

## 1.0 DEMOGRAPHIC SUMMARY

To better understand the growth dynamics and market forces that will affect the evolution of commercial, retail, office and industrial uses in the Tooele Valley, a summary of the key demographic characteristics of residents in Tooele County/Tooele Valley was prepared.

### 1.1 DEMOGRAPHIC PROFILE FEATURING POPULATION & LIFESTYLE COMPOSITION

Within Tooele County, the Tooele Valley includes the majority of the resident population base and has been the fastest growing area in Utah since the most recent Federal Census (2000). Tooele County was also reported to be the 3<sup>rd</sup> fastest growing county in Utah over the period 1990 - 2000. **Table 1.1** provides a demographic summary for the year 2000 outlining the key demographic and household lifestyle characteristics, while **Table 1.2** illustrates the projected population growth to the year 2020.

Highlights of **Tables 1.1 & 1.2** include the following:

- Population growth will continue in the medium to long term, with projected growth rates at or above 5% per year from 2005 to 2020.
- Tooele Valley's population is projected to surpass 50,000 by the year 2010, while the entire Tooele County's population will exceed the 100,000 persons threshold by the year 2020.
- Tooele City and Grantsville will continue to be the areas of greatest growth at 5% - 6% per annum over the period 2005 to 2020 accounting for nearly 70 % of the entire County population base.
- Tooele County's age distribution shows that the 0-17 year old age cohort and 35 – 54 year olds are among the dominant age groups and higher than that reported for the US and State of Utah, while the older populations greater than 55 years are below the State of Utah and US average.
- Tooele City's demographic composition illustrates an average household size of 2.98, which is slightly below the Tooele County average of 3.11 persons/household.
- Lakepoint and Stansbury Park exhibit an average household income of \$56,998 and subsequently a higher per capita income of \$16,764, which is higher than any other area within Tooele County.
- Lakepoint and Stansbury Park, at 93.6%, have the highest rate of owner-occupied housing in the County, however population growth will be minimal in these areas, exhibiting a consistently slow rate of less than .5% per annum.

### 1.2 EMPLOYMENT & COMMUTING PATTERNS

The overall employment pattern within Tooele County is that of a relatively small employment base accentuated by a large out-of-county commuting workforce, flowing predominantly towards Salt Lake County. Accordingly, **Tables 1.3 – 1.5 and Figure 1.1** highlight the key employment and commuting characteristics of Tooele County:

- Most recent complete data (Second Quarter 2001 April – June) on the labor force indicates that total civilian labor force employed in non-agricultural jobs was 11,660, which was an increase of 1.8% over the same period (2000)<sup>1</sup>.

<sup>1</sup> Utah Department of Workforce Services, Labor Market Indicators – Third Quarter July – September 2001.

Preliminary data for the Third Quarter 2001 (July – September) revealed that the total non-farm employment base increased marginally from 11,660 to 11,775 employees. Within this higher employment base, Retail Trade showed an increase of 756 employees from 1,495 to 2,251. Conversely, the industries comprising the Service Sector suffered the greatest cumulative decrease (exact categories not identified) from 3,916 employees to 2,142 (a decrease of 1,774 employees).

- Employment sectors exhibiting the greatest number of employees are **Retail Trade (1,495), Manufacturing (1,467), Administrative Support & Waste Management (1,418) and Federal/Local Government (1,717/1,603)**. These four industries account for 66% of employment in Tooele County.

Government employment is spearheaded by the Tooele County School District, Federal Defense activities such as the Dugway Proving Grounds and Tooele Army Depot. Trade employment is dominated by Retail categories such as restaurants, grocery stores and discount department stores, while manufacturing is increasing its share as illustrated by the growth of the Utah Industrial Depot (UID). **Table 1.4** illustrates the largest Public & Private Sector employers in Tooele County, the majority of which are located in the Tooele Valley.

**Table 5.1** provides employment figures for market commercial uses only in 2002. Accordingly, the reported employment figures identified in the table have been taken from **Table 1.3** to include only the commercial market driven categories<sup>2</sup>. Therefore, **Table 1.5** excludes the categories of Agriculture, Mining, Construction, Utilities, Health Care and Government. Using the current estimated commercial inventories for office, industrial, retail and hotel uses, typical employment density ratios were applied to estimate demand for employment fostered by these same commercial market land uses. **The results show that the demand for commercial uses requires the need for 6,381 jobs in the market driven categories, which correlates closely with the reported employment figure of 6,714 when broken down into the same market categories.** This figure forms the basis for projected future new job requirements in Tooele County, as further identified in **Section 5.0**, required to meet commercial market land use demand in year 2020.

**Table 1.6** illustrates the distribution of commuters to local based employment in 2002. Tooele County's attractiveness to Salt Lake County residents for cheaper housing has fueled strong immigration into Tooele, however these "new" residents continue to commute to Salt Lake County/City for employment, therefore commuting out of Tooele remains an area of concern.

The statistics provided by the Tooele County Engineering Department and Utah Department of Workforce Services on population and employment respectively suggest that of the present population base of 42,714 in the year 2002, approximately 12,978 people work within Tooele County (Civilian Labor Force only). This figure equates to a jobs to local population ratio of approximately 1 job for every 3 local people or 1 job for every 1.5 local people participating in the workforce<sup>3</sup>. Additionally, the Utah Department of Transportation Traffic Survey revealed that approximately 7,500 commuters leave Tooele County on a daily basis<sup>4</sup>, which using the above ratio of 1 job for every 1.5 local people participating in the workforce, equates to 35% outflow of local commuting workforce. This commuting figure suggests that commuting out of the County is an issue to contend with in the local economy, but may not be as severe as originally perceived.

<sup>2</sup> Categories such as Accommodation and Food Service employees were subjectively divided into Retail and Hotel based upon the Hotel inventory in Section 3.5 and employment density ratio in Table 1.5.

<sup>3</sup> The ratio of 1 job for every 1.5 local people participating in the workforce is an estimated value based on the average household size of approximately 3 persons, as identified in Table 1.1.

<sup>4</sup> Sourced from the UID website, where data was obtained from the Utah Department of Transportation Traffic Survey performed in 2000.

**TABLE 1.1  
TOOELE VALLEY  
DEMOGRAPHIC & LIFESTYLE CHARACTERISTICS  
(FOR YEAR-END 2000 – FEDERAL CENSUS YEAR)**

SUB AREA	POPULATION 2000	AVE. NUMBER OF PEOPLE/HOUSEHOLD	EST. NUMBER OF HOUSEHOLDS	% OWNER OCCUPIED HOUSEHOLDS	DOMINANT AGE GROUPS	ESTIMATED HOUSEHOLD INCOME	ESTIMATED PER CAPITA INCOME
TOOLE CITY	22,502	2.98	7,459	79.9%	0 to 17 35 to 54, then 55+	\$45,294	\$15,199
GRANTSVILLE	6,015	3.24	1,856	80.9%	0 to 17 35 to 54	\$46,522	\$14,359
LAKEPOINT/STANSBURY PARK	5,861	3.40	1,724	93.6%	0 to 17 35 to 54	\$56,998	\$16,764
STOCKTON	443	2.86	155	90.3%	0 to 17 35 to 54	\$44,648	\$15,611
<b>TOOLE COUNTY (Incl. Unincorporated Areas)</b>	<b>40,735</b>	<b>3.11</b>	<b>13,098</b>	<b>78.4%</b>	<b>0 to 17 35 to 54</b>	<b>\$45,378</b>	<b>\$14,591</b>

**TABLE 1.2  
TOOELE VALLEY  
POPULATION PROJECTIONS 2002 TO 2020**

SUB AREA	POPULATION 2002	ANNUAL GROWTH RATE 2001 - 2005	POPULATION 2005	ANNUAL GROWTH RATE 2005 - 2010	POPULATION 2010	ANNUAL GROWTH RATE 2010 - 2015	POPULATION 2015	ANNUAL GROWTH RATE 2015 - 2020	POPULATION 2020
TOOLE CITY	23,493	2.40%	25,225	6.34%	34,301	4.49%	42,724	5.47%	55,763
GRANTSVILLE	6,307	2.40%	6,772	6.34%	9,209	4.98%	11,742	4.98%	14,971
LAKEPOINT/STANSBURY PARK	6,093	0.47%	6,179	0.30%	6,273	0.35%	6,384	0.33%	6,490
STOCKTON	465	2.39%	499	6.32%	678	4.99%	865	4.98%	1,103
<b>TOOLE COUNTY (Incl. Unincorporated Areas)</b>	<b>42,714</b>	<b>2.40%</b>	<b>45,864</b>	<b>6.34%</b>	<b>62,364</b>	<b>4.98%</b>	<b>79,516</b>	<b>4.98%</b>	<b>101,386</b>

Prepared By: Thomas Consultants Inc., 2002 & Source: Tooele County Engineering Department 2002.

