



U R Economic Development



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Special points of interest:

- Utah #1 Again Reuters
- Logan Meeting
- Low to Moderate Income discussion
- Grants for municipalities and government contracts
- Utah #1 Again for Rich State by American Legislator
- How Does TIF Work

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Presidents Message



Utah Alliance For Economic Development

I am often asked what is the purpose of the Utah Alliance and how can being a member of the organization help me?

The Utah Alliance for Economic Development is a non-profit organization whose goal is to enhance economic development efforts statewide. My former boss, Dale Carpenter, used to quip that “economic development is a team sport.” I totally agree with him. It takes a whole lot of people working together to make a deal happen. And as much as we would like our Governor or Mayor or City Manager to be the sole champion of a project, it simply doesn't happen that way.

There are a number of people/ companies who have their hands in every deal. They include bankers, developers, utility companies, and sometimes even legislators. Communication between these groups is the key to closing the deal.

We may be afraid to talk to other ED professionals because we don't want to look inexperienced. Other times we don't know that one community may have had a similar experience and by knowing the outcome of the deal, we could benefit greatly.

This is where the Utah Alliance comes in. The organization meets as a group quarterly to be trained on new economic development practices. But we also meet to network and share ideas, problems and resources. I can't count the number of times I have seen ED professionals huddled together in a corner or at the lunch table, sharing experiences. More than once, a new person comes to the meeting timid and goes away with a whole lot of information to digest and a great list of contacts.

Those Alliance members who have been around the block a few times are more than happy to share their expertise by visiting your project, talking to your local government officials or just providing advice on how to create a redevelopment area or set up the utilities for your new business park.

There is a wealth of information available through the Utah Alliance. I invite you to come to our meetings and get to know the wonderful members here.

We look forward to meeting with all of you again in Logan on July 18, 2013. To register, go to our web site (Open Soon) www.utahalliance.com.

Sincerely,
Marian Hein
Web Administrator - Utah Alliance for Economic Development



UTAH #1 Again

Used by state lawmakers in every state across America since the first edition in 2008, [Rich States, Poor States: ALEC-Laffer State Economic Competitiveness Index](#) continues to chronicle the good, bad and ugly of economic policy in each of the 50 states.

Commenting on Utah achieving the top spot in the 6th Edition of *Rich States, Poor States*, Jonathan Williams, director of the American Legislative Exchange Council's Task Force on Tax and Fiscal Policy and co-author of the report, remarked, “Utah's policies have remained strong, and because of their fiscal responsibility and commitment to competitiveness, they've ranked first every year for economic outlook since we've been writing the report.”

American Legislator, American Legislative Exchange Council



Calendar/Upcoming Events

Mark your calendar for our next Utah Alliance meeting on July 18th, in Logan. Come the day before the meeting and spend some time strolling down the Logan River Walk. Take advantage of this great amenity Logan City has developed. Some of the planned meeting highlights include, "Why Brand Your Community?". As economic development practitioners we are always looking for that edge that sets us apart. Ogden is outdoor recreation sports,

Utah County is silicon Slopes, Moab is Red Rock. This branding sets them apart and gives name recognition. What is Cache Valley branding themselves as? We will be pleased to hear from representatives of the USTAR program. What is USTAR doing to get technology dreams to market? One of the fastest growing market segments is entrepreneurial businesses. We need to work with all agencies to get these businesses from the garage to

incubator to store front in Utah.

Last topic is how Geo Met Watch is saving lives through weather forecasting. Through proprietary technology developed at Utah State University they will launch probes into space to detect and transmit weather patterns around the world. This will give faster response times with accurate information.

Hope to see everyone at the Utah Alliance meeting. Registration will be open soon.



America will never be destroyed from the outside. If we falter and lose our freedoms, it will be because we destroyed ourselves.

