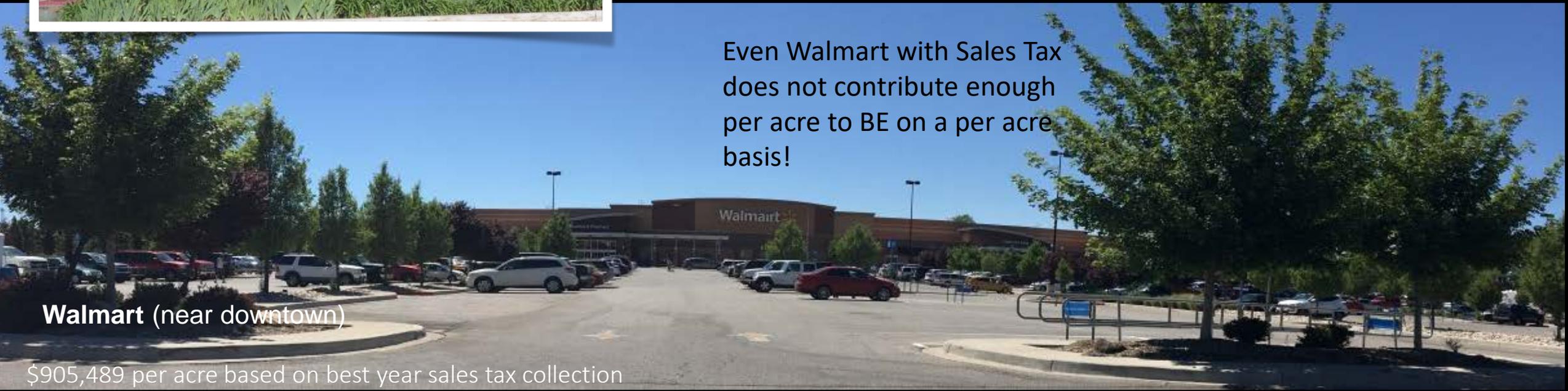
Valuation comparison

2.4 acres of C.W. Cross would equal  
the 15.2 acre downtown Walmart

Even Walmart with Sales Tax  
does not contribute enough  
per acre to BE on a per acre  
basis!

Walmart (near downtown)

\$905,489 per acre based on best year sales tax collection



# A Lasting Value

Taxable Value Per Acre



Built 1927

Walmart \$905k

Walmart  
\$593,200 per acre



BEN LOMOND \$3.5 million per acre \$3,539,131 per acre

\$4,546,176 per acre

A Lasting Value  
Taxable Value Per Acre

\$5,317,538 per acre



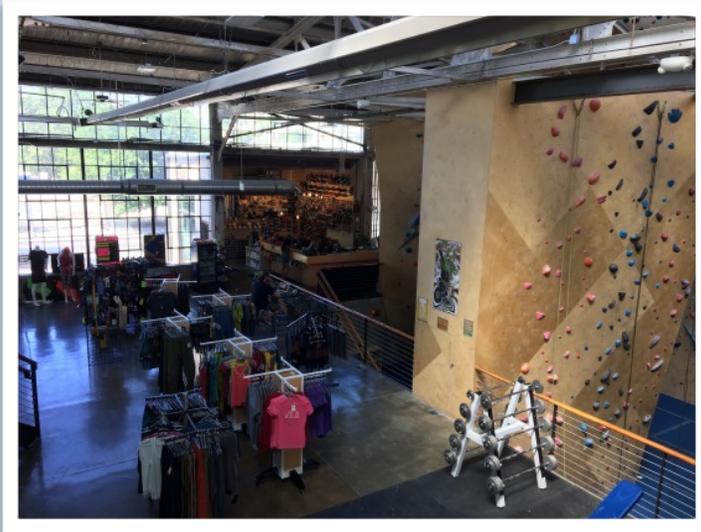
Walmart  
\$593,200 per acre

1908

Gomer+ Building (Shazaam!)

# Weber County, UT

Taxable Value Per Acre



American Can \$2.3 million



American Can (1920/2011)  
\$2,301,296 per acre



WM \$905K w/sales tax

With Parking Deck  
w/parking deck \$1.75 million



How Much would these be worth today?, gone, gone.