**TABLE 1.3  
TOOELE COUNTY  
EMPLOYMENT DISTRIBUTION BY INDUSTRY  
JUNE 2001**

EMPLOYMENT SECTOR	# OF EMPLOYEES 2001
<b>TOTAL CIVILIAN LABOR FORCE</b>	<b>12,978</b>
Agriculture Labor Force Total	1,318
Non Agriculture Labor Force Total Comprising the following:	11,660
<b>Goods Production</b>	<b>2,139</b>
Mining	43
Construction	629
Manufacturing	1,467
<b>Trade, Transportation &amp; Utilities</b>	<b>1,689</b>
Wholesale Trade	52
Retail Trade	1,495
Transportation & Warehousing	125
Utilities	17
<b>Information</b>	<b>176</b>
<b>Financial Activities</b>	<b>243</b>
Finance & Insurance	177
Real Estate, Rental & Leasing	66
<b>Professional &amp; Business Services</b>	<b>2,012</b>
Professional, Scientific & Tech Services	534
Management of Companies & Enterprise	60
Admin/Support & Waste Management	1,418
<b>Education &amp; Health Services</b>	<b>659</b>
Educational Services	14
Health Care & Social Assistance	645
<b>Leisure &amp; Hospitality</b>	<b>990</b>
Arts, Entertainment & Recreation	28
Accommodation & Food Service	962
<b>Other Services</b>	<b>255</b>
<b>Government</b>	<b>3,497</b>
Federal	1,717
State	177
Local	1,603

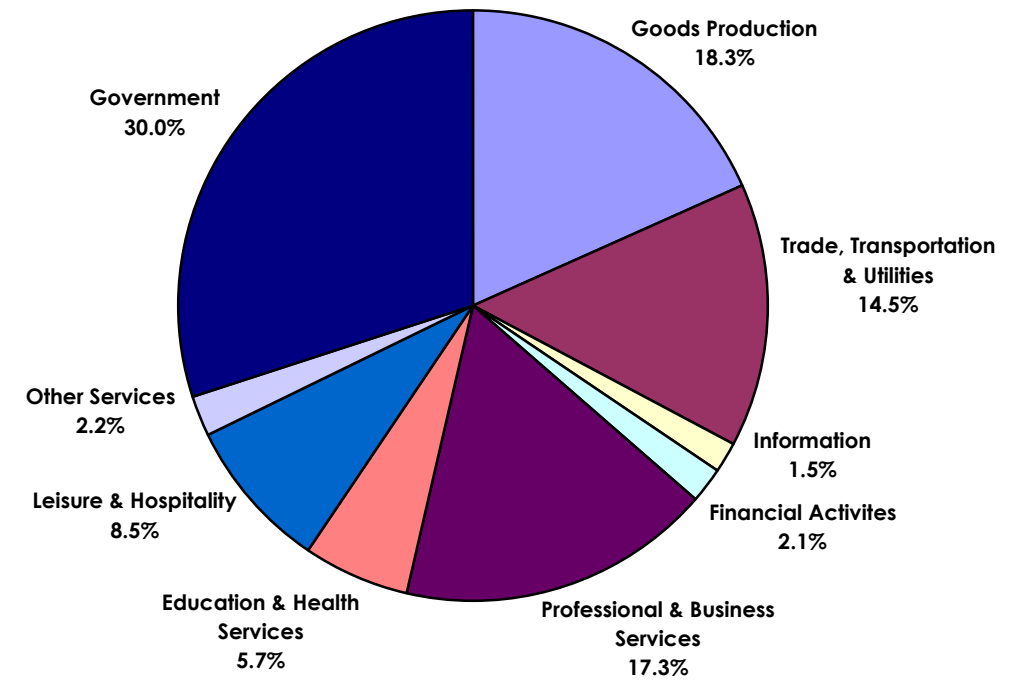
Source: Utah Department of Workforce Services, 2002

**TABLE 1.4  
TOOELE COUNTY  
LARGEST EMPLOYERS IN THE  
PUBLIC & PRIVATE SECTORS**

MAJOR EMPLOYERS	# OF EMPLOYEES
<b>PUBLIC SECTOR</b>	
Dugway Proving Grounds	1,036
Tooele County School District	774
Tooele Army Depot	513
Deseret Chemical Depot	335
Tooele County Corporation	277
Chemical Agent Disposal Facility (CAMDS)	170
Tooele Valley Regional Medical Center	157
Tooele City Corporation	137
<b>PRIVATE SECTOR</b>	
EG & G Defense Material	578
Magnesium Corporation	553
Detroit Deisel	401
Laidlaw Environmental	314
Wal-Mart	204
Mortan Salt	133
Smiths	100
Alberstons	89
Battelle	88
Christensen & Griffith	80
Tooele Federal Credit Union	72

Source: Tooele Chamber of Commerce, 2002.

**FIGURE 1.1  
TOOELE COUNTY EMPLOYMENT DISTRIBUTION  
BY INDUSTRY - JUNE 2001**



**TABLE 1.5  
TOOELE COUNTY  
EMPLOYMENT FORECAST FOR MARKET COMMERCIAL USES ONLY, 2002**

LAND USE SEGMENT	REPORTED EMPLOYMENT	ESTIMATED INVENTORY (SQ. FT.)	TYPICAL THEORETICAL EMPLOYMENT DENSITY RATIO	CALCULATED DEMAND FOR EMPLOYMENT (JOBS)
OFFICE	1,105	400,000	3.00/1,000 sq. ft.	1,200
INDUSTRIAL	3,062	3,000,000	1.00/1,000 sq. ft.	3,000
RETAIL	2,465	700,000	3.00/1,000 sq. ft.	2,100
HOTEL	81	245	0.33/room	81
<b>TOTAL</b>	<b>6,713</b>			<b>6,381</b>

Source: Thomas Consultants Inc., 2002 & Utah Department of Workforce Services

**TABLE 1.6  
TOOELE COUNTY  
JOBS TO POPULATION BALANCE**

Year	Estimated Total Tooele Valley Working Population	% Of Commuters	% Of Local Based Employment
2002	21,357	35% 7,500	65% 13,857

Source: Thomas Consultants Inc., 2002

Note: Working Population is based on approximately 1.5 people/household employed

### 1.3 DEMOGRAPHIC IMPLICATIONS

The amount and cost of available land in Tooele County will continue to be a contributing factor to the high growth rates, as people will continue to move to the Tooele Valley for places to live and potentially for places of employment or business. Moreover, the **significant population growth rates within Tooele Valley suggest that these areas will require increasing opportunities for commercial resources and employment centers.**

The age profile suggests that over the next decade as the 0 – 17 and 35 – 54 year cohorts age, there will be a larger proportion of retiree empty nesters as well as young adults seeking housing, commercial and employment choices. The current age profiles confirm that young families dominate the Tooele Valley household structure.

Employment in Tooele County, since the reduction at the Tooele Army Depot, is increasingly becoming more diverse in which manufacturing, retail trades and services are gaining momentum. While the employment base will grow, that growth must be at an accelerated rate in order to attract employees and minimize the amount of commuting to the Salt Lake City region.

Utah's urban sprawl, particularly in Salt Lake City, will likely continue, meaning that Tooele County will continue to grow rapidly. **However, until the business community discovers the benefits of Tooele County, the County's economic potential will be underachieved. Tooele County has the potential to become more than just a "bedroom community" for the Wasatch Front.**

**The Tooele Valley is ideally positioned to capture "spillover" population and as the local economy of Tooele continues to diversify, the combination of population growth and diverse opportunities may lead to greater retention of its residents for employment and commercial opportunities, closer to where people live.**

### 2.0 MARKET OVERVIEW

This section presents highlights of the market conditions for the various land uses specifically within the Tooele Valley, sourced from conversations with various commercial realtors, including Prime Commercial, Colliers CRG, Grubb & Ellis and conversations with representatives of the Utah Industrial Depot. The overall limited size of Tooele County's commercial real estate market meant that there were no documented figures of inventories available and thus the estimated inventories are a result of site field work and conversations with the previously mentioned real estate sources. The results of the information provide a general pattern of the various commercial categories and their performance, representing the following sectors:

- Retail
- Industrial Business Park
- Office

#### 2.1 RETAIL

Tooele County's retail infrastructure is primarily focused in Tooele City along its Main Street. This major arterial road is the primary commercial/retail corridor in Tooele County. The majority of the Tooele City's retail facilities are older developments and likely draws their patrons from Tooele City and nearby surrounding communities such as Grantsville, Stockton and Lakepoint/Stansbury Park.

Overall, the dominant retail format in the region is the 'convenience strip center'. Typically anchored by a supermarket and/or pharmacy, these strip centers feature the traditional tenant mix of convenience and general merchandise (including personal/professional services, restaurants, food stores, automotive, home/garden, books, sporting goods, etc.) that satisfy the community's everyday needs. The recently completed Wal-Mart Super Center, the largest value-based general merchandise retailer in the Tooele Valley region, is one of the few large format (i.e. big box) retailers that service the region.

Given the lack of retail facilities and/or selection in surrounding communities, Tooele City is the dominant convenience shopping destination within the Tooele Valley. Features of the major retail centers in the Tooele Valley are highlighted below:

#### **Tooele City Downtown/"Main Street"**

- Primarily represented by locally owned and operated service-oriented retailers. The offering is lower-order retail in nature with a variety of family and ethnic restaurants. This segment of Main Street (i.e. downtown) is highly transitional and characterized by significant turnover and vacancies.
- Non-pedestrian friendly and features a tenant mix that does not create any destination shopping appeal.
- The uninviting streetscape environment in Downtown Tooele City further adds to the challenges in attracting 'quality' retailers that would assist in revitalizing the street.

#### **Main Street Shops (Located on 700 Block North Main Street)**

- Entire center is approximately 150,000 sq. ft.
- Anchored by Smith's grocery (approximately 60,000 sq. ft.) and a True Value hardware (approximately 50,000 sq. ft.)
- Example of the lower-order traditional convenience-oriented tenant mix.

#### **Macey's Food & Drug Center (Located on 900 Block North Main Street)**

- One of the newer developments recently completed in the last two years (approximately 70,000 sq. ft.).
- Anchored by Macey's Food & Drug (35,000 sq. ft.).
- Example of a center that includes more recognized tenants such as Blockbuster, GNC & Great Clips, but still convenience-oriented.
- Some pad sites still available for development.

#### **Wal-Mart Center (Located at 1230 North and Main Street)**

- Hub of new retail development activity in Tooele City anchored by 185,000 sq. ft. Super Wal-Mart.
- Additional pads available for development at Gateway and Tooele Town Center adjacent to Wal-Mart.

#### **Community of Lakepoint/Stansbury Park**

- Adjacent to Stansbury's residential neighborhood is the primary commercially zoned shopping area highlighted by the Stansbury Center, approximately 20,000 sq. ft. featuring a pharmacy, medical offices and other convenience retail (e.g. Deli & Pizza and Cabinet store).
- Area is characterized by medical service centers, fast food restaurants and gas/truck stop facilities.

