



ECONOMIC DEVELOPMENT STRATEGIC PLAN **CARBON COUNTY, UTAH**

FEBRUARY 2018
LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.




**LEWIS YOUNG
ROBERTSON & BURNINGHAM, INC.**

GATEWAY PLAZA BUILDING - 41 N. RIO GRANDE, STE 101 - SALT LAKE CITY, UT 84101
(P) 801-596-0700 - (TF) 800-581-1100 - (F) 801-596-2800 - WWW.LEWISYOUNG.COM

TABLE OF CONTENTS

SECTION 1: EXECUTIVE SUMMARY	2
SECTION 2: MARKET STUDY (OVERVIEW OF CARBON COUNTY)	6
SECTION 3: SALES TAX LEAKAGE STUDY	20
SECTION 4: SWOT ANALYSIS	48
SECTION 5: GEOGRAPHIC VISIONING	55
SECTION 6: ECONOMIC DEVELOPMENT STRATEGIC PLAN	56
SECTION 7: FINANCING TOOLS	68
APPENDIX A: SWOT ANALYSIS DATA.....	70
APPENDIX B: GEOGRAPHIC VISIONING DATA.....	74
APPENDIX C: SALES LEAKAGE COMPARISON DATA	75
APPENDIX D: STRATEGIC PLAN ACTION ITEMS.....	78

SECTION 1: EXECUTIVE SUMMARY

MARKET CONDITIONS

Carbon County (“the County”) has played a significant role in the State’s coal industry since the 1800’s. The County’s dependence on the coal industry has resulted in periods of substantial prosperity and significant downturn and recession. From 2010 through 2016, and corresponding with a downturn in the coal industry, the County population fell from 21,421 to 20,399 which represents a declining average annual growth rate (AAGR) of negative 0.81 percent. The aggregated percent of population decline from 2010 to 2016 was negative 4.77 percent. Between 2010 and 2016, mining jobs decreased by 44 percent at an AAGR decline of 9.26 percent. The current downturn has negatively impacted the County economic indicators including building permits, total taxable sales and overall gross county economic output. The current unemployment rate is 5.4 percent. Utah State University Eastern has also experienced a decline in enrollment since 2010, all significant indicators of declining economic prosperity.

TABLE 1.1: HISTORIC CARBON COUNTY POPULATION

	2010	2011	2012	2013	2014	2015	2016	AAGR	Aggregate %
Carbon County	21,421	21,329	21,242	20,935	20,659	20,430	20,399	-0.81%	-4.77%

GROSS TAXABLE SALES LEAKAGE ANALYSIS

Another metric used to assess the general economic health of an area is the measurement of gross taxable sales that are consumed by the residents, patrons and visitors within Carbon County. This is often established through a “Sales Tax Leakage Analysis.” Carbon County is currently capturing approximately 111 percent of total taxable sales industry-wide. Categories such as Home Furnishings, Clothing and Apparel, Sporting Goods, Arts, Entertainment and Recreation are significantly leaking to other areas. Similar to the contraction in population, gross taxable sales captured within Carbon County are declining at an AAGR of negative 5 percent. Another sign of a struggling economy is the significant decline in per capita taxable sales, which have declined from \$21,781 in 2011 to \$17,667 in 2016.

This analysis has determined that there is un-captured demand for retail services (as noted in **Section 3**), however, the likelihood of attracting retail and commercial development in a currently declining economic geographic location is limited. Retail and commercial development prospects are more viable with the ability of the County to address some of the underlying broad economic factors, including: expansion of industry and resources, improvement of appearance and vitality, and the promotion of expanding existing businesses and industry. Notwithstanding several impediments to retail and commercial expansion, there are a few notable opportunities that may exist for Carbon County to consider. It is believed that the County has the opportunity to incent or encourage a mid-box oriented development with clothing and accessories, sporting goods and building and garden equipment.

Table 1.2 below provides a summary of the associated “capture” and or “leakage” of gross taxable sales within the County as measured by per capita spending patterns.

TABLE 1.2: RETAIL SALES LEAKAGE

	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Total Retail	\$1,839	\$37,516,951	119%
Total Industrial	\$511	\$10,431,754	122%
Total Services	(\$443)	(\$9,044,810)	87%
Total Other	(\$168)	(\$3,419,768)	77%
Grand Total	\$1,740	\$35,484,126	111%

GEOGRAPHIC VISIONING

Participants in a Visioning Workshop organized as part of this strategic economic planning effort, consisting of representatives from major employers, institutions, local government and community leaders. These participants highlighted three strategic areas on which to focus development. These areas included: 1) **Price City**, which has many vacant retail sites and has become rundown with varying standards for storefront facades; 2) **Ridge Road**, currently home to a number of businesses and offers land for further development and is within an Enterprise Zone, and 3) The **Carbon County Regional Airport** which is located in an Enterprise Zone and has capacity for expanded use.



ECONOMIC DEVELOPMENT STRATEGIC PLAN

The culmination of the Market Analysis, Sales Leakage Study, Visioning Workshop and the SWOT analysis is the formation of the Economic Development Strategic Plan (the “Plan” or “Strategic Plan”). This Plan is designed to integrate the findings, observations, and potential solutions identified in previous sections of this report into an outline of actionable items to address the economic development needs of Carbon County. Implementation and success of the Plan depends on the collaboration and cooperation between Carbon County officials and staff, municipal mayors and city staff, as well as the residents, and business and industry leaders of Carbon County. The fundamental purpose of the Strategic Plan is to outline a process and some specific steps to take in order to transform a rather weak, cyclical and dependent economy to a more fully diversified and dynamic economic engine. Business expansion, recruitment and even retention are components of the Plan, but only in concert with addressing many of the fundamental weaknesses that are prevalent in the economy and throughout the County. These initial building blocks are crucial to changing the negative trends in many of the key metrics, which will then lead to growth, opportunity and diversification.

LYRB recommends that this Economic Strategic Plan be implemented by the **Economic Development Council** under the direction of the **Economic Development Consulting Team**, which we envision would be led by the County Commissioners and an appointed staff member with the contracting and reliance upon an outside consulting group with the expertise, knowledge and contacts to fully implement this Economic Strategic Plan. To ensure consistency in leadership, the **Industry Committee** will oversee the existing economic development subcommittees including Customer Service, Aerospace, IT, Employee Recruitment and Development, Local Business Expansion, New Uses for Fossil Fuels, Beautification and Brownfields. Additionally, in order to address one of the other prevalent weaknesses, LYRB recommends the implementation of a **Local Government Committee** to oversee communications between the County and cities, conduct business regarding public lands, as well as address County and city infrastructure needs. Full details regarding the Economic Strategic Plan can be found in **Section 6** of this report.

COUNTY STRENGTHS

As identified through the Visioning Workshop including the Strengths Weaknesses Opportunities and Threats (SWOT) Analysis and interviews with political and community stakeholders, the County’s primary strengths include:

- ☞ Availability of developable and reasonably priced land
- ☞ Accessibility to several shovel ready development sites
- ☞ Moderate to good level of investment in transportation infrastructure (Rail, Highway, Air)
- ☞ Abundance of natural resources, specifically coal (Traditional/Alternative Use)
- ☞ Strong work ethic in the labor force
- ☞ Affiliation with institution of higher education (USU Eastern)
- ☞ Desirable quality of life
- ☞ High-speed fiber infrastructure

KEY INDUSTRIES

Manufacturing requires access to infrastructure and typically requires large tracks of land for development. As mentioned above, Carbon County has access to rail, fiber, large tracks of land and established Enterprise Zones which allow qualifying businesses expanding or relocating to the area to claim State income tax credits. This element can be an extremely significant incentive to the further expansion of manufacturing types of industry in Carbon County. This report has identified the need for the County to take some actionable efforts to enhance its ability to recruit more manufacturing oriented businesses. The following would be essential in addressing how to approach the recruitment process:

- ☞ In concert with the Local Government Committee and Industry Committee, the Economic Development Consulting Team (EDCT) will coordinate with EDCUtah and GOED on a quarterly basis. It is envisioned that the EDCT will provide a written quarterly report of available/preferred sites to ensure that these support organizations understand the County’s intent to become a manufacturing hub in the State and that these organizations are accountable to report back to Carbon County on their specific efforts to promote these sites;
- ☞ Develop a comprehensive guide (publication) to manufacturing development in Carbon County, which would outline available sites, local and state incentives and other site selection criteria important to locating manufacturing enterprises (the EDCT will be instrumental in preparing and disseminating this information to the industry; also development process, timing and contact information to stream-line the development process could be included);
- ☞ Included in the comprehensive development guide publication referenced above, the Local Government and Industry Committees (with the help of the EDCT) will become familiar with state sponsored incentives¹ (these state incentives,

¹ <http://business.utah.gov/programs/incentives/>



often, require local incentive participation in order to be implemented). These incentives include:

- Economic Development Tax Increment Financing (EDTIF): Post-performance tax re-capture;
 - Enterprise Zones: State income tax credit;
 - Industrial Assistance Fund: Post-performance grant;
 - Recycling Market Development Zones: State income tax credit and technical assistance from economic development professionals;
 - Rural Fast Track: Post-performance grant for small businesses; and
 - Utah Rural Jobs Program: Affordable capital for small businesses.
- ☞ With the assistance of the EDCT respond to all manufacturing RFI's, highlighting the labor force, proximity to health care and education, land availability and existing infrastructure;
 - ☞ Industry Committee to develop a list of potential existing businesses and industry to approach regarding expansion within Carbon County; EDCT to follow-up with prospects and coordinate leads and incentives and provide information to local businesses;
 - ☞ Consider the further development of local incentives (beyond the traditional property tax increment incentives) and recommend and discuss broad policy changes for participation in manufacturing-oriented expansion. These policies could enhance revenue sharing/investing agreements, which are typically memorialized in interlocal agreements between taxing entities that could consider other incremental taxes or participation (i.e. sales taxes, tourism taxes and franchise taxes); and
 - ☞ Develop a stream-lined approach to the creation of Community Reinvestment Areas ("CRA") and implement a prospective CRA specific to Ridge Road. The process to create a CRA typically takes 3-5 months. Below is a consolidated explanation of the steps required to create a CRA. This process can be the responsibility of the EDCT.

TABLE 1.3: CRA CREATION PROCESS

1.	Adopt a resolution to create a CRA (Survey Resolution)
2.	Determine development needs and potential infrastructure (roads, power, water, etc.)
3.	Develop a case for support from taxing entities ("but for" analysis)
4.	Create a draft plan and budget
5.	Notice public and property owners and conduct a public hearing
6.	Adopt draft plan and budget
7.	Negotiate Interlocal Agreements with taxing entities

COUNTY WEAKNESSES

The SWOT Analysis identified some of the County's opportunities for development including manufacturing and current business expansion. Threats and weaknesses that the County needs to be very aware of include its dependence on the coal industry and fairly rigid resistance to change. Specific to the Visioning Workshop, stakeholders identified four significant impediments to economic development. These are as follows:

- ☞ 1. Lack of a skilled work force
- ☞ 2. Community stability/attitude
- ☞ 3. Lack of strategic vision for a diverse economy, and
- ☞ 4. Lack of focus on existing businesses (business retention and expansion)

ECONOMIC DEVELOPMENT ACTION ITEMS

The success of economic development initiatives often consists of multi-year efforts that begin with addressing foundational elements of an economy. This is especially critical in Carbon County. A concentrated effort to improve upon the collaboration between the public and private sector, balancing the desires and needs of the community is at the heart of moving Carbon County toward economic vitality and sustainability. The strategies and specific action items (as more fully outlined in **Section 6**) to address each of the weaknesses identified in the Visioning Workshop and summarized above will help the County prepare for, and participate in, achieving economic vitality and sustainability in the future.

The County should note that some community based efforts are foundational precursors to targeting economic development pursuits. This Plan should be reviewed and updated yearly to catalogue specific accomplishments the County has made, as well as iterations of new goals based on the core strategies presented below.



☞ **Develop and recruit a skilled work force**

- a. Align USU Eastern curriculum offerings with local industry demand.
- b. Improve workforce recruitment tactics.
- c. Improve aesthetics of the community and campus.

☞ **Improve community stability/attitude**

- a. Enhance communication between City, County and State leaders
- b. Continue Beautification Efforts throughout the County.
- c. Improve community image.

☞ **Develop a strategic vision for a diverse economy**

- a. Target industrial manufacturing.
- b. Diversity economic development outreach efforts.
- c. Commit greater financial resources to economic development (Economic Development Consulting Team)

☞ **Retain and expand businesses**

- a. Streamline CRA creation process.
- b. Expand current businesses.
- c. Recruit new businesses.

SECTION 2: MARKET STUDY (OVERVIEW OF CARBON COUNTY)

INTRODUCTION

In recent years, the State of Utah has experienced robust growth in both population and employment opportunities. As of April 2017, the State unemployment rate was measured at 3.1 percent, compared with the national average of 4.4 percent. Population and employment characteristics are helpful indicators of overall economic health and as economies expand, typically population increases and unemployment rates decline. This is true of both the Utah and national economies. Comparing population and employment trends in Carbon County to the State of Utah and national metrics is helpful in understanding if a local economy is similarly expanding and growing. Both as measured by population and unemployment measures, Carbon County is not following the State or national trends, which on its face is concerning. Carbon County's population is experiencing negative growth and unemployment is higher than both the State and national averages.

For the past several years, the State of Utah has been in the top tier of states with positive economic output. As noted specifically in its 2017 Economic Snapshot, the Department of Workforce Services indicated "construction and sales have increased and while the growth has slowed (from previous significant expansion years), the trajectory is positive".² The population of the State of Utah was estimated at 3,051,217 in 2016 by the United State Census Bureau. The State's population average annual growth rate ("AAGR") between 2010 and 2016 was 1.59 percent. Assuming this continued AAGR, the State will experience a population change of 17.6 percent from 2015-2025.

Economic markets are heavily influenced by demographics, socio-economics (income levels), education, availability of land, industry, infrastructure investment, and work force. This section focuses on many of these measurements to understand the current market characteristics that are causing the underlying economy to thrive or decline.

Provided below are several critical (key) findings related to these metrics, some of which are symptoms of economic decline and others are underlying components that must be addressed before economic expansion and vitality can be achieved.

KEY FINDINGS

- ☞ The population of Carbon County is projected to decrease at an AAGR of negative 6 percent by 2025 based on historic growth rates;
- ☞ The millennial population is declining;
- ☞ The number of building permits decreased by 70 percent between 2015 and 2016 and decreased by 87 percent from 2010 to 2016, with the majority of building taking place in the unincorporated County;
- ☞ The County's median average income is average among comparison counties;
- ☞ 18 percent of the workforce has a bachelor's degree or higher compared to Utah County at 40 percent, San Juan 25 percent, Sanpete at 23 percent and Sevier at 20 percent;
- ☞ 92 percent of the County's workforce has a high school degree or higher compared to 95 percent in both San Juan and Emery County, 94 percent in Utah County and 93 percent in Sevier County.
- ☞ The AAGR for retail employment since 2010 was negative 2.10 percent, industrial employment was negative 4.37 percent and services employment was negative .56 percent. The County's industry and retail jobs are declining while services jobs are increasing with an overall decline in jobs;
- ☞ Mining, Quarrying, and Oil & Gas Extraction jobs have declined by 44 percent since 2010;
- ☞ Industry Quotient reports more wages attributed to Natural Resources and Mining than the State average, while nearly all other sectors lag behind the State average;
- ☞ Unemployment is currently 5.4 percent, 2.2 percent higher than the State average and a full percent higher than national average;
- ☞ The County's taxable value is \$954,481,666 with over 270,000 acres of greenbelt designated land;
- ☞ The Utah Department of Transportation plans to invest over \$25 million in improvements along Highway 6 over the next 20 years;
- ☞ The Carbon County Regional Airport has additional capacity for growth and development; and
- ☞ USU Eastern enrollment has declined since 2010 when it became affiliated with Utah State University. Enrollment experienced a slight increase between 2014 and 2016. Top enrollment for concurrent courses from 2010 through 2017 was in Cosmetology.

² Department of Workforce Services: 2017 Economic Snapshot



HISTORIC POPULATION

Despite the State historic growth trend, Carbon County (“the County”) has experienced a decrease in population. From 2010 through 2016, the County population fell from 21,421 to 20,399 which represents an AAGR of negative 0.81 percent.³ The percent of population change from 2010 to 2016 was negative 4.77 percent. This downturn in population is closely tied to decreased operations in the coal industry which is a primary economic staple for the County. Between 2010 and 2016, mining jobs decreased by 44 percent at an AAGR decline of 9.26 percent. Price City, the county seat and largest city in Carbon County had the least dramatic AAGR decline of negative 0.69 percent while East Carbon had an AAGR of negative 1.09 percent as shown in **Table 2.1**.

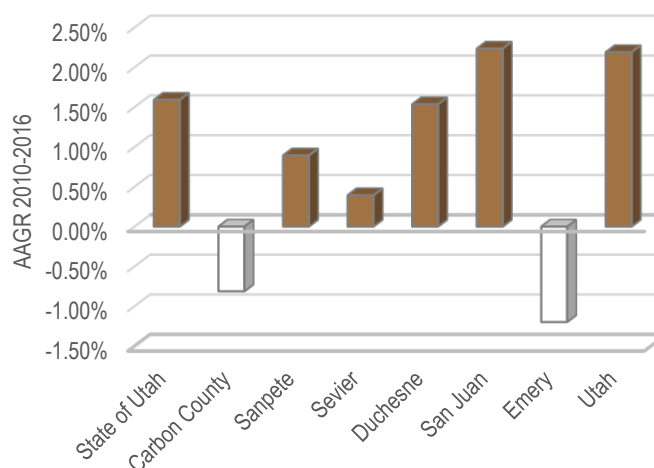
TABLE 2.1: HISTORIC CARBON COUNTY POPULATION

	2010	2011	2012	2013	2014	2015	2016	AAGR
Carbon County	21,421	21,329	21,242	20,935	20,659	20,430	20,399	-0.81%
Price	8,728	8,673	8,630	8,475	8,391	8,363	8,371	-0.69%
Wellington	1,692	1,688	1,683	1,663	1,639	1,613	1,609	-0.83%
Helper	2,206	2,200	2,193	2,166	2,134	2,101	2,095	-0.86%
East Carbon	1,679	1,674	1,668	1,648	1,616	1,583	1,572	-1.09%
Unincorp County	7,116	7,094	7,068	6,983	6,879	6,770	6,752	-0.87%

A comparison of similarly sized and neighboring counties showed Carbon County’s AAGR as the second lowest next to neighboring Emery County as illustrated in **Illustration 2.1**. Castle Country (which includes Carbon and Emery Counties) is experiencing a general decline in population based on the reduction in mining operations. Both Duchesne and San Juan Counties have experienced positive growth close to or exceeding the State’s AAGR.

An analysis of absolute population growth within Carbon County shows that the State of Utah increased by 275,891 persons from 2010 through 2016. San Juan County increased by 2,098 persons while Carbon County decreased by 1,022. The U.S Census Bureau released a report in March of 2017 indicating San Juan County was the fastest growing county in the nation. Analysts and researchers are unclear why this area of the State is growing so rapidly; however, among plausible explanations are retirement migration, causes related to Native American reservations, etc.⁴

ILLUSTRATION 2.1: COMPARISON OF AAGR 2010-



POPULATION PROJECTIONS

Based on current trends and assuming a lack of significant economic development growth, the population of Carbon County is projected to decrease by 6 percent by 2025 as shown in **Table 2.2**. These trends are tied to a continued downturn in the coal industry which affects trade, transportation and utilities. USU Eastern has also experienced a declining enrollment. The lack of economic diversity is a limitation and needs to be addressed in order to reverse the projected downward trend.

TABLE 2.2: CARBON COUNTY POPULATION PROJECTION

	2017	2018	2019	2020	2021	2022	2023	2024	2025	% Change
Carbon County	20,233	20,069	19,906	19,745	19,585	19,426	19,268	19,112	18,957	-6%
Price	8,313	8,255	8,198	8,141	8,085	8,029	7,973	7,918	7,863	-5%
Wellington	1,596	1,582	1,569	1,556	1,543	1,530	1,517	1,505	1,492	-6%
Helper	2,077	2,059	2,042	2,024	2,007	1,990	1,973	1,956	1,939	-7%

³ US Census Bureau 2016 Population Estimates.

⁴ Dessert News: Census: San Juan County is fastest-growing county in U.S. March 22, 2017.



	2017	2018	2019	2020	2021	2022	2023	2024	2025	% Change
East Carbon & Sunnyside	1,555	1,538	1,521	1,504	1,488	1,472	1,456	1,440	1,424	-8%
Unincorporated County	6,693	6,635	6,577	6,519	6,462	6,406	6,350	6,294	6,239	-7%

AGE

From 2010 through 2015, the age distribution of Carbon County residents has experienced the highest AAGR in residents ages 65-69 at 6 percent, followed by ages 60-64 at 4 percent. The greatest decline in AAGR was negative 7 percent for ages 45-49 percent, followed by ages 50-54 at negative 4 percent. Worth note is that the 45-49 and 50-54 age categories are typically the age categorizes that produce the highest wage earners in the economy, which is most likely a factor when measuring income levels in the County (see "Income" below). Also notable is the decline in 25-29 year olds at negative 3 percent as shown in **Table 2.3**.

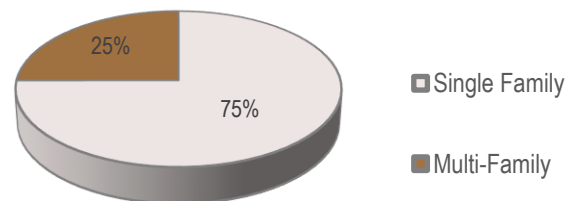
TABLE 2.3: CARBON COUNTY AAGR BY AGE CATEGORY

Age Range	AAGR 2010-2015	Age Range	AAGR 2010-2015
Under 5 years	1%	45 to 49 years	-7%
5 to 9 years	-1%	50 to 54 years	-4%
10 to 14 years	2%	55 to 59 years	2%
15 to 19 years	-1%	60 to 64 years	4%
20 to 24 years	-1%	65 to 69 years	6%
25 to 29 years	-3%	70 to 74 years	-2%
30 to 34 years	2%	75 to 79 years	-2%
35 to 39 years	3%	80 to 84 years	-2%
40 to 44 years	0%	85 years and over	3%

HOUSEHOLDS

The total number of households in Carbon County is 9,604.⁵ Of the total housing units, 75 percent are single family and 25 percent are multi-family as shown in **Illustration 1.2**. The total vacancy rate is 19 percent or 1,806 housing units. The average household size is 2.61 and the average family size is 3.20.

ILLUSTRATION 2.2: HOUSING MIX



RESIDENTIAL BUILDING PERMITS

The total number of building permits was down 70 percent from 2015 to 2016 with only 7 permits in 2016. The greatest number of permits have been issued for unincorporated areas in the County, followed by Price City as shown in **Table 2.4**.

TABLE 2.4: CARBON COUNTY HISTORIC BUILDING PERMITS

	2010	2011	2012	2013	2014	2015	2016
East Carbon	1	8	-	-	-	-	-
Helper	-	-	2	-	-	-	1
Price	16	9	9	7	25	-	-
Sunnyside	-	-	1	-	-	-	-
Wellington	3	1	-	-	-	-	-
Unincorporated County	35	28	24	-	-	23	6
Total	55	46	36	7	25	23	7

⁵ American Community Survey, 2015.



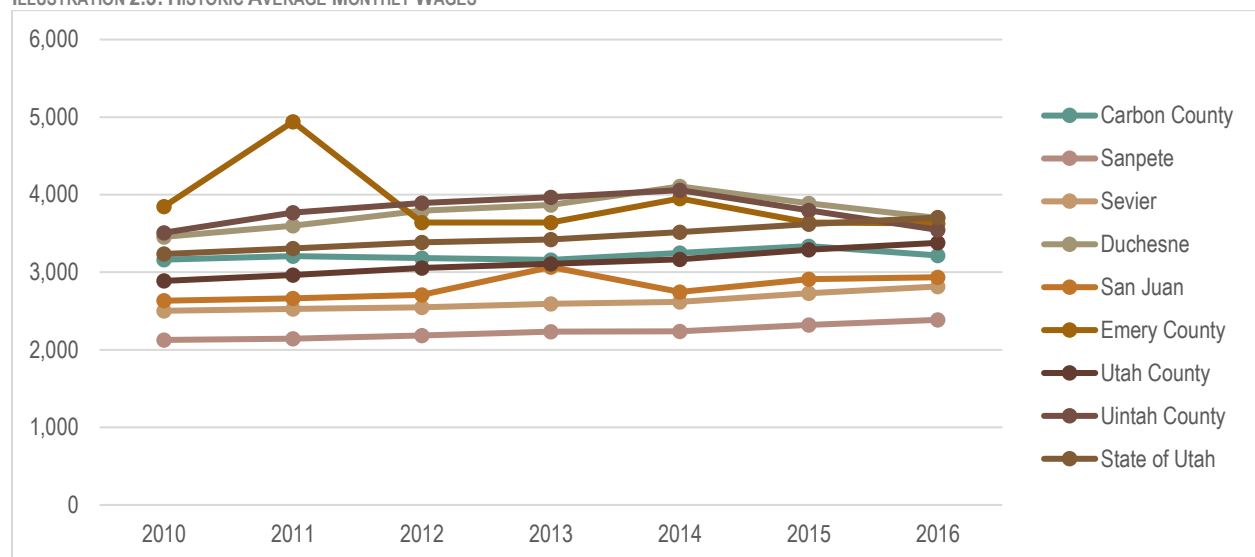
INCOME

The median household income grew at an AAGR of 1.14 percent from \$45,244 in 2010 to \$47,894 in 2015 as shown in **Table 2.5**. Carbon County's median household income is significantly lower than the State median in 2015 of \$62,961. In comparison to Utah, Emery and Uintah Counties, Carbon County has the lowest median household income, although its AAGR in median household income is slightly higher than Emery County. The coal industry is the driving economic factor when accounting for the divergence from the State's average.⁶ The average monthly wage in Carbon County was \$3,216 in 2016 which was \$500 less than the State's monthly wage as shown in **Illustration 2.3**.

2.5: MEDIAN HOUSEHOLD INCOME

	2010	2011	2012	2013	2014	2015	AAGR
Carbon County	45,244	47,585	47,214	44,594	47,340	47,894	1.14%
Sanpete	39,999	45,231	43,921	45,338	44,644	46,929	3.25%
Sevier	44,830	43,190	45,243	49,877	48,622	48,711	1.67%
Duchesne	53,196	54,973	57,945	61,386	61,976	63,149	3.49%
San Juan	37,259	37,444	38,329	40,327	40,590	39,305	1.07%
Emery	51,205	48,745	51,819	52,070	49,709	54,086	1.10%
Utah	54,385	58,077	58,167	60,069	60,957	65,425	3.77%
State of Utah	54,740	55,802	57,067	59,715	60,943	62,961	2.84%

ILLUSTRATION 2.3: HISTORIC AVERAGE MONTHLY WAGES



EDUCATION

The Utah Department of Workforce Services reported a labor force of 7,635 for Carbon County as of May 2017. Forty-nine percent of the workforce has some college or an associate degree. Only 18 percent of the County has a bachelor's degree or higher degree as shown in **Illustration 2.4**. As a percent of total, the State of Utah labor force is comparative to the County's percentage of "Less than high school" and "High School." However, the County has a higher percentage of "Some college/Associate" and lower "Bachelor's degree" than does the State as illustrated in **Table 2.6**.

TABLE 2.6: LABOR FORCE EDUCATION LEVEL

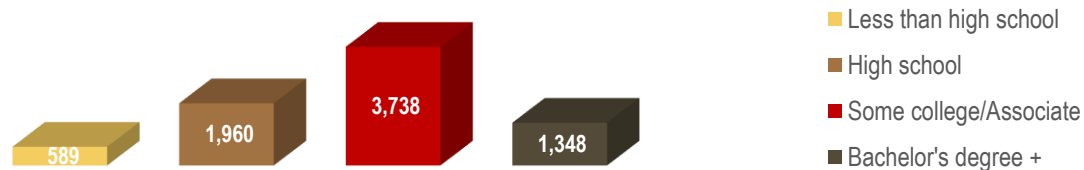
	Carbon County	Carbon County Percent of Total	State of Utah	State of Utah Percent of Total
Less than high school	589	8%	83,588	8%
High school	1,960	26%	235,779	22%
Some college/Associate	3,738	49%	403,895	37%

⁶ Department of Workforce Services Quarterly Unemployment Snapshot, March 2017.