## A Lasting Value

Taxable Value Per Acre

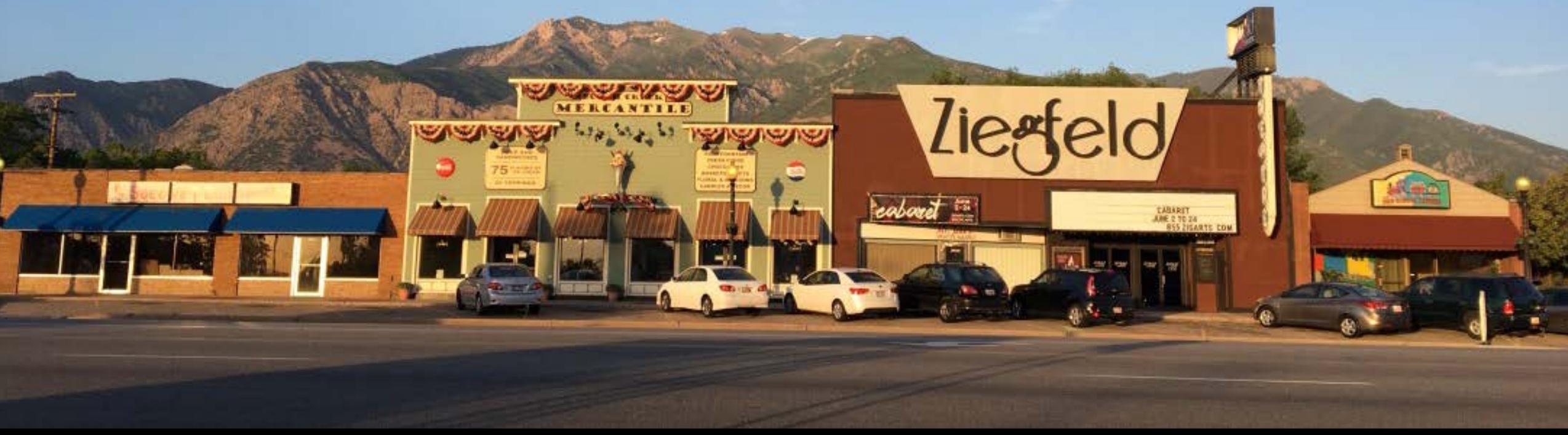


Boyer Office Building \$2.3 million

Office Building  
\$2,340,516 per acre

# Weber County, UT

Taxable Value Per Acre



Ziegfield Strip  
\$1,130,693 per acre

Walmart  
\$\$905k per acre

Circa: 1903

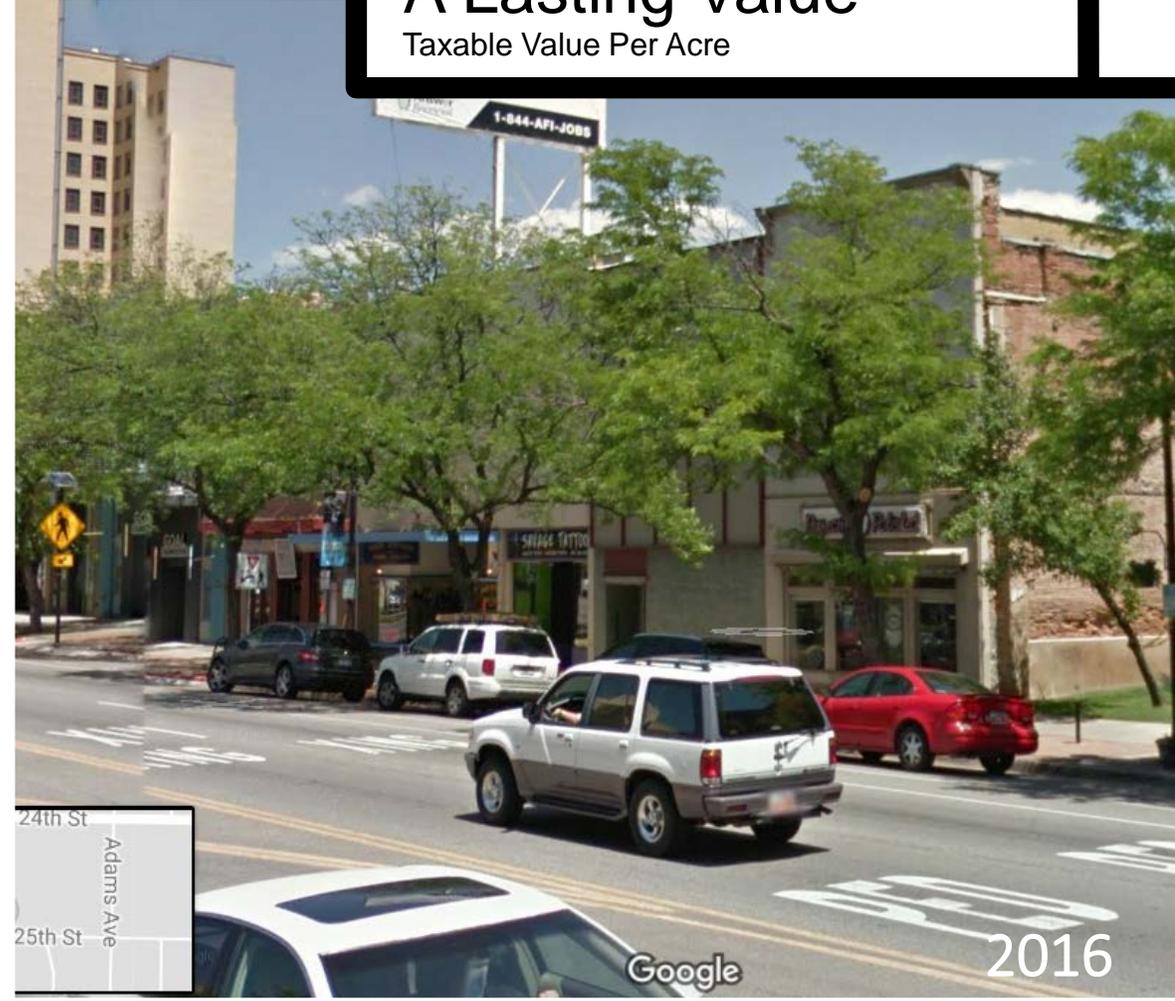


2001

Walmart  
\$593,200 per acre

## A Lasting Value

Taxable Value Per Acre



2016

2400 Block of Washington Boulevard

**\$2,106,078 per acre**



1927

Walmart  
\$593,200 per acre