**Community of Grantsville**

- Retail uses are concentrated around one strip center on Main Street (a wide 4-lane road, and completely automobile-oriented).
- Soelberg's Market, approximately 30,000 sq. ft. in size, is the anchor and largest retailer in the community. Adjacent tenants include a bank, small lumberyard, hardware store, and gift store. Family style restaurants and fast food establishments are clustered around this strip center.
- Strip center approximately 50,000 sq. ft. servicing the local community only.

**Community of Stockton**

- Retail uses consist of one general store and automotive related services.
- Lack of retail selection likely results in spending and shopping occurring at other larger retail centers, such as Wal-Mart.

**RETAIL MARKET HIGHLIGHTS**

Table 2.1 highlights the market characteristics of the Retail sector in Tooele Valley:

**TABLE 2.1  
TOOELE VALLEY RETAIL MARKET SUMMARY**

	TOTAL INVENTORY (sq. ft.)	VACANCY RATES (%)	NET LEASE RATES (\$/sq. ft./annum)
Retail Sector	Est. 700,000	Est. 18% - 20%	\$6.00 - \$18.00

Source: Thomas Consultants Inc., 2002 & Commercial Realtors

The recently built Super Wal-Mart (185,000 sq. ft.) in Tooele City dominates the retail landscape and has contributed to a dramatic increase in retail space vacancy and business demise, particularly for Tooele City Main Street merchants and grocery stores. Conversations with local commercial realtors indicate that sales at Smith's and Albertson's may have experienced decreases since Wal-Mart's entry into the Tooele marketplace. Macey's has managed to hold its own thus far, while Albertson's is planning a major renovation. The limited size and competitiveness of the Tooele retail market and dominance of the Super Wal-Mart has affected the amount of absorption capable in the Tooele Valley.

New retail projects adjacent to the Super Wal-Mart include Tooele Gateway (40,050 sq. ft.), Super Wal-Mart pads (31,690 sq. ft.) and the Tooele Town Center pads (35,500 sq. ft. on 3 acres). Additionally, the Tri Peak Plaza (approx 20,000 sq. ft.) is among the recent new shopping centers to be developed in Tooele City.

Specifically, lease rates and retail vacancy are highlighted as follows:

- Highest lease rates are around the Wal-Mart, averaging \$13.00 - \$15.00/sq.ft. /annum and is the primary area of retail growth (this lease rate would likely be lower in order to attract a national tenant).
- North Main Street is offering leases averaging \$7.50/sq. ft./annum however, due to its lack of direct proximity to Wal-Mart, retail stores along this section of Main Street are becoming more difficult to occupy.
- Current commercial listings reveal that among 4 retail properties on North Main Street totaling 137,517 sq. ft., 105,602 sq. ft. is vacant/for lease.
- Significant amount of vacant retail space for sale or lease, the majority of which is in Tooele City, including 49,875 sq. ft. of a total 64,648 sq. ft. at the Tooele Main Street Retail Shops (=77% vacancy) and 18,000 sq. ft. listed along North Main Street (suggested as a retail shop plaza).

**2.2 COMPETITIVE RETAIL INFRASTRUCTURE IMPLICATIONS**

The historic and current population base lacks the critical mass necessary to attract a broad range of national/branded retailers in the marketplace. Furthermore, the lack of retail infrastructure and minimal retail selection in the smaller neighboring communities of Stockton and Grantsville attracts these local residents to Tooele City's retail core. **The City's function as the commercial/retail hub has the potential to make it the likely destination of future new retailers and retail growth as population grows over time.**

The overall perception of Tooele's retail infrastructure is convenience-based and related to 'chore shopping' needs, and does not stimulate any form of community or social gathering.

**The City of Tooele's strong orientation towards convenience retail shopping, and limited comparison/specialty retail selection has contributed to the general outflow of retail spending to larger retail centers such as Salt Lake City. Conversely, the amount of automotive supply service facilities adds another dimension to the Tooele Valley's retail orientation that could have the potential to stimulate in flow.**

**2.3 INDUSTRIAL MARKET HIGHLIGHTS**

Table 3.2 highlights the market characteristics of the Industrial sector in Tooele Valley:

**TABLE 2.2  
TOOELE VALLEY INDUSTRIAL MARKET SUMMARY**

	TOTAL INVENTORY (sq. ft.)	VACANCY RATES (%)	NET LEASE RATES (\$/sq. ft./year)
Industrial Sector	Est. 3 million	Est. 38% - 40%	\$1.80 - \$3.00 (UID - Warehouse)

Source: Thomas Consultants Inc., 2002 & Commercial Realtors

The former Tooele Army Depot, now the Utah Industrial Depot (UID), is anchored by Detroit Diesel (350,000 sq. ft.), Freightliner Corp (85,000 sq. ft.), and Log Furniture Inc. (90,000 sq. ft.). The UID is the major developed industrial project in the Tooele Valley occupying 1,179 acres, with 2.5 million sq. ft of industrial space. Thus, the UID still has a relatively high vacancy near 60%. Despite the vacancy, the UID is a relatively new project that is beginning to attract interested companies because of the available sizes and favorable lease rates. Overall, Industrial vacancy remains high, but this is largely attributable to the UID, which currently has leased 980,000 sq. ft. of space<sup>5</sup>.

North of Grantsville is a 108 acre industrial site (Burmester Industrial Park), in which Prime Commercial is targeting large distribution companies. Other than the UID, this is one of the only speculative build-to-suit land available. Tooele County is presently courting a 1 million sq. ft. industrial company potentially to locate at the Utah Industrial Depot that could potentially employ up 1,200 people.

The greatest attribute of the industrial market in Tooele County is the availability of inexpensive land/space and significant amount land presently zoned for industrial business park uses.

<sup>5</sup> Conversation with Mark Smith, Asset Manager, Utah Industrial Depot, February 2002.



## 2.4 OFFICE MARKET HIGHLIGHTS

Table 3.3 highlights the market characteristics of the Office sector in Tooele Valley:

TABLE 2.3  
TOOELE VALLEY OFFICE MARKET SUMMARY

	TOTAL INVENTORY (sq. ft.)	VACANCY RATES (%)	NET LEASE RATES (\$/sq. ft./year)
Office Sector	Est. 400,000	Est. 20% - 25%	\$3.60 (UID) - \$12.00

Source: Thomas Consultants Inc., 2002 & Commercial Realtors

Office development is in its infancy in that there are no major office parks or projects in Tooele County. Much of the office development is in the form of conversion and re-use of existing buildings primarily in Tooele City's downtown Main Street area or UID. There is currently listed for sale or lease a total of approximately 105,000 sq. ft. of office space in the Tooele Valley. Much of the office projects are non-corporate type operations featuring a small employment base. Other Industrial/Warehouse operations including the UID also have small offices incorporated into them, not reflected in the above figures.

## 2.5 HOTEL OVERVIEW

Within Tooele County, the Hotel Market is not large, averaging approximately 35 rooms per hotel and a total current inventory of 245 rooms. Accordingly, the current inventory of hotels includes the following list in which are three (3) National name brand hotel chains:

Best Western Inn Tooele	31 rooms
Comfort Inn	60 rooms
Hampton Inn	51 rooms
Valleyview Motel	15 rooms
Villa Motel	8 rooms
Oquirrh Motor Inn	40 rooms
Kirk Hotel	40 rooms

## 2.6 IMPLICATIONS OF THE MARKET OVERVIEW

In general, all commercial market categories in the Tooele Valley show slow absorption. Vacancies are greatest in the Industrial sector however, this should be tempered by the fact that the UID is in its infancy and is beginning to attract significant and large corporations, which should help to increase the employment base, while decreasing the vacancy and thus stimulating potential further demand for additional industrial activity. **Hence, demand for industrial land will remain low until absorption reduces the present excess inventory of available space.**

The introduction of Wal-Mart has had an influence on the local retail market in terms of absorbing retail demand. Perceptions have been that the gravity has shifted away from smaller merchants to the larger Wal-Mart store. However, time will tell the actual degree of impact the opening of Wal-Mart has had on retailing in Tooele County

The overall value and availability of land remains a strong feature for attracting businesses and people to the Tooele Valley. Therefore, given the slow market growth in these areas, the Tooele Valley must continually look for other economic development initiatives to diversify and generate economic and employment magnetism and growth.

## 2.7 GROSS TAXABLE RETAIL SALES

Gross Taxable Retail Sales are a useful tool in analyzing the economic fortunes of Tooele County and in highlighting the strengths and weaknesses in the marketplace. Tables 3.4 & 3.5 illustrate the taxable sales in Tooele County and Tooele City<sup>6</sup>.

From Tables 3.4 & 3.5 the following highlights can be observed:

- Taxable sales overall are quite strong and thus reveal a healthy level of economic activity, despite a wide spread "economic downturn" nation-wide.
- Historical pattern of taxable sales has been increasing and more varied, thereby confirming the benefits of Tooele County's movement toward a more diversified economy, less reliant on government services.

Overall, both Tables illustrate that in a consumer-driven economy the major point of monetary interaction is in retail trade activity, in which Super Wal-Mart has become the major economic engine, albeit to the detriment of smaller Main Street retailers and grocers.

### Tooele County Highlights (Table 3.4)

- Total gross taxable sales for the year 2000 were \$332.3 million, representing an increase of 7.64% over the previous year (1999), as illustrated in Figure 3.3.
- Since 1996, gross taxable sales have increased at a rate over 7% and the pattern for the first three quarters of 2001 are consistent with the overall increasing trend. If the present growth of 7.50% continues, the estimated gross taxable sales for 2001 would be approximately \$357 million<sup>7</sup>.
- Retail trade encompassing the categories of Building & Garden, General Merchandise, Food Stores, Motor Vehicle Dealers, Apparel & Accessories, Furniture, Eating & Drinking and Miscellaneous account for nearly 60% (59.68%) of the entire taxable sales. General Merchandise in 2000 had gross taxable sales of \$43.5 million, while Food Stores and Motor Vehicles were \$53.7 million and \$60.3 million respectively.
- Total automobile sales in Tooele County, including Private Motor Vehicle Sales were \$70.2 million. Table 3.4 illustrates that the automobile sales sector grew at a combined rate of approximately 15% in the year 2001.
- General Merchandise (i.e. Department Stores & Wal-Mart) represents the category with the most significant growth at approximately 27% in 2000. (As of the end of the 3<sup>rd</sup> quarter 2001, this category was growing at approximately 33%).