	Carbon County	Carbon County Percent of Total	State of Utah	State of Utah Percent of Total
Bachelor's degree +	1,348	18%	365,397	34%
Total	7,635		1,088,659	

ILLUSTRATION 2.4: CARBON COUNTY LABOR FORCE EDUCATION LEVEL



EMPLOYMENT

The North American Industry Classification System ("NAICS") is the standard used to classify businesses. This classification system is utilized in the Sales Tax Leakage Study discussed in **Section 3** of this document. For the purpose of the Retail Leakage Study, the NAICS categories were divided into the following categories: 1) Retail, 2) Industry, and 3) Services. The average number of employees in each of the three categories are included below in **Tables 2.7-2.9**. As of 2016, the total average jobs had decreased by 10 percent from 9,411 in 2010 to 8,442 in 2016.

TABLE 2.7: HISTORIC RETAIL AVERAGE EMPLOYMENT

	2010	2011	2012	2013	2014	2015	2016	AAGR
Build. Material, Garden Equip. & Supplies Dealers	83	83	76	73	76	74	84	0.20%
Clothing & Clothing Accessories Stores	16	20	15	24	23	24	23	6.24%
Electronics & Appliance Stores	10	10	12	14	13	15	15	6.99%
Food & Beverage Stores	204	188	181	189	196	193	213	0.72%
Furniture & Home Furnishings Stores	35	34	33	22	24	28	24	-6.09%
Gasoline Stations	139	143	148	163	135	143	152	1.50%
General Merchandise Stores	373	362	357	352	351	351	319	-2.57%
Health & Personal Care Stores	15	6	3	2	4	3	3	-23.53%
Miscellaneous Retail Trade	34	35	37	41	40	28	24	-5.64%
Motor Vehicle & Parts Dealers	176	187	193	203	195	205	201	2.24%
Nonstore Retailers	52	44	50	51	44	29	12	-21.68%
Sporting Goods, Hobby, Music, & Book Stores	8	9	7	23	26	27	24	20.09%
Wholesale Trade-Durable Goods	396	413	404	379	289	251	230	-8.66%
Wholesale Trade-Electronic Markets	3	3	3	3	2	2	2	-6.53%
Wholesale Trade-Nondurable Goods	62	75	78	75	75	87	88	6.01%
Retail Total	1,606	1,612	1,597	1,614	1,493	1,460	1,414	-2.10%

TABLE 2.8: HISTORIC INDUSTRY AVERAGE EMPLOYMENT

	2010	2011	2012	2013	2014	2015	2016	AAGR
Agriculture, Forestry, Fishing & Hunting	-	-	2	2	3	3	21	80.01%
Construction	400	472	456	418	427	514	425	1.02%
Information	90	94	84	78	75	79	70	-4.10%
Manufacturing	322	344	322	336	329	320	292	-1.62%
Mining, Quarrying, & Oil & Gas Extraction	1,023	970	795	669	674	632	571	-9.26%
Transportation & Warehousing	557	591	583	563	664	622	465	-2.96%
Utilities	179	178	171	162	160	136	122	-6.19%
Industry Total	2,571	2,649	2,413	2,228	2,332	2,306	1,966	-4.37%



TABLE 2.9: HISTORIC SERVICES AVERAGE EMPLOYMENT

	2010	2011	2012	2013	2014	2015	2016	AAGR
Admin. & Support & Waste Manag. & Remed. Services	481	433	436	392	373	364	305	-7.31%
Arts, Entertainment, And Recreation	128	130	135	132	129	127	147	2.33%
Educational Services	1,055	1,063	1,067	1,022	1,063	1,076	1,104	0.76%
Finance & Insurance	203	203	202	193	179	156	145	-5.45%
Food Services & Drinking Places	730	689	625	668	698	705	661	-1.64%
Health Care & Social Assistance	1,094	1,053	1,083	1,108	1,102	1,159	1,238	2.08%
Management Of Companies & Enterprises	32	31	34	37	41	40	32	0.00%
Other Services-Except Public Administration	364	332	348	326	310	306	316	-2.33%
Professional, Scientific, & Technical Services	186	201	249	243	208	254	258	5.60%
Public Administration	884	870	875	856	810	819	805	-1.55%
Real Estate, Rental, & Leasing	77	74	72	65	53	57	51	-6.64%
Services Total	5,234	5,079	5,126	5,042	4,966	5,063	5,062	-0.56%

In 2010, Industry jobs accounted for 27.3 percent of the County jobs as shown in **Table 2.10**. In 2016, the proportion of Industry jobs dropped and now accounts for only 23.3 percent of County jobs. Retail jobs, as a percent of total, have decreased from 17.1 percent of total jobs in 2010 to 16.7 percent in 2016 with an AAGR of negative .31 percent. The Services sector now accounts for a greater percentage of the total County jobs. Whereas in 2010 the Services industry accounted for 55.6 percent of the total County jobs, in 2016 it accounted for 60.0 percent as shown in **Illustration 2.5**. The total number of average jobs has decreased at an AAGR of negative 1.79 percent from 2010 to 2016. Services and retail will continue to follow the contraction of industry; likewise if the industry grows, the retail and services will follow.

TABLE 2.10: HISTORIC JOBS AS A PERCENT OF TOTAL COUNTY JOBS

	2010	2011	2012	2013	2014	2015	2016	AAGR
Industry	27.3%	28.4%	26.4%	25.1%	26.5%	26.1%	23.3%	-2.63%
Services	55.6%	54.4%	56.1%	56.8%	56.5%	57.3%	60.0%	1.26%
Retail	17.1%	17.3%	17.5%	18.2%	17.0%	16.5%	16.7%	-0.31%

ILLUSTRATION 2.5: JOB CATEGORIES AS A PERCENT OF TOTAL

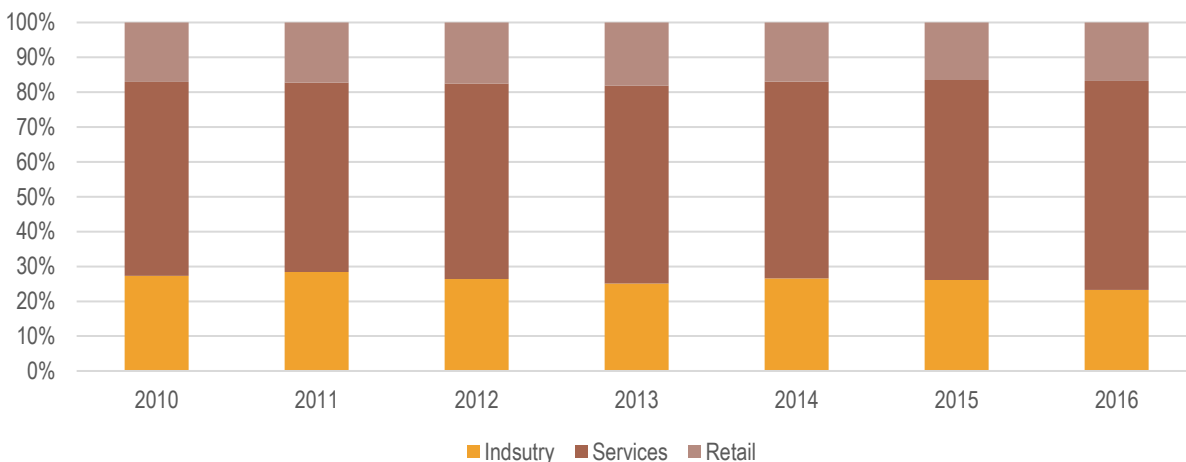


TABLE 2.11: HISTORIC JOBS AS A PERCENT OF TOTAL COUNTY JOBS

	2010	2011	2012	2013	2014	2015	2016	AAGR
Average Total Jobs	9,411	9,340	9,136	8,884	8,791	8,829	8,442	-1.79%
Percent of Total Jobs Compared to 2010	100%	99%	97%	94%	93%	94%	90%	-1.79%

INDUSTRY QUOTIENT

Another way of assessing employment trends is through location quotients, which provides a way to compare the industrial activity levels among different areas of the state and the country. In general, location quotients are ratios that compare the concentration of a resource or activity, such as employment, in a defined area to that of a larger area. For example, location quotients can be used to compare state employment by industry to that of the nation; or employment in a city, county, metropolitan statistical area, or other defined geographic sub-area to that in the State.

The Bureau of Labor and Statistics provides a location quotient calculator that uses the Quarterly Census of Employment and Wages. The table below summarizes the location quotients for Carbon County, compared with the State industries. A location quotient above “one” indicates a higher concentration of activity and wages in a local area than nationwide; a location quotient below “one” indicates less activity and wages in this industry sector than national averages. The County is significantly higher in the Natural Resources and Mining category and lags behind the State in all other categories with the exception of Other Services.

This industry quotient is a significant predictor of an economy overly reliant upon a specific business or industry, which would certainly be applicable to the Carbon County economy. A well-balanced industry quotient approaches 1 in most categories. These well-balanced economies, like the State of Utah (overall), typically range from .85 on the low end to 1.75 on the high end. Contrast that measurement to Carbon County’s industry quotient, which has extremes of .42 on the low end up to 5.12 on the high end. These types of economies tend to have very cyclical and high-volatile economies, which we believe is indicative of Carbon County and Castle Country.

TABLE 2.12: INDUSTRY QUOTIENT

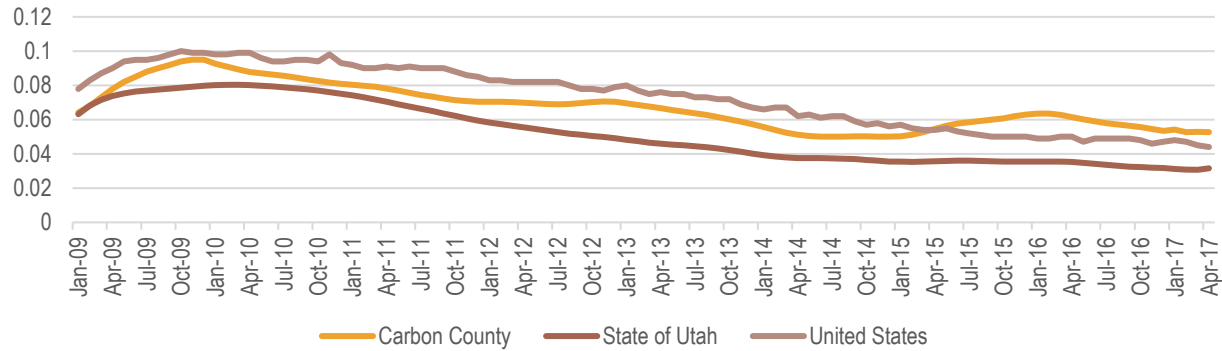
Industry	State of Utah	Carbon County
Total, all industries	0.99	0.89
Service providing	0.96	0.87
Goods producing	1.14	0.97
Natural resources and mining	0.77	5.12
Construction	1.39	0.86
Manufacturing	1.05	0.43
Trade, transportation, and utilities	1.02	1.12
Information	1.3	0.39
Financial activities	1.06	0.42
Professional and business services	1.02	0.52
Education and health services	0.82	1.08
Leisure and hospitality	0.92	0.84
Other services	0.8	1.23

UNEMPLOYMENT

As of April 2017, the unemployment rate in Carbon County was 5.4 percent as shown in **Illustration 2.6**. This surpasses the national average unemployment rate of 4.4 percent. The State of Utah’s unemployment rate is far more favorable at 3.1 percent. Notwithstanding residing within a State with tremendous economics, Carbon County has experienced an unemployment rate significantly worse than the State or national levels. However, Carbon County has improved from 6.3 percent in January 2016 to the current 5.4 percent. While this decrease in unemployment is favorable, as previously noted, the average number of jobs in Carbon County decreased by 4 percent between 2015 and 2016, which is also a strong indication of economic contraction, even if overall unemployment rates are not declining.



ILLUSTRATION 2.6: HISTORIC UNEMPLOYMENT



LAND USE ANALYSIS

A survey of the land in Carbon County identified 8,530 residential parcels with a building and land taxable value of \$579,894,923 as shown in **Table 2.13**. Residential land buildings account for 61 percent of the County's taxable value. Commercial buildings and land represent 21 percent of the taxable value, with 6 percent of the taxable value attributed to Offices. The County's total taxable value is \$954,481,666. The majority of the County's acreage, 274,239 acres, is classified as greenbelt which falls in the "Other" category.

TABLE 2.13: CARBON COUNTY MARKET AND TAXABLE VALUE

Industry	Market Value	% of Total	Taxable Value	% of Total	Square Feet	% of Total
Residential	\$986,573,291	64%	\$579,894,923	61%	11,323,206	68%
Industrial	\$56,419,792	4%	\$56,419,792	6%	1,281,522	8%
Commercial	\$199,953,037	13%	\$196,354,986	21%	3,415,609	21%
Office	\$53,035,175	3%	\$53,035,175	6%	536,943	3%
Vacant	\$22,929,809	1%	\$22,929,809	2%	-	0%
Agricultural/Forest/Mining	\$35,149,531	2%	\$35,149,531	4%	71,935	0%
Other (Greenbelt, homesite)	\$178,528,321	12%	\$10,697,450	1%	-	0%
	\$1,532,588,956		\$954,481,666		16,629,215	

ILLUSTRATION 2.7: CARBON COUNTY MARKET VALUE

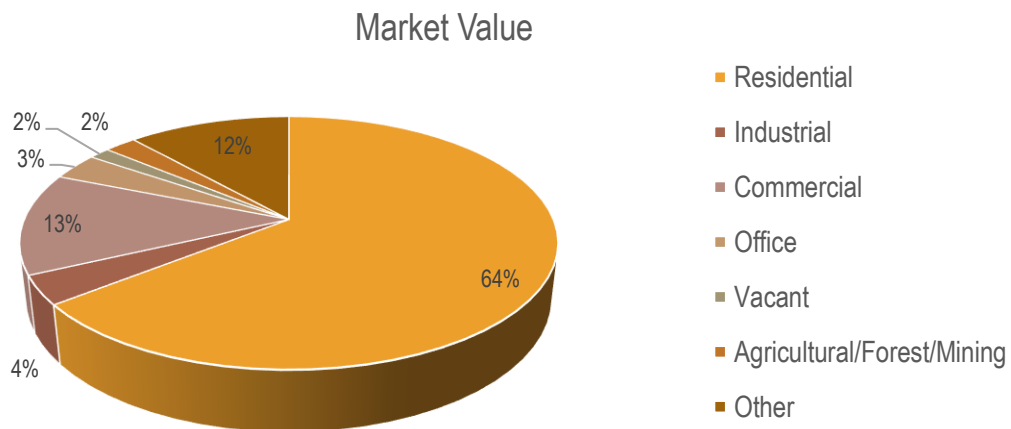


ILLUSTRATION 2.8: CARBON COUNTY TAXABLE VALUE

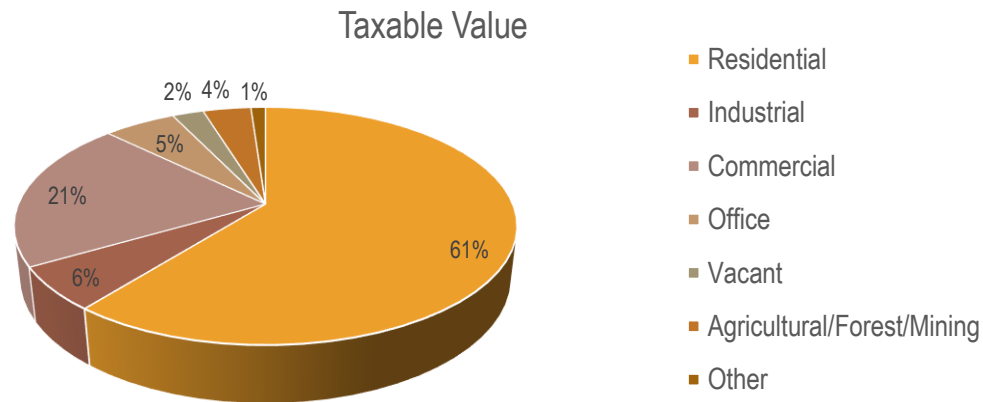
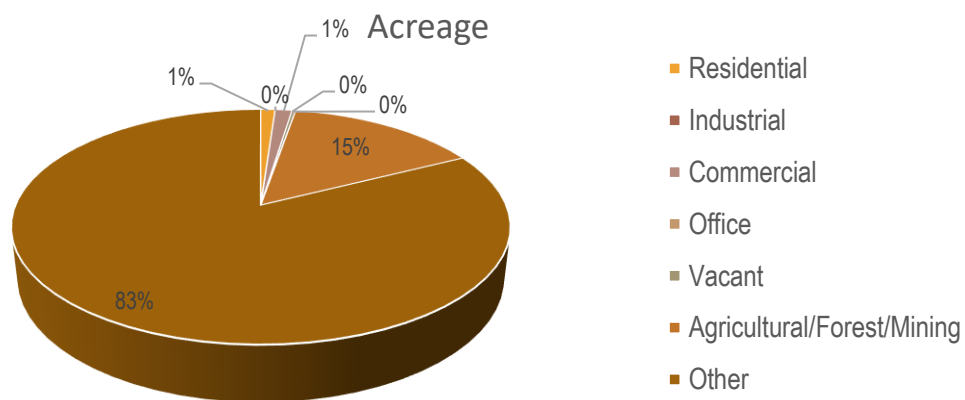


ILLUSTRATION 2.9 CARBON COUNTY ACREAGE DISTRIBUTION



U.S. HIGHWAY 6

The primary entrance and exit points into and out of Carbon County are along U.S. state highway 6 (U.S. 6). U.S. 6 is a major east to west highway which plays an important role for import and export industries, trucking routes, and it provides access to many of Utah's National and State Parks. The stretch of U.S. 6 that runs through the County, particularly from Spanish Fork in Utah County to Price City, is well known for its high fatality rate. Of the County's 8 crash fatalities in 2015, 6 were along U.S. 6.⁷ Despite recent upgrades, much of the U.S. 6 is still two-lane which places limitation on travel and access to Interstate 25 and Interstate 70.



The Utah Department of Transportation ("UDOT") has planned several improvements for U.S. 6 both in and out of the County boundaries. Long-range planning efforts within the County include corridor improvements from mile posts 221 to 230 through Price Canyon and road widening from mile post 230 to 232.5 for U.S Highway 191 to Helper. The work in Price Canyon is expected to take place during Phase 1 of UDOT's Long-Range Plan (2015-2024) while the widening project to Helper is expected to take place in Phase 2 (2025-2034) as shown in **Table 2.14** below.

⁷ National Highway Traffic Safety Administration



TABLE 2.14: UDOT LONG-RANGE PLAN FOR HIGHWAY 6 IMPROVEMENTS⁸

Region	County	Phase	Improvement Type	Project Name	Description	2015 Cost	Mid-Phase Cost
3	Utah	1	Widening	US-6 MP 195.0 to MP 197.0, SF Canyon Widening Sheep Creek to Mill Fork (to existing 5-lanes)	Add one travel lane in each direction	\$23M	\$28M
3	Utah	2	Widening	US-6 MP 181.64 to MP 184.08, from Diamond Fork to Covered Bridge	Add one travel lane in WB direction	\$5.5M	\$10M
3	Utah	2 & 3	Widening	US-6 MP 189.3 to MP 194.0, Red Narrows to Billies Mt.	Add one travel lane in each direction	\$118.3M	\$213M
3	Utah	3 & 4	Widening	US-6 MP 178.0 to MP 184.1, from Powerhouse Road in SF to Diamond Fork Road (to existing five lanes)	Add one travel lane in each direction	\$110.3M	\$294M
4	Emery	1	Passing Lane	US-6 Widen WB from 1 lane to 2 lanes MP 290.7 to MP 291.7	Widen WB from 1 lane to 2 lanes	\$1.5M	\$1.8M
4	Emery	1	Passing Lane	US-6 Widen EB from 1 lane to 2 lanes from MP 294.0 to MP 295.0	Widen EB from 1 lane to 2 lanes	\$1.5M	\$1.8M
4	Emery	1	Passing Lane	US-6 Widen both EB and WB from 1 lane to 2 lanes from MP 291.7 and 293.7	Widen both EB and WB from 1 lane to 2 lanes	\$9.4M	\$11.4M
4	Emery	1	Passing Lane	US-6 Widen WB from 1 lane to 2 lanes from MP 266.8 and 269.9	Widen WB from 1 lane to 2 lanes	\$7.3M	\$8.9M
4	Emery	1	Passing Lane	US-6 Extend WB passing lane from MP 261.2 to MP 262.0	Extend WB passing lane	\$1.9M	\$2.3M
4	Utah & Carbon	1	Corridor Improvement	US-6 MP 221.0 to MP 230.0 (Price Canyon)	Corridor Improvement	\$10M	\$12.2M
4	Carbon	2	Widening	US-6 Widen from MP 230.0 to MP 232.5, from US-191 to Helper	Add one travel lane in each direction	\$15.4M	\$27.6M

Phase 1: 2015-2024; Phase 2: 2025-2034; Phase 3: 2035-2040

LYRB views U.S. Highway 6 improvements as extremely critical and urgent infrastructure needs that would have a significant economic benefit to the County. Financial and political resources should be used by the County to ensure the timing and investment in the various phases of Highway 6 improvements. It has been our experience that if local financial resources are identified and committed to these types of projects, UDOT has been successful in accelerating the planning, contracting and financing of major road projects (i.e Southern Corridor, St. George, Washington County, Utah; interchanges in Pleasant Grove/Lindon and Layton cities).

⁸ UDOT Long-Range Plan p.55-63



AIRPORT

The Carbon County Regional Airport ("PUC" or Airport) is a general aviation airport which means it does not accommodate scheduled airline activity. As detailed in the 2016 Carbon County Regional Airport Master Plan⁹ ("Master Plan"), PUC currently accommodates a wide range of general aviation and corporate aircraft and helicopters, including a variety of firefighting fixed-wing aircraft and helicopters. PUC meets FAA's airport design standards for airport reference code C-II, and the airport can safely accommodate general aviation aircraft up to and including corporate jets and turboprops. The Master Plan indicates there is both hangar storage and aircraft tie-down capacity currently available, as well as utility hook-ups for future hangars.

The Master Plan indicates the City of Price has a sewer line but it does not go to the airport. PUC facilities are on a septic tank system. The Masterplan highlights septic tank capacity as the main restriction on development. In a survey of operators that use PUC, respondents indicated the airport is in excellent condition, and the FBO Retail Aviation provides excellent service. The Airport rates and charges for fuel, parking and hanger storage are reasonable and comparable to other airports in the state. Survey respondents suggested the following recommendations to enhance Airport services:

- Install a remote communications outlet (RCO) at the airport to allow aircraft on the ground and in the vicinity of Carbon County Airport to talk directly with Salt Lake Center controllers. That would both enhance and speed up communications between pilots and the Center.
- There is an automated surface observation system (ASOS) on the ground at Carbon County Airport that collects and disseminates weather information for pilots. However, the FAA does not produce terminal weather forecasts for PUC, which directly affects air taxi and other commercial aircraft operating under FAR Part 135. It was recommended that FAA produce terminal weather forecasts for Carbon County Airport.
- Lower radar coverage by Salt Lake Center in the vicinity of PUC. FAA is in the process of implementing the Next Generation ATC system (NextGen). One part of that system is the use of Automated Dependent Beacon-Surveillance (ADS-B), which will allow air traffic controllers to monitor and control aircraft via satellite versus ground-based radar. FAA has mandated that all aircraft owners must install ADS-B 'out' equipment by 2020 to allow FAA controllers to track all airplanes via satellite. Once that system is fully operational, FAA will have air traffic control coverage down to the ground level at PUC.
- Flight training at the Airport

The Airport located three miles east of Price City and is owned by Carbon County. The Airport is zoned as I-1, light industrial, allowing for recreation, farmland or industrial use. The area surrounding the airport is primarily private land zoned as M&G, mining and grazing, allowing for agriculture, mining, and other industrial operations. There are no indications of planned residential or commercial development surround the airport property. The airport sits within an "Enterprise Zone" as designated by the Utah Governor's Office of Economic Development. Under the Utah Enterprise Zone Program, certain types of businesses locating to, or expanding in a designated zone may claim state income tax credits provided in the law.



A large fluctuation downward in number of PUC operations occurred in 2005, with additional variation through 2015. The Master Plan did not include insight for the sharp decline. The total operations for calendar year 2015 were 4,431 while prior to 2005 they were above 25,000. The Airport experiences higher use during the fire season which is expected to continue and various carriers indicated increased or steady operations for 2015 with an overall decline in operations from 2008 to 2015. The Master Plan discussed the connection the Airport has to the County's economy and tied aviation service demand to a strong oil and coal market. Low oil prices have created a soft energy market that result in energy companies decreasing employment, which likewise decreases the demand for aviation services.

⁹ Carbon County Airport Master Plan prepared by JVIATION in association with Woolpert, Inc.

The Master Plan suggests a high growth scenario locally for PUC would include the operation of a full time flight school, and/or the basing of an active corporate flight department, and/or the basing of a military aviation Guard unit at PUC. The Master Plan further states that while these scenarios are possible, trends within the local market do not indicate that those events are likely to occur at PUC. Flight training may be offered on a part-time basis, but it does not appear that the market will support a full-time flight school, in addition, experienced flight instructors are becoming scarce.

USU EASTERN

Utah State University Eastern ("USU Eastern" or University") located in Price was founded as Carbon College in 1937. In 1959 Carbon College was placed under the administration of the Board of Regents of the University of Utah for ten years at which point



the University was renamed the College of Eastern Utah. In 2010, the University merged with Utah State University and formally became USU Eastern. Currently, USU Eastern is home to 33 academic departments and programs, offers 13 certificate programs, 13 associate degree programs, 22 degree programs, 14 minor programs, 19 masters programs, one doctorate program and 21 additional professional licensures, endorsements and apprenticeships.

Over the last ten years, USU Eastern had a peak enrollment of nearly 1,800 full-time equivalent students in 2010. From 2010 to 2016, USU Eastern's full-time equivalent fall enrollment has declined by 19 percent. During the same time period the full-time equivalent enrollment for spring semester declined by 16 percent and the summer term enrollment declined by 61 percent. However, considering the percent change from 2007 to 2016 the fall enrollment has only declined by 2 percent, spring enrollment by 1 percent and summer enrollment has fallen by 43 percent. In addition to economic factors in the community, the University has identified Utah State University's CSRM for central recruiting and the general environment of the City as factors affecting enrollment.

TABLE 2.15: USU HISTORIC ENROLLMENT

Term	2007	2008	2009	2010	2011	2012
Fall FTE	1,479	1,416	1,532	1,772	1,523	1,284
Spring FTE	1,291	1,244	1,249	1,516	1,618	1,339
Summer FTE	219	209	273	319	317	202

TABLE 2.15: USU HISTORIC ENROLLMENT CONTINUED

Term	2013	2014	2015	2016	% Change 2007-2016	% Change 2010-2016
Fall FTE	1,516	1,475	1,486	1,442	-2%	-19%
Spring FTE	1,137	1,258	1,283	1,275	-1%	-16%
Summer FTE	230	185	165	126	-43%	-61%



ILLUSTRATION 2.10: FALL FTE ENROLLMENT

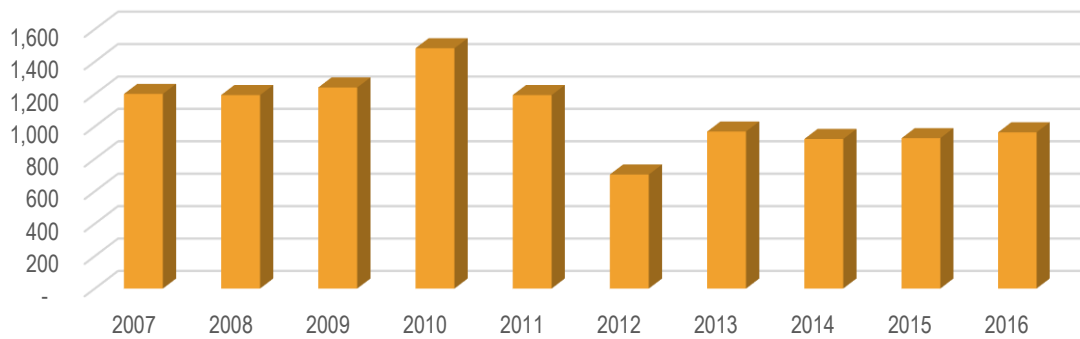


ILLUSTRATION 2.11: SPRING FTE ENROLLMENT

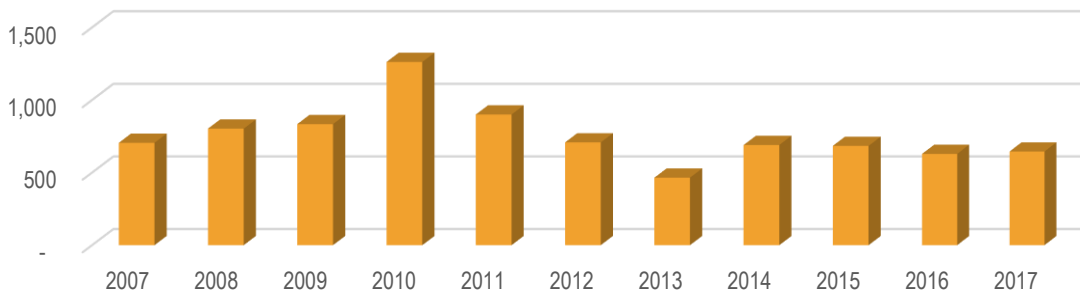
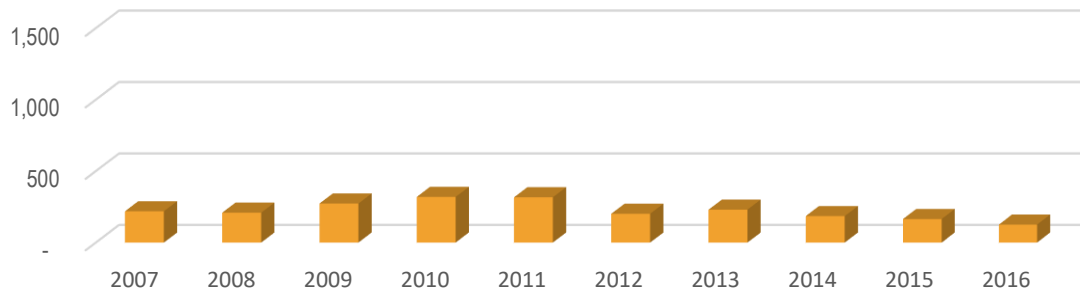


ILLUSTRATION 2.12: SUMMER FTE ENROLLMENT



USU Eastern also has an active concurrent enrollment program which allows high school students to earn college credit while still attending high school. Over 400 course offerings are available to students. Based on enrollment from fall of 2010 through spring 2017, the most commonly completed courses are Developmental Composition, and English course, Quantitative Reasoning, a mathematics course, Basic Life Support/Health Care, a nursing course, Martial Arts, a recreation course, and Cosmetology Theory, a Cosmetology course. By subject, the highest number of course attendance comes from Cosmetology followed by English and Nursing, as shown in **Table 2.16**.

