

Iron County Economic Events

Updated 6/23/09

The U.S. Commerce Department's Economic Development Administration announced grants of \$52,500 each to the Six County Economic Development District of Richfield, the Five County Association of Governments of St. George and the Southeastern Utah Economic Development District of Price. Each will use the funds to continue comprehensive economic development planning programs designed to boost business development and job growth, EDA said.

<http://www.deseretnews.com/article/705300948/Utah-economic-groups-to-get-federal-grants.html>

According to the Denver-based Rocky Mountain Lodging Report, hotels statewide filled 62.2 percent of their rooms nightly last month, down from 69.4 percent in March 2008. But the 7-percent decline was better than year-to-year comparisons for January and February, both of which experienced 9-percent drops. St. George hotels filled 66 percent of their rooms last month, just slightly off the year-earlier rate of 69 percent. The most vacancies were reported in Cedar City (40.8 percent nightly occupancy) and Logan (41.2 percent).

http://www.sltrib.com/business/ci_12185441

A wind farm is being proposed for the Harmony Mountains in Iron County. Heber City-based Wasatch Wind Inc. is in the preliminary stages of getting a 1,400-acre project approved on Bureau of Land Management land. The project about five miles north of New Harmony in southern Utah would involve building about seven miles of transmission lines to tie into an existing power grid. It could produce more than 100 megawatts of power off of 50 wind turbines on 262-foot tall towers. It could take more than five years to get BLM approval, and the company is still in the early stages. Wasatch Wind built a wind farm near Spanish Fork that started generating power in September.

<http://deseretnews.com/article/1,5143,705287185,00.html>

Lozier Corp., which makes display shelving and other store fixtures, will close its plant in Cedar City by August, throwing 82 employees out of work. The company blamed poor business conditions caused by the recession. The company will begin phasing out production at the plant in March.

http://www.sltrib.com/business/ci_11409366

According to data recently released by the Utah Bureau of Economic and Business Research, construction permitting continued to erode during 2008. Overall authorized permit values are down 61 percent compared with the same time period last year. The value of residential permits has dropped by 58 percent. In addition, nonresidential permitting showed a large 47-percent decrease. In fact, all building categories showed losses during 2008.

January - December 2008

County/City	New Dwelling		New Residential		New Nonresidential		Additions/Alterations/Repairs				Total Construction	
	Units	% Change 2007-08	Value (\$000)	% Change 2007-08	Value (\$000)	% Change 2007-08	Value (\$000)	% Change 2007-08	Value (\$000)	% Change 2007-08	Value (\$000)	% Change 2007-08
Iron County												
Cedar City	121	-76.4	21,526.00	-65.8	11,444.70	-56.9	1,324.90	-16.2	2,158.00	-91.6	36,453.60	-68.8
Paragonah	0	0	0	0	0	0	0	0	0	0	0	0
Parowan	3	-57.1	495.4	-39.3	242.2	1099	211.3	69.4	0	-100	948.9	-1.8
Other Iron Co	73	-46.7	14,213.40	-34.7	5,709.90	-11.9	893.8	-16.2	0	-100	20,817.10	-30.6
Total	197	-70	36,234.80	-57.6	17,396.80	-47.4	2,430.00	-12.3	2,158.00	-91.8	58,219.60	-60.6

<http://www.bebr.utah.edu/CIDB.html>

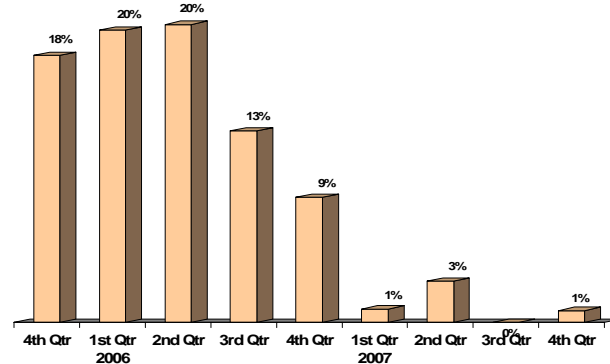
The bids are in and have been approved by the Iron County School Board for the Parowan High School construction project. During a special meeting, the board reviewed and approved the bids, which came in lower than expected. Approximately \$5.9 million was awarded to Hughes Brothers Construction, which will manage the project. Now that the bids have been awarded, construction for the project is right on schedule and is set to continue after the first of the year. <http://www.thespectrum.com/article/20081230/NEWS01/812300317/1002>