Despite a downward trend in 2001 for Food Store sales, the categories comprising Auto Dealers, General Merchandise Stores and Food Stores continue to capture the largest proportions of the consumer dollar in Tooele County.

<sup>6</sup> Absence of growth rates for certain 1<sup>st</sup> to 3<sup>rd</sup> quarter category comparisons in Tables 3.4 & 3.5 are attributed to missing data for 1 or more quarters in either 2000 or 2001, at the State Office.

<sup>7</sup> Any estimates projected for 2001 year-end should however, be tempered by the intangible effects resulting from September 11/01), which may have led to slower rates of growth after this date.

### Tooele City Highlights (Table 3.5)

Unlike the consistent pattern of growth in Tooele County, Tooele City's growth has exhibited more ebb & flow, however this growth has been doing so while illustrating an overall trend of increasing growth. The estimated growth for 2001 was slower at approximately 3% - 4%, meaning the estimated gross taxable sales for the year 2001 were approximately \$214 million, which is still an increase of \$7.5 million over 2001<sup>6</sup>.

- Total gross taxable sales for the year 2000 were \$206.5 million, representing an increase of 14% over the previous year (1999) and constituting approximately 62% of the entire Tooele County's gross taxable sales as illustrated in **Figure 3.3**.
- Retail trade encompassing the categories of Building & Garden, General Merchandise, Food Stores, Motor Vehicle Dealers, Apparel & Accessories, Furniture, Eating & Drinking and Miscellaneous account for nearly 74% (74.39%) of the entire taxable sales. General Merchandise, in 2000 had gross taxable sales of \$27.3 million, while Food Stores and Motor Vehicles were \$43.2 million and \$54.7 million respectively.
- Total automobile sales in the City, including Private Motor Vehicle Sales were \$60.5 million. **Table 3.5** illustrates that the automobile sales sector grew at a combined rate of approximately 14% in the year 2001. This confirms that the majority of the County's automobile sales, including private sales take place within Tooele City and that this value of total sales is a significant contributor to the local economy.
- By year-end 2001, it is estimated that General Merchandise will have increased from \$27.3 million in 2000 to approximately \$32.8 million.
- Eating and drinking establishments continue to increase in taxable sales exhibiting an average annual growth rate of approximately 12%, representing one of the most consistent retail sectors in terms of growth.

The effect of Wal-Mart on the retail landscape is confirmed by the increase in Retail Apparel & Accessories over the first 3-quarters 2001, which showed an 8.07% increase, whereas the previous two years had shown declines in this retail segment. **Figures 3.1 & 3.2** illustrate that Tooele City is the key economic generator and major contributor to the retail trade categories that make up the Gross Taxable Sales for the entire Tooele County.

**TABLE 3.4  
TOOELE COUNTY  
GROSS TAXABLE SALES BY CATEGORY**

TAXABLE SALES CATEGORY	1996	% Change	1997	% Change	1998	% Change	1999	% Change	2000	1st to 3rd Quarter 2000	% Change	1st to 3rd Quarter 2001
<b>TOOELE COUNTY TOTAL:</b>	<b>\$229,458,354</b>	<b>7.33%</b>	<b>\$247,605,386</b>	<b>12.43%</b>	<b>\$282,754,708</b>	<b>7.88%</b>	<b>\$306,930,181</b>	<b>7.64%</b>	<b>\$332,335,742</b>	<b>\$248,949,580</b>	<b>7.50%</b>	<b>\$269,130,725</b>
Agriculture, Forestry & Fishing	\$63,384	23.07%	\$82,389	-194.49%	\$27,977	81.51%	\$151,303	64.35%	\$424,377	\$309,273		\$169,383
Mining	\$1,526,457	-5.98%	\$1,440,356	-103.16%	\$708,961	33.02%	\$1,058,433	12.15%	\$1,204,813	\$939,325	-632.68%	\$128,204
Construction	\$5,570,029	-51.86%	\$3,667,901	-5.26%	\$3,484,743	7.59%	\$3,771,035	-17.17%	\$3,218,315	\$2,407,403	14.27%	\$2,808,214
Manufacturing	\$17,683,303	17.60%	\$21,460,775	6.28%	\$22,898,002	-14.65%	\$19,971,930	-25.52%	\$15,911,407	\$14,888,053	-12.90%	\$13,187,432
Transportation	\$4,708,129	37.05%	\$7,479,090	-75.62%	\$4,258,785	5.69%	\$4,515,813	0.05%	\$4,518,155	\$3,295,668	-35.46%	\$2,432,906
Communications	\$7,594,649	30.16%	\$10,874,547	4.52%	\$11,388,862	5.60%	\$12,064,770	25.59%	\$16,214,123	\$11,848,608	22.56%	\$15,300,399
Electric & Gas	\$18,988,272	5.49%	\$20,091,790	5.07%	\$21,163,834	4.80%	\$22,231,806	10.45%	\$24,825,178	\$17,945,695	11.49%	\$20,274,780
Wholesale - Durable Goods	\$3,248,972	26.02%	\$4,391,688	48.06%	\$8,455,451	14.56%	\$9,896,218	-9.01%	\$9,077,983	\$6,805,810	21.81%	\$8,704,214
Wholesale - Non-Durable Goods	\$1,900,070	-27.50%	\$1,490,274	38.55%	\$2,425,037	16.60%	\$2,907,783	-9.09%	\$2,665,416	\$1,985,247	23.83%	\$2,606,191
Retail - Building & Garden	\$9,520,505	18.96%	\$11,748,462	3.71%	\$12,200,593	4.00%	\$12,708,407	-14.44%	\$11,105,093	\$8,953,949	-79.86%	\$4,978,194
Retail - General Merchandise	\$23,375,104	7.41%	\$25,246,265	9.40%	\$27,866,797	11.92%	\$31,636,385	27.35%	\$43,547,782	\$27,419,866	33.23%	\$41,064,267
Retail - Food Stores	\$42,576,208	6.64%	\$45,604,651	7.36%	\$49,230,089	2.32%	\$50,400,910	6.25%	\$53,761,645	\$41,558,354	-21.83%	\$34,111,264
Retail - Motor Vehicle Dealers	\$36,577,506	-11.74%	\$32,733,721	23.50%	\$42,790,707	9.89%	\$47,488,169	21.24%	\$60,295,796	\$47,256,321	-0.05%	\$47,232,059
Retail - Apparel & Accessories	\$1,144,132	8.13%	\$1,245,408	9.94%	\$1,382,870	-5.22%	\$1,314,282	-2.59%	\$1,281,111	\$899,104	7.87%	\$975,959
Retail - Furniture	\$3,265,996	0.69%	\$3,288,593	7.82%	\$3,567,476	-1.20%	\$3,525,165	-1.94%	\$3,457,970	\$2,401,901	17.63%	\$2,915,895
Retail - Eating & Drinking	\$9,847,925	21.44%	\$12,534,984	10.51%	\$14,007,738	8.72%	\$15,345,763	7.26%	\$16,547,234	\$12,403,439	9.74%	\$13,741,673
Retail - Miscellaneous	\$5,385,653	-0.20%	\$5,375,149	37.79%	\$8,640,452	-7.61%	\$8,029,333	4.66%	\$8,421,403	\$5,675,775	14.38%	\$6,629,131
Finance, Insurance & Real Estate	\$574,887	60.10%	\$1,440,835	72.80%	\$5,297,158	14.27%	\$6,178,576	27.42%	\$8,513,106	\$5,819,758	-72.56%	\$3,372,648
Services - Hotels & Lodging	\$5,110,818	-26.05%	\$4,054,512	-15.87%	\$3,499,075	7.31%	\$3,775,040	15.82%	\$4,484,435	\$3,645,825	-4.05%	\$3,503,844
Services - Personal	\$1,397,799	-1.31%	\$1,379,727	1.29%	\$1,397,785	-3.39%	\$1,351,907	19.89%	\$1,687,540	\$1,221,747	-31.15%	\$931,539
Services - Business	\$3,416,429	41.56%	\$5,845,663	32.25%	\$8,628,670	-4.89%	\$8,226,093	18.04%	\$10,036,495	\$6,973,706	26.44%	\$9,480,720
Services - Auto & Miscellaneous Repair	\$3,605,720	23.28%	\$4,699,776	29.28%	\$6,645,341	18.40%	\$8,143,770	11.73%	\$9,226,377	\$6,937,224	-8.75%	\$6,379,210
Services - Amusement & Recreation	\$1,326,287	30.13%	\$1,898,203	9.01%	\$2,086,070	33.57%	\$3,140,252	-19.12%	\$2,636,110	\$2,135,642	6.40%	\$2,281,782
Services - Health	\$150,495	27.44%	\$207,409	18.14%	\$253,363	-4.05%	\$243,495	-6.56%	\$228,499	\$159,259	13.25%	\$183,580
Services - Education, Legal & Social	\$2,808,575	-665.71%	\$366,795	32.58%	\$544,073	8.95%	\$597,556	45.45%	\$1,095,370	\$636,132	53.42%	\$1,365,561
Public Administration	\$200,949	-2.07%	\$196,877	4.26%	\$205,631	38.78%	\$335,892	28.76%	\$471,518	\$437,994	30.89%	\$633,768
Private Motor Vehicle Sales	\$8,346,803	-4.73%	\$7,969,594	3.52%	\$8,260,626	0.36%	\$8,290,602	16.70%	\$9,952,614	\$7,743,491	15.56%	\$9,170,422
Occasional Retail Sales	\$98,494	94.70%	\$1,857,535	-77.17%	\$1,048,440	42.25%	\$1,815,491	2.47%	\$1,861,542	\$1,362,247	-9.60%	\$1,242,879
Non-Disclosable or Non-Classifiable	\$763,574	-36.86%	\$557,943	-1301.27%	\$39,817	86.67%	\$298,753	-89.18%	\$157,923	\$102,913		\$510,868
Prior Period Payments, Refunds & Adjustments	\$8,681,230	-3.66%	\$8,374,474	19.09%	\$10,350,285	40.91%	\$17,515,249	-218.09%	\$5,506,412	\$4,779,851	62.70%	\$12,813,739