2.16: USU 5 YEAR TOP HISTORIC ENROLLMENT BY SUBJECT

Course	Enrollment Fall 10'-Spring 17'	Course	Enrollment Fall 10'-Spring 17'
Cosmetology	1879	Mathematics	817
English	1689	Automotive	525
Nursing	921	Psychology	418

Course	Enrollment Fall 10'-Spring 17'	Course	Enrollment Fall 10'-Spring 17'
Biology	920	Political Science	348
Physics	846	Criminal Justice	340

SECTION 3: SALES TAX LEAKAGE STUDY

The consumption of gross taxable sales by residents, patrons and visitors within Carbon County are important metrics to assess the general economic health of the County. A sales gap (or “leakage”) analysis is used to measure the economic health of a region and to identify economic development opportunities for a community by evaluating the total purchases made by residents inside and outside the community (hence, the term “leakage” for sales lost outside the community). This type of analysis first identifies sales within the State of Utah for each major NAICS code category and then calculates the average sales per capita in each NAICS category. Per capita sales in Carbon County are compared to average per capita sales statewide in order to estimate what portion of resident purchases are being made within County boundaries, and what amount is leaving the County. The resident purchases being made outside of the County represent an opportunity for the County to recapture some of these lost sales

This analysis has determined that there is un-captured demand for retail services, however, the likelihood of attracting retail and commercial development in a currently declining economic geographic location is limited. Retail and commercial development prospects are more viable with the ability of the County to address some of the underlying broad economic factors, including: expansion of industry and resources, improvement of appearance and vitality, and the promotion of expanding existing businesses and industry. Notwithstanding several impediments to retail and commercial expansion, there are a few notable opportunities that may exist for Carbon County to consider. It is believed that the County has the opportunity to incent or encourage a mid-box oriented development with clothing and accessories, sporting goods and building and garden equipment.

KEY FINDINGS

- ☞ Carbon County is capturing 111 percent of total taxable sales which includes a disproportionate amount of Mining Oil and Gas sales, while leaking significantly in areas such as Home Furnishings, Clothing and Apparel, Sporting Goods, Arts, Entertainment and Recreation, to name a few;
- ☞ Gross taxable sales are declining at an AAGR of negative 5 percent;
- ☞ While overall sales capture has kept pace with the State average, the County's total gross taxable sales have declined at a rate of negative 5 percent.
- ☞ Historic taxable sales per capita have declined from \$21,781 in 2011 to \$17,667 in 2016; and
- ☞ Potential retail development may include a mid-box oriented development with clothing and accessories, sporting goods and building and garden equipment.

HISTORIC TAXABLE SALES

From 2011 through 2016, the total taxable sales declined by an average annual growth rate of -5 percent. Similar negative trends followed in Duchesne, San Juan and Emery Counties, while Sanpete and Sevier Counties have maintained positive growth as shown in **Table 3.1** below.

TABLE 3.1: HISTORIC TAXABLE SALES¹⁰

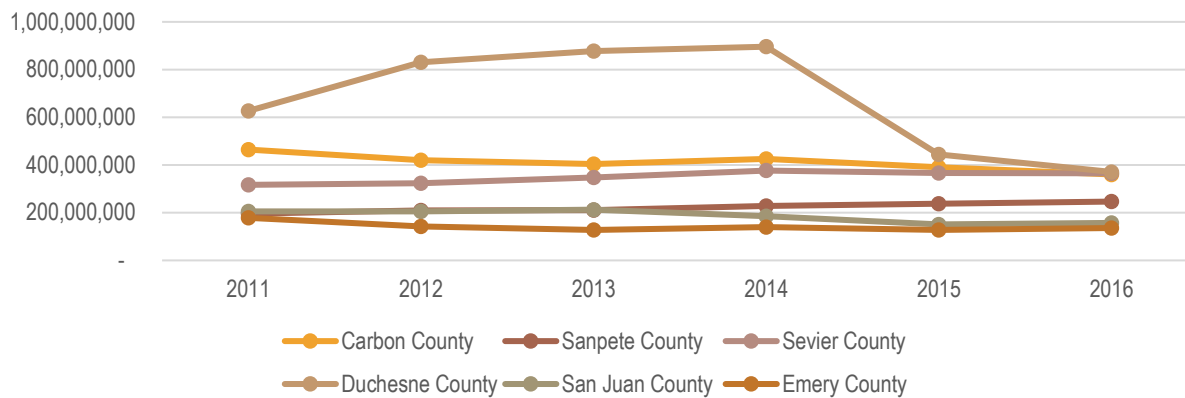
County	2011	2012	2013	2014	2015	2016	AAGR
Carbon	464,569,547	420,241,827	403,785,813	425,403,859	390,804,326	360,387,090 ¹¹	-5.0%
Sanpete	196,008,757	209,445,513	211,196,094	228,872,677	237,736,955	246,590,766	4.7%
Sevier	316,777,743	323,362,439	347,301,587	376,568,422	366,563,162	365,140,224	2.9%
Duchesne	627,063,475	830,653,352	876,928,271	895,913,545	443,918,766	370,995,622	-10.0%
San Juan	206,027,506	205,590,060	212,742,058	184,912,573	151,021,609	156,864,460	-5.3%
Emery	178,424,977	142,028,799	127,809,115	139,494,735	127,773,695	135,545,450	-5.3%
Utah	6,264,355,589	6,886,069,801	7,186,924,961	7,555,120,301	8,151,075,563	8,679,093,435	6.7%

¹⁰ Sales Tax Commission: Calendar Year Taxable Sales

¹¹ 2016 taxable sales reported by the State Tax Commission as of May 1, 2017. This figure includes two months of late filers. Pursuant to Utah Code 59-1-403, categories with fewer than 10 sales tax outlets are reported as approximate figures based on data published by the Utah State Tax Commission.



ILLUSTRATION 3.1: HISTORIC GROSS TAXABLE SALES

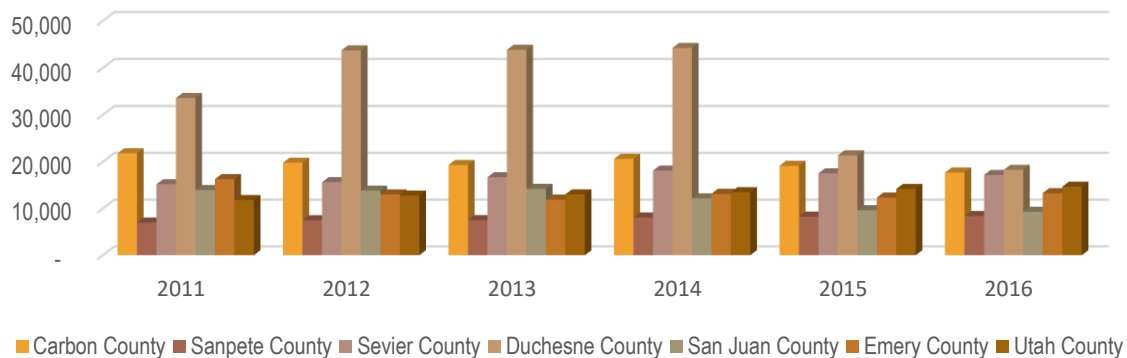


In 2016 the taxable sales per capita in Carbon County was \$17,667, second to Duchesne County which had \$18,242. The taxable sales per capita in Carbon County has at an AAGR of -4.1 percent as shown in **Table 3.2**.

TABLE 3.2: HISTORIC TAXABLE SALES PER CAPITA

County	2011	2012	2013	2014	2015	2016	AAGR
Carbon	21,781	19,784	19,288	20,592	19,129	17,667	-4.1%
Sanpete	6,997	7,481	7,494	8,068	8,254	8,385	3.7%
Sevier	15,181	15,609	16,679	18,086	17,505	17,169	2.5%
Duchesne	33,579	43,712	43,825	44,221	21,362	18,242	-11.5%
San Juan	13,933	13,798	14,194	12,159	9,615	9,285	-7.8%
Emery	16,262	13,007	11,903	13,129	12,343	13,268	-4.0%
Utah	11,804	12,748	13,011	13,462	14,181	14,653	4.4%

ILLUSTRATION 3.2: HISTORIC TAXABLE SALES PER CAPITA



RETAIL TAXABLE SALES

Carbon County's greatest retail strength is the general merchandise category accounting for 18.4 percent of total taxable sales, followed by the motor vehicle at 16.6 percent and food store categories at 9.0 percent. Sale of home furnishings, health and personal, and wholesale electronic markets are among the lowest percentages as shown in **Table 3.3**.

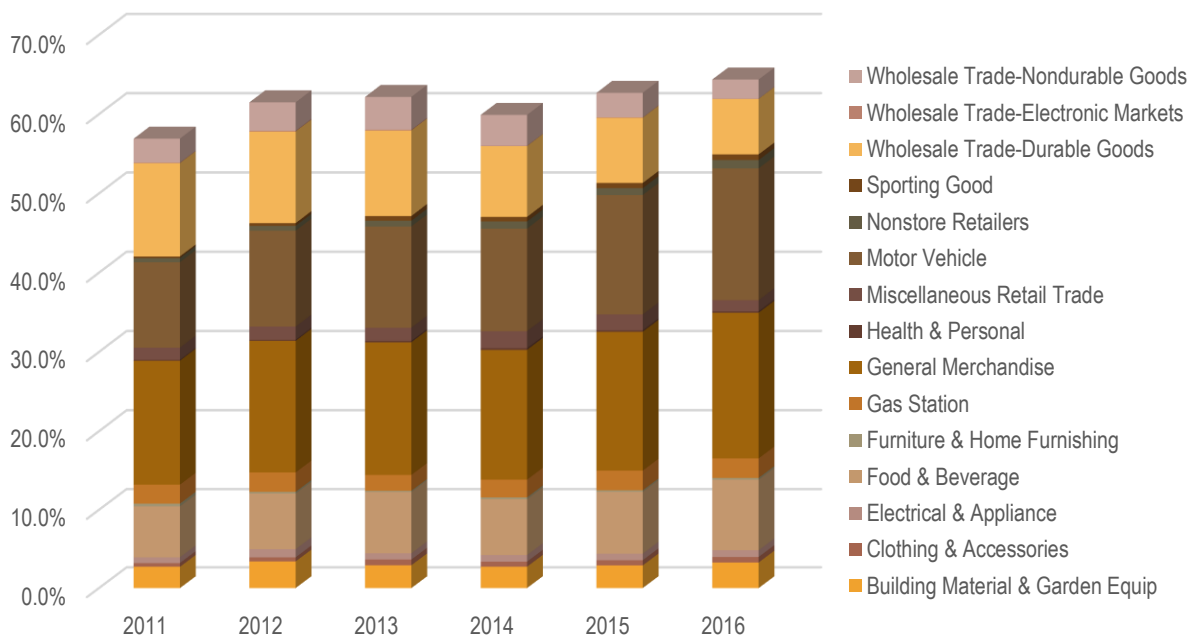
While the overall taxable sales are declining in Carbon County, the majority of retail related taxable sales, which accounts for 56.9 percent of the County's total taxable sales, have grown over the past five years. Notable AAGR increases include the categories related to sporting goods, non-store retailers, motor vehicles and home and personal sales. The wholesale markets have experienced the steepest declines with AAGRs as low as -15.5 percent.



TABLE 3.3: CARBON COUNTY RETAIL AS PERCENT OF TOTAL

	2011	2012	2013	2014	2015	2016	AAGR
Building Material & Garden Equip	2.7%	3.4%	2.9%	2.7%	2.9%	3.3%	3.7%
Clothing & Accessories	0.5%	0.5%	0.7%	0.6%	0.7%	0.7%	8.3%
Electrical & Appliance	0.7%	1.0%	0.8%	0.9%	0.8%	0.9%	3.3%
Food & Beverage	6.5%	7.1%	7.8%	7.1%	7.9%	9.0%	6.7%
Furniture & Home Furnishing	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%	-8.6%
Gas Station	2.4%	2.5%	2.0%	2.3%	2.5%	2.5%	0.6%
General Merchandise	15.7%	16.6%	16.8%	16.4%	17.5%	18.4%	3.2%
Health & Personal	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	11.1%
Miscellaneous Retail Trade	1.5%	1.7%	1.7%	2.1%	2.0%	1.4%	-1.8%
Motor Vehicle	10.8%	12.1%	12.8%	12.9%	15.1%	16.6%	9.1%
Nonstore Retailers	0.5%	0.6%	0.7%	0.9%	0.9%	1.1%	15.0%
Sporting Good	0.2%	0.3%	0.6%	0.6%	0.7%	0.7%	27.3%
Wholesale Trade-Durable Goods	11.8%	11.5%	10.8%	8.9%	8.2%	7.0%	-9.9%
Wholesale Trade-Electronic Markets	0.1%	0.1%	0.1%	0.0%	0.1%	0.0%	-15.5%
Wholesale Trade-Nondurable Goods	3.0%	3.6%	4.1%	3.9%	3.1%	2.4%	-4.4%

ILLUSTRATION 3.3: 2016 CARBON COUNTY RETAIL TAXABLE SALES AS PERCENT OF TOTAL



INDUSTRY TAXABLE SALES

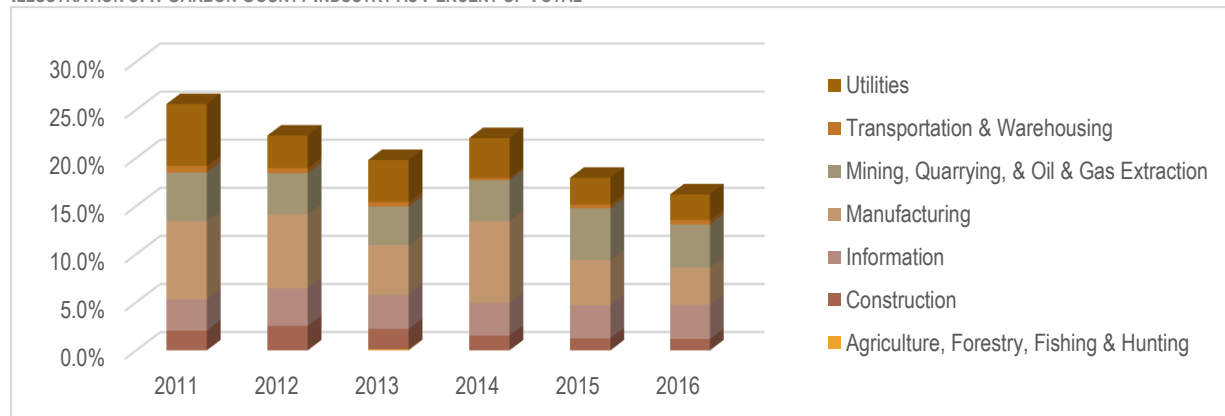
A quarter of the County's taxable sales are industry related. Each of the industry taxable sales categories have a negative AAGR which is tied to the County's overall decline in taxable sales. Utilities and manufacturing have declined at an AAGR of -16.2 percent and -13.7 percent respectively. Construction and transportation/warehousing sales have also been declining. Mining, oil and gas extraction has experienced a more moderate decline of -2.7 percent.

TABLE 3.4: CARBON COUNTY INDUSTRY TAXABLE SALES AS PERCENT OF TOTAL

	2011	2012	2013	2014	2015	2016	AAGR
Agriculture, Forestry, Fishing & Hunting	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	-100.0%

	2011	2012	2013	2014	2015	2016	AAGR
Construction	2.0%	2.5%	2.1%	1.5%	1.3%	1.2%	-10.4%
Information	3.2%	3.9%	3.6%	3.4%	3.4%	3.6%	1.9%
Manufacturing	8.1%	7.7%	5.1%	8.5%	4.7%	3.9%	-13.7%
Mining, Quarrying, & Oil & Gas Extraction	5.1%	4.3%	4.0%	4.3%	5.4%	4.4%	-2.7%
Transportation & Warehousing	0.7%	0.5%	0.5%	0.2%	0.4%	0.5%	-7.0%
Utilities	6.4%	3.4%	4.4%	4.2%	2.8%	2.7%	-16.2%

ILLUSTRATION 3.4: CARBON COUNTY INDUSTRY AS PERCENT OF TOTAL



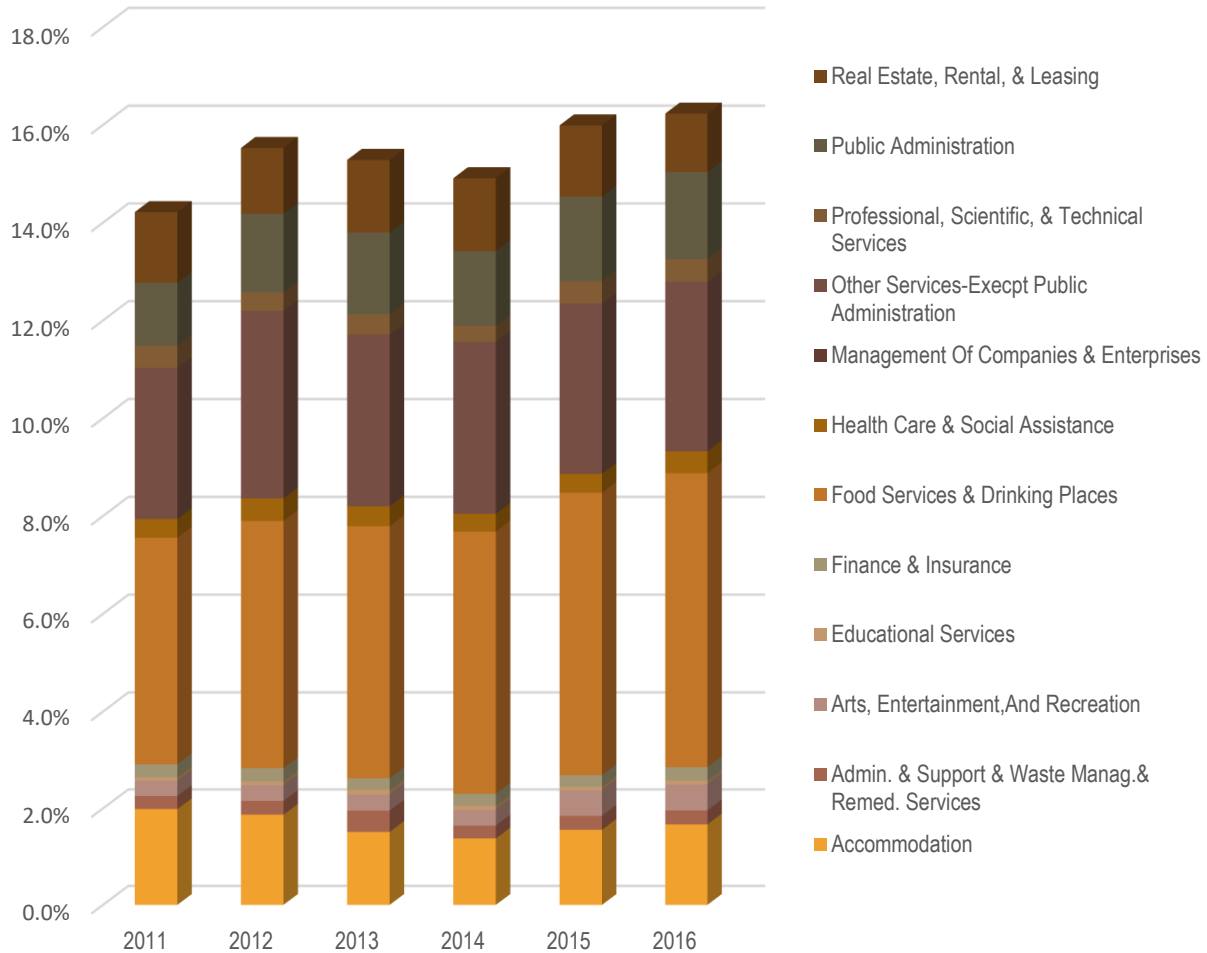
SERVICES TAXABLE SALES

Services represent 14.2 percent of the County's total taxable sales. Arts, entertainment and recreation have grown at an AAGR of 11.6 percent while accommodations have dropped by an AAGR of -3.4 percent.

TABLE 3.5: CARBON COUNTY SERVICES TAXABLE SALES AS PERCENT OF TOTAL

	2011	2012	2013	2014	2015	2016	AAGR
Accommodation	2.0%	1.9%	1.5%	1.4%	1.6%	1.7%	-3.4%
Admin. & Support & Waste Manag. & Remed. Services	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	1.3%
Arts, Entertainment, And Recreation	0.3%	0.3%	0.3%	0.3%	0.5%	0.5%	11.6%
Educational Services	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	1.7%
Finance & Insurance	0.3%	0.3%	0.2%	0.2%	0.2%	0.3%	0.2%
Food Services & Drinking Places	4.6%	5.1%	5.2%	5.4%	5.8%	6.0%	5.4%
Health Care & Social Assistance	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%	3.2%
Management Of Companies & Enterprises	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N/A
Other Services-Except Public Administration	3.1%	3.8%	3.5%	3.5%	3.5%	3.5%	2.3%
Professional, Scientific, & Technical Services	0.4%	0.4%	0.4%	0.3%	0.5%	0.5%	0.6%
Public Administration	1.3%	1.6%	1.7%	1.5%	1.7%	1.8%	6.9%
Real Estate, Rental, & Leasing	1.4%	1.3%	1.5%	1.5%	1.5%	1.2%	-3.7%

ILLUSTRATION 3.5: CARBON COUNTY INDUSTRY AS PERCENT OF TOTAL



SALES LEAKAGE ANALYSIS

Overall, Carbon County is capturing 111 percent of all taxable sales as compared to average taxable sales for the State of Utah. By category, the total capture rate for retail sales is 119 percent, the industry capture rate is 122 percent, the services capture rate is 87 percent and the other category captures 77 percent of taxable sales. In order to retain confidentiality, as required by statute, only major categories with 10 or more sales outlets are included. The analysis is based on the 2016 information for major North American Industry Classification System (NAICS) Codes as collected by the Utah State Tax Commission.

Tables 3.6-3.9 provide a general overview of leakage and retention by major category. Negative numbers estimate the approximate income leakage outside of the Carbon County boundaries. Positive numbers indicate that Carbon County is attracting more than its fair share of purchases suggesting shoppers from outside the County are attracted to the area for certain types of purchases. Likewise, capture rates below 100 percent indicate the County is not collecting the average sales expected based on a per capita average for the State. Capture rates over 100 percent indicate the County is capturing more than the State average.

TABLE 3.6: RETAIL SALES LEAKAGE

	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Building Material & Garden Equip	(\$265)	(\$5,408,431)	69%
Clothing & Accessories	(\$393)	(\$8,015,733)	24%
Electrical & Appliance	(\$116)	(\$2,360,544)	57%
Food & Beverage	\$327	\$6,664,284	126%
Furniture & Home Furnishing	(\$241)	(\$4,919,814)	14%



	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Gas Station	\$119	\$2,422,124	137%
General Merchandise	\$1,402	\$28,598,445	176%
Health & Personal	(\$125)	(\$2,544,640)	20%
Miscellaneous Retail Trade	(\$215)	(\$4,394,338)	53%
Motor Vehicle	\$1,131	\$23,078,259	163%
Nonstore Retailers	\$1	\$26,004	101%
Sporting Good	(\$183)	(\$3,732,948)	41%
Wholesale Trade-Durable Goods	\$184	\$3,747,738	117%
Wholesale Trade-Electronic Markets	(\$9)	(\$185,341)	37%
Wholesale Trade-Nondurable Goods	\$223	\$4,541,886	209%
Total Retail	\$1,839	\$37,516,951	119%

TABLE 3.7: INDUSTRY SALES LEAKAGE

	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Agriculture, Forestry, Fishing & Hunting	(\$5)	(\$96,567)	0%
Construction	(\$15)	(\$296,098)	94%
Information	(\$11)	(\$226,183)	98%
Manufacturing	\$29	\$595,614	104%
Mining, Quarrying, & Oil & Gas Extraction	\$650	\$13,267,117	588%
Transportation & Warehousing	\$50	\$1,021,699	237%
Utilities	(\$188)	(\$3,833,828)	71%
	\$511	\$10,431,754	122%

TABLE 3.8: SERVICES SALES LEAKAGE

	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Accommodation	(\$193)	(\$3,940,446)	60%
Admin. & Support & Waste Manag. & Remed. Serv	(\$16)	(\$318,676)	77%
Arts, Entertainment, and Recreation	(\$137)	(\$2,792,828)	41%
Educational Services	(\$19)	(\$385,087)	44%
Finance & Insurance	(\$19)	(\$384,582)	72%
Food Services & Drinking Places	(\$245)	(\$4,996,219)	81%
Health Care & Social Assistance	\$42	\$848,163	211%
Management Of Companies & Enterprises	(\$4)	(\$83,598)	5%
Other Services-Except Public Administration	\$169	\$3,444,075	138%
Professional, Scientific, & Technical Services	(\$106)	(\$2,154,425)	44%
Public Administration	\$246	\$5,026,922	441%
Real Estate, Rental, & Leasing	(\$162)	(\$3,308,110)	57%
Total Services	(\$443)	(\$9,044,810)	87%

TABLE 3.9: CARBON COUNTY OTHER SALES LEAKAGE

	Income Adj. Per Capita Leakage	Total Income Adjusted Leakage	Income Adjusted Capture Rates
Other	(\$168)	(\$3,419,768)	77%
Total Other	(\$168)	(\$3,419,768)	77%

REVENUE LOSS

Based on the leakage described above, economic development, job creation and commercial opportunities should increase part of the lost sales tax revenue stream. Based on a .5 percent sales tax rate, the County could collect an additional \$290,887,



assuming the County was capturing 100 percent of the sales currently being leaked to other communities. By category, retail sales are losing \$158,496, industry sales are losing \$22,631, services are losing \$92,485 and the other category is losing \$17,274.