Voters in Cedar City decided to take the plunge and approve \$7 million in borrowing for an aquatic center. Iron County and the county's school district will help pay for the \$9.5 million center. City residents can use one of the pools at Southern Utah University, but that arrangement will end in 2010. That's when the new indoor pool is supposed to open. It will be part of a 40-acre recreation complex the city bought for nearly \$1 million. <http://deseretnews.com/article/1,5143,705261712,00.html>

A Utah company is reopening an iron mine with plans to sell more than \$1 billion worth of high-grade ore to China in the next five years. Salt Lake City-based Palladon Ventures Ltd. reopened the 6,600-acre Iron Bull Milling and Mining pit 16 miles west of Cedar City in mid-September. The mine had been closed since 1996. Palladon President and CEO Donald Foot says his company wants to mine 2 million tons annually before expanding to 4 million tons. Foot says China Kingdom will process the ore at a Beijing-area mill. <http://deseretnews.com/article/1,5143,700264149,00.html>

Iron County Year-Over Change in Gross Taxable Sales

Data recently released from the Utah State Tax Commission shows only minor improvement in Iron County's gross taxable sales. Between the fourth quarters of 2006 and 2007, Iron County's total sales increased only 1 percent—finishing out a year of stagnant sales. Notable declines occurred both in garden/building supply store sales and motor vehicle sales. On the other hand, expenditures at auto repair shops picked up sharply.



Source: Utah State Tax Commission.

<http://tax.utah.gov/esu/sales/quarterly/index.html>

Interest in oil in south central Utah continues to be high with an oil and gas lease sale hosted by the Bureau of Land Management Aug. 19. A parcel of BLM land in Sevier County brought the highest price per acre paid during the auction - \$15,000 for 36.36 acres. International Petroleum, Salt Lake City, submitted the highest total bid, with \$876,000 for a parcel of 120 acres in Sanpete County. In all, 43 of 62 parcels were sold - totaling 62,059 acres of land in Sevier, Sanpete, Beaver, Carbon and Iron counties. Oil and gas leases are valid for 10 years. If no developments are completed, the leases expire. However, if the parcels are producing oil or gas, the leases are held by the purchaser indefinitely. The interest in oil and gas exploration in the region has been fueled in part by discoveries made by Wolverine Gas and Oil. Its Covenant Field discovery has been producing oil for two years, and is continuing to develop. The company has drilled three of eight new wells slated for Covenant Field. The facility has produced more than 5.5 million barrels of oil and is working toward having 20 operating wells in the field with a production of approximately 8,000 barrels a day. Wolverine's second discovery, near Mayfield, is still working through a testing phase.

<http://www.richfieldreaper.com/articles/2008/08/27/news/05.txt>

The Cedar City Council approved a \$527,125 grant offered through the Federal Emergency Management Agency, to allow the fire department to hire five new full-time firefighters and move to a 24-hour staffed facility.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080828/NEWS01/808280322/1001/NEWS>

Over the objections of many county residents, the Iron County Commission passed a municipal services tax increase to help balance the increasing cost of fire and public safety needs, among other services.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080826/NEWS01/808260307/1001/NEWS>

The Enoch City Council voted 3-2 to begin phase one of its recreation complex project. Phase one consists of several outdoor projects, including installing the outdoor fields for soccer and T-ball, fencing, bathrooms and a walking path. The council approved the commitment of \$12,000 of general funds to go toward the project with the addition of \$15,500 to be looked at in the next fiscal year budget. So far, a fund-raising committee has received \$200,000 in goods, services and funds pledged to the project from Enoch residents and businesses.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080821/NEWS01/808210327/1001/NEWS>

Palladon Iron Corp. has initiated operations at the Iron Mountain facility near Cedar City in anticipation of the first shipment of iron ore from the site during the third quarter of 2008. Palladon Iron's staff is now on site at the mine as work in all aspects of the operation moves forward. <http://www.mainstreetbusinessjournal.com/articleview.php?articlesid=3476>

The Cedar City Council agreed to move forward with the purchase of 42 acres of land on the south side of Leigh Hill Wednesday in preparation for some new recreation facilities, including six new ball fields and possibly a recreation center and aquatic center. The council reviewed

the proposed land, located near Cove Drive and Royal Hunte Drive, and agreed to send the \$989,000 purchase to the consent agenda for the next council meeting.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080807/NEWS01/808070311/1001/NEWS>