Prepared By: Thomas Consultants Inc., 200 & Source: Utah State Tax Commission 2002



**TABLE 3.5  
TOOELE CITY  
GROSS TAXABLE SALES BY CATEGORY**

TAXABLE SALES CATEGORY	1996	% Change	1997	% Change	1998	% Change	1999	% Change	2000	1st to 3rd Quarter 2000	% Change	1st to 3rd Quarter 2001
<b>TOOELE CITY TOTAL:</b>	<b>\$135,976,006</b>	<b>6.53%</b>	<b>\$145,472,461</b>	<b>11.97%</b>	<b>\$165,253,449</b>	<b>7.04%</b>	<b>\$177,760,662</b>	<b>13.93%</b>	<b>\$206,530,011</b>	<b>\$153,723,265</b>	<b>3.66%</b>	<b>\$159,568,447</b>
Agriculture, Forestry & Fishing												
Mining												
Construction	\$3,379,894	-28.21%	\$2,636,306	-26.69%	\$2,080,956	6.51%	\$2,225,784	-0.68%	<b>\$2,210,829</b>	\$1,762,338		\$358,175
Manufacturing	\$4,882,694	24.06%	\$6,429,590	2.53%	\$6,596,242	-6.30%	\$6,205,101	11.55%	<b>\$7,015,483</b>	\$5,652,053	-9.43%	\$5,165,029
Transportation												
Communications					\$40,777	68.62%	\$129,933	32.92%	<b>\$193,687</b>	\$122,847	8.62%	\$134,434
Electric & Gas												
Wholesale - Durable Goods	\$1,453,262	22.52%	\$1,875,681	2.38%	\$1,921,385	11.20%	\$2,163,677	9.64%	<b>\$2,394,392</b>	\$1,741,992	30.22%	\$2,496,500
Wholesale - Non-Durable Goods	\$553,033	33.16%	\$827,366	-266.81%	\$225,555	1.74%	\$229,539	62.63%	<b>\$614,232</b>	\$303,522		\$1,585,269
Retail - Building & Garden	\$8,192,639	15.90%	\$9,741,282	-6.08%	\$9,182,832	5.33%	\$9,699,424	-17.75%	<b>\$8,237,018</b>	\$6,763,086	-154.46%	\$2,657,784
Retail - General Merchandise	\$15,693,092	-218.36%	\$4,929,429						<b>\$27,334,328</b>	\$11,343,164	19.99%	\$14,177,510
Retail - Food Stores	\$33,440,492	5.18%	\$35,266,344	8.40%	\$38,500,127	2.03%	\$39,297,525	9.13%	<b>\$43,243,494</b>	\$33,447,021	-25.14%	\$26,728,474
Retail - Motor Vehicle Dealers	\$31,435,845	-8.21%	\$29,050,682	26.66%	\$39,613,047	9.66%	\$43,850,160	19.83%	<b>\$54,696,927</b>	\$43,176,196	0.51%	\$43,397,767
Retail - Apparel & Accessories	\$1,123,830	8.83%	\$1,232,677	2.89%	\$1,269,324	-14.69%	\$1,106,733	-3.09%	<b>\$1,073,517</b>	\$764,248	8.07%	\$831,319
Retail - Furniture	\$2,950,412	-9.48%	\$2,694,829	4.92%	\$2,834,141	-7.67%	\$2,632,198	11.71%	<b>\$2,981,391</b>	\$2,099,685	13.34%	\$2,423,003
Retail - Eating & Drinking	\$7,220,526	16.25%	\$8,621,431	20.70%	\$10,871,376	8.39%	\$11,866,711	6.16%	<b>\$12,646,206</b>	\$9,406,860	12.48%	\$10,748,099
Retail - Miscellaneous	\$3,396,047	-45.74%	\$2,330,191	9.46%	\$2,573,730	14.72%	\$3,018,034	12.19%	<b>\$3,436,946</b>	\$2,155,044	24.95%	\$2,871,305
Finance, Insurance & Real Estate	\$14,001	80.31%	\$71,092									
Services - Hotels & Lodging	\$1,168,996	-86.94%	\$625,348	-2.22%	\$611,760	1.98%	\$624,091	59.63%	<b>\$1,545,777</b>	\$1,238,450	8.91%	\$1,359,540
Services - Personal	\$806,488	-11.72%	\$721,882	-3.36%	\$698,418	0.80%	\$704,082	22.02%	<b>\$902,949</b>	\$670,533	9.25%	\$738,910
Services - Business	\$1,353,636	55.75%	\$3,058,774	0.91%	\$3,086,724	-64.38%	\$1,877,779	-2.76%	<b>\$1,827,333</b>	\$1,270,937	-7.32%	\$1,184,281
Services - Auto & Miscellaneous Repair	\$2,942,034	19.98%	\$3,676,406	22.46%	\$4,741,388	17.35%	\$5,736,497	-6.94%	<b>\$5,364,467</b>	\$4,066,232	-15.42%	\$3,522,954
Services - Amusement & Recreation	\$442,261	53.79%	\$957,021	20.00%	\$1,196,307	40.30%	\$2,003,983	-15.34%	<b>\$1,737,494</b>	\$1,378,689	9.66%	\$1,526,193
Services - Health	\$148,314	27.25%	\$203,882	14.96%	\$239,742	-3.28%	\$232,127	-13.58%	<b>\$204,369</b>	\$157,689	-42.79%	\$110,434
Services - Education, Legal & Social	\$569,996	-243.39%	\$165,992	44.25%	\$297,721	-285.99%	\$77,132	57.70%	<b>\$182,334</b>	\$125,682		\$185,971
Public Administration	\$186,388	5.33%	\$196,877	4.07%	\$205,227	8.68%	\$224,741	52.33%	<b>\$471,501</b>	\$437,994	30.89%	\$633,768
Private Motor Vehicle Sales	\$4,970,839	-25.47%	\$3,961,643	5.13%	\$4,175,646	0.47%	\$4,195,168	21.65%	<b>\$5,354,483</b>	\$4,197,824	13.35%	\$4,844,640
Occasional Retail Sales	\$73,713	43.87%	\$131,317	85.81%	\$925,259	46.46%	\$1,728,108	6.66%	<b>\$1,851,390</b>	\$1,376,341	-15.66%	\$1,190,027
Non-Disclosable or Non-Classifiable	\$8,386,525	61.82%	\$21,965,178	25.12%	\$29,335,512	11.95%	\$33,315,637	-84.52%	<b>\$18,055,426</b>	\$17,203,778	37.46%	\$27,509,327
Prior Period Payments, Refunds & Adjustments	\$1,191,049	70.96%	\$4,101,241	-1.76%	\$4,030,253	12.70%	\$4,616,498	-56.28%	<b>\$2,954,038</b>	\$2,861,060	10.25%	\$3,187,734

Prepared By: Thomas Consultants Inc., 2002 & Source: Utah State Tax Commission 2002



Figure 3.3  
Tooele County & Tooele City  
Total Annual Sales Tax Historical Comparison 1996 Through 2000