TABLE 3.10: RETAIL REVENUE LOSS

	Leakage Revenue	Estimated Lost Revenue
Building Material & Garden Equip	(\$5,408,431)	\$27,042
Clothing & Accessories	(\$8,015,733)	\$40,079
Electrical & Appliance	(\$2,360,544)	\$11,803
Food & Beverage	\$6,664,284	\$0
Furniture & Home Furnishing	(\$4,919,814)	\$24,599
Gas Station	\$2,422,124	\$0
General Merchandise	\$28,598,445	\$0
Health & Personal	(\$2,544,640)	\$12,723
Miscellaneous Retail Trade	(\$4,394,338)	\$21,972
Motor Vehicle	\$23,078,259	\$0
Nonstore Retailers	\$26,004	\$0
Sporting Good	(\$3,732,948)	\$18,665
Wholesale Trade-Durable Goods	\$3,747,738	\$0
Wholesale Trade-Electronic Markets	(\$185,341)	\$927
Wholesale Trade-Nondurable Goods	\$4,541,886	\$0
Total	\$37,516,951	\$157,809

TABLE 3.11: INDUSTRY REVENUE LOSS

	Leakage Revenue	Estimated Lost Revenue
Agriculture, Forestry, Fishing & Hunting	(\$96,567)	\$483
Construction	(\$296,098)	\$1,480
Information	(\$226,183)	\$1,131
Manufacturing	\$595,614	\$0
Mining, Quarrying, & Oil & Gas Extraction	\$13,267,117	\$0
Transportation & Warehousing	\$1,021,699	\$0
Utilities	(\$3,833,828)	\$19,169
Total	\$10,431,754	\$22,263

TABLE 3.12: SERVICES REVENUE LOSS

	Leakage Revenue	Estimated Lost Revenue
Accommodation	(\$3,940,446)	\$19,702
Admin. & Support & Waste Manag. & Remed. Serv	(\$318,676)	\$1,593
Arts, Entertainment, and Recreation	(\$2,792,828)	\$13,964
Educational Services	(\$385,087)	\$1,925
Finance & Insurance	(\$384,582)	\$1,923
Food Services & Drinking Places	(\$4,996,219)	\$24,981
Health Care & Social Assistance	\$848,163	\$0
Management Of Companies & Enterprises	(\$83,598)	\$418
Other Services-Except Public Administration	\$3,444,075	\$0
Professional, Scientific, & Technical Services	(\$2,154,425)	\$10,772
Public Administration	\$5,026,922	\$0
Real Estate, Rental, & Leasing	(\$3,308,110)	\$16,541
Total	(\$9,044,810)	\$91,820



TABLE 3.13: OTHER REVENUE LOSS

	Leakage Revenue	Estimated Lost Revenue
Other	(\$3,419,768)	\$17,099
Total	(\$3,419,768)	\$17,099

COMPARABLE COUNTIES

TABLE 3.14: COMPARABLE RETAIL CAPTURE RATES

	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Build. Material, Garden Equip. & Supplies Dealers	69%	85%	193%	28%	50%	33%	92%
Clothing & Clothing Accessories Stores	24%	10%	58%	6%	5%	7%	101%
Electronics & Appliance Stores	57%	35%	15%	9%	5%	11%	95%
Food & Beverage Stores	126%	77%	100%	165%	67%	71%	85%
Furniture & Home Furnishings Stores	14%	18%	52%	16%	4%	11%	90%
Gasoline Stations	137%	118%	217%	181%	255%	562%	77%
General Merchandise Stores	176%	104%	161%	18%	28%	12%	125%
Health & Personal Care Stores	20%	16%	30%	14%	21%	18%	90%
Miscellaneous Retail Trade	53%	22%	41%	194%	39%	53%	89%
Motor Vehicle & Parts Dealers	163%	52%	94%	66%	13%	39%	100%
Non-store Retailers	101%	57%	109%	111%	80%	176%	116%
Sporting Goods, Hobby, Music, & Book Stores	41%	58%	33%	10%	11%	15%	106%
Wholesale Trade-Durable Goods	117%	31%	112%	167%	39%	40%	83%
Wholesale Trade-Electronic Markets	37%	112%	55%	464%	39%	550%	31%
Wholesale Trade-Nondurable Goods	209%	66%	186%	168%	168%	23%	63%

TABLE 3.15: COMPARABLE INDUSTRY CAPTURE RATES

	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Agriculture, Forestry, Fishing & Hunting	0%	226%	385%	425%	7%	567%	87%
Construction	94%	68%	58%	189%	208%	144%	79%
Information	98%	78%	97%	185%	97%	114%	95%
Manufacturing	104%	122%	83%	223%	67%	292%	84%
Mining, Quarrying, & Oil & Gas Extraction	588%	3%	528%	806%	746%	376%	12%
Transportation & Warehousing	237%	1%	190%	97%	540%	94%	91%
Utilities	176%	104%	161%	18%	28%	12%	125%

TABLE 3.16: COMPARABLE SERVICES CAPTURE RATE

	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Accommodation	60%	19%	137%	22%	432%	237%	36%
Admin. & Support & Waste Manag. & Remed. Services	77%	7%	56%	49%	47%	16%	76%
Arts, Entertainment, and Recreation	41%	28%	18%	18%	147%	32%	34%
Educational Services	44%	113%	27%	22%	89%	11%	169%
Finance & Insurance	72%	64%	48%	207%	544%	17%	83%
Food Services & Drinking Places	81%	47%	100%	45%	41%	50%	90%
Health Care & Social Assistance	211%	68%	225%	233%	128%	57%	109%
Management Of Companies & Enterprises	5%	299%	1517%	4%	0%	0%	51%
Other Services-Except Public Administration	138%	110%	191%	120%	39%	132%	95%
Professional, Scientific, & Technical Services	44%	31%	26%	23%	18%	35%	95%
Public Administration	441%	281%	36%	50%	194%	149%	183%



	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Real Estate, Rental, & Leasing	57%	16%	306%	190%	59%	24%	63%

TABLE 3.17: COMPARABLE OTHER CAPTURE RATES

	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Other	77%	111%	107%	149%	129%	140%	104%

The following section outlines the capture rates for each NAICS category. Comparison capture rates are also graphed for each comparison county. Capture rates over 100 percent suggests the County is capturing more than its fair share of the sales for the category. A capture rate of less than 100 percent suggests the City is leaking sales to neighboring counties and regions.

RETAIL CAPTURE

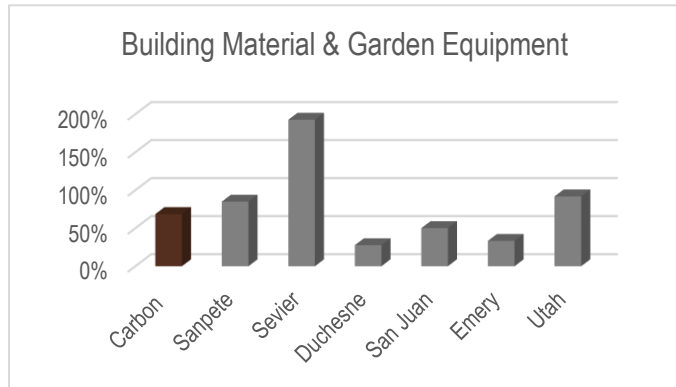
BUILDING MATERIAL & GARDEN EQUIPMENT

TABLE 3.18: BUILDING MATERIAL & GARDEN EQUIPMENT

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Building Material & Garden Equipment	(\$265)	(\$5,408,431)	69%

The County is capturing 69 percent of sales in the Building Material and Gardening Equipment. Sevier County has the highest capture rate of 193 percent while the lowest is attributed to Duchesne County.

The sub-category Lawn & Garden Equipment in capturing over 350 percent. However, the Building Material & Supplies category is only capturing 56 percent.



CLOTHING & CLOTHING ACCESSORIES STORES

TABLE 3.19: CLOTHING & CLOTHING ACCESSORIES STORES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Clothing & Accessories	(\$393)	(\$8,015,733)	24%

Carbon County is capturing 24 percent of the sales in the Clothing and Clothing Accessories category. While this capture rate is low, in comparison to other similar counties, Carbon County is capturing the third most sales among the comparison counties.

The County has seen increasing vacancies in downtown Price and several stores including J. C. Penny, Payless Shoes, Rue 21 and Bealls have closed in the last year which has negatively impacted the Clothing and Clothing Accessories Stores category.



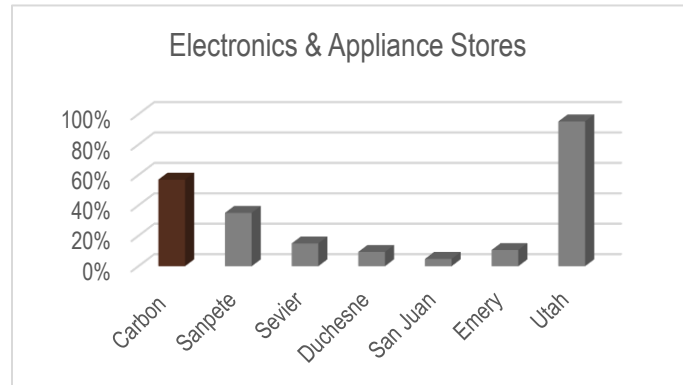
ELECTRICAL & APPLIANCE

TABLE 3.20: ELECTRICAL & APPLIANCE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Electrical & Appliance	(\$116)	(\$2,360,544)	57%

The County is capturing 57 percent of sales in the Electronics & Appliance Stores category. Utah County is capturing the highest amount of sale at 95 percent. San Juan County is Capturing the lowest amount of sales at 5 percent.

Based on the NAICS classification, the Electronics & Appliance Stores category includes two furniture and appliance stores in Price, rather than attributing the sales the Furniture and Home Furnishings category.



FOOD & BEVERAGE STORES

TABLE 3.21: FOOD & BEVERAGE STORES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Food & Beverage Stores	\$327	\$6,664,284	126%

The County is capturing over 100 percent of Food & Beverage Store sales. This category includes grocery markets and specialty food stores. The County's capture rate exceeds that of all comparison counties with the exception of Duchesne.

The County's high capture rate suggests residents are making the majority of their food purchases within the County, as well as capture sales for individuals who may be working in the County and residing in a different county.



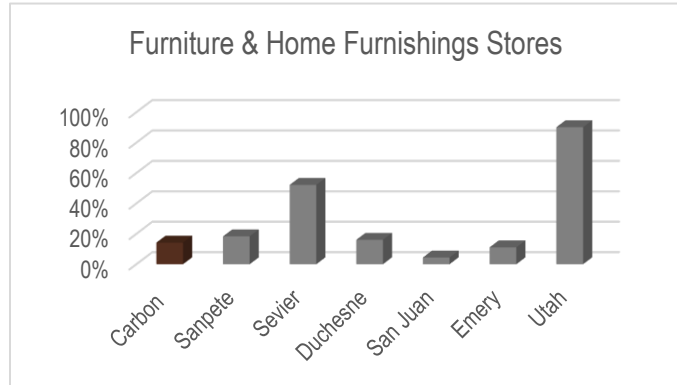
FURNITURE & HOME FURNISHING

TABLE 3.22: FURNITURE & HOME FURNISHING

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Furniture & Home Furnishing	(\$241)	(\$4,919,814)	14%

The County experiences significant sales losses with Furniture and Home Furnishing with a capture rate of only 14 percent. Comparatively, Utah County is capturing 90 percent of sales.

Based on the NAICS classification system, retail outlets that sell furniture and home appliances may be categorized under Electronic and Appliance Stores rather than home furnishings. While still leaking sales tax, the Electronic and Appliance Stores category captures 57 percent of sales and accounts for important furniture related sales in the County.



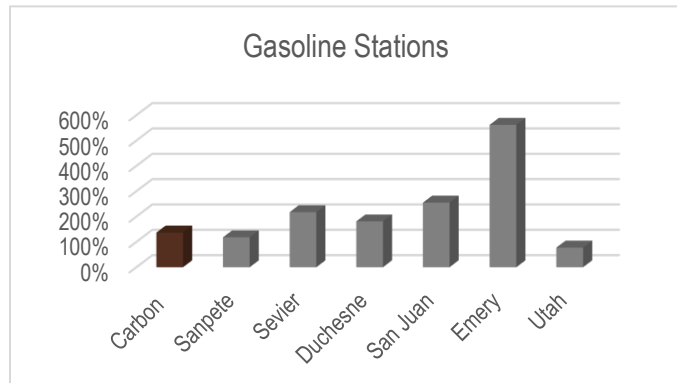
GAS STATION

TABLE 3.23: GAS STATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Gas Station	\$119	\$2,422,124	137%

The County is capturing 137 percent of Gasoline Station sales. Helper, Price and Wellington are all located along Highway 6 and benefit from both local traffic, as well as traffic traveling through the State.

Emery County has the highest capture rate amongst the comparison cities at 562 percent, while Utah County is capturing the lowest amount at 77 percent.



GENERAL MERCHANDISE

TABLE 3.24: GENERAL MERCHANDISE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
General Merchandise	\$1,402	\$28,598,445	176%

The County is capturing 176 percent of sales in the General Merchandise category. Emery County by contrast is only capturing 12 percent.

This category is supported by retail such as The Dollar Tree, Wal-Mart, K-Mart and JC Penny. The closure of JC Penny and K-Mart in 2017 will affect the County's overall capture rate in the future.

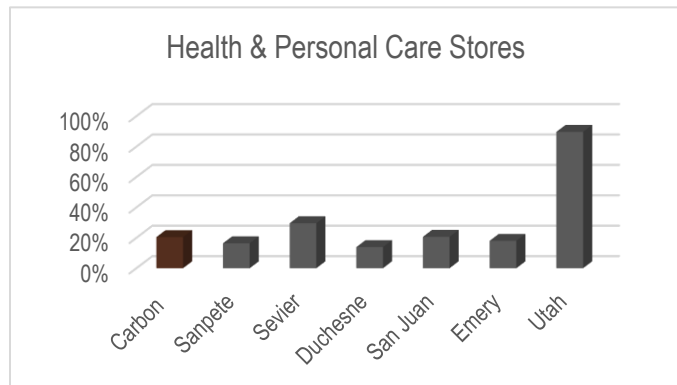


HEALTH & PERSONAL

TABLE 3.25: HEALTH & PERSONAL

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Health & Personal	(\$125)	(\$2,544,640)	20%

The County is only capturing 20 percent of sales in the Health & Personal category. With the exception of Utah County, which is capturing 90 percent of sales, the remaining comparison counties are only capturing between 14 and 30 percent. This category includes pharmacies and drug stores, cosmetics and beauty supplies, optical goods and miscellaneous health and personal care.



MISCELLANEOUS RETAIL TRADE

TABLE 3.26: MISCELLANEOUS RETAIL TRADE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Miscellaneous Retail Trade	(\$215)	(\$4,394,338)	53%

The County is capturing 53 percent of the sales in the Miscellaneous Retail Trade category. This category includes office supplies, stationary, gift stores, used merchandise stores and other merchandise.

Duchesne County is capturing the highest amount of sales at 194 percent, while Sanpete County is capturing only 22 percent.



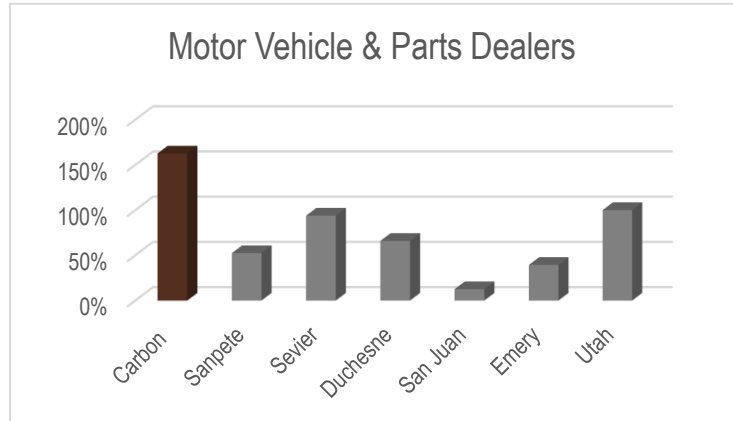
MOTOR VEHICLE

TABLE 3.27: MOTOR VEHICLE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Motor Vehicle	\$1,131	\$23,078,259	163%

Motor vehicle and parts sales are strong in Carbon County with a capture rate of 163 percent. The new car dealer capture rate is 170 percent while the used car sales have a significantly lower capture rate. San Juan County is capturing the lowest amount of sales amongst the comparison counties at 13 percent.

This category includes new and used car dealers, as well as automotive parts and accessories.



NON-STORE RETAILERS

TABLE 3.28: NON-STORE RETAILERS

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Non-Store Retailers	\$1	\$26,004	101%

The County is capturing 101 percent of Non-Store Retail sales, a rate comparable to Sevier County at 109 percent, Duchesne County at 111 percent and Utah County at 116 percent.

The Non-Store Retailers category includes electronic shopping and mailer order houses, vending machine operators and direct selling establishments.



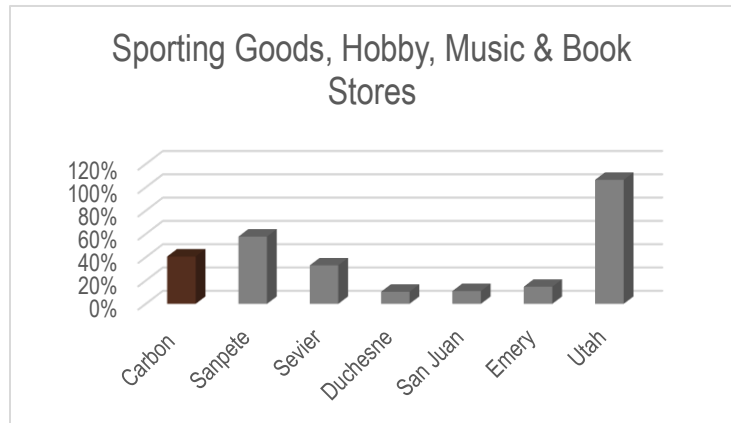
SPORTING GOODS, HOBBY, MUSIC & BOOK STORES

TABLE 3.29: SPORTING GOODS, HOBBY, MUSIC & BOOK STORES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Sporting Goods, Hobby, Music & Book Stores	(\$183)	(\$3,732,948)	41%

The County is capturing 41 percent of sales in the Sporting Goods, Hobby, Music and Book Stores category. This is the third highest capture rate amongst comparison counties with Utah County capturing the most at 106 percent.

This category includes sporting goods, hobby, toys and games, sewing, needlework and piece goods, musical instruments and book stores. The sporting goods subcategory has the highest capture rate of 53 percent, while the sewing and needlework category is 0 percent.



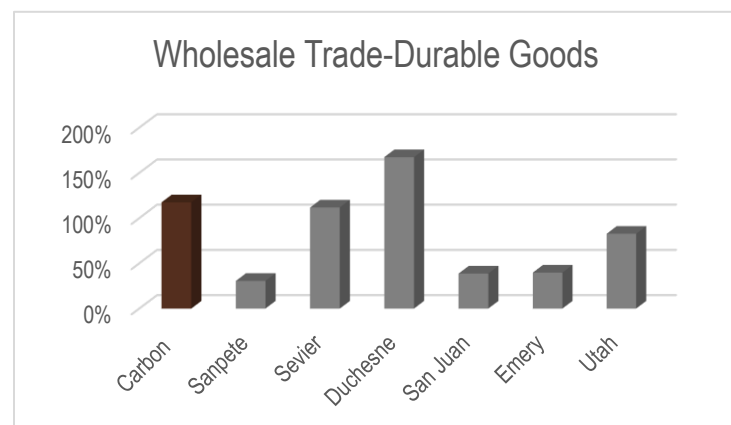
WHOLESALE TRADE-DURABLE GOODS

TABLE 3.30: WHOLESALE TRADE-DURABLE GOODS

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Wholesale Trade-Durable Goods	\$184	\$3,747,738	117%

Carbon County is capturing 117 percent of Wholesale Trade-Durable Good sales. This is primarily due to capture rates of 131 to 628 percent for the subcategories motor vehicles and parts, appliances, electrical and electronic goods and machinery and equipment.

Subcategories showing a loss of revenue in Wholesale Trade-Durable Good sales include furniture and home furnishings, lumber and construction materials, professional and commercial equipment, and metal and mineral sales.



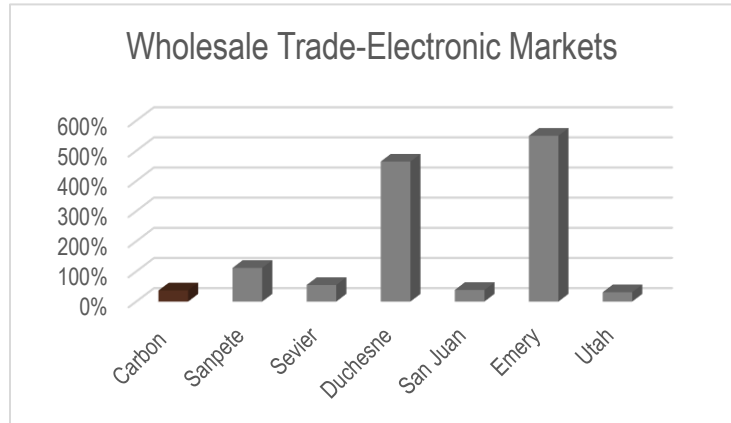
WHOLESALE TRADE-ELECTRONIC MARKETS

TABLE 3.31: WHOLESALE TRADE-ELECTRONIC MARKETS

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Wholesale Trade-Electronic Markets	(\$9)	(\$185,341)	37%

The Wholesale Trade-Electronic Markets does not contain any subcategories and has a small capture rate of 37 percent. This category represents a \$930 loss of potential revenue for the County.

Emery and Duchesne Counties have a commanding lead in sales tax capture at 550 percent and 464 percent respectively.

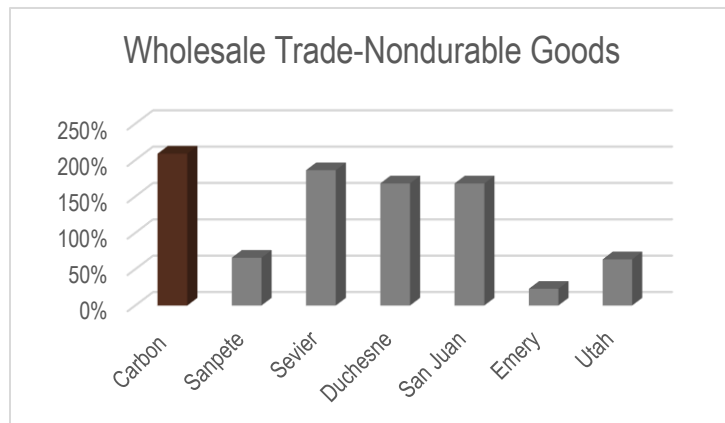


WHOLESALE TRADE-NONDURABLE GOODS

TABLE 3.32: WHOLESALE TRADE-NONDURABLE GOODS

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Wholesale Trade-Nondurable Goods	\$223	\$4,541,886	209%

The County is capturing 209% of the Wholesale Trade-Nondurable Goods sales. Primary capture rates include 714 percent of petroleum products and 337 percent of chemical and allied products. Alcoholic beverages maintains a positive capture rate, while paper products, apparel, grocery related products and farm products are capturing less than 50 percent.



INDUSTRY CAPTURE

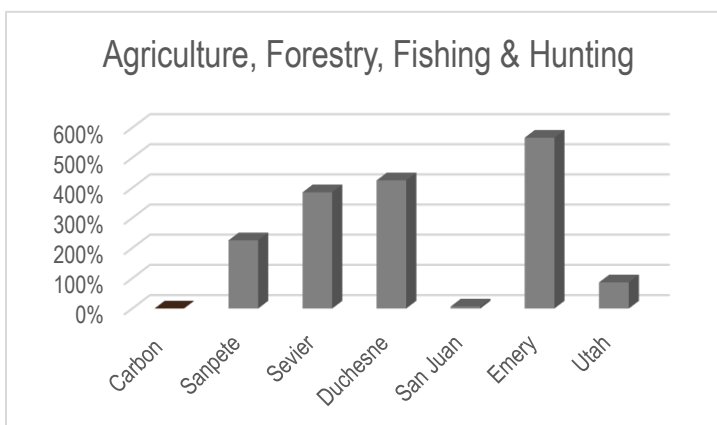
AGRICULTURE, FORESTRY, FISHING & HUNTING

TABLE 3.33: AGRICULTURE, FORESTRY, FISHING & HUNTING

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Agriculture, Forestry, Fishing & Hunting	(\$5)	(\$96,567)	0%

The County does not have any sales outlets categorized as Agriculture, Forestry, Fishing & Hunting. In contrast, Emery County is capturing 567 percent and Duchesne County is capturing 425 percent.

This category includes several sub-categories including crop production, animal production and agriculture, forestry and logging, fishing hunting and trapping, and support activities for agriculture.



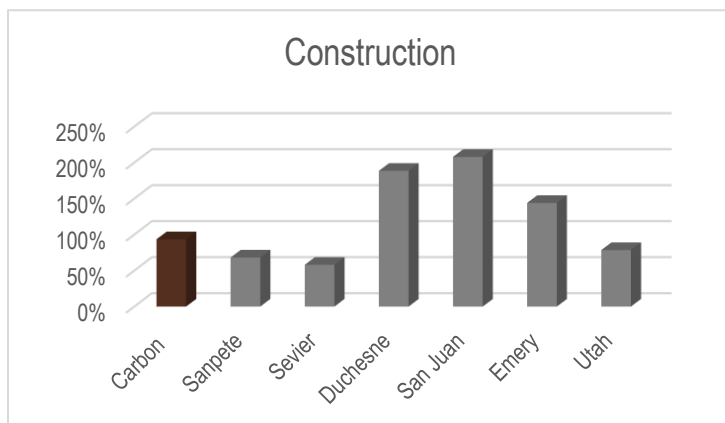
CONSTRUCTION

TABLE 3.34: CONSTRUCTION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Construction	(\$15)	(\$296,098)	94%

The County is capturing 94 percent of sales related to construction. The lowest capture rate is attributed to Sevier County at 58 percent. San Juan County is capturing 208 percent and Duchesne County is slightly lower at 189 percent.

The sub-categories associated with Construction are construction of buildings, heavy and civil engineering construction and specialty trade contractors.



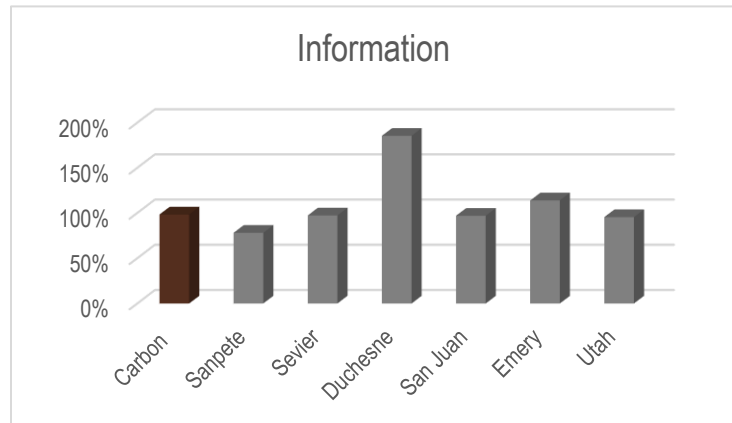
INFORMATION

TABLE 3.35: INFORMATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Information	(\$11)	(\$226,183)	98%

Carbon County's Information capture rate is comparable with most comparison counties at 98 percent. Duchesne County has the highest capture rate of 185 percent.

The Information category includes a number of sub-categories including publishing industries, motion picture and sound recording, broadcasting with the exclusion of the internet, telecommunications, data processing, hosting, and related services, and other miscellaneous services.



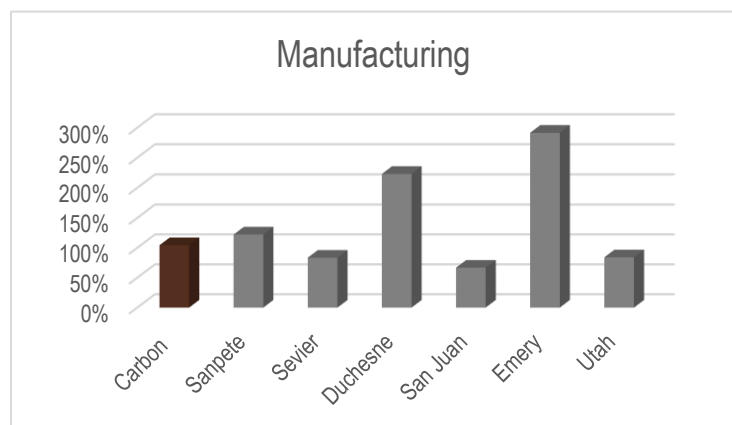
MANUFACTURING

TABLE 3.36: MANUFACTURING

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Manufacturing	\$29	\$595,614	104%

The County is capturing 104 percent of sales in the Manufacturing category. Emery County has the highest capture rate of 292 percent. San Juan County has the lowest capture rate of 67 percent.

The Manufacturing category covers a wide variety of the industry including food, beverage, tobacco, textile, wood, apparel, leather, paper, petroleum, coal, chemical, plastics, nonmetallic mineral, fabricated metal, machinery and computer and electronic product manufacturing.