## A Lasting Value

Taxable Value Per Acre



First Security Bank  
\$7,123,716 per acre

## Meadows Riverbend Townhouses

\$8,283,122 per acre



## Weber County, UT

Taxable Value Per Acre

## Grant & 20th Mixed-Use

\$2,236,385 per acre



WM \$ \$905K



## Junction Tower Mixed-Use

\$9,754,226 per acre

# Value Per Acre

Weber County, UT

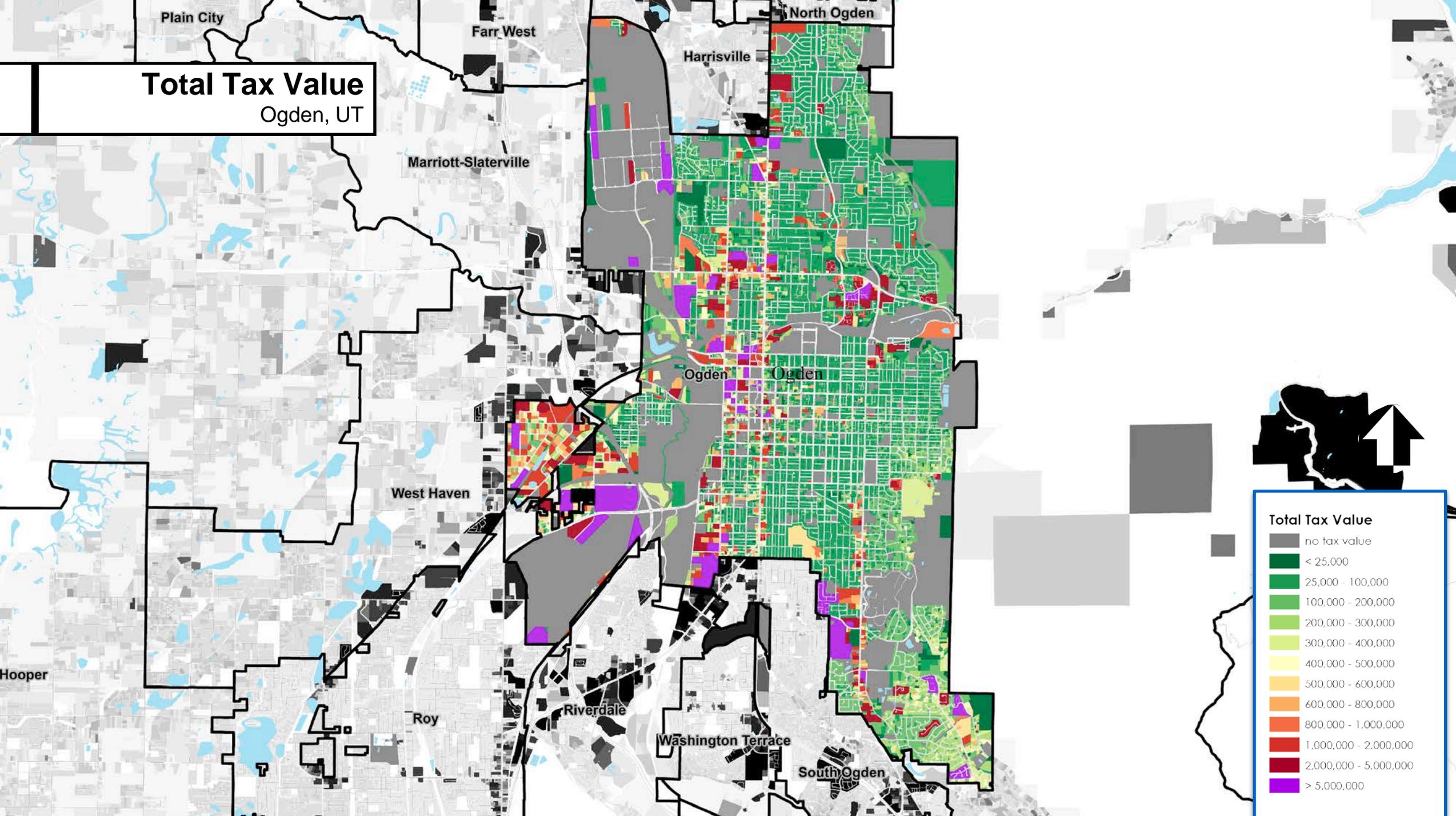


ONLY THE RED AND PURPLE LINES  
CONTRIBUTE ABOVE BE



# Total Tax Value

Ogden, UT



## Total Tax Value

- no tax value
- < 25,000
- 25,000 - 100,000
- 100,000 - 200,000
- 200,000 - 300,000
- 300,000 - 400,000
- 400,000 - 500,000
- 500,000 - 600,000
- 600,000 - 800,000
- 800,000 - 1,000,000
- 1,000,000 - 2,000,000
- 2,000,000 - 5,000,000
- > 5,000,000

# A Lasting Value

Taxable Value Per Acre



Gone: Broom Hotel



Walmart  
\$593,200 per acre

Key Bank  
\$7,930,585 per acre

# Weber County, UT

Taxable Value Per Acre



Courtyard Marriott  
\$3,338,970 per acre



Market Star  
\$13,480,575 per acre

Walmart  
\$(905 per acre)



Gone: Grand Opera (1890)