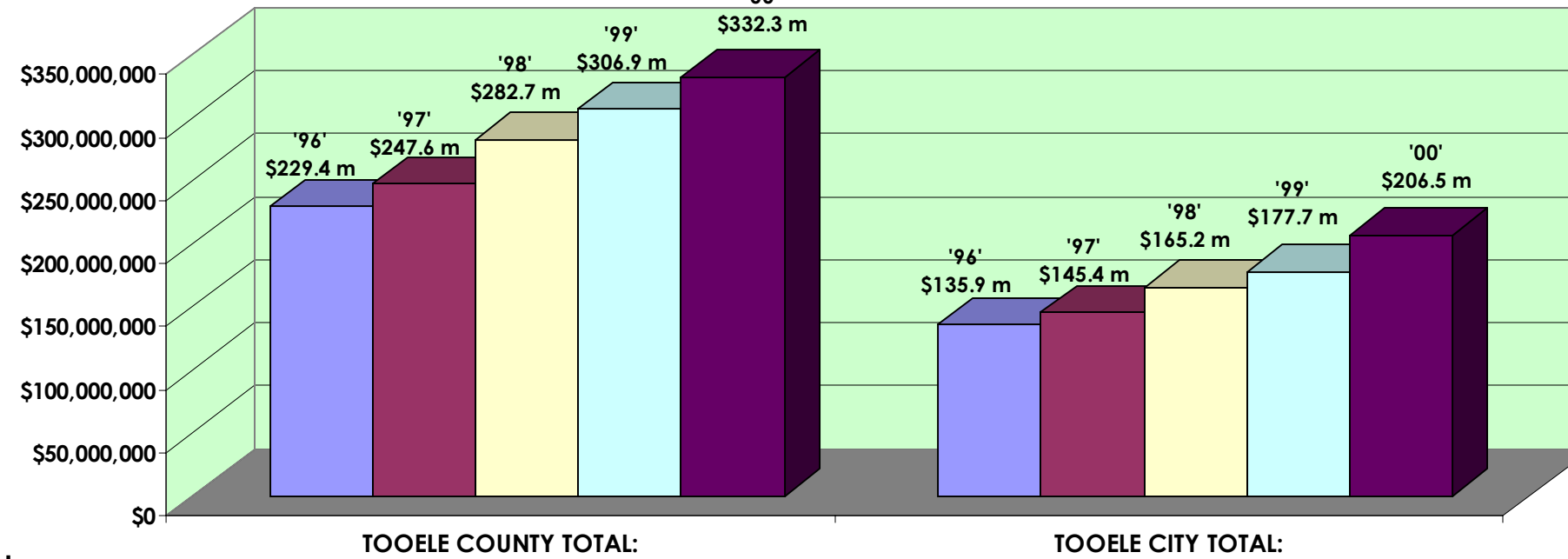


Figure 3.1  
Tooele County 2000 Taxable Sales  
For Retail Trade Categories

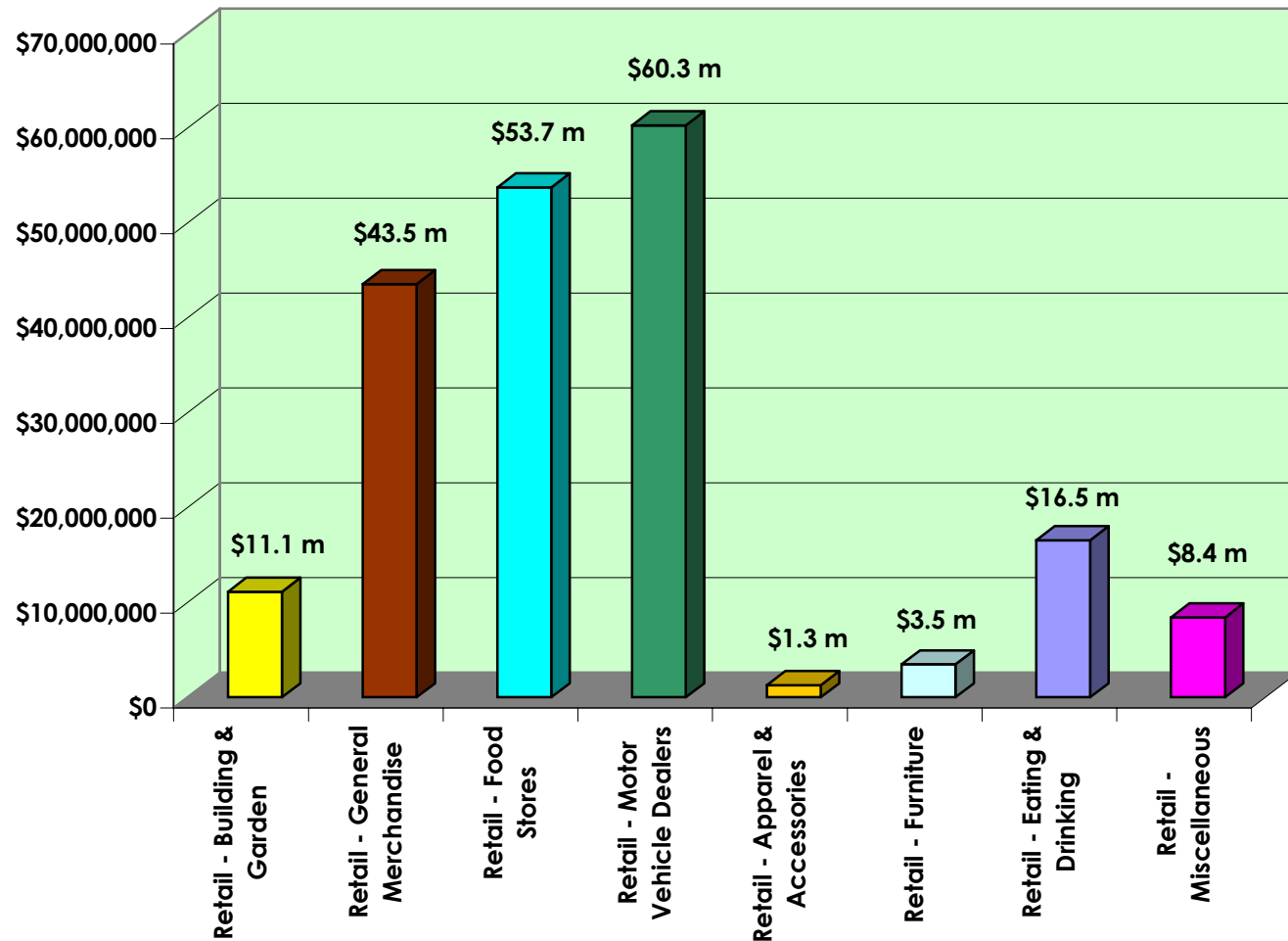
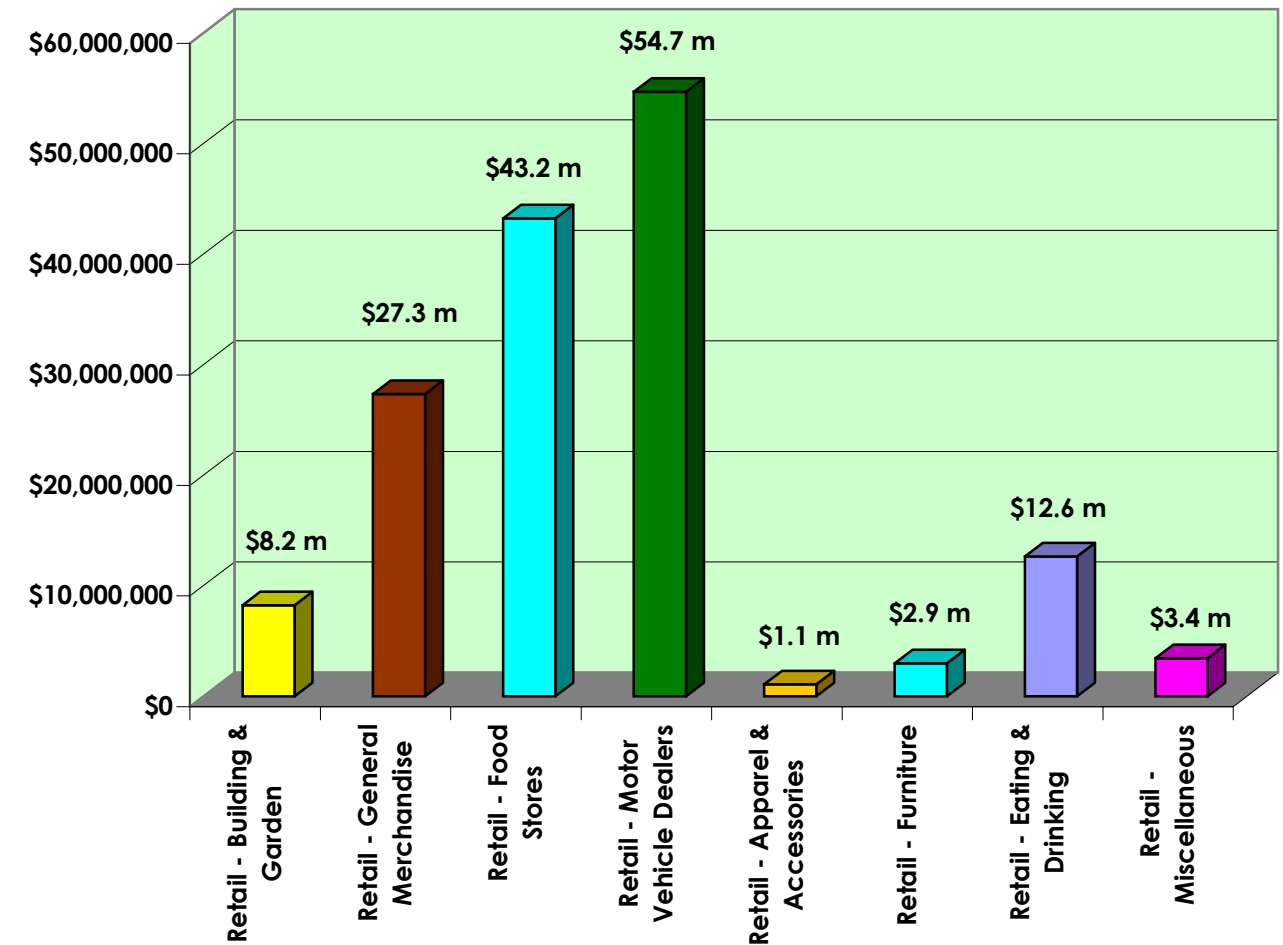


Figure 3.2  
Tooele City 2000 Taxable Sales  
For Retail Trade Categories



#### 4.0 MAJOR DEVELOPMENT PROJECTS, PROPOSALS & CONCEPTS

The following selected projects/proposals or concepts illustrate the present diversification and potential areas of opportunity in the Tooele Valley, with the ultimate objective of creating greater employment, commercial opportunities and hence 'economic engines' for the Region/County.

##### Utah Industrial Depot

- Total size 2.5 million sq. ft. occupying 279 acres of 1,179 total acres, offering warehouse, manufacturing, office and distribution space.
- 850 acres of vacant land still available to be developed.
- Currently, parcels between 1 and 100 acres are "improved" with services and infrastructure in place.
- Approximately 40 firms on-site – Largest firms include Freightliner Corp (85,000 sq. ft.), Vehicare (90,000 sq. ft.), Detroit Diesel Company (350,000 sq. ft., 400 +/- employees), Log Furniture Inc. (90,000 sq. ft.) and EG&G Defense Materials (578 employees).

UID's commitment to growth and community is represented by a billboard placed on Highway 36 reminding commuters that their businesses would be better served by relocating at the UID (UID newsletter, Summer 2001). Furthermore, the ultimate goal of the UID is to have a total employment base nearing 5,000 people, which would be the equivalent to what was employed when the Tooele Army Depot occupied the site.