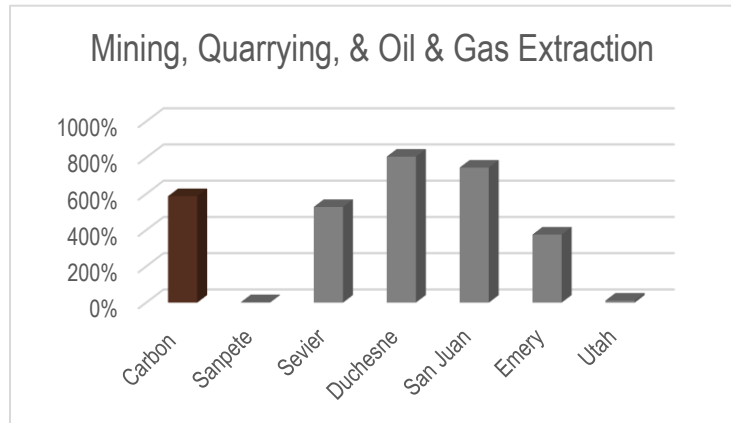
MINING, QUARRYING, & OIL & GAS EXTRACTION

TABLE 3.37: MINING, QUARRYING, & OIL & GAS EXTRACTION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Mining, Quarrying, & Oil & Gas Extraction	\$650	\$13,267,117	588%

As a coal mining community, Carbon County is capturing 588 percent of the sales. Strong capture rates are also seen in Sevier, Duchesne and San Juan Counties. Mining represents the highest capture rate the County has amongst all NAICS categories, although the total gross taxable sales are exceeded in other categories with lower capture rates.

The mining category includes oil and gas extraction, other mining aside from oil and gas and support activities for mining.



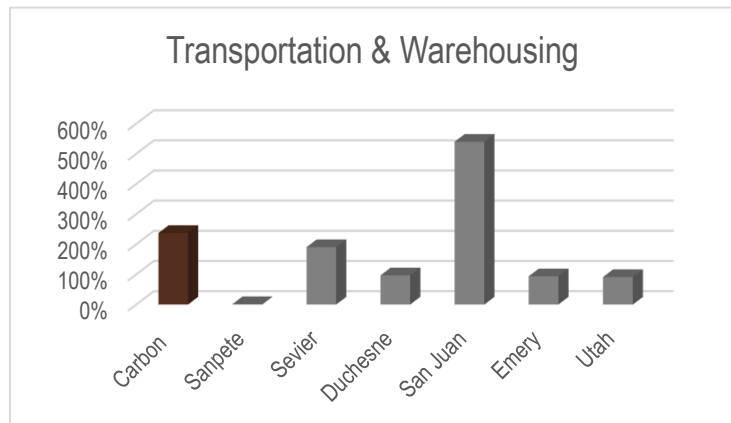
TRANSPORTATION & WAREHOUSING

TABLE 3.38: TRANSPORTATION & WAREHOUSING

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Transportation & Warehousing	\$50	\$1,021,699	237%

Carbon County is capturing 237 percent of the sales in the Transportation and Warehousing category. The county has the second highest capture rate in this category next to San Juan County which is capturing 540 percent.

This category includes all types of transportation including air, rail, water, truck transit and ground passenger, pipeline, scenic and sightseeing, postal service and couriers.



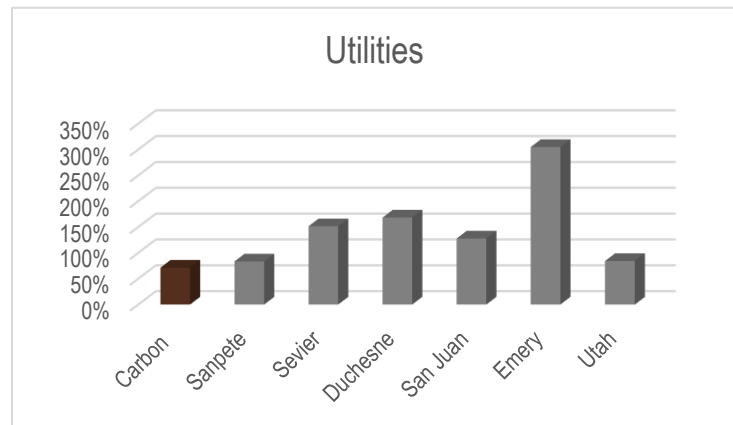
UTILITIES

TABLE 3.39: UTILITIES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Utilities	(\$188)	(\$3,833,828)	71%

The County is capturing 71 percent of sales related to the utilities. Emery County has the highest capture rate of 305 percent. Sanpete and Utah Counties most closely compare to Carbon County, capturing 83 percent and 84 percent respectively.

The Utilities category includes natural gas distribution, water, sewages and other related systems.



SERVICES CAPTURE

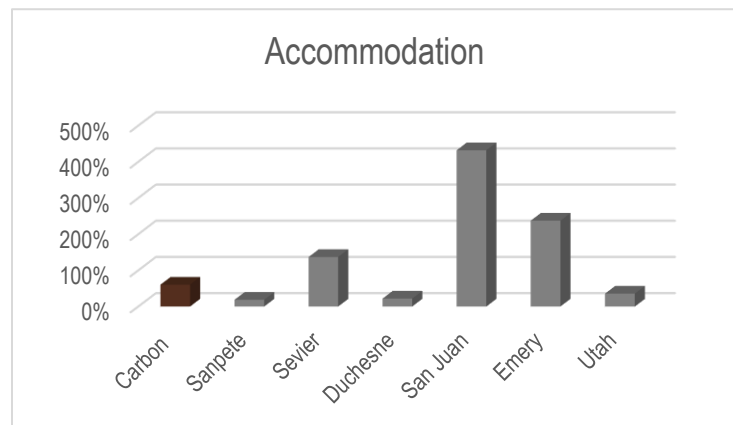
ACCOMMODATION

TABLE 3.40: ACCOMMODATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Accommodation	(\$193)	(\$3,940,446)	60%

The County is capturing 60 percent of accommodation sales. This equates to a leakage of nearly \$4 million in taxable sales for accommodations. The accommodations sub-categories include traveler accommodation, RV parks and recreational camps, and room and homing housing.

San Juan County has the highest capture rate of 432 percent, while Sanpete County is capturing only 19 percent.

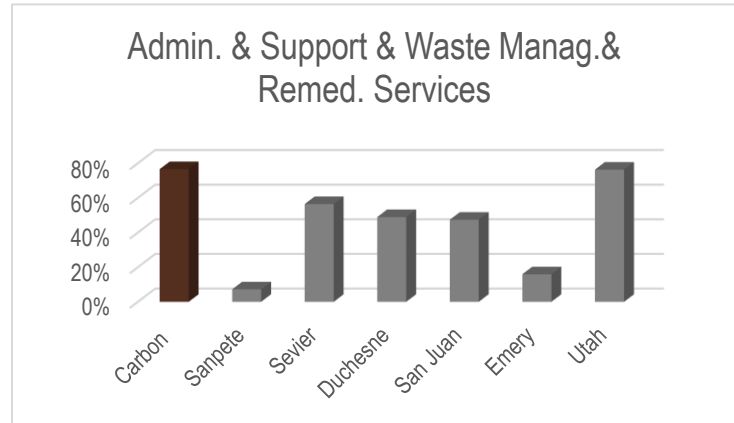


ADMIN. & SUPPORT & WASTE MANAG.& REMED. SERV

TABLE 3.41: ADMIN. & SUPPORT & WASTE MANAG.& REMED. SERV

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Admin. & Support & Waste Manag.& Remed. Serv	(\$16)	(\$318,676)	77%

The County is capturing 77 percent of sales in the Administration and Support, Waste Management and Remediation Services category. This is the highest capture rate amongst the comparable cities. Sanpete County is capturing the lowest percentage at 7 percent.



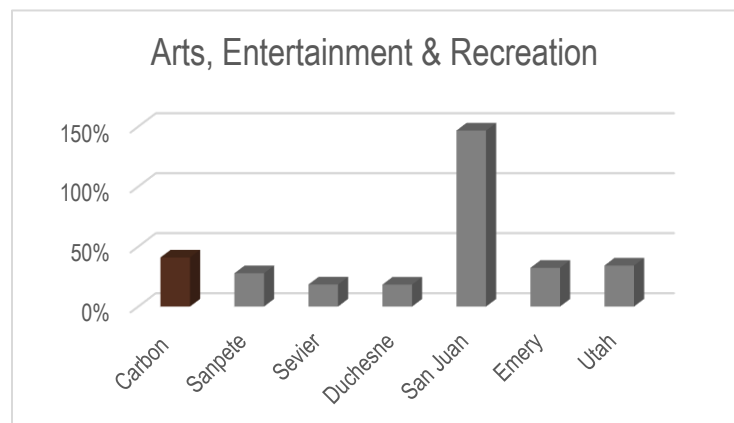
ARTS, ENTERTAINMENT, AND RECREATION

TABLE 3.42: ARTS, ENTERTAINMENT, AND RECREATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Arts, Entertainment, and Recreation	(\$137)	(\$2,792,828)	41%

Carbon County is capturing 41 percent of the sales in the Arts, Entertainment and Recreation category. This is higher than all comparison counties with the exception of San Juan County which is capturing 147 percent.

This category includes performing arts, spectator sports, museums, historical sites, amusement, gambling and recreation industries.

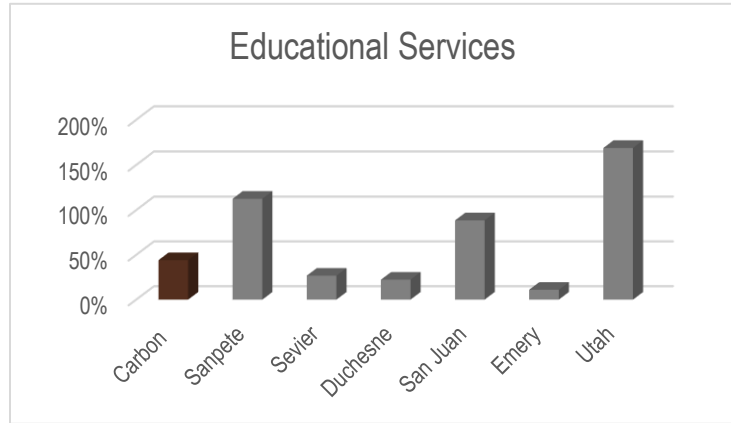


EDUCATIONAL SERVICES

TABLE 3.43: EDUCATIONAL SERVICES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Educational Services	(\$19)	(\$385,087)	44%

Carbon County is capturing 44 percent of sales related to Educational Services. Utah County is capturing the highest percentage at 169 percent, while Sanpete County, home of Snow College is capturing 113 percent and San Juan County, home of the USU Eastern Blanding Campus is capturing 89 percent. Sevier, Duchesne and Emery Counties are capturing less than 30 percent.



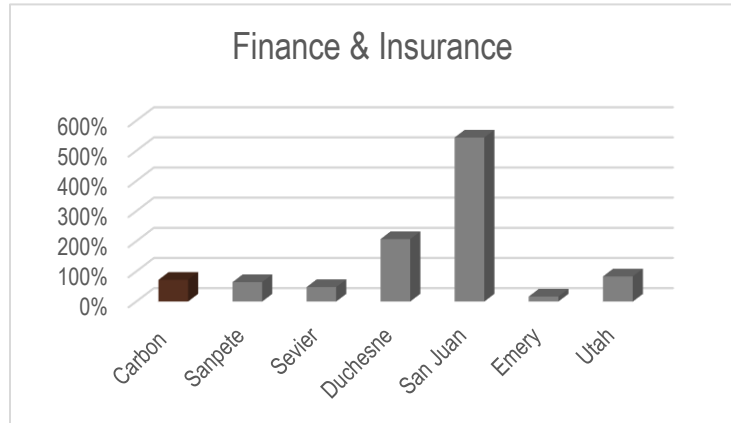
FINANCE & INSURANCE

TABLE 3.44: FINANCE & INSURANCE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Finance & Insurance	(\$19)	(\$384,582)	72%

Carbon County is capturing 72 percent of the Finance and Insurance taxable sales. San Juan County is capturing a disproportionately high amount of sales at 544 percent. Emery County is capturing 14 percent and Utah County is capturing 83 percent.

The Finance and Insurance category includes central banks, credit intermediation, securities, commodity contracts, insurance carries, and funds, trusts and other financial vehicles.



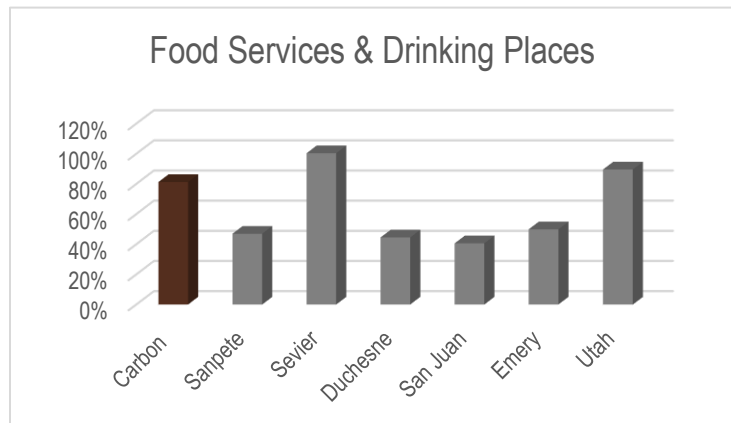
FOOD SERVICES & DRINKING PLACES

TABLE 3.45: FOOD SERVICES & DRINKING PLACES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Food Services & Drinking Places	(\$245)	(\$4,996,219)	81%

Carbon County is capturing 81 percent of sales related to Food Services & Drinking. This category includes restaurants, specialty food services and drinking establishments.

Sevier County has the highest capture rate of 100 percent and Utah County has the second highest capture rate of 90 percent.



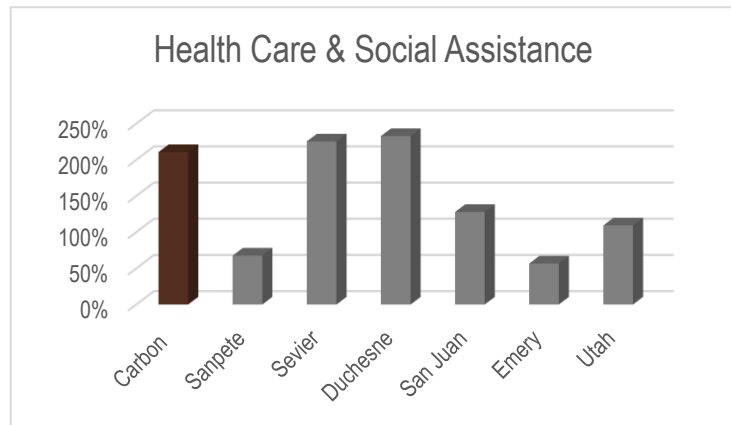
HEALTH CARE & SOCIAL ASSISTANCE

TABLE 3.46: HEALTH CARE & SOCIAL ASSISTANCE

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Health Care & Social Assistance	\$42	\$848,163	211%

Carbon County has a strong capture rate of 211 percent in the Health Care and Social Assistance category. Duchesne and Sevier Counties have the highest capture rates of 223 percent and 225 percent respectively. Emery County has the lowest capture rate of 57 percent.

Health Care and Social Assistance category includes hospitals, nursing and residential care facilities, ambulatory health care services and social assistance.

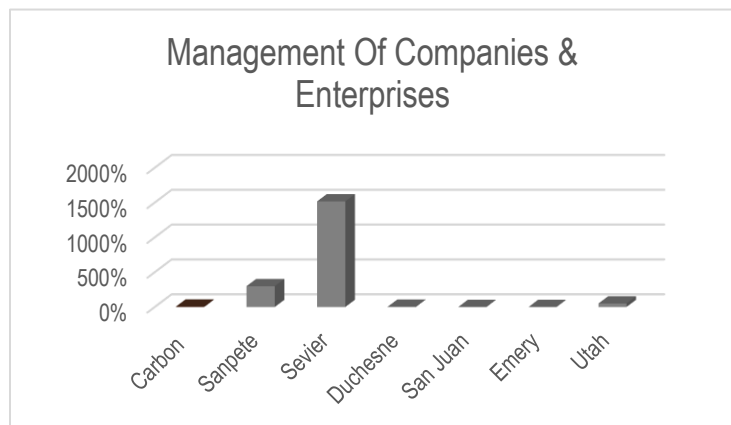


MANAGEMENT OF COMPANIES & ENTERPRISES

TABLE 3.47: MANAGEMENT OF COMPANIES & ENTERPRISES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Management Of Companies & Enterprises	(\$4)	(\$83,598)	5%

Carbon County is capturing only 5 percent of sales related to the Management of Companies and Enterprises. Sevier County is capturing the highest amount at 1517 percent.



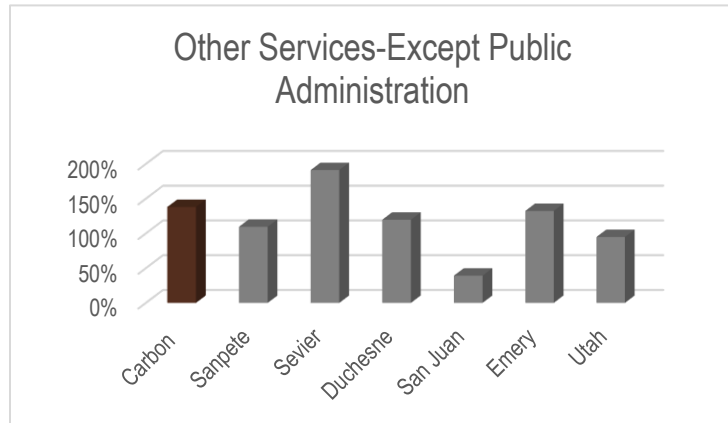
OTHER SERVICES-EXCEPT PUBLIC ADMINISTRATION

TABLE 3.48: OTHER SERVICES-EXCEPT PUBLIC ADMINISTRATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Other Services-Except Public Administration	\$169	\$3,444,075	138%

The County is capturing 138 percent in the other services Category. Sevier County has the highest capture rate amongst the comparables at 191 percent while San Juan County is the lowest at 39 percent.

The Other Services category includes repair and replacement for automotive, electronic, commercial and industrial equipment, as well as personal and household goods. Also included in this category are religious, grantmaking and civic professional services.



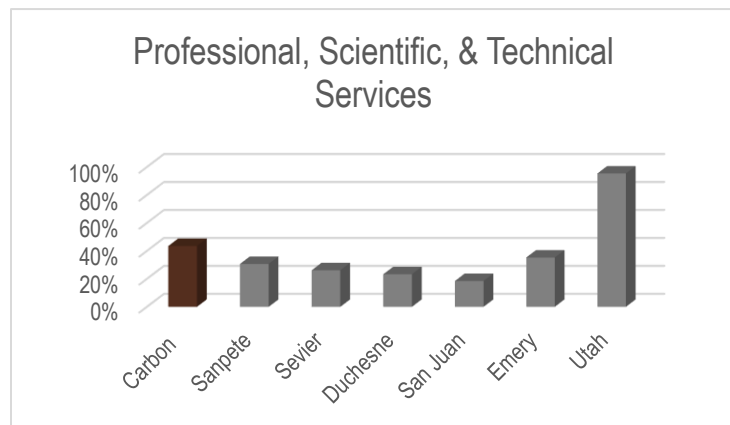
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES

TABLE 3.49: PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Professional, Scientific, & Technical Services	(\$106)	(\$2,154,425)	44%

Carbon County is collecting 44 percent of the taxable sales in the Professional, Scientific and Technical Services. Utah County has the highest capture rate amongst the comparables at 95 percent. San Juan County has the lowest capture rate of 18 percent.

The Professional, Scientific and Technical Services category includes legal services, accounting and tax services, architectural and engineering services, computer systems design services, technical consulting, scientific research and development and advertising and public relations.



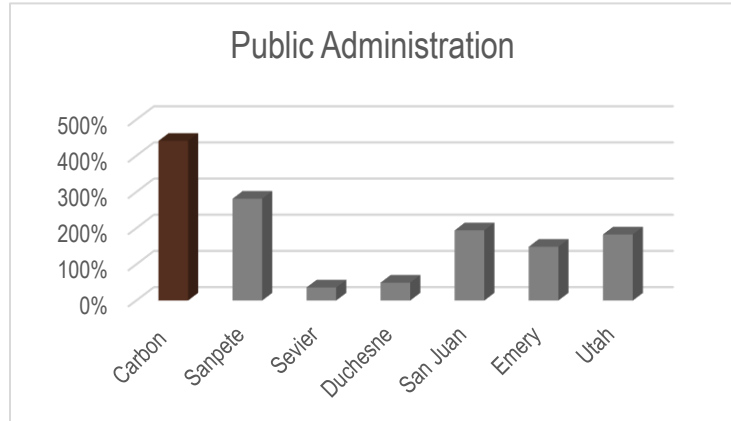
PUBLIC ADMINISTRATION

TABLE 3.50: PUBLIC ADMINISTRATION

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Public Administration	\$246	\$5,026,922	441%

Carbon County is capturing 441 percent of sales related to public administration. This is the highest capture rate amongst the comparable Counties. Sevier County has the lower capture rate of 50 percent.

The Public Administration category includes executive, legislative and general government support, justice and public safety activities, administration of public safety programs, human resource programs, environmental quality programs economic programs and national security programs.



REAL ESTATE, RENTAL, & LEASING

TABLE 3.51: REAL ESTATE, RENTAL, & LEASING

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Real Estate, Rental, & Leasing	(\$162)	(\$3,308,110)	57%

Carbon County is capturing 57 percent of sales related to Real Estate, Rental and Leasing. Sevier and Duchesne Counties have the strongest capture rates of 309 percent and 190 percent respectively.

The Real Estate, Rental and Leasing category includes general real estate, rental and leasing services and lessors of non-financial intangible assets.



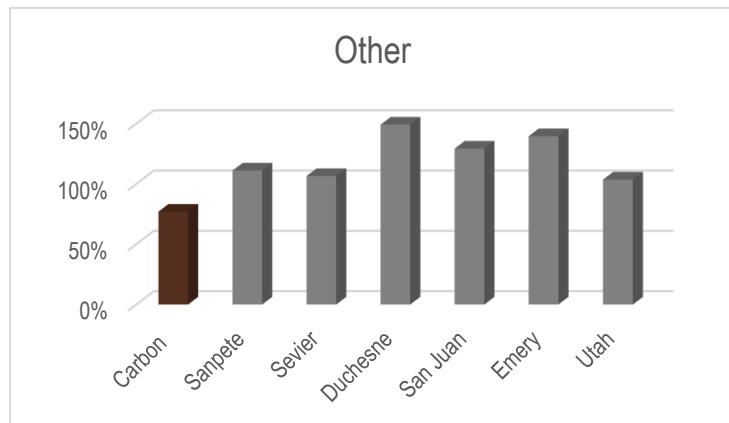
OTHER CAPTURE

OTHER

TABLE 3.52: OTHER

NAICS Category	Per Capita Leakage	Total Leakage	2016 Capture Rates
Other	(\$168)	(\$3,419,768)	77%

The County is capturing 77 percent of the sales that fall into the Other category. These elements include private motor vehicle sales, special event sales, non-classifiable sales and prior year payments and refunds. Duchesne County has the highest capture rate of 149 percent. Carbon County has the lowest capture rate.



RECOMMENDATIONS

Based on the sales leakage and capture within the County, an opportunity exists for a mid-box neighborhood retail center. The sales categories that display a potential for additional capture include clothing and accessories, which is currently capturing 24 percent of sales, sporting goods, which is capturing 41 percent of sales, and building and garden equipment which capturing 69 percent of sales. A project of this nature may include three to four stores on an eight to 20 acre plot of land with 25,000-40,000 square feet of building space. Upon identification of potential sites, the County may utilize networking events such as attendance at the International Council of Shopping Centers ("ICSC") to attract interest. The County may further reach out to the local and Wasatch Front brokerage community.

SECTION 4: SWOT ANALYSIS

A SWOT Analysis is a strategic planning tool that allows the County to examine the strengths, weaknesses, opportunities and threats ("SWOT") that bolster or stifle economic development. As part of a day-long Visioning Workshop with County business owners, and in conjunction with multiple interviews with County, city, education and public service officials, LYRB completed a SWOT Analysis capturing feedback from over 50 community leaders. The SWOT Analysis considers both internal and external factors that affect the County and highlights both positive and negative conditions that affect the County's ability to sustain and attract businesses and create a vibrant community.

KEY FINDINGS

The Carbon County SWOT Analysis process began by LYBR asking participants to describe the greatest weakness they observed relative to economic development in Carbon County. These responses combined with input from the SWOT Analysis, including responses to the questions outlined in **Table 4.1**, revealed the top four concerns impeding economic development:

1. LACK OF A SKILLED WORK FORCE
2. COMMUNITY STABILITY/ATTITUDE;
3. LACK OF STRATEGIC VISION FOR A DIVERSE ECONOMY; AND
4. BUSINESS RETENTION AND EXPANSION.

The site selection process for businesses is heavily weighted on some of the critical weaknesses in Carbon County, such as lack of a skilled workforce, community stability and vision, and lack of businesses already thriving in the community. **Section 6** will address specific action items to address these weaknesses.

TABLE 4.1: SWOT ANALYSIS DESIGN

	POSITIVES	NEGATIVES
INTERNAL FACTORS	STRENGTHS <ul style="list-style-type: none"> What advantages does the County have? What does the County do better than anywhere else? What unique or lowest-cost resources can the County draw upon that others can't? What do people in the State/cities see as your strengths? What factors mean that you "get the company"? 	WEAKNESSES <ul style="list-style-type: none"> What could the County improve? What should the County avoid? What are people in the State/cities likely to see as the County's weaknesses? What factors cause the County to lose companies?
EXTERNAL FACTORS	OPPORTUNITIES <ul style="list-style-type: none"> What good opportunities can you spot? What interesting trends are you aware of? <p>Useful opportunities can come from things such as:</p> <ul style="list-style-type: none"> Changes in technology and markets Changes in government policy related to the County. Changes in social patterns, population profiles, lifestyle changes Local events. 	THREATS <ul style="list-style-type: none"> What obstacles does the County face? What are other rural counties doing? Are quality standards or specifications for your services changing? Is changing technology threatening your position? Could any of the County's policies or socioeconomic factors seriously threaten the County's ability to grow?

A full list of responses, as well as notes from the interviews and the greatest weakness data can be found in **Appendix A**. **Illustration 4.1** summarizes the primary topics highlighted in each of the SWOT Analysis categories. The responses include a wide array of thought from traditional economic concerns to socioeconomic challenges and are discussed in detail below. Each of these insights are vital to creating a strategic economic development plan that is functional and considers community impact and buy-in.



ILLUSTRATION 4.1: SWOT ANALYSIS SUMMARY



STRENGTHS

Carbon County's strengths are numerous and varied. The County has the unique asset of land for businesses to expand into and for new businesses to develop. In addition to land that is undeveloped, several areas including along Ridge Road and within the Price Industrial Park are shovel ready sites. The County also has access to fiber which is critical to nearly all industries. Transportation routes by rail, highway, including proximity to I-70 and I-15, and air with the Carbon County Regional Airport are added strengths to the community. While there is a need to diversify from a coal dominated economy, this natural resource, as well as alternative future uses for coal are an important strength to the County. A large portion of the County's labor force has a history in coal mining industry and collectively displays a strong, dependable work ethic for employers.

The County further benefits from the presence of USU Eastern, which serves as a community anchor and is being utilized to encourage concurrent enrollment for high school students and to develop specialized industry training programs for local industries. Finally, the residents of Carbon County experience a positive quality of life with uncrowded cities, clean air, access to quality healthcare and close proximity to a plethora of recreation opportunities.

WEAKNESSES

The County's weaknesses include factors that dissuade companies from locating to Carbon County or reasons why current businesses choose not to expand locally. While the coal oriented labor force has been lauded as a strength, technical and skilled labor is insufficient for many other industries. Some employers struggle to recruit employees to fill technical and skilled labor positions based on a negative public perception of the County due to its "rough and tumble" history and appearance, and a lack of certain amenities enjoyed along the Wasatch Front including shopping, dining and entertainment. The County has also been ranked number one for opioid abuse in the State. Declining population trends further hamper the County's ability to attract retailers and amenities as previously mentioned. Employers further identified a lack of alignment in the types of course and training opportunities USU Eastern provides in relation to the skills and training needed in their industries.

Additionally, the County has not embraced a strategic vision for economic development, in part due to the community's dependence on the coal industry. The lack of strategic vision of also hampered by a disconnect that exists between the County government, local municipal governments, as well as regional planning entities such as the Seven County Infrastructure Coalition. Barriers for expansion also includes limited water resources and location. The County's current reservoir is insufficient to support large-scale industrial and commercial growth in the county. Likewise, while access to Highway 6 is a strength, it is also a County weakness as the two-lane highway can be an impediment to reaching major shipping routes on I-15 or I-70 in times of inclement weather, construction and road accidents.

OPPORTUNITIES

Several opportunities exist to aid Carbon County in diversifying its economy and strengthening the community. The County is well suited for manufacturing including injection and composite molding and plastics manufacturing. The County is also poised to embrace alternative uses for the naturally abundant coal such as the production of carbon fiber and coke. Land availability and affordable commercial costs enhance the opportunities for new industries to relocate to the County, as well as provides opportunities for existing businesses to expand. The rail and air infrastructure present unique opportunities to re-think the County's inland port capacity, which would allow businesses to operate from Carbon County but expand their footprint nationally and globally.