Walmart  
\$\$905k per acre



# A Lasting Value

Taxable Value Per Acre



Ben Lomond Parking (1983)  
\$498,766 per acre

# Weber County, UT

Taxable Value Per Acre



Defense Depot  
\$485,196\*\* per acre

Walmart  
\$593,200 per acre

\* Under TIF, comes online in 2 years \*

# Weber County, UT

Taxable Value Per Acre



Big Lots  
\$385,929 per acre



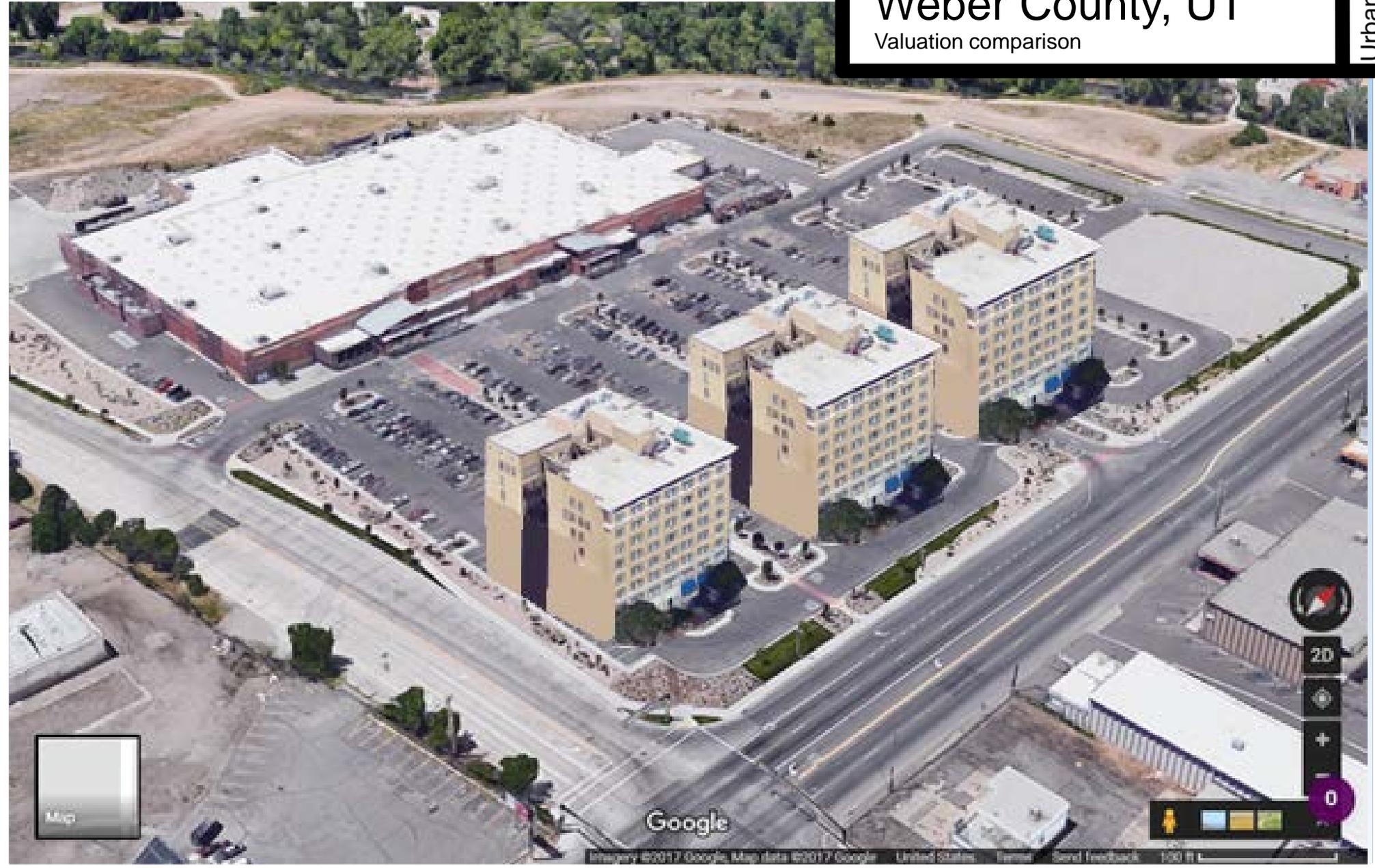
Sam's Club  
\$509,435 per acre

Walmart  
\$593,200 per acre

# Weber County, UT

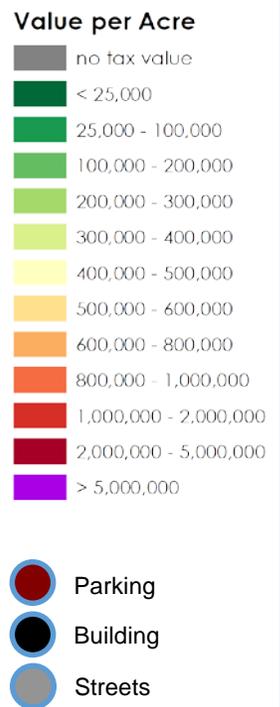
Valuation comparison

**You can build three Eccles buildings in the same space as a Walmart (15.2 acres) doubling the tax using the same infrastructure**