[Abraham Lincoln](#)

GOED/edcUtah—Utah excels in economy and business -Chamber of Commerce report

When it comes to economic growth and [business](#) strength, there may be no better U.S. state than Utah, according to a report by the U.S. Chamber of Commerce.

The [business](#) association found that Utah, population 2.8 million, ranked third among all states in overall economic performance - a measure of how states' economies have fared over time in terms of jobs, gross domestic product, productivity and income.

Moreover, Utah was the only state to make the top 10 lists for all five of the "policy" areas the Chamber assessed - exports, innovation and entrepreneurship, business climate, talent pipeline and infrastructure.

"Utah is the strongest job growth performer behind North Dakota ... The state is becoming known as a professional services and [finance](#) center," said the Chamber.

"Manufacturing is a competitive advantage for the state. Over the past decade, Utah's manufacturing sector saw a slight increase in employment during

a time when national manufacturing employment contracted by 22.51 percent."

Utah's unemployment rate is one of the lowest among the states at 4.9 percent in March 2013, according to the U.S. Labor Department.

Each year the Chamber ranks states according to various economic and business measures for its "Enterprising States" report. This year, fortune seemed directly tied to technology and [engineering](#) across the five areas the Chamber evaluates.

For exports, Utah came in third after Louisiana and Texas, primarily because it is a major supplier to the world of electronic memory circuits, aircraft engines and parts, vehicle airbags and X-ray equipment, according to the Chamber. Utah had top rankings in entrepreneurship mostly because it is establishing high-tech businesses at a fast rate.

The Chamber also considered Utah strong in the "talent pipeline" area, which looks at both education and training as well as job assistance programs after

the state legislature approved funds to foster more [engineering](#) graduates and [software](#) developers.

Technology was even a factor for Utah's top ranking in infrastructure, with the Chamber emphasizing Utah's high-speed data connections alongside the high quality of the state's bridges.

For the business climate measure, which assesses the influence of government-related costs on local businesses, the Chamber put Utah sixth because of its high small-business lending activity, low taxes and laws.

Still, the extraction and the [commodities](#) boom continues to prove crucial for jobs, business and incomes in most states. The Chamber of Commerce is not the only one to notice that certain states are bounding ahead as the recovery from the 2007-09 recession unfolds. Earlier this month, Standard & Poor's Ratings Service said it expected to find the strongest growth this year in the Rocky Mountain region, including Utah and Wyoming.



What do you think of Low to Moderate Income Housing?

Whether we want to believe it or not there is a growing population of first and second generation families in poverty. When most people hear Low to Moderate Income Housing the first thought is, NOT IN MY BACK YARD. The usual underlying issues, it brings down home values, crime rate goes up, it is mostly minorities, etc. The list goes on and on as to why we don't want Low to Moderate income homes in our neighborhood. The reality is, a lot of the perceptions are true but does it have to be that way? I would propose the

following recommendations :

1. Educate municipalities to include staff and elected officials. What is Low to Moderate Income, what does the family make-up look like, what programs are in place to help people. With proper education we can get out of perceptions and into real solutions.
2. Work with developers to not create one isolated area of Low to Moderate Income housing. If it is single family units, mix them throughout the sub-

division. If it is multifamily, mix them within the building.

3. Work together as a community to create programs to affect changes that could/will break the cycle.
4. While cities greatest revenue source is retail sales, this very industry pays below average wages. This keeps the cycle going in some cases.

While I don't have the answers I am willing to ask the questions to educate and bring about change.

Insanity:
doing the
same thing
over and
over again
and expecting
different
results.

[Albert Einstein](#)

What you missed at the April meeting

A special thank you to Dave Anderson, Spanish Fork Economic Development Director for setting up the venue and hosting the meeting. Mayor Wayne Anderson talked about setting yourself apart. What are communities doing to create an identity and then promote it. Marlin Eldred and Marian Hein covered changes to the Utah Alliance Website, the newsletter, ability to take credit cards at future meetings and for

memberships, and starting a repository of information dealing with economic development issues. This repository will be accessible by Utah Alliance members only. The goal is to enhance or raise the bar on members membership. Logistic Specialties Inc and the State Procurement Technical Assistance Center spoke about how to contract with the federal government. There are both private and public services to help businesses weave

through the process to get contracts. They also covered grants for cities and communities, what's available and how do you get it.