The County is home to Castle Country and a wide variety of recreational and tourism opportunities that often go unnoticed as the County is a pass through to many of Utah's more well-known national and state parks. The potential for tourism is great with natural gems such as Nine Mile Canyon, Range Creek, Scofield State Park and the Dinosaur Diamond National Scenic Byway. Amenities such as the Carbon Country Club, Tavaputs Ranch, the fair grounds and the Carbon County Motorcross Park are ripe for expanded marketing and use.

THREATS

The County faces a number of obstacles to economic development ranging from natural resources to socioeconomic issues. Carbon County has a long history of dependence on coal, which results in the community thriving in years of boom and flailing during times of bust. The production and use of coal is not a threat; rather, the dependence of coal to be the primary economic driver inhibits the community to have a balanced economy. The community is further inhibited by a 'rough and tumble' appearance and stereotype which at times fails to attract employers and employees who seek a well-maintained, safe community.

From inside the community, a fear of change can further inhibit economic development economic development due to a lack of communication of why change is necessary to ensure the County remains sustainable. Intergenerational poverty and substance



abuse threaten the moral fabric of the County, which directly ties into the community's ability to provide an adequate workforce, in order to attract employers and sustain commercial and retail amenities. Barriers to development also include government processes that are not standardized including permitting and licensing processes, community reinvestment areas creation processes, and communication between local and State entities.

SITE SELECTION CRITERIA COMPARISON

Responses to the SWOT analysis highlight a number of unique characteristics of Carbon County. Abundant land, lack of a skilled workforce, community perception and access to rail, highways and air are all examples of County specific strengths and weaknesses. Each of these factors represent State and national business site selection criteria and highlight the importance of capitalizing on the County's strengths and combating its weaknesses.

KEY FINDINGS

- ☞ The SWOT Analysis highlights important national and State site selection criteria including land availability, skilled workforce, community perception and transportation.
- ☞ Carbon County has identified 3 Sure Sites as reported to EDCUtah compared to 5 in Emery County, 86 in Utah County and 116 in Salt Lake County. The County may benefit by improving its internal inventory of sites and reporting Sure Sites to EDCUtah;
- ☞ The competitive landscape of economic development in Utah should encourage Carbon County to focus on its transportation strengths rather than its weaknesses.

EDCUtah, a private, non-profit has worked with state and local governments and private industries to attract and grow businesses within the State of Utah since 1987. In 2017, EDCUtah published a 50x50 site selection tool which identifies some of the most common site selection criteria for businesses and companies looking to locate in the State based on survey input from 138 business site selectors. The 50x50 tool is divided into four sections, identifying top economic factors, labor costs, operation costs and taxes as listed below.

TABLE 4.2: 50X50 COMPARISON TOOL CATEGORIES

Economic Factors		Labor Costs	
Unemployment Rate		Annual Median Wage	
High School Graduation Rate		Construction Wages	
Population 25 or Older with Bachelor's Degree or Higher		Manufacturing Wages	
Population 25 or Older with a High School Diploma or Higher		Wholesale Trade Wages	
Annual Cost of Living		Retail Trade Wages	
Labor Force Participation Rate		Transportation and Warehousing Wages	
Median Household Income		Information Wages	
Percent Employed Workers who are Union Members		Finance and Insurance Wages	
Annual Job Growth Rate		Real Estate Rental and Leasing Wages	
Median Age		Professional, Scientific and Technical Services Wages	
Tax Climate Ranking		Management of Companies and Enterprises wages	
Forbes Best State for Business		Administrative and Waste Services Wages	
CNBC Best State for Business		Education Services Wages	
Hatchman Index		Health Care and Social Assistance Wages	
		Arts, Entertainment, and Recreation Wages	
		Accommodation and Food Service Wages	
		Other Services Wages	
Operation Costs		Taxes	
Industrial Electricity Costs		Average State sales and Use Tax Rate	
Commercial Electricity		Unemployment Insurance wages Subject to Tax	
Industrial Natural Gas		Property Tax Collections per Capita	
Average Industrial Lease		Worker's Compensation Avg Premium (per \$100 of wage)	
Average Office Lease		State Top Marginal Income Tax Rate	
Industrial Construction Costs		Corporate Income Tax Rate	
Office Construction		Average Unemployment Insurance New Employer Tax Rate	
Health Insurance Single/Family Premium			



Utah ranks 1st in the economic factors category, 19th in the labor cost category, 15th in the operations category and 18th in the taxes category. Many site selectors utilize the above factors to determine states where they are interested in exploring site development. Once a state has been selected, companies will provide organizations such as EDCUtah with formal requests for information (“RFI”) specific their unique project needs. Recent RFI’s issued in the State of Utah have included requirement criteria such as access to highways and interstates, acreage and building square foot specifications, parking allocations, zoning requirements, purchase and lease preferences, proximity to amenities and educational institutions and utility specifications. RFI’s also include inquiries regarding demographics, workforce education attainment, quality of life factors, and site map details.

LAND

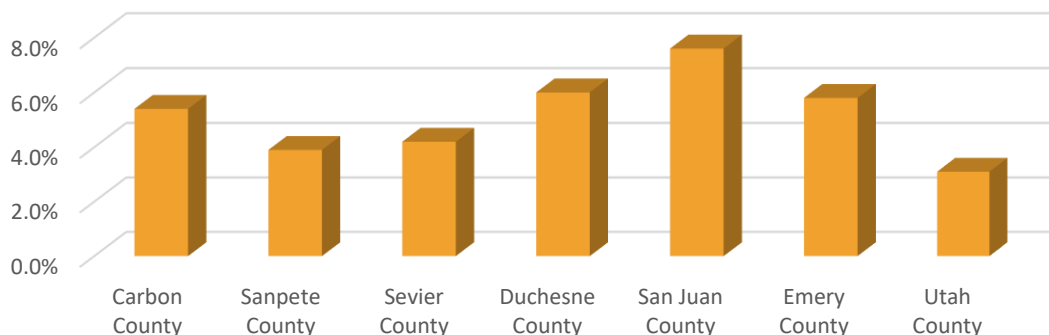
The Governor’s Office of Economic Development reported that one of the most critical elements in site selection is having available sites in a timely manner. Sites requiring environmental studies, infrastructure development or drawn out lease/purchase negotiations often lag behind in the site selection process. EDCUtah maintains a database of industrial buildings, office space and shovel ready land sites, known as “Sure Sites” to create ease in the process for site selectors. While Carbon County has an abundance of land for development, the County has only identified three Sure Sites. In comparison, Emery County has five, Utah County has 86 and Salt Lake County has 116. This highlights the importance for Carbon County to clearly identify all available sites and buildings and become cognizant of the infrastructure needs required to make additional sites shovel ready. The County may benefit by maintaining an internal database of development sites and ensuring EDCUtah is apprised of shovel ready sites and building stock as they become available.

WORKFORCE AND COMMUNITY PERCEPTION

As identified in the SWOT analysis, site selection criteria that that may negatively affect the County when responding to RFI requests include a high unemployment rate and low education attainment. When compared to other counties, Carbon County’s unemployment rate of 5.4 percent is higher than Utah, Sanpete and Sevier Counties as illustrated in **Table 4.3**. Unemployment affects several community factors including crime and substance abuse, which can result in a lower quality of life for residents. Unemployment also affects discretionary spending and limits the type and amount of amenities available in a community, which can create a negative community perception for a site selector.

TABLE 4.3: UNEMPLOYMENT RATE

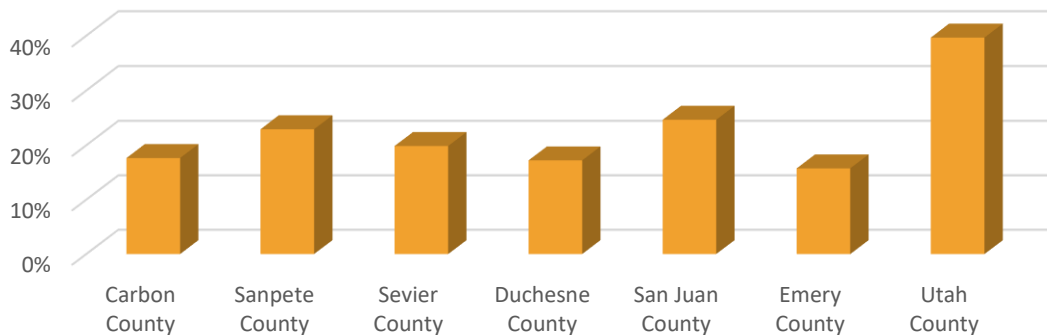
County	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Unemployment	5.4%	3.9%	4.2%	6.0%	7.6%	5.8%	3.1%



Each site selector will have a different education standard for their desired workforce. For companies seeking a highly educated workforce, Carbon County will be less attractive than several of the comparison counties. Forty percent of the Utah County workforce has a bachelor’s degree or higher, as compared to only 18 percent in Carbon County as shown in **Table 4.4**.

TABLE 4.4: PERCENT OF WORKFORCE WITH A BACHELOR'S DEGREE COMPARISON

County	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Percent of Workforce 25 or Older with Bachelor's Degree or Higher	18%	23%	20%	17%	25%	16%	40%



In 2016, Carbon County had an impressive high school graduation rate of 97 percent, compared to 84 percent in Utah County as shown in **Table 4.5**. However, Carbon County's overall workforce participation of 64.3 percent lags behind Utah County at 69.9 percent as shown in **Table 4.6**. Additionally, the historic percentage of Carbon County's workforce with a high school degree lags behind San Juan, Emery, Utah and Sevier Counties as shown in **Table 4.7**.

TABLE 4.5: HIGH SCHOOL GRADUATION RATES

County	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
High School Graduation Rate	97%	83%	85%	84%	85%	90%	84%

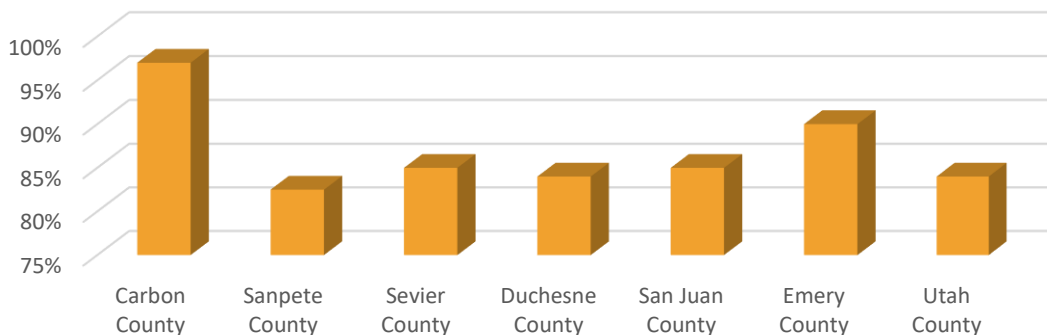


TABLE 4.6: LABOR FORCE PARTICIPATION RATE

County	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Labor Force Participation Rate	64.3%	59.5%	61.3%	63.6%	54.5%	59.0%	69.9%

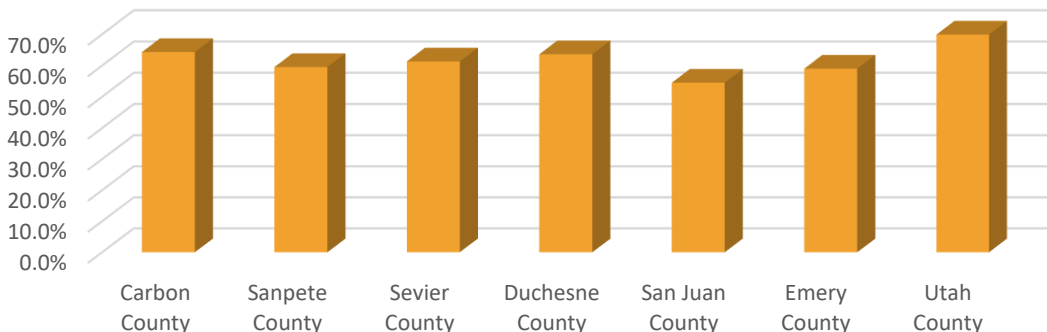
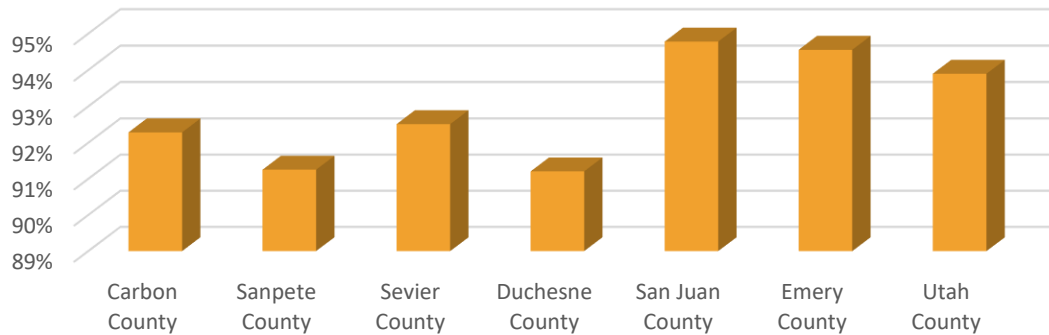


TABLE 4.7: PERCENT OF WORKFORCE WITH A HIGH SCHOOL DEGREE OR HIGHER

County	Carbon	Sanpete	Sevier	Duchesne	San Juan	Emery	Utah
Percent of Workforce 25 or Older with High School Degree or Higher	92%	91%	93%	91%	95%	95%	94%



TRANSPORTATION

Site Selection criteria such as access to highways and interstates will vary depending on the type of company submitting the RFI. A manufacturing company may require access to an interstate within a set mileage, while information technology or professional services companies have no transportation limits. The SWOT Analysis identified transportation as both a strength and a weakness, which is representative of the divergent needs of companies. Highway 6 was identified in the SWOT analysis as a weakness as it can be prohibitive to shipping from manufacturing sites. While this may affect the County's ability to compete for certain businesses, the County must also consider its distance from major interstate highways. Price City is located approximately 60 miles from both I-15 and I-70. However, many of the competing Sure Sites in other counties are located in close proximity to these interstate corridors. In contrast, all of the Carbon County Sure Sites have access to rail while only seven Utah County sites and 10 Salt Lake County sites have access. This may guide the County to focus on its transportation strengths as a competitive edge when courting site selectors.

SECTION 5: GEOGRAPHIC VISIONING

Participants in the Visioning Workshop completed a geographic visioning exercise to visualize potential regions within the County where economic development would be most advantageous. The County provided 3' X 5' foot maps of Carbon County, which included cities, recreational areas, amenities and transportation systems. Participants were placed in four groups and asked to identify three to five areas within Carbon County to focus economic development efforts. Participants highlighted regions on the map and noted the reasons selecting a particular region.

KEY FINDINGS

Based on the consensus of the four groups, three areas of top priority were identified. These priority areas for economic development include:

- ☞ PRICE CITY;
- ☞ RIDGE ROAD; AND
- ☞ CARBON COUNTY REGIONAL AIRPORT.

PRICE CITY

Price was noted as priority for a number of reasons including its role as the county seat. Participants expressed a need to beautify the City as it is a houses much of the Counties working population. Downtown Price has many vacant retail sites and has become rundown with varying standards for storefront facades. Over the last year, K-Mart, J. C. Penny, Payless Shoes, Rue 21 and Bealls have closed leaving vacancies throughout the City. Entering and exiting Price City from Highway 6 provides little visual appeal and does not provide residents and visitors with an appealing route to the City's destinations including USU Eastern, hospital or fairgrounds. The Price Industrial Parks was also noted as a resource for additional growth and development.

RIDGE ROAD

The region around Ridge Road is currently home to a number of businesses including Joy Global, Nielson Concrete, Best Deal Spring & Truck Parts, Price River Terminal, and the Savage Coal Terminal to name a few. The region's infrastructure, including water, power and fiber make it a prime candidate for new manufacturing businesses or expansion of existing businesses. Further, access to rail, truck off-loading and ample land make this area prime for continued development. Participants identified several possible industries that could be housed along Ridge Road including food processing plants, repair centers for heavy equipment and manufacturing plants.

CARBON COUNTY REGIONAL AIRPORT

The Carbon County Regional Airport is the State's third largest airport. The County is currently in the process of contracting a fixed based operator. The County is taking advantage of this contract transition to consider additional uses for airport. The FAA will allow development near the airport which is also part of the State's designated Enterprise Zone which provides tax incentives for new businesses. Development related to the airport such as a paint bay and mechanic shop may allow the Airport to encourage additional air traffic.

In addition to the three priorities mentioned above, **Appendix B** includes a number of locations participants identified as focus areas within the County for additional economic development consideration.



SECTION 6: ECONOMIC DEVELOPMENT STRATEGIC PLAN

The topics discussed in **Sections 2-5** explored the underlying fundamentals of the local economy. It is fully evident that among the several challenges that Carbon County faces as it attempts to improve its economic vitality and sustainability is the lack of a unified and deliberate vision and organizational framework to move forward. The culmination of the Market Analysis, Sales Leakage Study, Visioning Workshop and the SWOT analysis is the formation of the Economic Development Strategic Plan (the “Plan” or “Strategic Plan”). This Plan is designed to integrate the findings, observations, and potential solutions identified in previous sections of this report into an outline of actionable items to address the economic development needs of Carbon County. Implementation and success of the Plan depends on the collaboration and cooperation between Carbon County officials and staff, municipal mayors and city staff, as well as the residents, and business and industry leaders of Carbon County. The fundamental purpose of the Strategic Plan is to outline a process and some specific steps to take in order to transform a rather weak, cyclical and dependent economy to a more fully diversified and dynamic economic engine. Business expansion, recruitment and even retention are components of the Plan, but only in concert with addressing many of the fundamental weaknesses that are prevalent in the economy and throughout the County. These initial building blocks are crucial to changing the negative trends in many of the key metrics, which will then lead to growth, opportunity and diversification.

LYRB recommends that this Economic Strategic Plan be implemented by the **Economic Development Council** under the direction of the **Economic Development Consulting Team** (“EDCT”), which we envision would be led by the County Commissioners and an appointed staff member with the contracting and reliance upon an outside consulting group with the expertise, knowledge and contacts to fully implement this Economic Strategic Plan. To ensure consistency in leadership, the **Industry Committee** will oversee the existing economic development subcommittees including Customer Service, Aerospace, IT, Employee Recruitment and Development, Local Business Expansion, New Uses for Fossil Fuels, Beautification and Brownfields. The Industry Committee should include representatives from the local community as well as a county representative. Staff and resources to the Industry Committee would also include the Economic Development Consulting Team.

Additionally, in order to address one of the other prevalent weaknesses, LYRB recommends the implementation of a **Local Government Committee** to oversee communications between the County and cities, conduct business regarding public lands, as well as address County and city infrastructure needs. The Local Government Committee should include a member of the County Commission and representation from each city within the County with input from subject matter experts as necessary. Moreover, the Economic Development Consulting Team would be a resource to this committee in order to advise, suggest and update the cities and County relative to the implementation of the Economic Strategic Plan.

INDUSTRY COMMITTEE

Purpose: The purpose of the Industry Committee is to provide insight into the challenges and opportunities that exist within the promotion of economic development. Additionally, this committee is expected to bring forward direction and assistance in communicating economic development objectives throughout the community. One of the initial tasks for this committee is to identify how local government can be of assistance in promoting business expansion. Finally, this committee should be charged with a role in implementing components of the overall Economic Strategic Plan, including: coordination with USU Eastern and the development of a more comprehensive skilled labor force initiative.

Organization: It is suggested that a County official chair this particular committee; members would be selected from the business community with a desire to promote the overall health of the local economy. This committee also oversees the existing Customer Service, Aerospace, IT, Employee Recruitment & Development, Local Business Expansion and New Uses for Fossil Fuels, Beautification and Brownfields subcommittees.

LOCAL GOVERNMENT COMMITTEE

Purpose: The primary purpose of the Local Government Committee is to foster communication between all government entities at the city, County and State level. Part of this role includes the coordination of economic development efforts at the County and city level and relying upon the EDCT to study, research and bring forward specific economic development initiatives. This committee is also responsible for the careful coordination with the Industry Committee to ensure a comprehensive public-private partnership.

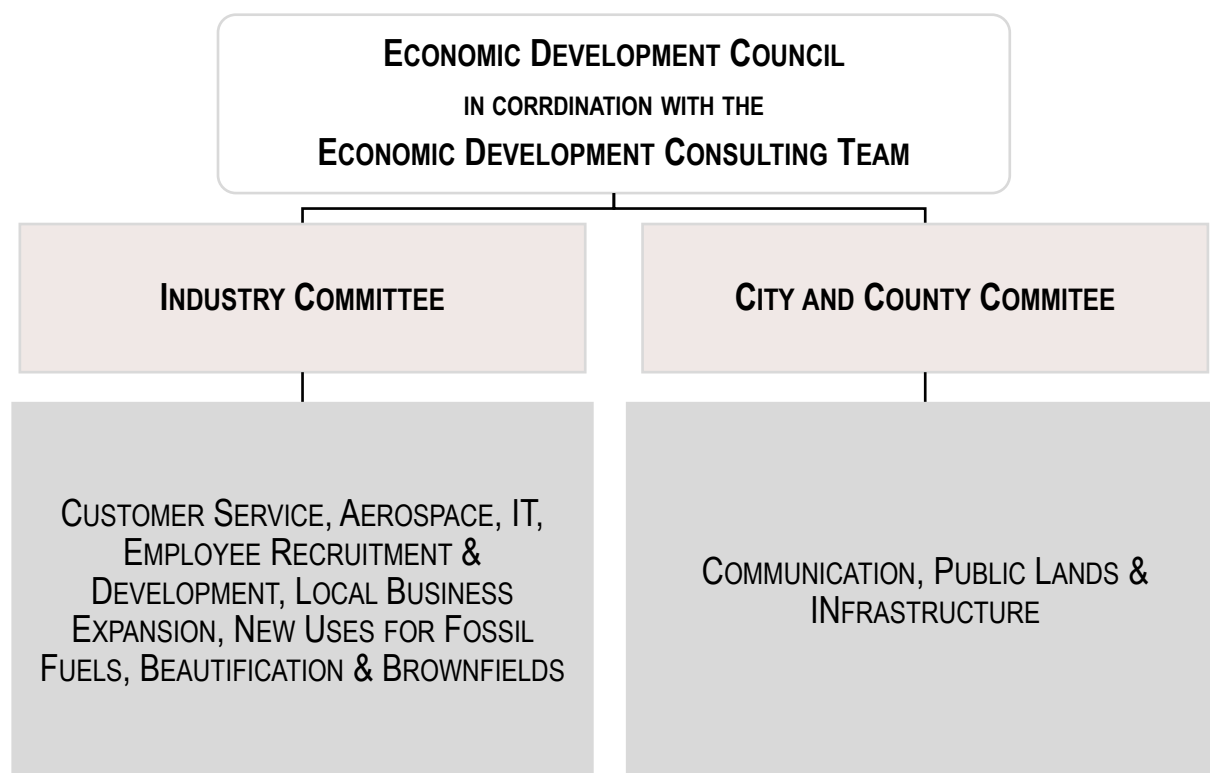
Organization: It is suggested that a County official chair this particular committee; members of the County, all cities and a representative from the Seven County Infrastructure would constitute the membership of this committee. The primary resource for this committee is the EDCT.



ECONOMIC DEVELOPMENT CONSULTING TEAM

As the County is transitioning its efforts related to economic development activities, it is the advice and counsel of this Economic Strategic Plan that the County consider the formation of a comprehensive economic development team. For many smaller, rural local governments, we have seen significant benefit from an in-house/out-source partnering approach. With limited financial resources, the County may be better served by hiring an in-house economic development specialist, not necessarily at the Economic Development Director level, but someone that could handle many of the day-to-day needs of the County and region, such as business alliance, chamber of commerce involvement, etc. The second component to the EDCT is to out-source specific project related components as it relates to economic development to a fully qualified firm or individual who can “elephant” hunt business expansion opportunities and initiatives. It is our opinion that under the current approach to economic development, the County has really only one individual devoted to economic development and that particular individual may or may not have the time or resources to pursue the significant tasks necessary to bring about economic change.

In addition to the day-to-day activities and specific project related activities, the EDCT will assist the Industry Committee and Local Government Committee advise, consult, study and research issues and ideas brought forward by these committees and assist these committees with the framework to implement the Economic Strategic Plan initiatives identified herein.



The remainder of this section, first, outlines the existing strengths of Carbon County, the key industries that are viable within the County, and the specific weaknesses that currently exist within the County. Second, this section outlines the specific economic development action items, which are the essence of the comprehensive Economic Development Strategic Plan for the County. These steps and actionable items are essential in setting a course to achieve economic vitality and sustainability going forward.

COUNTY STRENGTHS

As identified through the Visioning Workshop, including the Strengths Weaknesses Opportunities and Threats (SWOT) Analysis and interviews with political and community stakeholders, the County’s primary strengths include:

- ☞ Availability of developable and reasonably priced land
- ☞ Accessibility to several shovel ready development sites
- ☞ Moderate to good level of investment in transportation infrastructure (Rail, Highway, Air)

- ☞ Abundance of natural resources, specifically coal (Traditional/Alternative Use)
- ☞ Strong work ethic in the labor force
- ☞ Affiliation with institution of higher education (USU Eastern)
- ☞ Desirable quality of life
- ☞ High-speed fiber infrastructure

KEY INDUSTRIES

One of the key elements to economic vitality and sustainability is to diversify the economy. The County seeks to diversify its economy especially positioning itself away from its historic reliance on the coal industry. Throughout the Visioning Workshop, several industries were discussed. Based on the strengths identified in the SWOT Analysis, and as noted above, the following industries were identified as viable additions and expansions to the local economy.

- ☞ Manufacturing
- ☞ Warehousing
- ☞ Distribution

While the County's strengths including rail, fiber and availability of affordable land lend themselves to the potential expansion of distribution and warehouse opportunities, the County's ability to stimulate this type of development is most likely limited by population and competition from adjacent markets such as Utah County. While markets are showing a trend toward expansion of distribution centers in order to keep pace with the growth of online shopping, competition for these facilities is intense. Carbon County's remote location, limited interstate access and rural population will make it challenging to attract larger distribution centers. Lower population levels and continued sales leakage will result in less commercial acreage within the community. However, in comparing and contrasting the County to other potential sites for this type of expansion, the County does have a competitive advantage related to availability of affordable and shovel ready land sites. A combination of marketing availability of low cost land in addition to increases in population, could significantly alter the current trend within Carbon County. If the County population increases through community investment initiatives, the result would include an increase in buying power and capture rates and the area would see higher levels of commercial development. Specific methods to promote increased commercial development include:

- ☞ Encourage residential development and population growth through affordable density-oriented housing
- ☞ Provide development incentives
- ☞ Promote niche markets that will capture sales from surrounding communities
- ☞ Prepare information to promote availability of shovel-ready, affordable land in order to entice other types of commercial development (manufacturing, office, etc.)

MANUFACTURING

Despite the above mentioned constraints for recruiting warehousing and distribution centers, the County has several sites that are well suited for manufacturing. Manufacturing requires access to infrastructure and typically requires large tracks of land for development. Carbon County has access to rail, fiber, large tracks of land and established Enterprise Zones which allow qualifying businesses expanding or relocating to the area to claim State income tax credits. This element can be an extremely significant incentive to the further expansion of manufacturing types of industry to Carbon County. Industry Week outlined a number of criteria that narrow high level searches for many manufacturing entities including:

- ☞ Labor Force
- ☞ Proximity to Health Care
- ☞ Proximity to Education
- ☞ Services to Operation the Site
- ☞ Supplier Availability
- ☞ Financial Incentives¹²

MANUFACTURING STRENGTHS

In addition to the County's access to rail, fiber and land, the SWOT Analysis highlighted the work ethic of the labor force, quality of life including access to one of the top 20 rural community hospitals in the nation. The County is also home to USU Eastern, providing close education opportunities. With these elements in place, the County is poised to actively pursue manufacturing

¹² Industry Week. In Search of America's Best Manufacturing Locations. September 2009.



expansion and new development. However, from the local industries response to the SWOT analysis, the job skills and training efforts provided by USU Eastern need to be addressed to better align with industry needs. USU Eastern, may benefit from reviewing the models put in place by the Tooele Applied Technology Campus (TATC), the Dixie Applied Technology Campus (DXATC) and the Davis Applied Technology Campus (DATC). Each of these entities have received significant local and state funding to better prepare the work force with the type of skills needed for industry.

CASE STUDY

The City of Paragould, Arkansas experienced an influx of manufacturing which has had a profound effect on the rural community of less than 30,000 residents. The mayor attributes the success of the manufacturing industry to hard work, “deliberately and tirelessly pursue any employer, including those looking to relocate that offer the city ‘better paying...secure jobs’; in return, the city offers reasonably priced sites with utility hookups and infrastructure improvements.”¹³ The city established an industrial training consortium in conjunction with the local technical college to provide classes including welding, management, computers and manufacturing to ensure employers had training resources and employees had continuing education opportunities. In order to help fund the city’s economic development efforts, the city passed a ¼ cent sales tax which was dedicated for economic development. These funds were used to purchase property for development.