# Land-use Analysis

## Ogden, UT



Ogden



So how much does that parking stall pay the City?



	mi2
total area	27.20

# Land-use Analysis

Ogden, UT

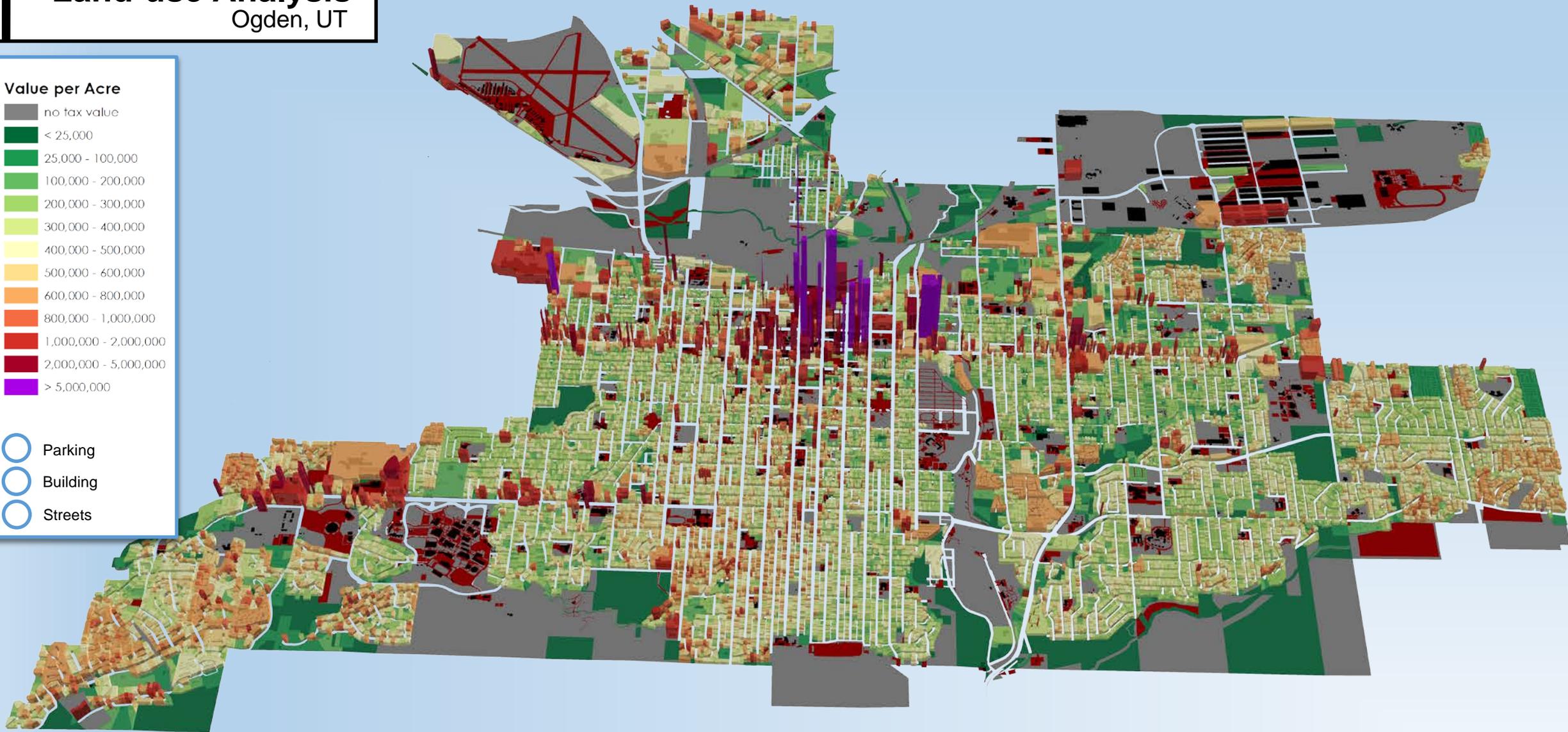
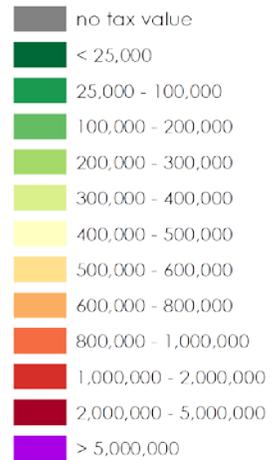
## Value per Acre