Finally we were educated on wind power and how it is changing the landscape of energy.

We want to thank Spanish Fork City, Irontown Housing, and Sapa who were the featured businesses. Find more information at:

www.utahalliance.com



Tax Increment financing (TIF), what is it, how to plan and is it for you?

What is Tax Increment Financing (TIF) and does it fit in every community? In a nut shell, TIF is a geographical area that has been designated for current or future development. TIF is a portion of the new taxes derived from development that can be put back into the project or used for incentives to entice a company to locate to the area. Utah uses three tracks, Community Development Area, Economic Development Area or Re-Development Area/Urban Renewal Area as

the TIF vehicles. Those that don't support this notion would argue that you are giving tax dollars away to developers or companies. That is true, you are giving a portion of the tax dollars as an incentive but this is new tax dollars. A City or County is not giving current tax dollars away it is new monies generated from the project. If the project stays stagnant for 20 years there are no new taxes generated. If the project flourishes and generates \$500,000 in new taxes that

is money the community still didn't have to begin with. Another way to look at this is, sometimes you have to give a little to get a lot.

The question then becomes, as a community if I don't offer a TIF incentive will I be competitive in attracting businesses?

The other way to view it is, if a business is looking at multiple locations and everyone but you are offering an incentive it puts

We gain
strength, and
courage, and
confidence by
each experience
in which we
really stop to
look fear in the
face... we must
do that which we
think we cannot.

[Eleanor Roosevelt](#)

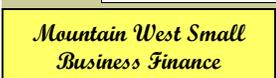
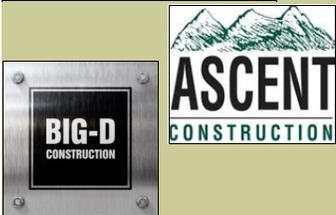
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Mission Statement

The Utah Alliance is dedicated to serving Economic Development professionals throughout Utah with networking and training opportunities. Collaboration and education within the organization will enable us to continuously improve our economic capability in the recruitment and development of business opportunities within the state of Utah.

We serve this mission by:

- Maintaining a balance of leadership representation from Urban and rural areas
- Providing quarterly opportunities for professional education and networking
- Encouraging peer-to-peer success sharing and problem solving
- Recognizing that we don't have all the answers, but through active listening to our members and their constituents, we will help facilitate solutions to local issues and opportunities through maintenance of our resource center, information clearing-house and hands-on support whenever feasible
- Encouraging support of each other across government and jurisdictional boundaries, recognizing the power of synergy and embracing opportunities to leverage resources



Tax Increment financing (TIF), what is it, how to plan and is it for you? (Cont.)

you lower on the list. The only game changer is, if a community has something a company needs, (i.e. Resource, Wilderness Area, etc.) then the incentive can become a non-issue. In most cases an incentive has to be offered to stay competitive with other land sites. If used properly TIF can become a powerful tool for development and business attraction. I would promote that before you set-up a TIF area you determine if the area is a good fit. What industry sectors are you after, is the community in support of this, does everyone know what and how a TIF area works, etc. You need to plan on the front end to make the TIF area successful. Just because you create it, they won't come. After it is created you need to promote



and market the site. The TIF area is the middle process of what needs to go into developing an area. Again, TIF is a very powerful tool if you plan and use it properly. For more information on TIF and how to plan for one, there are numerous companies along the Wasatch front. In no order or promotion:

- Zions Public Finance
- Lewis, Young, Roberts, Burningham Inc
- Economic Development Planning Group LLC
- Bonneville Research
- R S Contract Management (Randy Sant)