MANUFACTURING RECRUITMENT ACTION ITEMS

Carbon County’s resources and challenges differ from those discussed in the case study; however, several similarities exist. This report has identified the need for the County to take some actionable efforts to enhance its ability to recruit more manufacturing oriented businesses. The following would be essential in addressing how to approach the recruitment process:

- ☞ In concert with the Local Government Committee and Industry Committee, the EDCT will coordinate with EDCUtah and GOED on a quarterly basis. It is envisioned that the EDCT will provide a written quarterly report of available/preferred sites to ensure that these support organizations understand the County’s intent to become a manufacturing hub in the State and that these organizations are accountable to report back to Carbon County on their specific efforts to promote these sites;
- ☞ Develop a comprehensive guide (publication) to manufacturing development in Carbon County, which would outline available sites, local and state incentives and other site selection criteria important to locating manufacturing enterprises (the EDCT will be instrumental in preparing and disseminating this information to the industry; also development process, timing and contact information to stream-line the development process could be included);
- ☞ Included in the comprehensive development guide publication referenced above, the Local Government and Industry Committees (with the help of the EDCT) will become familiar with State sponsored incentives¹⁴ (these state incentives, often, require local incentive participation in order to be implemented). These incentives include:
 - Economic Development Tax Increment Financing (EDTIF): Post-performance tax re-capture;
 - Enterprise Zones: State income tax credit;
 - Industrial Assistance Fund: Post-performance grant;
 - Recycling Market Development Zones: State income tax credit and technical assistance from economic development professionals;
 - Rural Fast Track: Post-performance grant for small businesses; and
 - Utah Rural Jobs Program: Affordable capital for small businesses.
- ☞ With the assistance of the EDCT respond to all manufacturing RFI’s, highlighting the labor force, proximity to health care and education, land availability and existing infrastructure;
- ☞ Industry Committee to develop a list of potential existing businesses and industry to approach regarding expansion within Carbon County; EDCT to follow-up with prospects and coordinate leads and incentives and provide information to local businesses;
- ☞ Consider the further development of local incentives (beyond the traditional property tax increment incentives) and recommend and discuss broad policy changes for participation in manufacturing-oriented expansion. These policies could enhance revenue sharing/investing agreements, which are typically memorialized in interlocal agreements between taxing entities that could consider other incremental taxes or participation (i.e. sales taxes, tourism taxes and franchise taxes); and
- ☞ Develop a stream-lined approach to the creation of Community Reinvestment Areas (“CRA”) and implement a prospective CRA specific to Ridge Road. The process to create a CRA typically takes 3-5 months. Below is a consolidated explanation of the steps required to create a CRA. This process can be the responsibility of the EDCT.

¹³ <https://www.stlouisfed.org/publications/regional-economist/july-2012/paragould-finds-formula-to-attract-manufacturers>

¹⁴ <http://business.utah.gov/programs/incentives/>



TABLE 6.1: CRA CREATION PROCESS

1.	Adopt a resolution to create a CRA (Survey Resolution)
2.	Determine development needs and potential infrastructure (roads, power, water, etc.)
3.	Develop a case for support from taxing entities ("but for" analysis)
4.	Create a draft plan and budget
5.	Notice public and property owners and conduct a public hearing
6.	Adopt draft plan and budget
7.	Negotiate Interlocal Agreements with taxing entities

COUNTY WEAKNESSES

As noted in SWOT Analysis, several of the County's strengths are limited by community factors including a declining population base, an undereducated labor force and negative public perception. The top four challenges the County faces in capitalizing on its existing resources for economic development are as follows:

- 1. LACK OF A SKILLED WORK FORCE
- 2. COMMUNITY STABILITY/ATTITUDE;
- 3. LACK OF STRATEGIC VISION FOR A DIVERSE ECONOMY; AND
- 4. BUSINESS RETENTION AND EXPANSION.

ECONOMIC DEVELOPMENT ACTION ITEMS

Economic development often consists of multi-year efforts and collaboration between the public and private sector, as well as the community. The strategies and specific action items to address each of these weaknesses will help the County prepare for, and participate in, economic development activities. The County should note that some community based efforts are foundational precursors to targeting economic development pursuits. This Plan should be reviewed and updated yearly to catalogue specific accomplishments the County has made, as well as iterations of new of goals based on the core strategies presented below.

1. DEVELOP AND RECRUIT A SKILLED WORK FORCE

Eighteen percent of Carbon County's workforce has a bachelor's degree or higher compared to Utah County at 40 percent and enrollment at USU Eastern has declined by 61 percent since 2010. Carbon County has identified the need to develop the local workforce through offerings at USU Eastern, as well as recruiting a skilled labor force to meet industry demands. Below are specific tasks to be completed by the Industry Committee and the City and County Committee to address the labor needs of Carbon County.

ACTION ITEMS

Initiative	Committee	Timeline	Action
Align USU Eastern curriculum offerings with local industry demand.	Industry Committee	2-3 months	Coordinate with USU Eastern to review technical training and concurrent enrollment programs including curriculums and course requirements. The Industry Committee can rely heavily on the EDCT to gather and share this information. This process should result in industry leaders specifically identifying training programs that meet their job skill needs and communicating the gaps to the University.
	Industry Committee	2-3 months	Research the specific programs, approaches and industries that TATC, DATC, and DXATC are involved in, in order to develop a strategic plan for enhancing and

Initiative	Committee	Timeline	Action
			developing a more skilled work force, specific to the industries, technologies and companies that exist and that Carbon County is recruiting.
	Industry Committee	1-3 years	Engage private sector representatives to design new training programs for skills in demand that are not currently being taught.
	Industry Committee	1-3 years	Coordinate with high schools in Castle Country to attend job fairs and hold "Meet the Industry" events to encourage students to explore local careers in demand.
Improve workforce recruitment tactics.	Industry Committee	6 months - 1 year	Reach out to community members to identify former Carbon County residents who may be interested in coming back to Carbon County.
	Industry Committee	6 months - 1 year	Consult with USU Eastern to advertise internship opportunities for college students locally and along the Wasatch Front.
	Industry Committee	1-3 years	Provide recommendations to publicize internship and job opportunities at USU Eastern, as well as other state and private institutions throughout the State.
	Local Government Committee	1-5 years	Collaborate with the Utah Department of Workforce Services to advertise work opportunities and advertise more heavily along the Wasatch Front.
Improve aesthetics of the community and campus.	Industry Committee	6 months - 1 year	Advocate on behalf of USU Eastern to improve recruiting efforts for the Price campus.
	Industry Committee	1-3 years	Promote land swap options for high school.
	Industry Committee	1-5 years	Create a "beautiful route" to the USU Eastern through alumni donation and public private partnerships.
	Local Government Committee	5-10 years	See Community Stability/Attitude Goals

2. IMPROVE COMMUNITY STABILITY/ATTITUDE

Local community and industry leaders have identified the lack of communication between the County and local governments, the County's rundown appearance and social issues, including substance abuse, as key weaknesses preventing Carbon County from embracing economic development. Below is a list of action items to be addressed by the City and County Committee regarding community stability.

ACTION ITEMS

Initiative	Committee	Timeline	Action
Enhance communication between City, County and State leaders.	Local Government Committee	6 months - 1 year	Hold monthly meetings with at least one County Commissioner, City Mayors and Seven County Infrastructure Coalition to communicate needs and opportunities for economic development. Communication is key. The Local Government Committee should be assigned specific objectives and tasks to accomplish.
	Local Government Committee	6 months - 1 year	In conjunction with the EDCT, study communities that have faced similar economic development challenges and create case studies to highlight approaches to fine-tune a strategy for addressing community stability.
	Local Government Committee	6 months - 1 year	Coordinate with the State bi-monthly to utilize development resources available through the Governor's rural jobs initiative, GOED, EDCUTAH and programs available through the Governor's Office of Energy Development.
	Local Government Committee	6 months - 1 year	Discuss collaborative efforts between City and County economic development directors.
	Local Government Committee	1-5 years	Explore options for standardizing economic development incentive programs across cities and the County.
	Local Government Committee	6 months - 1 year	Discuss community initiatives to improve the community appearance and pride.
Continue beautification efforts throughout the County.	Local Government Committee	1-2 years	Update code to include standards for storefront facades, new building standards, etc.
	Industry Committee	6 months - 1 year	Create a finance plan for ongoing beautification of the County through: -County and city budgets; -Grants; and -Community Reinvestment Areas in downtown Price and along Ridge Road.



Initiative	Committee	Timeline	Action
	Industry Committee	6 months - 1 year	Continue to implement beautification efforts on primary exits to Price.
	Industry Committee	1-2 years	Secure alumni donation of "Home of USU Eastern" sign.
	Local Government Committee	1-5 years	Utilize economic development funds (consider County and City budgets, grants and CRAs) to fund a "beautiful route" to the University, fairgrounds, Ridge Road, etc.
	Local Government Committee	1-2 years	Implement a revolving loan fund to improve existing storefronts.
Improve community image.	Local Government Committee	6 months - 1 year	Continue to attend <i>Community That Cares Coalition</i> meetings and report positive outcomes of the coalition to the community.
	Local Government Committee	1-5 years	Hire a public relations firm to rebrand the County to focus on energy industry, manufacturing, health services, recreation (9 Mile, fairgrounds, Motocross Park etc.), USU Eastern, community revitalization.
	Local Government Committee	1-5 years	Utilize a public relations firm to market the natural amenities of Castle Country to encourage greater County visitation through the following marketing tactics: -Billboards in the Wasatch Front; -Social media posts; -Participation in recreation trade shows, etc.
	Local Government Committee	1-5 years	Encourage collaboration with the State Office of Tourism and Recreation Department to host annual recreation events (ATV drives, rodeos, motocross events, golf tournaments, etc.)
	Local Government Committee	1-5 years	Discuss potential challenges with increasing trail systems/signage on BLM land with Recreation Department and create a recreation action plan to improve the distribution of information.
	Industry Committee	1-5 years	Participate in USU Eastern orientations and events to promote student and family activities.
	Industry Committee	1-5 years	Produce marketing materials for businesses to use for their recruitment efforts.

3. DEVELOP A STRATEGIC VISION FOR A DIVERSE ECONOMY

The County has identified a primary industry focus of industrial manufacturing (e.g. injection molding, composite molding, medical devices, etc.) with a focus on rail and industries accommodated by highway transport. The following represents the short-term and long-term goals to stimulate industry growth.

ACTION ITEMS

Initiative	Committee	Timeline	Action
Target industrial manufacturing.	Industry Committee	6 months - 1 year	Create an inventory/brochure of sites available for development including detailed descriptions of infrastructure, including the availability of fiber, known needs, unknown characteristics, existing structures, etc.
	Industry Committee	6 months - 1 year	Update EDCUtah and the Governor's Office of Economic Development quarterly with Sure Site data ensuring all sites are included.
	Industry Committee	6 months - 1 year	Identify State incentives available for industrial and manufacturing businesses, designate specific qualification requirements and establish fast track options for qualifying candidates. Further consider the local incentives the County is willing to provide and pair packages with each specific project.
	Industry Committee	1-3 months	Evaluate current economic development activities and determine if the current staff and resource allocation is sufficient to fulfil all economic development activities including: -Responses to RFIs; -Brochure development; -Site-tracking; and -Site visits and outreach.
	Industry Committee	1-5 years	Respond to all RFI's and follow up on networking references monthly. An internal review of potential incentive packages should be included for each RFI and reference.
	Industry Committee	1-5 years	Promote development on Ridge Road by: -Utilizing brochure as stated above to highlight the specific opportunities and limitations of available land and buildings. See "Develop Ridge Road" under Section 4.

Initiative	Committee	Timeline	Action
Diversify economic development outreach efforts.	Industry Committee	1-2 years	Begin dialogue with State officials to determine qualifying projects for infrastructure development support.
	Industry Committee	1-5 years	Track legislation related to the Coal Community Empowerment Act of 2017 to determine if Carbon County will qualify for private activity bonds and job training (currently the restriction is for counties with a population less than 20,000).
	Industry Committee	1-5 years	Encourage Industry Taskforce participation during site visits along with County staff and share case study success stories.
	Industry Committee	1-5 years	Prioritize resource allocation and recruiting efforts to put Carbon County on the map.
	Industry Committee	1-5 years	Complete infrastructure on Ridge Road to ensure shovel ready sites.
	Industry Committee	5-10 years	Work with local and State representatives to address long-term solutions to making Highway 6 more accessible.
	Industry Committee	1-5 years	Discuss aeronautical development at the Airport and potential to utilize the Enterprise Zone incentives. Including potentials for a flight school, expanded use for the Forest Service, waterline extension, fulfillment center potential, paint bay, mechanic shop, etc.
	Industry Committee	1-5 years	Pursue annual recreation focused events to promote tourism (rodeos, ATV rallies, hunting events, golf tournaments, biking events, etc.).

4. RETAIN AND EXPAND BUSINESSES

Interviews with industry leaders revealed that many business owners are concerned with their ability to be viable amid the downturn in the coal industry. The County is home to several successful businesses with ample land to expand and welcome new businesses. Attracting new businesses and ensuring ease of business processes for existing entities is critical to the County's success. The EDCT is a resources to promote, advertise, educated and specifically assist businesses through each step of the expansion process. Working in tandem, the EDCT and the Local Government and Industry Committees will create a regionalized, specialized resource center. The following actions items are aimed at retaining and expanding businesses in Carbon County.

ACTION ITEMS

Initiative	Committee	Timeline	Action
Streamline CRA creation process.	Local Government Committee	6 months-1 year	Evaluate the process for Community Reinvestment Area creation and encourage uniformity across the County and cities.
	Local Government Committee	6 months-1 year	Discuss potential of bonding to provide upfront investment to expanding businesses through the County's bonding capacity.
Expand current businesses.	Local Government Committee	6 months-1 year	Conduct business visits annually to identify needs, concerns and successes including: -Ease of government processes -Business licensing -Zoning ordinances -Land use.
	Industry Committee	6 months-1 year	Hold quarterly meetings to address employer concerns, gain feedback and discuss business trends, strengths/weaknesses of doing business in the County, etc.
Recruit new businesses.	Local Government Committee	1-5 years	Recruit a mid-box oriented marketplace development. -Identify 8-20 acres for potential mid-box market oriented development (clothing, sporting goods, garden and building, materials). -Create brochure with site details and sales leakage analysis to share at ICSC Conference. -Determine feasibility of creating a CRA to aid development. -Create a project area plan and budget.
	Local Government Committee	1-5 years	Develop Ridge Road - Dedicate County funding to creating a project area plan and budget for the CRA. -Create a community reinvestment area. -Budget a portion of tax increment for beautification of the area, as well as infrastructure. -When a developer is identified, the County will identify infrastructure

Initiative	Committee	Timeline	Action
			needs relative to future planned development and create an incentive package.
	Industry Committee	1-2 years	Create case studies to highlight industry success stories specific to Carbon County to use during site visits and economic development promotions (unique skilled labor, reduced wage expense, shorter commute times, available building stock, competitive lease rates, etc.)
	Industry Committee	1-2 years	Gather comparison data from neighboring communities and provide recommendations to County and City Councils to ensure the County has a business friendly process.
	Industry Committee	1-5 years	Promote relationships with the private sector.
	Industry Committee	1-5 years	Identify community needs and utilize public/private partnerships to fulfill those needs (funds for recreation promotion, economic study completion, loan availability etc.)

SECTION 7: FINANCING TOOLS

Often one of the more significant obstacles to economic development is access to capital resources. In concert with the effort to create an effective Economic Development Strategic Plan with the necessary resources to be effective, the Local Government Committee and Industry Committee should select an in-house day-to-day economic specialist and outsource economic consultant with significant experience and understanding of many of the market specific financing tools. A wide variety of tools and incentives are available to help the County achieve its economic development goals. Below is a brief description of several resources available to the County.

Redevelopment Areas – Tax Increment Financing

Tax increment financing (“TIF”) is the most widely-used tool for economic development in the State of Utah. The creation of CRAs, or historically URA, EDA or CDAs, provides a source of financing redevelopment through the creation of tax increment. Redevelopment agencies negotiate with taxing entities to share a portion of the property tax that is generated by new development in a certain area for a specific length of time.

Tax Increment Revenue Bonds

Tax Increment Revenue Bonds allow redevelopment agencies to pledge tax increment funds to repay the debt service. The projected tax increment is often discounted by the bond market, as the tax increment is the only source to repay the bonds, and project areas have little to no tax increment at the beginning of a new project. These bonds are generally more difficult to sell, due to the risk of repayment.

Industrial Development Bonds

Industrial Development Bonds have a \$10 million cap per issue for small manufacturing facilities and a \$150 million total annual state allocation cap. These bonds have strict regulations regarding business types that are eligible; a qualified 501(c)(3) can use them for a wider variety of projects. For credit worthy borrowers, this can result in a reduction in the interest rate of up to 2.00 per annum, which during the course of a 10-20 year financed capital improvement can be millions of dollars of savings.

Revolving Loan Funds and Grants

A revolving loan fund is a source of money from which loans are made for small business development projects. A loan is made to a business and as repayments are made, funds become available for future loans to other businesses. This tool is mainly used to finance local, expanding, or small businesses within the community.

The funds used to create a revolving loan fund may have rules governing the program design. For example, the Department of Housing and Urban Development has specified rules for Community Development Block Grants. Matching grants or revolving loan funds have been very successful in various communities throughout Utah. Dilapidated areas within the County may benefit from creating a revolving loan fund that would encourage the upgrade of façades and other building renovations. Most businesses see increased traffic from improvements to their properties.

Community Development Block Grants

Community Development Block Grants can be used for development in parts of the community that qualify as low and moderate income areas. These funds may also be used for projects that remove impediments of access for elderly and the disabled.

Business Improvement Districts

A business improvement district (BID) is a public-private partnership that allows for additional taxes to be collected from businesses within a designated area. The taxes generated by a BID are used for public improvements based on the concept that well maintained public spaces will increase commerce. BIDs are managed by nonprofit corporations created by the district. BIDs allow businesses to share the costs to increase business activity within the community through joint ventures including 1) joint marketing, 2) ad campaigns, 3) events in the district area, and 4) planning for parking and facility improvements. The County may contribute through facilitation of meetings at municipal buildings, advertising on municipal websites, etc.

Sales Tax Incentives

For strong destination retail anchors, the County may offer a sales tax incentive for a period of time. The County should consider sales tax incentives on a case-by-case basis. This should only be considered for a major tax-generating retailer or to retain a current major tax-generating business.



Special Assessment Bonds

Special Assessment Bonds allow a governmental entity to designate a specific area which will be benefited by public improvements and levy a special assessment, like a tax lien, to finance the public improvements. This assessment is then used to repay the debt service. Usually, only the property owners receiving the benefit from the improvements are assessed the costs.

Special Assessment Bonds may not be created if 50 percent or more of those liable for the assessment payment protest its creation. These bonds usually have a higher interest rate than the other bonds discussed in this section. All improvements must be owned by the issuer and repayment cannot exceed twenty years. The main advantage to these bonds are: 1) no bond election required, 2) only benefited owners pay for the improvements, and 3) limited risk to the County.

Municipal Building Authority Lease Revenue Bonds (“MBA”)

Cities, counties and school districts are allowed to create a non-profit organization solely for the purpose of accomplishing the purpose of acquiring, constructing, improving, and financing the cost of a project on behalf of a public body that created it. Normally, MBA bonds are used to construct municipal buildings, however MBA bonds have been used to finance parks and recreation facilities as well. The legal limitation on MBA bonds issued is 40 years.

Sales Tax Revenue Bonds

Sales tax revenues can be utilized as a sole pledge for the repayment of debt. These bonds do not require a bond election, and are often used for the acquisition and construction of any capital facility owned by the issuing entity. The bond market usually requires a higher debt service ratio of at least two or three times the revenue to debt.

APPENDIX A: SWOT ANALYSIS DATA

TABLE A.1: GREATEST ECONOMIC DEVELOPMENT CONCERN

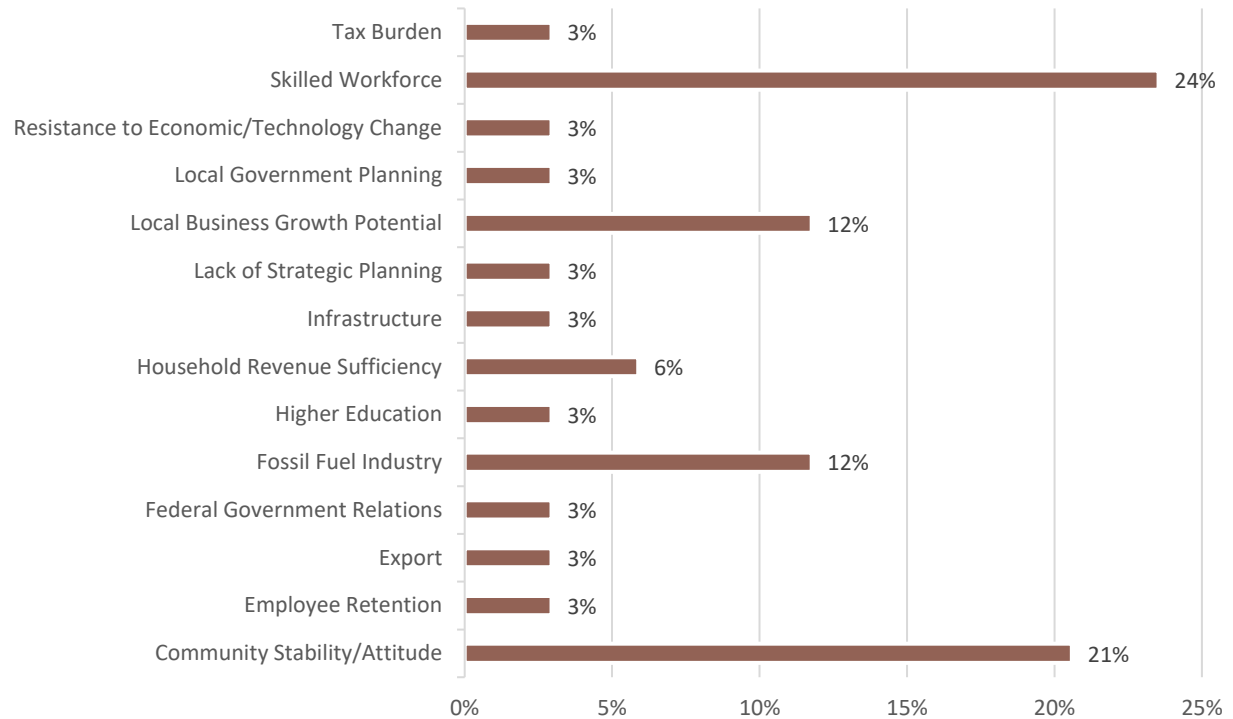


TABLE A.2: VISIONING WORKSHOP SWOT ANALYSIS RESPONSES

STRENGTHS	WEAKNESSES
<input type="checkbox"/> Price Industrial Park <input type="checkbox"/> Fiber <input type="checkbox"/> Diversity <input type="checkbox"/> Natural Resources <input type="checkbox"/> Work Ethic <input type="checkbox"/> USU Eastern <input type="checkbox"/> Rail/Interstate <input type="checkbox"/> Blue Collar Workforce <input type="checkbox"/> Land Availability <input type="checkbox"/> Airport <input type="checkbox"/> Tourism Opportunities <input type="checkbox"/> Community <input type="checkbox"/> Coal/Gas <input type="checkbox"/> Recreation <input type="checkbox"/> Low Traffic Volume <input type="checkbox"/> Good Healthcare	<input type="checkbox"/> University Not Aligned with Job Needs <input type="checkbox"/> Fossil Fuel Energy Tides <input type="checkbox"/> Drug Use <input type="checkbox"/> Lack of Skilled Labor <input type="checkbox"/> Pay Scale <input type="checkbox"/> Lack of Water <input type="checkbox"/> Fire Danger <input type="checkbox"/> Tax Laws <input type="checkbox"/> Intergenerational Poverty <input type="checkbox"/> Low-Income Base <input type="checkbox"/> Affordable Health Care <input type="checkbox"/> Lack of Economic Diversity <input type="checkbox"/> Lack of Strategic Plan <input type="checkbox"/> Lack of Infrastructure <input type="checkbox"/> Need More Power <input type="checkbox"/> Too Much Public Lands <input type="checkbox"/> Community Appearance
OPPORTUNITIES	THREATS
<input type="checkbox"/> Grid Left by Carbon Power Plant <input type="checkbox"/> Rail Access <input type="checkbox"/> Carbon & Emery County Pooled Resources <input type="checkbox"/> Land Swap & New High School <input type="checkbox"/> Solution to Wasatch Front Expansion Issues <input type="checkbox"/> Manufacturing <input type="checkbox"/> Recreation – Shooting Range, Fairgrounds, etc. <input type="checkbox"/> Solar Integration <input type="checkbox"/> Airport – Cargo Planes (Amazon Fulfillment Center) <input type="checkbox"/> Inland Port <input type="checkbox"/> Drug Treatment Facility <input type="checkbox"/> Green River Nuclear Plant <input type="checkbox"/> Exports <input type="checkbox"/> Current Business Expansion <input type="checkbox"/> Buy Local <input type="checkbox"/> USU Eastern Expansion/Trade Training <input type="checkbox"/> Data/Technology Business <input type="checkbox"/> Tourism – Capitalize on Mighty 5 <input type="checkbox"/> Grants <input type="checkbox"/> Land Availability	<input type="checkbox"/> Community Appearance <input type="checkbox"/> Dependence on Coal <input type="checkbox"/> Lack of Cohesive Economic Development Plan <input type="checkbox"/> Graduates Leave <input type="checkbox"/> Sales Leakage <input type="checkbox"/> Lack of water <input type="checkbox"/> Difficult to get State support <input type="checkbox"/> Cities Struggling Financially <input type="checkbox"/> Politics – Too Much Control From Special Interest Groups <input type="checkbox"/> Solar Incentives & Depreciation <input type="checkbox"/> Dying Community <input type="checkbox"/> Facility Appearance <input type="checkbox"/> Government Restriction <input type="checkbox"/> Environmental Opposition <input type="checkbox"/> Drug Use <input type="checkbox"/> High Taxes <input type="checkbox"/> People Who Fight Change <input type="checkbox"/> County Government Over Spending on Infrastructure Rather Than Economic Development

TABLE A.3: INTERVIEW RESPONSES

- ☐ **Government regulations** – need to make it easier to do business in the County;
- ☐ **Unify incentives** across governments;
- ☐ Focus on **USU Eastern growth**;
- ☐ Focus on growth and support of local businesses;
- ☐ Decrease transportation costs (rail);
- ☐ Capitalize on Price Industrial Park;
- ☐ Report on economic success in public meetings.
- ☐ Lack **water resources**;
- ☐ Railroad is a positive resource;
- ☐ Additional capacity at landfill, tipping fee can be prohibitive (vs. Tooele);
- ☐ Focus on **USU Eastern**.
- ☐ Identification as an arts community has been successful;
- ☐ Riverwalk a success;
- ☐ Need **communication with County**;
- ☐ Focus on Main Street.
- ☐ Create better **relationships between local governments and County Commission**;
- ☐ Drug issue;
- ☐ Focus on Main Street;
- ☐ Difficult to combat revenue decline due to centrally assessed property loss.
- ☐ County is highly energy dependent, need to **diversify economy**;
- ☐ **Recreation** isn't brining people like it should.
- ☐ Need to address **drug problem**;
- ☐ USU Eastern makes it difficult to get two-year degrees, need to **align University** with local workforce needs, competition with Snow College;
- ☐ **Underutilized recreation**: fairgrounds, shooting range, motocross track, 9-Mile Canyon, Tavaputs Ranch.
- ☐ **Water volume** (lower elevation reservoir needed);
- ☐ Expensive water system because development is so spread out;
- ☐ **Diversify economy**;
- ☐ No UCAT Campus east of HWY 40;
- ☐ **Education alignment**.
- ☐ Struggle to **retain good teachers**, especially for math;
- ☐ **Stagnant community** doesn't produce engaged students;
- ☐ **Unify District with University**, issues with concurrent credits not transferring like AP credits;
- ☐ **Intergenerational poverty**;
- ☐ Old rundown facilities make a negative impression, interested in **land swap** with University;
- ☐ Concurrent enrollment funding issues.
- ☐ Potential **land swap** with high school a top priority;
- ☐ Focus on **allied health**, matches the State initiatives;
- ☐ University offers high school students opportunity for **concurrent enrollment, job skills/vocational training**;
- ☐ Engineering degree program would be long-term goal, but costly (\$20MM ongoing);
- ☐ Need to provide environment to keep students in Price;
- ☐ Enrollment/outreach suffers from USU CSRM (central recruiting)
- ☐ County officials can help **make the Carbon County attractive** for businesses to come in.
- ☐ County and cities need to be on the same page for economic development.
- ☐ Need to **break the stigma** of being a rough and tumble mining community.
- ☐ Make **"beautiful routes"** throughout the County. Example of Snow College.