# Land-use Analysis

Ogden, UT

## Value per Acre



# Train Impact

Weber County, UT



## Old Station

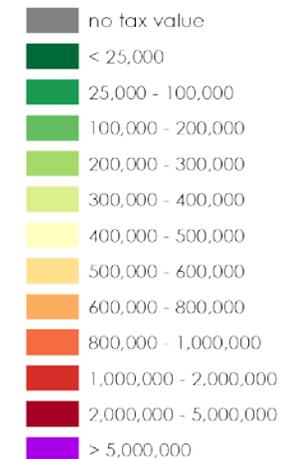
Parking Sq.ft.	1,200,538
Building Sq.ft.	678,735
Parking/Building Sq.ft.	1.77
Taxable Value	\$57,115,642
Value/Acre	\$1,806,932
Peak Value/Acre	\$13,485,769



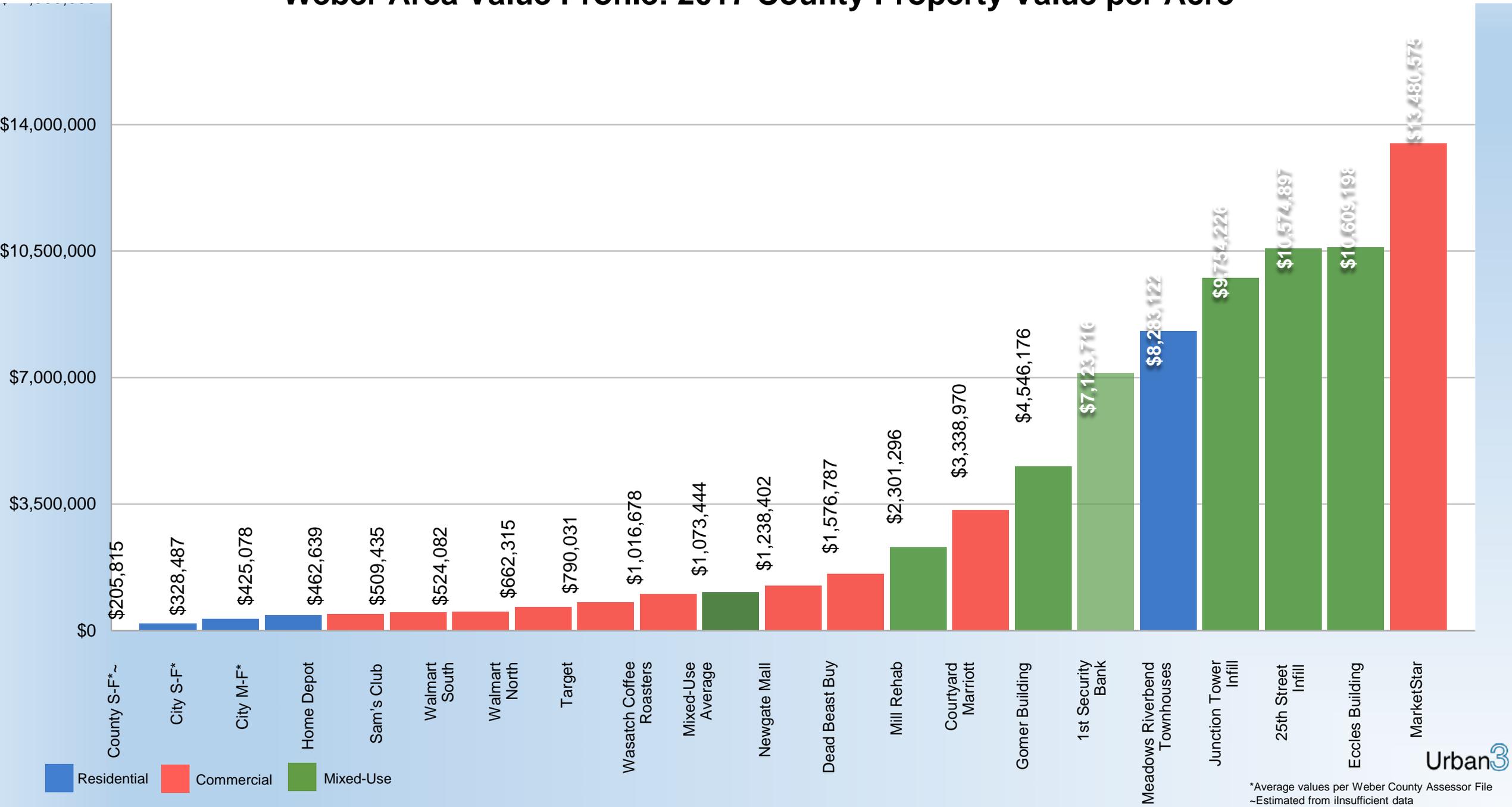
## New Station

Parking Sq.ft.	1,504,538
Building Sq.ft.	447,965
Parking/Building Sq.ft.	3.36
Taxable Value	\$69,644,831
Value/Acre	\$2,046,406
Peak Value/Acre	\$9,552,180

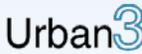
### Value per Acre



# Weber Area Value Profile: 2017 County Property Value per Acre



\*Average values per Weber County Assessor File  
 -Estimated from insufficient data



In God we trust;  
everyone else,  
bring data.

Mayor Michael Bloomberg



# Utah's Mega Sites Program



**edcUTAH**

ECONOMIC  
DEVELOPMENT  
CORPORATION  
OF UTAH



What is a “Mega Site?”

A large acreage, extensively researched, heavily  
infrastructured\* piece of dirt in a community that is  
looking for a “landmark” project.

*\*Existing, or potential*



## Three Keys to a Mega Site

### › Size, Scale & Scope

- Large acreage
- Heavy infrastructure\*
- Multimodal transportation\*
- Pro-manufacturing communities
- Zoning/Permitting fit

*\*Existing, or potential*

### › Preparation

- Advanced due diligence
- No “I don’t knows”
- Prepackaged incentives
- Strategic focus
- Significant upfront \$\$\$ investment
- Extensive engineering, utility, cost and timing info

### › Customers

- Heavy industry
- Advanced site requirements
- Infrequent
- \$1B+ capex
- 1k+ jobs



# Why Create a Mega Sites Program?

1

Minimize risk for the client

No “I don’t know” means no surprises.

2

Identify opportunities

The better we know ourselves, the better we can identify opportunities.

3

Exposure

“Utah is not being seen by these projects.”