Following years of planning and months of regular discussion during city council meetings, Cedar City's elected officials are putting the issue of a recreation center and swimming pool in the voters' hands. The council voted unanimously to place three choices on this year's ballot to see if residents are willing to accept an increase in property taxes to fund such a facility and how much they are willing to pay. Plans for the entire facility estimate the cost at \$19.5 million, which council members decided would be too expensive for voters to pay for and too expensive for the city to operate and maintain. Instead, residents will be able to vote for either a \$7 million bond to fund only the aquatic center portion of the building, \$9.3 million to build the aquatic center and a multi-purpose center or nothing at all.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080724/NEWS/80724008/1001/NEWS17>

A geothermal power plant is coming to Iron County. The Iron County Commission has unanimously approved an ordinance to allow for the first plant of its kind in the county. Raser Technologies is planning for the 10-megawatt plant to supply power to California by the end of 2009. County officials estimate the plant will bring \$13 million to the county over 20 years.

http://www.sltrib.com/news/ci_9897540

The U.S. Census Bureau has released 2007 population estimates for substate areas. Population estimates for towns in Iron County are as follows:

Brian Head—125
Cedar City—27,823
Enoch City—4,925
Kanarraville—315
Paragonah—480
Parowan—2,631

<http://www.census.gov/popest/cities/cities.html>

Commerce CRG and LM Construction hosted a luncheon to promote lease space at Port 15 and to celebrate tilt-up—the concrete walls being raised into position—of its first building. The building will be ready for occupancy at the end of August or the first of September. This building is customizable according to what is needed. The development is well suited to light commercial, light manufacturing or any sort of route sales-type business, such as a bottled-water company. To encourage tenants to relocate to Port 15, developers are offering three months of free rent for tenants and \$1,000 bonuses for their brokers in exchange for letters of intent as long as the letters are signed before the building receives its certificate of occupancy. So far, CRG and LM have three more buildings and a truck dock planned for this phase.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080715/BUSINESS/807150313/1046/CUSTOMERSERVICE02>

The \$38.5 million bond for the Iron County School District passed by a large margin. The money will provide for additions to space and upgrades to the infrastructure of Cedar High and East Elementary schools, and will allow for a renovation at Parowan High School, including upgrading the infrastructure to make it compliant with the fire code and Americans With Disabilities Act. The bonds to build a new elementary school will not be issued until needed, depending on student-population growth. The district has said that taxes likely won't increase because other bonds are about to be retired.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080625/NEWS01/806250328/1001/NEWS>

Iron County received a check last week for \$1,729,817 from the U.S. Interior Department for its 2008 payment in lieu of taxes. In Iron County, with 1,240,963 acres under federal jurisdiction either by the Bureau of Land Management, U.S. Forest Service or the National Parks Service, the PILT payment breaks down to a mere \$1.39 per acre.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080624/NEWS01/806240307/1001/NEWS>

City officials are finalizing an agreement to purchase property for a new community center, but they still aren't sure how to pay for such a facility. The city council didn't make any decisions during Wednesday's work meeting, but Mayor Gerald Sherratt proposed to the council that even if the city builds the center in phases, it would likely require a tax increase to pay for it. The proposed facility, according to the original plans, would cover a total area of more than 130,000 square feet and would include basketball courts, an indoor track, two baseball fields, multi-purpose rooms, a day care center and a multi-activity center that could host soccer and other sports indoors during poor weather. Now the city is considering whether to build the entire facility, at a cost of \$19.5 million, or to build only the aquatic center at \$9.5 million. The Iron County School District has pledged \$1 million to the project, and Iron County has pledged \$1.25 million, but the city would need to find a way to foot the rest of the bill, and Sherratt said the decision should be made by the taxpayers during a special bond election on Nov. 4, held in conjunction with the general election. The city could not afford to pay for the operation and maintenance of the full facility without sacrificing the salaries of up to 18 city employees.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080619/NEWS01/806190314/1/NEWSFRONT2>

The grand opening of a new Comfort Inn and Suites was recently held in Cedar City.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080607/NEWS01/806070315/1001/NEWS17>

This fall, Palladin Ventures Ltd. plans to begin extracting crude iron ore from the Comstock and Mountain Lion open-pit mines in the desert mountains west of Cedar City, mines that originally supplied iron ore to the Geneva Steel mill when it was built during World War II. The mines have been dormant for a quarter of a century. Palladin announced that it had signed a five-year contract to deliver iron ore to China Kingdom International, which Palladin described to investors as a large company that has offices in China, Australia and London. Investors also were told the Asian company operates a steel mill near Beijing; has interests in poultry, textile

and seafood-export businesses; and employs nearly 6,000 employees. The company expects the five-year contract will gross the company over \$1 billion.