- ☐ Find a voice in the business community to **create perspective** for the benefits and struggles of doing business in Carbon County.
- ☐ **Share success stories** to encourage others to come
- ☐ Consider recruitment strategies from local businesses (banks, hospital, etc). Identify locals who have left and are interested in getting back.
- ☐ Focus on **strength of diversity** that the rest of the state lacks and national site selectors crave (ethnicity, culture, religion, etc.)

- ☐ **Recreation an untapped resource.** Part of the struggle may be with BLM, timely process to get trails approved so they can be publicized. People generally don't know where to go.
- ☐ Recommendation to work with a professional first to **create marketing material** (brochure with details for sites: water, power, fire, parcel size, etc.) and make a dedicated effort to recruit. Cedar City example to recruit plastics companies from California.
- ☐ Businesses are willing to allocated resources for development, especially in recreation if officials can move this along.
- ☐ Concerned with brand name stores closing.
- ☐ **Challenge to complete** with states that provide direct financial incentives rather than tax credits and post-performance incentives.
- ☐ Consider the right businesses to develop around the airport, FAA will allow development, airport in an Enterprise Zone.
- ☐ The **County is not a known entity** to the State, country.
- ☐ HWY 6 – need to have four lanes so manufacturing is an option.
- ☐ Limitations on water
- ☐ Working to create career pathways with stackable credentials.
- ☐ Take advantage of the Governor's stance on **increasing jobs in rural Utah**. Advocate for funds to make this a reality.
- ☐ Strengths include **alternative uses for coal (fiber, etc.)**, opportunities for medical technology, rail, etc.
- ☐ The **University needs to diversify** to help provide a technology ready workforce.
- ☐ Better **communication** needed between local governments, County and Seven County Infrastructure.
- ☐ Role of the coalition is to assist in planning, economic development and sustainability.
- ☐ Community That Cares Coalition **attacks issues of substance abuse** from all angles, interfaith groups working together.
- ☐ As unemployment goes up, crime and substance abuse goes up.
- ☐ Carbon County ranked #1 for oppida abuse; top 10 in the nation but their small community makes the issues seem worse. This issue needs to come to light but is killing the reputation of the County.
- ☐ Pilot program saw success with 18 of 19 individuals using Naltrexone.
- ☐ Justice Reinvestment Initiative funds being used to support the **Community Based Supervision Program** to encourage pretrial and early release.
- ☐ Community burdened by **lack of amenities**: shopping, restaurants, entertainment.
- ☐ The community is a hidden gem "Tweeners" a community many pass through but few stop.

APPENDIX B: GEOGRAPHIC VISIONING DATA

TABLE B.1: GROUP 1

Location	Notes
Industrial Area near Joy Global on Ridge Road	Access to rail; truck off-loading; potential for distribution & manufacturing; unlimited space.
Downtown Price	Service industry follows industry; revolving loan program to beautify city; create architectural standards.
River	Opportunity for biking; kayaking.
Ridge Road Industrial Park (HWY 10)	Opportunity for food processing.
Scofield	Opportunity for tourism; ski park.

TABLE B.2: GROUP 2

Location	Notes
Castle Valley	Intertwined with Emery County.
Carbon County Specific	
City Focus: Price , Helper, Wellington, East Carbon	Opportunities to fix-up city, focus on existing businesses, solar, fiber, etc.

TABLE B.3: GROUP 3

Location	Notes
Ridge Road near Nelsons	
Industrial arear near Joy Global	Requires a gas line.
Airport	Address regulations; repair hub potential.
ECDC east Carbon County	Water needed.
Fairgrounds	Large area to host events; BMX track, arena, etc.
Updates along HWY 10	

TABLE B.4: GROUP 4

Location	Notes
USU Eastern	Create programs for high school development, technical trade skills; Create incubator business resource for students; Focus on theater
Ridge Road	Possible repair center for heavy equipment
Price Industrial Park	
Tourism	Promote theater, mountain biking, Deseret Ranch elk hunting, fishing, trail systems, shooting range, special events.
Airport	Amazon fulfillment center.
East Carbon	Bring back waste that was lost due to tipping fees; Government incentives for undeveloped areas.

APPENDIX C: SALES LEAKAGE COMPARISON DATA

SALES LEAKAGE COMPARISONS

TABLE C.1: RETAIL COMPARISON CAPTURE RATES

	Sanpete County			Sevier County			Duchesne County			San Juan County			Emery County			Utah County		
Category	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate
Building Material & Garden Equip	(101)	(2,965,095)	85%	704	14,979,263	193%	(671)	(13,638,493)	28%	(311)	(5,247,667)	50%	(512)	(5,234,086)	33%	(69)	(40,758,670)	92%
Clothing & Accessories	(369)	(10,862,598)	10%	(194)	(4,129,787)	58%	(533)	(10,840,167)	6%	(365)	(6,158,895)	5%	(439)	(4,485,420)	7%	6	3,807,044	101%
Electrical & Appliance	(139)	(4,077,545)	35%	(206)	(4,383,195)	15%	(268)	(5,446,790)	9%	(189)	(3,192,348)	5%	(219)	(2,237,391)	11%	(13)	(7,566,311)	95%
Food & Beverage	(235)	(6,916,024)	77%	(1)	(26,029)	100%	911	18,518,225	165%	(306)	(5,173,912)	67%	(336)	(3,428,552)	71%	(195)	(115,428,120)	85%
Furniture & Home Furnishing	(182)	(5,366,092)	18%	(121)	(2,577,719)	52%	(260)	(5,278,260)	16%	(199)	(3,353,901)	4%	(228)	(2,329,264)	11%	(28)	(16,452,677)	90%
Gas Station	46	1,358,240	118%	341	7,256,144	217%	286	5,817,459	181%	369	6,234,571	255%	1,357	13,868,159	562%	(73)	(43,116,492)	77%
General Merchandise	64	1,876,482	104%	1,018	21,645,655	161%	(1,666)	(33,878,216)	18%	(981)	(16,580,833)	28%	(1,486)	(15,181,379)	12%	468	277,454,962	125%
Health & Personal	(104)	(3,065,718)	16%	(100)	(2,118,446)	30%	(149)	(3,021,883)	14%	(92)	(1,553,370)	21%	(117)	(1,198,573)	18%	(16)	(9,584,531)	90%
Miscellaneous Retail Trade	(288)	(8,480,829)	22%	(246)	(5,241,605)	41%	476	9,687,785	194%	(210)	(3,541,079)	39%	(198)	(2,020,747)	53%	(53)	(31,260,765)	89%
Motor Vehicle	(683)	(20,073,448)	52%	(99)	(2,107,136)	94%	(675)	(13,733,540)	66%	(1,166)	(19,701,284)	13%	(998)	(10,194,127)	39%	1	454,732	100%
Non-Store Retailers	(63)	(1,857,473)	57%	14	307,821	109%	21	435,297	111%	(28)	(470,463)	80%	127	1,299,822	176%	29	16,968,731	116%
Sporting Good	(104)	(3,046,797)	58%	(186)	(3,959,633)	33%	(304)	(6,178,783)	10%	(203)	(3,425,934)	11%	(240)	(2,450,861)	15%	20	11,802,669	106%
Wholesale Trade-Durable Goods	(581)	(17,072,174)	31%	111	2,369,298	112%	780	15,865,631	167%	(476)	(8,046,955)	39%	(578)	(5,904,530)	40%	(182)	(107,722,578)	83%
Wholesale Trade-Electronic Markets	1	39,487	112%	(6)	(123,799)	55%	58	1,172,324	464%	(7)	(110,318)	39%	59	603,308	550%	(10)	(5,887,381)	31%
Wholesale Trade-Nondurable Goods	(56)	(1,639,829)	66%	159	3,380,438	186%	153	3,109,560	168%	103	1,734,051	168%	(144)	(1,468,468)	23%	(75)	(44,247,439)	63%

TABLE C.2: INDUSTRY COMPARISON CAPTURE RATES

	Sanpete County			Sevier County			Duchesne County			San Juan County			Emery County			Utah County		
Category	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate
Agriculture, Forestry, Fishing & Hunting	(101)	(2,965,095)	85%	704	14,979,263	193%	(671)	(13,638,493)	28%	(311)	(5,247,667)	50%	(512)	(5,234,086)	33%	(69)	(40,758,670)	92%
Construction	(369)	(10,862,598)	10%	(194)	(4,129,787)	58%	(533)	(10,840,167)	6%	(365)	(6,158,895)	5%	(439)	(4,485,420)	7%	6	3,807,044	101%
Information	(139)	(4,077,545)	35%	(206)	(4,383,195)	15%	(268)	(5,446,790)	9%	(189)	(3,192,348)	5%	(219)	(2,237,391)	11%	(13)	(7,566,311)	95%
Manufacturing	(235)	(6,916,024)	77%	(1)	(26,029)	100%	911	18,518,225	165%	(306)	(5,173,912)	67%	(336)	(3,428,552)	71%	(195)	(115,428,120)	85%
Mining, Quarrying, & Oil & Gas Extraction	(182)	(5,366,092)	18%	(121)	(2,577,719)	52%	(260)	(5,278,260)	16%	(199)	(3,353,901)	4%	(228)	(2,329,264)	11%	(28)	(16,452,677)	90%
Transportation & Warehousing	46	1,358,240	118%	341	7,256,144	217%	286	5,817,459	181%	369	6,234,571	255%	1,357	13,868,159	562%	(73)	(43,116,492)	77%
Utilities	64	1,876,482	104%	1,018	21,645,655	161%	(1,666)	(33,878,216)	18%	(981)	(16,580,833)	28%	(1,486)	(15,181,379)	12%	468	277,454,962	125%

TABLE C.3: SERVICES COMPARISON CAPTURE RATES

	Sanpete County			Sevier County			Duchesne County			San Juan County			Emery County			Utah County		
Category	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate	Per Capita	Total	Capture Rate
Accommodation	(101)	(2,965,095)	85%	704	14,979,263	193%	(671)	(13,638,493)	28%	(311)	(5,247,667)	50%	(512)	(5,234,086)	33%	(69)	(40,758,670)	92%
Admin Support & Waste Manag. & Remed.	(369)	(10,862,598)	10%	(194)	(4,129,787)	58%	(533)	(10,840,167)	6%	(365)	(6,158,895)	5%	(439)	(4,485,420)	7%	6	3,807,044	101%
Arts, Entertainment & Recreation	(139)	(4,077,545)	35%	(206)	(4,383,195)	15%	(268)	(5,446,790)	9%	(189)	(3,192,348)	5%	(219)	(2,237,391)	11%	(13)	(7,566,311)	95%
Educational Services	(235)	(6,916,024)	77%	(1)	(26,029)	100%	911	18,518,225	165%	(306)	(5,173,912)	67%	(336)	(3,428,552)	71%	(195)	(115,428,120)	85%



Finance & Insurance	(182)	(5,366,092)	18%	(121)	(2,577,719)	52%	(260)	(5,278,260)	16%	(199)	(3,353,901)	4%	(228)	(2,329,264)	11%	(28)	(16,452,677)	90%
Food Services & Drinking Places	46	1,358,240	118%	341	7,256,144	217%	286	5,817,459	181%	369	6,234,571	255%	1,357	13,868,159	562%	(73)	(43,116,492)	77%
Health Care & Social Assistance	64	1,876,482	104%	1,018	21,645,655	161%	(1,666)	(33,878,216)	18%	(981)	(16,580,833)	28%	(1,486)	(15,181,379)	12%	468	277,454,962	125%
Management Of Companies & Enterprises	(104)	(3,065,718)	16%	(100)	(2,118,446)	30%	(149)	(3,021,883)	14%	(92)	(1,553,370)	21%	(117)	(1,198,573)	18%	(16)	(9,584,531)	90%
Other Services-Except Public Administration	(288)	(8,480,829)	22%	(246)	(5,241,605)	41%	476	9,687,785	194%	(210)	(3,541,079)	39%	(198)	(2,020,747)	53%	(53)	(31,260,765)	89%
Professional, Scientific, & Technical Ser	(683)	(20,073,448)	52%	(99)	(2,107,136)	94%	(675)	(13,733,540)	66%	(1,166)	(19,701,284)	13%	(998)	(10,194,127)	39%	1	454,732	100%
Public Administration	(63)	(1,857,473)	57%	14	307,821	109%	21	435,297	111%	(28)	(470,463)	80%	127	1,299,822	176%	29	16,968,731	116%
Real Estate, Rental, & Leasing	(104)	(3,046,797)	58%	(186)	(3,959,633)	33%	(304)	(6,178,783)	10%	(203)	(3,425,934)	11%	(240)	(2,450,861)	15%	20	11,802,669	106%

REVENUE LOSS

The estimated revenue loss is calculated based on a half percent county option sales tax which is multiplied by the revenue leaked in each major category.

TABLE C.4: RETAIL LOST REVENUE

	Sanpete County		Sevier County		Duchesne County		San Juan County		Emery County		Utah County	
Category	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue
Building Material & Garden Equip	(3,065,517)	15,328	14,890,133	-	(13,812,282)	(3,065,517)	15,328	14,890,133	-	(13,812,282)		
Clothing & Accessories	(10,924,240)	54,621	(4,184,498)	20,922	(10,946,844)	(10,924,240)	54,621	(4,184,498)	20,922	(10,946,844)		
Electrical & Appliance	(4,109,565)	20,548	(4,411,614)	22,058	(5,502,202)	(4,109,565)	20,548	(4,411,614)	22,058	(5,502,202)		
Food & Beverage	(7,066,835)	35,334	(159,882)	799	18,257,233	(7,066,835)	35,334	(159,882)	799	18,257,233		
Furniture & Home Furnishing	(5,399,585)	26,998	(2,607,446)	13,037	(5,336,222)	(5,399,585)	26,998	(2,607,446)	13,037	(5,336,222)		
Gas Station	1,319,862	-	7,222,081	-	5,751,043	1,319,862	-	7,222,081	-	5,751,043		
General Merchandise	1,656,566	-	21,450,467	-	(34,258,801)	1,656,566	-	21,450,467	-	(34,258,801)		
Health & Personal	(3,084,410)	15,422	(2,135,036)	10,675	(3,054,232)	(3,084,410)	15,422	(2,135,036)	10,675	(3,054,232)		
Miscellaneous Retail Trade	(8,535,969)	42,680	(5,290,545)	26,453	9,592,358	(8,535,969)	42,680	(5,290,545)	26,453	9,592,358		
Motor Vehicle	(20,288,708)	101,444	(2,298,192)	11,491	(14,106,069)	(20,288,708)	101,444	(2,298,192)	11,491	(14,106,069)		
Non-Store Retailers	(1,879,445)	9,397	288,320	-	397,272	(1,879,445)	9,397	288,320	-	397,272		
Sporting Good	(3,083,536)	15,418	(3,992,241)	19,961	(6,242,363)	(3,083,536)	15,418	(3,992,241)	19,961	(6,242,363)		
Wholesale Trade-Durable Goods	(17,197,550)	85,988	2,258,020	-	15,648,656	(17,197,550)	85,988	2,258,020	-	15,648,656		
Wholesale Trade-Electronic Markets	37,773	-	(125,321)	627	1,169,358	37,773	-	(125,321)	627	1,169,358		
Wholesale Trade-Nondurable Goods	(1,664,210)	8,321	3,358,799	-	3,067,367	(1,664,210)	8,321	3,358,799	-	3,067,367		

TABLE C.5 : INDUSTRY LOST REVENUE

	Carbon County		Sanpete County		Sevier County		Duchesne County		San Juan County		Emery County	
Category	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue
Agriculture, Forestry, Fishing & Hunting	(96,795)	484	138,785	-	258,691	-	343,123	-	(54,954)	275	205,100	-
Construction	(306,875)	1,534	(1,694,165)	8,471	(1,823,833)	9,119	4,389,720	-	3,020,830	-	880,536	-
Information	(257,039)	1,285	(3,357,814)	16,789	(404,960)	2,025	12,115,565	-	(228,635)	1,143	722,993	-
Manufacturing	563,906	-	3,347,625	-	(2,158,092)	10,790	17,999,409	-	(2,711,671)	13,558	11,641,444	-
Mining, Quarrying, & Oil & Gas Extraction	13,260,691	-	(3,053,216)	15,266	10,943,676	-	21,043,597	-	10,752,584	-	3,409,539	-
Transportation & Warehousing	1,019,942	-	(844,428)	4,222	627,824	-	(31,951)	160	2,004,910	-	(27,062)	135
Utilities	(3,865,509)	19,328	(2,631,664)	13,158	6,426,831	-	9,924,295	-	2,311,130	-	12,444,921	-



TABLE C.6: SERVICES LOST REVENUE

	Carbon County		Sanpete County		Sevier County		Duchesne County		San Juan County		Emery County	
Category	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue	Leakage Revenue	Estimated Lost Revenue
Accommodation	(3,963,974)	19,820	(9,341,937)	46,710	3,413,839	-	(8,606,753)	43,034	20,255,232	-	6,177,516	-
Admin. & Sup & Waste Man.& Remed. Ser	(321,889)	1,609	(1,454,027)	7,270	(564,494)	2,822	(775,755)	3,879	(436,113)	2,181	(533,611)	2,668
Arts, Entertainment, and Recreation	(2,803,992)	14,020	(3,938,439)	19,692	(3,652,837)	18,264	(4,281,991)	21,410	1,357,948	-	(1,500,199)	7,501
Educational Services	(386,712)	1,934	94,773	-	(477,931)	2,390	(593,709)	2,969	(47,403)	237	(285,493)	1,427
Finance & Insurance	(387,835)	1,939	(569,684)	2,848	(681,067)	3,405	1,606,567	-	3,745,736	-	(535,727)	2,679
Food Services & Drinking Places	(5,059,274)	25,296	(16,374,333)	81,872	(41,115)	206	(16,510,578)	82,553	(9,662,264)	48,311	(6,325,535)	31,628
Health Care & Social Assistance	846,352	-	(288,456)	1,442	900,214	-	1,109,535	-	131,930	-	(158,070)	790
Management Of Companies & Enterprises	(83,805)	419	199,115	-	1,167,172	-	(92,951)	465	(53,478)	267	(40,730)	204
Other Services-Except Public Administration	3,422,713	-	935,541	-	7,708,597	-	1,863,125	-	(3,349,171)	16,746	1,264,513	-
Professional, Scientific, & Technical Serv	(2,163,439)	10,817	(3,052,140)	15,261	(2,669,428)	13,347	(3,247,942)	16,240	(1,897,973)	9,490	(1,158,972)	5,795
Public Administration	5,023,443	-	3,053,472	-	(892,874)	4,464	(830,361)	4,152	850,688	-	315,066	-
Real Estate, Rental, & Leasing	(3,326,079)	16,630	(7,361,528)	36,808	14,677,196	-	7,399,887	-	(1,910,501)	9,553	(2,697,377)	13,487



APPENDIX D: STRATEGIC PLAN ACTION ITEMS

1. DEVELOP AND RECRUIT A SKILLED WORK FORCE: ACTION ITEMS

Initiative	Committee	Timeline	Action	Assignments	Notes
Align USU Eastern curriculum offerings with local industry demand.	Industry Committee	2-3 months	Coordinate with USU Eastern to review technical training and concurrent enrollment programs including curriculums and course requirements. The Industry Committee can rely heavily on the EDCT to gather and share this information. This process should result in industry leaders specifically identifying training programs that meet their job skill needs and communicating the gaps to the University.		
	Industry Committee	2-3 months	Research the specific programs, approaches and industries that TATC, DATC, and DXATC are involved in, in order to develop a strategic plan for enhancing and developing a more skilled work force, specific to the industries, technologies and companies that exist and that Carbon County is recruiting.		
	Industry Committee	1-3 years	Engage private sector representatives to design new training programs for skills in demand that are not currently being taught.		
	Industry Committee	1-3 years	Coordinate with high schools in Castle Country to attend job fairs and hold “Meet the Industry” events to encourage students to explore local careers in demand.		
Improve workforce recruitment tactics.	Industry Committee	6 months - 1 year	Reach out to community members to identify former Carbon County residents who may be interested in coming back to Carbon County.		
	Industry Committee	6 months - 1 year	Consult with USU Eastern to advertise internship opportunities for college students locally and along the Wasatch Front.		
	Industry Committee	1-3 years	Provide recommendations to publicize internship and job opportunities at USU Eastern, as well as other state and private institutions throughout the State.		
	Local Government Committee	1-5 years	Collaborate with the Utah Department of Workforce Services to advertise work opportunities and advertise more heavily along the Wasatch Front.		
Improve aesthetics of the community and campus.	Industry Committee	6 months - 1 year	Advocate on behalf of USU Eastern to improve recruiting efforts for the Price campus.		
	Industry Committee	1-3 years	Promote land swap options for high school.		
	Industry Committee	1-5 years	Create a “beautiful route” to the USU Eastern through alumni donation and public private partnerships.		
	Local Government Committee	5-10 years	See Community Stability/Attitude Goals		

2. IMPROVE COMMUNITY STABILITY/ATTITUDE: ACTION ITEMS

Initiative	Committee	Timeline	Action		
Enhance communication between City, County and State leaders.	Local Government Committee	6 months - 1 year	Hold monthly meetings with at least one County Commissioner, City Mayors and Seven County Infrastructure Coalition to communicate needs and opportunities for economic development. Communication is key. The Local Government Committee should be assigned specific objectives and tasks to accomplish.		
	Local Government Committee	6 months - 1 year	In conjunction with the EDCT, study communities that have faced similar economic development challenges and create case studies to highlight approaches to fine-tune a strategy for addressing community stability.		
	Local Government Committee	6 months - 1 year	Coordinate with the State bi-monthly to utilize development resources available through the Governor's rural jobs initiative, GOED, EDCUTAH and programs available through the Governor's Office of Energy Development.		
	Local Government Committee	6 months - 1 year	Discuss collaborative efforts between City and County economic development directors.		
	Local Government Committee	1-5 years	Explore options for standardizing economic development incentive programs across cities and the County.		
	Local Government Committee	6 months - 1 year	Discuss community initiatives to improve the community appearance and pride.		
Continue beautification efforts throughout the County.	Local Government Committee	1-2 years	Update code to include standards for storefront facades, new building standards, etc.		
	Industry Committee	6 months - 1 year	Create a finance plan for ongoing beautification of the County through: -County and city budgets; -Grants; and -Community Reinvestment Areas in downtown Price and along Ridge Road.		
	Industry Committee	6 months - 1 year	Continue to implement beautification efforts on primary exits to Price.		
	Industry Committee	1-2 years	Secure alumni donation of "Home of USU Eastern" sign.		
	Local Government Committee	1-5 years	Utilize economic development funds (consider County and City budgets, grants and CRAs) to fund a "beautiful route" to the University, fairgrounds, Ridge Road, etc.		
	Local Government Committee	1-2 years	Implement a revolving loan fund to improve existing storefronts.		
Improve community image.	Local Government Committee	6 months - 1 year	Continue to attend <i>Community That Cares Coalition</i> meetings and report positive outcomes of the coalition to the community.		
	Local Government Committee	1-5 years	Hire a public relations firm to rebrand the County to focus on energy industry, manufacturing, health services, recreation (9 Mile, fairgrounds, Motocross Park etc.), USU Eastern, community revitalization.		
	Local Government Committee	1-5 years	Utilize a public relations firm to market the natural amenities of Castle Country to encourage greater		

Initiative	Committee	Timeline	Action		
			County visitation through the following marketing tactics: -Billboards in the Wasatch Front; -Social media posts; -Participation in recreation trade shows, etc.		
	Local Government Committee	1-5 years	Encourage collaboration with the State Office of Tourism and Recreation Department to host annual recreation events (ATV drives, rodeos, motocross events, golf tournaments, etc.)		
	Local Government Committee	1-5 years	Discuss potential challenges with increasing trail systems/signage on BLM land with Recreation Department and create a recreation action plan to improve the distribution of information.		
	Industry Committee	1-5 years	Participate in USU Eastern orientations and events to promote student and family activities.		
	Industry Committee	1-5 years	Produce marketing materials for businesses to use for their recruitment efforts.		



3. DEVELOP A STRATEGIC VISION FOR A DIVERSE ECONOMY: ACTION ITEMS

Initiative	Committee	Timeline	Action		
Target industrial manufacturing.	Industry Committee	6 months - 1 year	Create an inventory/brochure of sites available for development including detailed descriptions of infrastructure, including the availability of fiber, known needs, unknown characteristics, existing structures, etc.		
	Industry Committee	6 months - 1 year	Update EDCUtah and the Governor's Office of Economic Development quarterly with Sure Site data ensuring all sites are included.		
	Industry Committee	6 months - 1 year	Identify State incentives available for industrial and manufacturing businesses, designate specific qualification requirements and establish fast track options for qualifying candidates. Further consider the local incentives the County is willing to provide and pair packages with each specific project.		
	Industry Committee	1-3 months	Evaluate current economic development activities and determine if the current staff and resource allocation is sufficient to fulfil all economic development activities including: -Responses to RFIs; -Brochure development; -Site-tracking; and -Site visits and outreach.		
	Industry Committee	1-5 years	Respond to all RFI's and follow up on networking references monthly. An internal review of potential incentive packages should be included for each RFI and reference.		
	Industry Committee	1-5 years	Promote development on Ridge Road by: -Utilizing brochure as stated above to highlight the specific opportunities and limitations of available land and buildings. See "Develop Ridge Road" under Section 4.		
Diversify economic development outreach efforts.	Industry Committee	1-2 years	Begin dialogue with State officials to determine qualifying projects for infrastructure development support.		
	Industry Committee	1-5 years	Track legislation related to the Coal Community Empowerment Act of 2017 to determine if Carbon County will qualify for private activity bonds and job training (currently the restriction is for counties with a population less than 20,000).		
	Industry Committee	1-5 years	Encourage Industry Taskforce participation during site visits along with County staff and share case study success stories.		
	Industry Committee	1-5 years	Prioritize resource allocation and recruiting efforts to put Carbon County on the map.		
	Industry Committee	1-5 years	Complete infrastructure on Ridge Road to ensure shovel ready sites.		
	Industry Committee	5-10 years	Work with local and State representatives to address long-term solutions to making Highway 6 more accessible.		
	Industry Committee	1-5 years	Discuss aeronautical development at the Airport and potential to utilize the Enterprise Zone incentives.		

Initiative	Committee	Timeline	Action		
			Including potentials for a flight school, expanded use for the Forest Service, waterline extension, fulfillment center potential, paint bay, mechanic shop, etc.		
	Industry Committee	1-5 years	Pursue annual recreation focused events to promote tourism (rodeos, ATV rallies, hunting events, golf tournaments, biking events, etc.).		



4. RETAIN AND EXPAND BUSINESSES: ACTION ITEMS

Initiative	Committee	Timeline	Action		
Streamline CRA creation process.	Local Government Committee	6 months-1 year	Evaluate the process for Community Reinvestment Area creation and encourage uniformity across the County and cities.		
	Local Government Committee	6 months-1 year	Discuss potential of bonding to provide upfront investment to expanding businesses through the County's bonding capacity.		
Expand current businesses.	Local Government Committee	6 months-1 year	Conduct business visits annually to identify needs, concerns and successes including: -Ease of government processes -Business licensing -Zoning ordinances -Land use.		
	Industry Committee	6 months-1 year	Hold quarterly meetings to address employer concerns, gain feedback and discuss business trends, strengths/weaknesses of doing business in the County, etc.		
Recruit new businesses.	Local Government Committee	1-5 years	Recruit a mid-box oriented marketplace development. -Identify 8-20 acres for potential mid-box market oriented development (clothing, sporting goods, garden and building, materials). -Create brochure with site details and sales leakage analysis to share at ICSC Conference. -Determine feasibility of creating a CRA to aid development. -Create a project area plan and budget.		
	Local Government Committee	1-5 years	Develop Ridge Road - Dedicate County funding to creating a project area plan and budget for the CRA. -Create a community reinvestment area. -Budget a portion of tax increment for beautification of the area, as well as infrastructure. -When a developer is identified, the County will identify infrastructure needs relative to future planned development and create an incentive package.		
	Industry Committee	1-2 years	Create case studies to highlight industry success stories specific to Carbon County to use during site visits and economic development promotions (unique skilled labor, reduced wage expense, shorter commute times, available building stock, competitive lease rates, etc.)		
	Industry Committee	1-2 years	Gather comparison data from neighboring communities and provide recommendations to County and City Councils to ensure the County has a business friendly process.		
	Industry Committee	1-5 years	Promote relationships with the private sector.		
	Industry Committee	1-5 years	Identify community needs and utilize public/private partnerships to fulfill those needs (funds for recreation promotion, economic study completion, loan availability etc.)		