## Utah MegaSite Process To-Date

**1/1/16 - 3/30/16** – EDCUtah begins national Mega Sites research project

**April 2016** – Natalie Gochnour referral to UofU MRED program

**July 2016** – CRS Engineers benchmarks national Mega Sites programs

**8/1/16 - 12/8/16** – MRED feasibility study on possible Utah program

**December 2016** – MRED students deliver feasibility report

**February 2017** – Elberta, UT site identified as “Beta Site 1.1”

**March 2017** – EDCUtah forms Mega Sites steering committee

**August 2017** – EDCUtah shows Elberta site to national SSC

**4/1/17– 10/19/17** – CRS Engineers certifies Elberta Beta Site 1.1





## Utah MegaSite 1.1 COMPLETED





# Beta Site Lessons Learned

1

## Collecting Data vs Creating Data

The majority of the data we needed to certify Mega Site 1.0 in Elberta already existed. Very little new data had to be created. Engineering time was spent identifying data gaps and compiling existing information.

2

## Difficult Financial Questions

Land costs and incentive possibilities are more difficult to nail down than anticipated. There are more "moving parts" to these questions than initially contemplated.

3

## Marketing Game Plan

Explaining large volumes of technical data to people of varying levels of expertise will require a unique marketing plan. More investment than anticipated may be needed.

4

## Full-time Management Required

A fully functioning Mega Sites program will require full-time staffing and additional financial support.



## MegaSite Next Steps

- › Develop best practices marketing protocol for Utah Mega Sites
- › Identify next “near term” potential Mega Sites
- › Leverage EDCUtah Match Grant fund to support Mega Sites certification work
- › Request state appropriation for ongoing program support (staffing, marketing and certification costs)
- › Begin work on Mega Site(s) 2.1, 2.2 and 2.3