##### Industrial Park (Tooele Valley Airport)

Tooele County recently approved a new zoning plan that would permit the development of an industrial park near the Tooele Valley Airport in Erda. Highlights of this industrial park include the following:

- Total project area 50 acres approved for light manufacturing or aviation-related businesses.
- Airport has approximately 33,000 takeoffs and landings per year.

##### Timpie Valley

Timpie Valley is located in the northwest side of the Tooele Valley, located in an area that has historically had industrial uses. Highlights of the Timpie Valley include the following:

- 59 square miles of industrial land zoned for manufacturing, distribution and industrial uses.
- Total developable land exceeding 4,000 acres, ideally suited to companies seeking large contiguous parcels of land of 25 acres or larger for commercial and industrial uses.
- Ideally positioned to capture large regional workforce at the hub of Highways I-80, SR 196 and SR 138 along with convenient rail access adjacent provided by the Union Pacific Railway and nearby air access at Wendover Airport and Salt Lake City Airport, which is only a 30-minute drive away.

##### Wind Farm

- Recently approved 200-megawatt wind farm on 10,000 acres, south of the Utah Industrial Depot, near Stockton.
- Project estimated to generate up to \$2 million in county tax revenues and employ 200 people during construction and 6 – 8 full time positions once completed.

##### Deseret Peak Complex

- 500 acre, multipurpose recreational & entertainment venue located northwest of Tooele City along SR 112 at Sheep Lane featuring many activities including indoor & outdoor arenas, a horse race track, motocross & BMX tracks, athletic fields, aquatic centre, museums and RV park.
- Other venues on-site under development include a military museum, convention center, fine arts center, amphitheatre and public lands information center.

##### Grand Prix-style/NASCAR Racetrack

- Potential for development of a vehicle racetrack at the Deseret Peak Complex being proposed by Utah Motorsports Group.
- Proposal entails a 2.3-mile, 11-turn track on 156-acres in the 500 acre Deseret Peak Recreation Complex.

#### 4.1 AUTO MALL POTENTIAL DEVELOPMENT OPPORTUNITY

Within Tooele City, there are only 2 dominant vehicle dealers – Quality Chevrolet/Pontiac/Oldsmobile/Buick and Quality Chrysler/Jeep. Auto malls are where people are going for "one-stop shopping". The concept of an auto mall in the Tooele Valley may be substantiated by the significant value of car sales in Tooele County and Tooele City, identified by the Gross Taxable Sales figures presented previously. Additionally, in Tooele County the most recent figures of vehicles registered in the county showed that as of January 2001, there were 16,423 cars and 17,398 trucks registered in Tooele County.

Additional evidence for the potential success of an auto mall is revealed by a recent auto mall study, performed in 1999, by J.D. Power and Associates in which the following information regarding the benefits of auto malls in North America was illustrated:

- Auto malls account for nearly 20% - 25% of North American vehicle volume annually.
- Presently there are approximately 2,100 auto malls in North America with an estimated 350 – 400 additional planned by the year 2005, the majority of which are projected to be in the Western United States.
- Only 2 multi-dealer auto malls have failed in the past 5+ years.
- In California, 40% of all new car and truck retail sales came from 13% of dealerships located in auto malls and organized dealer clusters.
- Auto malls are a magnet for "supportive uses" such as restaurants, rental cars, leasing, automotive training, auto detailing, SUV test tracks and automotive repair.
- Consumers have played a significant role in auto mall development by demanding the greatest number of choices in the shortest time frame. This has led to the "explosive synergy" of auto malls.
- "Synergy works and auto malls are here to stay".
- Auto malls present positive results in terms of sales, service, customer satisfaction and economies of scale.

Furthermore, J.D. Power and Associates identified four (4) criteria for a successful auto mall venture as being the following:

1. **Location** – accessibility, convenience and visibility;
2. **Selection** – wide selection of manufacturers clustered in one area;
3. **Amenities** – by pooling resources, dealers can offer more amenities and better services than at a single dealership.
4. **Lower Operating Costs** – sharing of facilities and expenses (e.g. promotional, personnel and maintenance etc.)

The following **Table 4.1** provides a summary analogue of seven, selected auto malls featuring their development characteristics along with other salient characteristics including their size, employee base and revenue generation.

**TABLE 4.1  
ANALOGUE OF SELECTED NORTH AMERICAN AUTO MALLS**

NAME/LOCATION	SIZE (acres)	# OF DEALERS	# OF BRANDS	# OF EMPLOYEES	GENERAL COMMENTS
<b>Avondale Auto Mall, Avondale, Arizona</b>	75 acres	2 (8 planned)	6	Estimated "100's" At build out	- In development stage - Projected to generate \$10 million (net) in annual sales tax revenue at build out. - Avondale has the Phoenix International Raceway (NASCAR & IRL 15 mi from Phoenix)
<b>Elk Grove Auto Mall, Sacramento, California</b>	42 acres	5 (9 planned)	10	Est. 700	- Est. 1 million (net) annual sales tax revenue - 5-year plan to double size to 84 acres
<b>New River Auto Mall, Hilton Head, Florida</b>	40 acres	10 planned	N/A	N/A	- In development stage
<b>Olympia Auto Mall, Olympia, Washington</b>	55 acres	10	25	Est. 530 +/-	- Largest in the State of Washington (formerly Capital Auto Mall)
<b>Richmond Auto Mall, Richmond, British Columbia</b>	40 acres	14	17	Est. 750 +	- Has 10 "supportive services" including restaurant, "mini-mart" convenience, automotive training center etc.
<b>Roseville Auto Mall, Roseville, California</b>	95 acres	16	21	Est. 1,000	- \$10 million (net) annual sales tax revenue - (1/3 of city's \$33 million annual sales tax revenue in 2000) - One of the most successful auto malls
<b>Valley Auto Mall, Henderson, Nevada</b>	137 acres	14	21	Est. 2,000 - 2,200	- Estimated to generate \$1 billion in annual revenue - Includes 6 eating establishments. - One of the largest auto malls in N.A.

Prepared By: Thomas Consultants Inc., 2002

The analogue presented in **Table 4.1** reveals the following highlights:

- An average auto mall development of 40 acres can accommodate an average of 10 dealers. This number could be higher or lower, depending on the density and dealers on site, as Import dealers generally require smaller lots, while American car companies generally have larger lot requirements.
- An average auto mall development of 40 acres has the ability to also generate employment for at least 500 persons depending upon the dealerships, brands and "supportive uses".
- Auto malls consistently generate and contribute significantly by way of taxable sales revenue to the community.

#### 4.2 IMPLICATIONS OF AN AUTO MALL FOR TOOEE

**The continued growth of Tooele County could potentially 'fuel' the development of an auto mall and could be a major catalyst of sales inflow from Salt Lake County rather than leakage, particularly given the strength of automotive sales in the Tooele Valley. Accordingly, there may be an opportunity to create an "automotive and machinery business zone" in which Tooele could potentially become a major center for auto sales and specialized services.**

Premised on the strength of auto sales in Tooele County, auto malls act as key employment centers and thus economic generators for their local communities. However, the greatest challenge for Tooele County in developing an auto mall would be that in creating an auto mall by moving existing dealers and "supportive uses", such as Goodyear, Big 'O', Grandma's Tires (CarMerica) and Checker Auto Parts into an auto mall, their former sites would require finding of suitable re-uses (e.g. retail, office, church etc.). This relocation could shift sales tax revenues away from the Towns/Cities and into the County (unincorporated areas). **Alternatively, the relocation of existing auto dealers would free up Tooele City's Main Street for redevelopment by other uses that could benefit the City while being a catalyst and potentially contributing to its revitalization and/or resurgence.**

**An auto mall would promote an increase the level of diversification and provide an additional economic driver for the Tooele economy.** However, the scale and magnitude and market demand for a potential auto mall would need to be further assessed as part of a specific marketing study.

#### 5.0 MARKET LAND USE RECOMMENDATIONS & CONCLUSIONS

This section presents the commercial market demand projections for the Tooele Valley and uses these projections to recommend the appropriate allocation of land uses for the future planning of the Tooele Valley. On the basis of the population growth projections and the market overview findings, an incremental land use and development demand projection model were prepared. The model determines market demands and land use requirements for the Tooele Valley over the next twenty years.

Using this foundation, the level of demand for future land uses in the Tooele Valley was determined for the following uses:

- Residential (Single Family Dwellings);
- Office;
- Industrial/Flex;
- Hotel; and
- Retail.

**5.1 DEMAND & ABSORPTION**

Overall demand for Tooele County was determined, from which land use demands and requirements for the Tooele Valley were derived. **Table 5.1** outlines the estimated current market demands generated by the estimated current population base for the year 2002.

**TABLE 5.1  
TOOLE VALLEY  
ESTIMATED CURRENT MARKET DEMANDS  
GENERATED BY EXISTING POPULATION**

POPULATION BASE IN 2002				
	42,714			
TYPE OF USE	ESTIMATED DEMAND PER CAPITA OF POPULATION BASE (SQ. FT.)	ESTIMATED CURRENT LEVEL OF DEMAND	TYPICAL DENSITY	CURRENT LAND AREA REQUIREMENTS (ACRES)
Residential	3 people/unit	14,238 units	4 units/acre	3,560 acres
Office	9 sq. ft./population	400,000 sq. ft.	20,000 sq. ft./acre	20.0 acres
Industrial Business Park	70 sq. ft./population	3,000,000 sq. ft.	9,000 sq. ft./acre	333.3 acres
Hotel	174 population/room	245 rooms	15 rooms/acre	16.3 acres
Retail	16 sq. ft./population	700,000 sq. ft.	25,000 sq. ft./acre	28.0 acres

Prepared By: Thomas Consultants Inc., 2002

**Table 5.1** illustrates the following highlights:

- Based on the 2002 population, the following level of inventory and demands are estimated for the year 2002:
  - Office – 400,000 sq. ft. on 20.0 acres
  - Industrial – 3,000,000 sq. ft. on 333.3 acres
  - Retail – 700,000 sq. ft. on 28.0 acres

**Table 5.2** presents the land use and development projection model and is a conservative incremental demand approach, which bases the demand for new commercial uses on population growth over time. This table looks at the current levels of inventory for the various market uses and divides them by the current population in 2002 to determine the amount of square foot per capita that is justified today and as the population grows. Moreover, **Table 5.2** suggests how incrementally each of the commercial land use segments may increase (i.e. office, industrial, retail) over the specified time horizon. Accordingly, the resulting demands, both in floor area demand and land area demand form a conservative model from which to base future growth opportunities.

