



STATE OF UTAH

GARY R. HERBERT
GOVERNOR

OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
84114-2220

SPENCER J. COX
LIEUTENANT GOVERNOR

March 16, 2018

President Wayne Niederhauser
Utah Senate
Utah State Capitol, Suite 320
Salt Lake City, Utah 84114

Speaker Greg Hughes
Utah House of Representatives
Utah State Capitol, Suite 350
Salt Lake City, Utah 84114

Dear President Niederhauser and Speaker Hughes,

Today I signed SB 234, Utah Inland Port Authority. In 2016, I introduced the idea of creating an international inland port in Utah as a way to further elevate our state as a global business destination. At that time, I formed the Inland Port Exploratory Committee to thoroughly study the potential of this idea. Today, acting on the data-driven recommendations from that committee and the deliberations of the legislature, the state of Utah takes a major step forward to transform itself from the "Crossroads of the West," to the "Crossroads of the World" as we create the governance structure for a major global trade and distribution hub in Utah.

An international port will have a positive economic impact regionally, therefore it is fitting that this authority be a creation of the State. And it should not go unnoticed that the proposed site for the inland port west of the Salt Lake City International Airport is benefitting from more than \$100 million in pioneering infrastructure investments from the state of Utah.

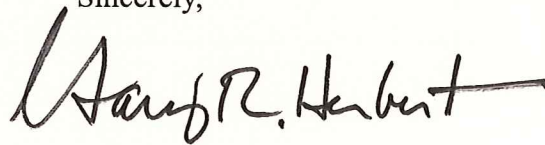
But because an inland port also has distinct local impact, it makes sense that this authority should have appropriate input and representation from the local jurisdictions distinctly affected.

Although the bill is not yet perfect, it does allow the State and local governments to move forward on this significant project. I look forward to working with the Legislature, Salt Lake City, and other stakeholders on technical amendments and other minor adjustments in preparation for a special session.

As we have discussed, it is important to address four concerns raised by Mayor Jackie Biskupski on behalf of Salt Lake City. The first regards clarifying the applicability of LUDMA standards to appeals regarding land use decision from the port authority and the necessity of acting in a fair and timely manner. The second deals with clarification that the tax increment will be spent exclusively within the jurisdictional land boundary, including up to 2 percent of the increment that can be used for operational purposes for the port authority. The third has to do with the port authority's jurisdictional boundaries and the potential needs for adjustment of those boundaries and will involve further collaboration with neighboring landowners and local governments. And the fourth raises questions about the composition of the port authority board, including a member being appointed by the Salt Lake City mayor.

In my recent meeting with both of you, we all agreed that these are legitimate concerns that we can and should address. They do not, however, rise to the level of a veto. Therefore, in signing this legislation into law, I ask you and your respective houses to study each of these issues in the interim so that I can call the legislature into special session in the coming months to modify and improve what is already a good bill for Utah's continued growth and success.

Sincerely,

A handwritten signature in black ink, reading "Gary R. Herbert". The signature is written in a cursive style with a long horizontal stroke at the end.

Gary R. Herbert
Governor