http://www.sltrib.com/news/ci_9190185

The Central Iron County Water Conservancy District is moving ahead with the second phase of its ongoing \$12 million pipeline project. The CICWCD board of directors authorized bids for some \$2.3 million in construction as part of the Phase II project, which includes water lines and well houses along several subdivisions west of Cedar City. The engineer's estimate is \$7.8 million for the entirety of the Phase II project. The project is the next step in a continuing effort to improve Iron County's water systems.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080118/NEWS01/801180332/1002>

The first commercial plane flight from Cedar City to Salt Lake City in more than a year has occurred and city officials expect to see the Cedar City Municipal Airport get a lot busier. SkyWest has moved back into its role as air carrier out of the airport—the same role it held for 34 years from 1972 to 2006. In 2007, Mesa Airlines moved in as the only provider of air service out of Cedar City, providing flights to Phoenix and Las Vegas, but not Salt Lake City. Officials soon learned that more locals have ties to Utah's capital than either out-of-state location, as the numbers of passengers using the airport dropped dramatically last year. SkyWest was flying around 10,000 people out of the airport per year when it left. There were only about 6,000 passengers last year

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20080106/NEWS01/801060314/1002/>

With the opening of a ski bridge in Brian Head, skiers will be able to cross State Route 143 and enjoy Brian Head's Navajo and Giant Steps mountains without ever having to step out of their bindings. The bridge is part of a \$6.5 million expansion, which includes two new chairlifts and boosts the resort's ski terrain by 35 percent. The town of Brian Head kicked in \$900,000 toward the bridge. The resort managed construction and will maintain it fall and winter and the town will care for it in spring and summer when [mountain] bikers will use it. The bridge links the ski area's two mountains for the first time. http://www.sltrib.com/news/ci_7719034

Construction has begun on the first phase of the \$10 million Coal Creek Parkway in Cedar City. The project's primary purpose is flood control along Coal Creek in anticipation of a 100-year deluge. But the project, which will wrap up in fall 2008, also will provide other amenities, including trails and trees. Plans call for riprap to line the banks of Coal Creek for about two miles from the mouth of Cedar Canyon at 200 East and University Boulevard and then will follow the meander of the stream to Bicentennial Park at Interstate 15 and 1045 North. The project will include new infrastructure for diversion of the stream to meet water obligations to irrigation companies. http://www.sltrib.com/news/ci_7512834

Intermountain Healthcare has broken ground for on a \$7 million expansion project at Valley View Medical Center in Cedar City. The project will include a 16,000-square-foot building expansion and 8,000 square feet of remodeled existing space. The hospital's new addition will be home to needed storage space, a new kitchen, expanded imaging and cardiology services and a new education center.

<http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20071019/NEWS01/710190307>

The American Bus Association recently designated Kanab's Western Legends Round-Up and Cedar City's Utah Shakespearean Festival as two of the top 100 events in North America for 2008. That type of accolade can make cash registers ring. As the trade organization for more than 1,000 motorcoach and tour companies in the United States and Canada, the American Bus Association figures motorcoach groups spend \$5,000 to \$13,000 each night they stay at a destination. http://www.sltrib.com/business/ci_6877811

The U.S. Department of Agriculture has designated 24 Utah counties as natural disaster areas because of drought, wildfires and flash floods this year. The declaration allows farmers and ranchers to apply for low-interest emergency loans and to take advantage of any disaster programs approved by Congress this year. The disaster-area designations had been granted for the 24 counties. Those counties are: Beaver, Box Elder, Cache, Carbon, Davis, Duchesne, Emery, Garfield, Iron, Juab, Kane, Millard, Morgan, Piute, Rich, Salt Lake, San Juan, Sanpete, Summit, Tooele, Uintah, Utah, Washington and Weber. <http://deseretnews.com/article/1,5143,695203832,00.html>

A few feet of pavement might doom Heritage, a proposed 400-acre traditional village off Highway 56 that would mix residential dwellings with restaurants, shops and commercial business. Goodboro, which has been working for the past year to develop the project, was presented three options by the city during Wednesday night's Cedar City Council meeting but rejected all of them and instead offered a plan of its own. Rather than accept any of the city's options regarding 4500 West, the piece of the puzzle that holds the key to the project's future, The company pitched an 80-foot roadway that would leave space for future travel lanes, if necessary. The city had proposed a 94-foot right of way, which Goodboro proposed and agreed to in the original development agreement; an 80-foot right of way, which was designed by the Heritage development team and displayed on Goodboro's Web site; and a 75-foot right of way, the city's standard for arterial roads. <http://www.thespectrum.com/apps/pbcs.dll/article?AID=/20070816/NEWS01/708160311/1002/>