Assuming a base year of 2000, estimated market demands for additional new commercial uses for the Tooele Valley, as presented in detail in **Table 5.2** are summarized by **Tables 5.3 & 5.4** as follows:

- Greatest pressure for new land uses and development will be predominantly generated by Industrial Business Park demand, which could necessitate the need for up to 7.1 million sq. ft. of new industrial uses on up to approximately 791 acres of land by 2020.
- Availability and inexpensive value of land in the Tooele Valley is a major attribute and suggests that this area is positioned well to potentially absorb a significant proportion of the above Industrial Business Park demand in the future. The present conditions indicate that absorption will likely remain slow to moderate.
- New population growth alone is estimated to potentially foster demand for 1.6 million sq. ft. of new retail facilities by 2020, which could be accommodated on approximately 66.5 acres of land.
- Office growth by the year 2020 is also projected to increase by approximately 950,000 sq. ft., with an associated land requirement of approximately 47.5 acres.

Based on Tooele County's past history of absorption of Industrial, Office and Retail space, absorption is likely to be best in the retail and office categories as population growth will require additional retail opportunities, while corporations begin to realize the virtues of 'satellite' office /headquarters. The current patterns of development would also suggest that in the short term retail might begin to see the greatest absorption, while office is likely to increase over the medium to longer term, as will Industrial Business Park.

**TABLE 5.3  
TOOLE VALLEY  
CUMULATIVE LAND USE FLOOR AREA DEMAND/REQUIREMENTS (Sq. ft./Units)**

TYPE OF USE	2005 (Sq. ft./Units)	2010 (Sq. ft./Units)	2015 (Sq. ft./Units)	2020 (Sq. ft./Units)
Residential	15,288 units	20,788 units	26,505 units	33,795 units
Office	429,497 sq. ft.	584,022 sq. ft.	744,645 sq. ft.	949,446 sq. ft.
Industrial Business Park	3,221,225 sq. ft.	4,380,161 sq. ft.	5,584,840 sq. ft.	7,120,843 sq. ft.
Hotel	263 rooms	358 rooms	456 rooms	582 rooms
Retail	751,619 sq. ft.	1,022,038 sq. ft.	1,303,129 sq. ft.	1,661,530 sq. ft.

Prepared By: Thomas Consultants Inc., 2002

**TABLE 5.4  
TOOLE VALLEY  
CUMULATIVE LAND AREA DEMAND/REQUIREMENTS (Acres)**

TYPE OF USE	2005 (Sq. ft./Units)	2010 (Sq. ft./Units)	2015 (Sq. ft./Units)	2020 (Sq. ft./Units)
Residential	3,822.0 acres	5,197.0 acres	6,626.4 acres	8,448.8 acres
Office	2.15 acres	29.2 acres	37.2 acres	47.5 acres
Industrial Business Park	357.9 acres	486.7 acres	620.5 acres	791.2 acres
Hotel	17.5 acres	23.8 acres	30.4 acres	38.8 acres
Retail	30.1 acres	40.9 acres	52.1 acres	66.5 acres

Prepared By: Thomas Consultants Inc., 2002



**TABLE 5.2  
MARKET LAND USE PROJECTION FOR CUMULATIVE MARKET DEMAND  
IN THE TOOELE VALLEY**

	<u>2000</u>	<u>2002</u>	<u>2005</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>
TOOLE VALLEY POPULATION =	40,735	42,714	45,864	62,364	79,516	101,386
Toole Valley Population Growth Rate =	2.4%	2.4%	6.3%	5.0%	5.0%	2.4%
Estimated Annual Population Growth =	978	1,025	2,907	3,105	3,959	2,433

*Prepared By: Thomas Consultants Inc., 2002*

TYPE OF USE	POPULATION 42,714		POPULATION 45,864		POPULATION 62,364		POPULATION 79,516		POPULATION 101,386	
	CUMULATIVE TO 2002		CUMULATIVE TO 2005		CUMULATIVE TO 2010		CUMULATIVE TO 2015		CUMULATIVE TO 2020	
TYPE OF USE	Floor Area (Sq. Ft., Units or Rooms)	Land Area (Acres)	Floor Area (Sq. Ft., Units or Rooms)	Land Area (Acres)	Floor Area (Sq. Ft., Units or Rooms)	Land Area (Acres)	Floor Area (Sq. Ft., Units or Rooms)	Land Area (Acres)	Floor Area (Sq. Ft., Units or Rooms)	Land Area (Acres)
Residential	14,238 units	3,559.5 acres	15,288 units	3,822.0 acres	20,788 units	5,197.0 acres	26,505 units	6,626.4 acres	33,795 units	8,448.8 acres
Office	400,000 sq. ft.	20.0 acres	429,497 sq. ft.	21.5 acres	584,022 sq. ft.	29.2 acres	744,645 sq. ft.	37.2 acres	949,446 sq. ft.	47.5 acres
Industrial Business Park	3,000,000 sq. ft.	333.3 acres	3,221,225 sq. ft.	357.9 acres	4,380,161 sq. ft.	486.7 acres	5,584,840 sq. ft.	620.5 acres	7,120,843 sq. ft.	791.2 acres
Hotel	245 rooms	16.3 acres	263 rooms	17.5 acres	358 rooms	23.8 acres	456 rooms	30.4 acres	582 rooms	38.8 acres
Retail	700,000 sq. ft.	28.0 acres	751,619 sq. ft.	30.1 acres	1,022,038 sq. ft.	40.9 acres	1,303,129 sq. ft.	52.1 acres	1,661,530 sq. ft.	66.5 acres
<b>TOTAL</b>		<b>3,957 acres</b>	<b>TOTAL</b>	<b>4,249 acres</b>	<b>TOTAL</b>	<b>5,778 acres</b>	<b>TOTAL</b>	<b>7,367 acres</b>	<b>TOTAL</b>	<b>9,393 acres</b>

**TABLE 5.3  
TOOELE COUNTY  
EMPLOYMENT FORECAST FOR MARKET COMMERCIAL USES ONLY, 2020**

LAND USE SEGMENT	ESTIMATED DEMAND (SQ. FT.)	TYPICAL THEORETICAL EMPLOYMENT DENSITY RATIO	CALCULATED DEMAND FOR EMPLOYMENT (JOBS)
OFFICE	949,446	3.00/1,000 sq. ft.	2,848
INDUSTRIAL	7,120,843	1.00/1,000 sq. ft.	7,121
RETAIL	1,661,530	3.00/1,000 sq. ft.	4,985
HOTEL	582	0.33/ room	192
<b>TOTAL</b>			<b>15,146</b>

## 5.2 DEMAND IMPLICATIONS

Applying the land use demands for the year 2020 identified in **Table 5.2** for the various commercial market categories and using the typical employment density ratio for Tooele County, **Table 5.3** illustrates the projected employment forecast for market commercial uses only in the year 2020. Accordingly, **Table 5.3** shows that the number of new jobs created in Tooele County to meet the new market land use demands for 2020 will be approximately 15,146, which will be an increase of 8,765 over the present 2002 employment base of approximately 6,381 (excluding Government, Agriculture, Health Care etc. as identified previously in **Section 1.2** and **Table 1.5**). Therefore, these market land use categories will exert significant positive influence in terms of job growth over the next twenty years, particularly in the industrial and retail sectors as anticipated.

The market land use demand estimates indicate that over the twenty year horizon there would be the need to accommodate approximately 946 acres of land for commercial uses (office, industrial, retail and hotel). Additionally, there would be demand for 8,449 acres of residential development. **These figures illustrate that while the Tooele Valley will continue to be a largely residential suburban community, there will be an opportunity to essentially double the local community employment base, thereby introducing alternatives for commuting out of the region.**

**Should there be greater economic development initiatives created by local agencies that foster the synergy and attractions capable of inducing demand beyond that which the current levels of absorption are illustrating in the Tooele Valley, then the demand numbers would likely increase over time.** However, these circumstances cannot be predicted at this time.

**The growth of retail space in Tooele County over the twenty year horizon appears to be appropriate to accommodate future anticipated population growth, but moreover may enable the Tooele Valley region to foster the necessary critical mass of retail facilities that could reduce the level of sales outflow to neighboring Salt Lake County, while contributing to the creation of a 'shopper-friendly community' and generating employment opportunities.** Wal-Mart should not be perceived as a barrier to retail success, but rather a gateway to retail growth and opportunities in the region.

**Figure 5.1** illustrates a number of ideas for potential economic engines that could stimulate and thereby create the 'niche orientation' for the Tooele Valley and accordingly, absorb the incremental demand identified in **Tables 5.2, 5.3 & 5.4**. If a synergistic relationship is created between the various market uses such as heavy machinery, which has a relationship to the military, auto industry, truck refurbishment industry, auto racing industry and the associated spin-offs tied to auto repair and services, then the result would be to **induce greater market demand above and beyond that which is induced by population growth alone.**

**The ultimate goal of the latter synergy would also be to potentially over time, reverse the trend of local population leaving the county to work elsewhere and in fact create a balance of those working in the county and potentially become a 'job importer' whereby people commute into the Tooele Valley to work at one of the new 'economic engines'.**

**FIGURE 5.1  
TOOELE SYNERGY OF ECONOMIC ENGINES**