

Global trade experts urge Utah leaders to put politics aside for inland port, but talks remain stalled

Salt Lake mayor, House speaker accuse each other of digging in their heels

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SALT LAKE CITY — After negotiations stalled ahead of a planned special session to tweak the controversial inland port authority law, a panel of global trade experts called on Utah leaders to put politics aside for the sake of the state's future.

Derek Miller, president and CEO of the World Trade Center Utah, said at a panel hosted by Envision Utah at the Grand America Hotel on Tuesday that state and city leaders "need to get refocused on the substance" of the inland port, which he called a "generational opportunity for this state."

"When we have the politics trump the substance, the message that that sends to the marketplace — spoiler alert — is not a good message," he said. "So I hope that we're not going to let politics trump what is a very important project for the prosperity for the state."

Natalie Gochnour, director of the Kem C. Gardner Policy Institute at the University of Utah, joined Miller on the panel focused on the inland port and also called for unity, saying it's "unfortunate whenever you have government entities that aren't seeing eye to eye."

"I just want to throw out this notion that it's in nobody's interest to have a lawsuit," she said, referencing Salt Lake City leaders' past statements that litigation may be an option if a compromise with the state can't be reached.

"Everybody loses. Nobody wins with this. So my pitch would be let's figure this out and get to a compromise."

But negotiations seemed to remain stalled Wednesday, after city and state leaders in interviews with the Deseret News blamed each other for being unwilling to budge.

"It isn't 'my way or the highway.' It's got to be something we work together on," Senate President Wayne Niederhauser, who attended Wednesday's event, said in an interview after the panel discussion. "I think the city at times feels like they want to deal without state involvement, and that's not going to happen."

Niederhauser said he hopes negotiations can continue and potentially revisit SB234 during the special session that is expected to be called this year to address other issues, but he added, "If people are digging their heels in the sand ... then, yeah, it will be a problem."



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But Salt Lake City Mayor Jackie Biskupski said the city has no room to give on issues regarding the city's tax increment and land decisions.

"At the end of the day, the city is not going to give up its taxing authority or its land use authority," Biskupski said, adding that other cities are looking to Salt Lake City to fight, "afraid that the state government is going to come into their community and take up" undeveloped acreage.

Instead, Biskupski said the Utah House of Representatives is where "heels are dug in."

"It is Speaker Hughes that needs to move," the mayor said.

In response, Hughes said in a statement he has not had "any contact" with Biskupski since the general legislative session (the city has been negotiating with Gov. Gary Herbert's office) and fired back, saying it's the city that wants "all political jurisdictions taken out, complete control of land use decisions and appeals" and nearly all tax increment.

"I don't know what role a board with zero land use, appeal process (to ensure the public purpose is honored) or funding would even have," Hughes said. "Contrary to their public statements, Salt Lake City wants full control to decide what, where and when an inland port happens or if it happens at all."

Hughes added: "I'll say it till I'm blue in the face, a U.S. Customs, foreign trade zone, inland port serving the entire state of Utah and the western continental United States is not a city function. Not Salt Lake City or any city for that matter. ... You need a board that represents all the stakeholders at the table with the ability to make decisions. This isn't a hard concept. To undermine that kind of approach means you aren't committed to the Herculean effort required to see a project of this size through."

But Biskupski said state leaders' beliefs that "the city can't do the port without them is ridiculous."

"We do want them to partner with us, though. We do find value in that," Biskupski said. "I think the greediness is what needs to go away."

The city rejected a proposed compromise bill last week because it did not address the city's concerns with land use authority and would still allow the Utah Inland Port Authority board to capture 100 percent of the area's tax increment, with the power to give tax increment to other jurisdictions like West Valley City that are included in the port authority's boundaries, the mayor said.

"You know, let's get past that game," Biskupski said. "We're either serious about the port or we're not, and let's do the boundaries the way they should be drawn and let's build it."

Biskupski noted the city is still working with the governor's office and Sen. Jerry Stevenson, R-Layton, so she hopes a compromise will be reached.

City Councilwoman Erin Mendenhall said in an interview that a lawsuit, "as far as the City Council is concerned, is a last resort," and "we believe there is still room to negotiate with the state through the City Council" if negotiations remain stalled with Biskupski.

"(Gochnour) is absolutely right" about litigation, Mendenhall said, "and the council wants to find the space to negotiate with the state to make the port happen. We are willing to come to the table again and recognize that in order to negotiate, both parties need to meet somewhere in the middle."

Mendenhall added: "The council is absolutely focused on the development of the port over politics. We recognize there have been less-than-positive conversations between the state and Mayor Biskupski, and don't want the politics to get in the way of the success of the port."

The compromise bill draft that faltered last week included an appointment on the port authority board for the Salt Lake City mayor, some boundary changes to exclude environmentally sensitive lands and residential property, and to specify tax increment would need to stay within the port authority's boundaries, Niederhauser said.

But Mendenhall said the "final brass tacks" the city is least flexible on is the port authority's power over land use decisions.

Meanwhile, as political leaders remain gridlocked, a group of concerned residents lambasted the lack of protections for northwest quadrant environmental issues and air quality concerns.

Representatives from communities in and near the inland port authority's boundaries, as well as leaders of Utah Physicians for a Healthy Environment, said an inland port will significantly impact the Salt Lake Valley's already troubled air quality and create more freeway gridlock.

Deeda Seed, a campaigner with the environmental group Center for Biological Diversity, said inland ports are inherently "dirty," and that while impacts can be offset with cutting-edge technology, as briefly discussed in the Envision Utah panel, the community needs those protections written firmly into statute.

"This is not just another partisan political fight between government entities," said Dorothy Owen, chairwoman of the Westpointe Community Council at a news conference after the panel. "Rather it is a struggle to maintain the community values and lifestyle we cherish."