

Weber County has experienced exceptional economic performance during 2007. Unemployment rates have been at all time lows, averaging around 3% for the year. Within the manufacturing sector, automation and "Lean Production" continue to influence expansion, with increasing investments in facilities, and equipment.

Expansion Projects -

Barnes Aerospace: Barnes committed to a long-term lease for a new facility within the Business Depot Ogden, and construction is well under way. At full expansion, the company anticipates as many as 474 new jobs. Initial investments are projected at \$12M.

Associated Foods: Associated Foods has broken ground on an expansion of their warehouse and distribution facility in the Weber Industrial Park, adding 58,000 square feet and investments projected to reach \$12M in phase I. Phase II, which includes the addition of a food processing facility, is under consideration and could add another 20,000 sq. ft. and \$15M investment and add some 50 new jobs to their operation.

Other Projects:

Kimberly Clark: K-C continues to grow here in Weber County with on-going expansion of their facilities. This project, begun in 2006, includes investments in both Real and Personal property. 2007 investments are \$15M and 40 new jobs with a product line new to the area. The company also committed to retain at least 500 jobs during the 5-year term of the agreement. The company has expanded even more, adding a 2nd new production line and increasing investment levels to nearly \$50M through 2008.

Great Salt Lake Minerals: GSL has completed the modernization of their Magnesium Chloride facility, creating 10 new jobs and investing another \$11M during 2007. Present estimates are for additional investments totaling more than \$120M over the next 5 years.

New Business-

US Holdings: US Holdings, a Florida-based manufacturer of hatch-covers for a variety of water and wastewater treatment uses, has purchased the former Bell Helmet facility in the Weber Industrial Park, and completed a \$5.5M renovation. 18 new jobs have been created and the company intends to grow to 50 jobs within 5 years.

Project Elvis: US Foodservice has completed their purchase of 36 acres adjacent to Autoliv in Ogden, and broke ground on their 265,000 sq. ft. warehouse/distribution facility. The initial investment will exceed \$30M, with 275 jobs at start up, growing to 475 jobs with future expansion.

Petersen, Inc.: Petersen is in negotiations with a major partner to supply towers for wind generators. Preliminary estimates place investment at \$10M, with up to 300 new employment opportunities over the next several years.

These combined projects represent over \$100M in new investment in Weber County this year, with the potential for more than 1100 new jobs over the next five-year period, and combined investments nearing \$250M.

Westside Development: The Westside Development project is moving forward with the Air Force selection of a master developer for the project, which will include the Woodbury Corporation of Salt Lake City. WEDC assisted the Air Force with coordination and community support, arranging and conducting meetings with the cities affected by the proposed development. It is anticipated the project will move forward in 2008. At this time, the primary role of local government will be the creation of Economic Development Project Areas to provide tax increment financing as needed in support of the project.

Key Challenges/ Opportunities -

Skilled Labor Shortage: Without question, the most serious concern for the future of the economy here is the availability of skilled labor for the Aircraft and Aerospace Industry cluster, and the Construction and Health Care sectors. WEDC has worked closely with the ATC to prepare a White Paper on Workforce Readiness, addressing this issue and identifying potential solutions. Also, WEDC continues to work with several business leaders to develop new marketing efforts targeting increases in enrollments in the ATC's programs. WEDC will soon launch a major marketing campaign in 7 mid-western states to recruit a wide range of technically trained and skilled labor for area employers.

Business Park Development: Another major concern is the lack of suitable sites for a new Business Park. With BDO being the only Park with space available, their "build-to-suit, lease-back only" provisions limit the number of new business relocations. Further compounding the problem, private investment in Parks is waning due to the long-term return on investment typically associated with industrial growth, related to increasing land and infrastructure costs. Land acquisition and related infrastructure development represent financing needs that must be addressed with new, creative measures.

Long Range Planning: Creating a long-range WEDC Business Plan, looking 20 years into the future, presents another opportunity for WEDC to provide leadership and direction to the growing Weber county population. Weber State University has provided their assistance with staff and an intern to develop data and other information pertinent to the plan. A draft of the plan was distributed to the WEDC Board members at this year's annual meeting, and the final document is expected to be presented to the Board at the spring meeting in 2008.

WEDC continues to work closely with its neighbors throughout the region to strengthen northern Utah's economy. 2007 has been a great example of that on-going cooperation.

