



Utah's Rural Economic Development Newsletter



GOED Director Val Hale

GOED Director Val Hale, Small Town Boy at Heart

“I know there is a literal gold mine out there in Utah’s rural communities – great people, great resources, wonderful country. We just need to help other people discover that.”

People who know newly appointed GOED director, Val Hale, are well acquainted with his impressive career milestones – BYU Athletic Director, Vice President at Utah Valley University, and President and CEO of the Utah Valley Chamber of Commerce. What many don’t know is that he has deep rural roots and cares deeply about the rural way of life.

“I grew up in the small town of Snowflake, Arizona,” says Hale. “I’m a small-town boy at heart, so I will make rural economic development a priority.”

“I’d like rural Utah to know that I care about them,” continues Hale. “I can relate to them, having grown up in a small community, and I really want to make a difference for them in the area of economic development. I want to bring projects and ideas, and maybe even funding to help advance their cause.”

Hale goes on to explain that rural economic development needs to be a priority, and even small successes can make a big difference in a small town.

“We don’t need a Goldman Sachs type of thing with a thousand jobs,” says Hale. “Things that would only be a small blip on the Wasatch Front can have a huge impact in a rural community.”

Hale explains that he recognizes the challenges posed by distance and small populations that rural communities have always struggled with, but he also sees that rural areas have many strengths and a future with many opportunities.

“Rural communities, just by their nature, have a great quality of life,” explains Hale. “They also have land. Right now along the Wasatch Front, land is becoming scarce. In addition to that, the Wasatch Front also has air quality issues, making it harder and harder for manufacturers to set up shop here. So that’s an opportunity for rural Utah to say, ‘Why don’t you look at our community? We don’t have air quality issues, we have a great work force, and lots of land. Come to our place.’”

Hale is also bullish on opportunities for increasing tourism in rural Utah through

In this issue:

GOED Director Val Hale, Small Town Boy at Heart, p. 1

CIB Elects to Fund Basin Railroad Project , p. 2

what GOED is calling its “rourism” initiative. Rourism, a collaborative effort between the Utah Office of Tourism, the Office of Outdoor Recreation, and the GOED rural office, focuses on developing tourism in rural areas of the state.

Says Hale, “I really support this effort to increase tourism in smaller rural counties. If you get tourists coming to these communities and bringing their dollars with them, that’s a huge infusion into that economy. So that’s going to be one of the priorities we have.”

Economic and Legislative Background

Val Hale brings years of experience to his new position as the state’s chief economic development officer. As Governor Gary Herbert stated in announcing Hale’s appointment, “Val is a man of extraordinary experience, talent, and drive, with a unique background in economic development, marketing, public relations, international affairs, government and community relations.”



Governor Herbert announces appointment of Val Hale

Hale says his first foray into economic development was at Utah Valley University, where one of his first assignments was to oversee economic development efforts there, including the Small Business Development Center, the Utah Manufacturing Extension Partnership, and all of the various economic development activities of UVU.

“One of my responsibilities at UVU was to partner with business,” says Hale. “So I went out and met with various businesses to see how the university could partner with them to help make them successful.”

More recently, Hale has promoted business and economic development as the president and CEO of the Utah Valley Chamber of Commerce for two years, and he served on the Chamber’s board of directors for a number of years prior to that.

Hale also has extensive experience in working with the Utah legislature. He served as the UVU legislative liaison for three years, and also lobbied in behalf of the Utah Valley Chamber during his tenure there.

“I’ve gotten to know most of the legislators in the state, and I think I have a pretty good working relationship with most of them,” Hale says, “and especially with key legislators that will make a difference.”

When asked what message he would like to give to rural Utah, Hale responds without hesitation, “I know there is a literal gold mine out there in Utah’s rural communities – great people, great resources, wonderful country. We just need to help other people discover that. That’s my goal.”

CIB Elects to Fund Basin Railroad Project

In a bold and unprecedented move, the Permanent Community Impact Board (CIB) voted on September 3, 2014, to commit up to \$200 million towards the construction of rail line from the Uintah Basin to Price Canyon. The 100-mile long rail line would haul crude oil through a 10-mile long tunnel under Indian Canyon Pass to connect with existing rail lines running through Carbon and Utah Counties. The total cost of the project is estimated at \$2 billion to \$3 billion.

Most agree that the largest obstacle to developing the energy resources of the Uintah Basin is the lack of transporta-



tion options for moving petroleum products to market. Currently, the Basin's crude oil is being transported primarily by truck over state highways. A recent Utah Department of Transportation study estimates that Uintah Basin could lose over \$30 billion in energy production over the next thirty years unless better transportation alternatives are developed.

Funding for the railroad project would most likely come from Railroad Rehabilitation and Improvement Financing (RRIF) through the U.S. Department of Transportation's Federal Railroad Administration. It is estimated that the project will need approximately \$200 million in hand before the RRIF funds can be accessed.

In its September meeting, the CIB voted to transfer an initial installment of \$50 million to the Seven County Infrastructure Coalition (SCIC), with the intent of transferring a large portion of CIB funds to the SCIC over the coming months until the \$200 million target is reached. The SCIC also received an



Proposed route of Uintah Basin railroad

additional award of \$5 million at the same meeting to assist with such things as planning, legal and engineering assistance, and organizational operations.

The CIB action has been praised and has also raised questions. The primary questions center around whether or not this project is financially viable, and on how the \$200 million commitment will affect other CIB projects that would normally be funded over coming months. Some are concerned that there won't be funding available for rural projects that are already in the pipeline.

Addressing these concerns, Uintah County Commissioner and CIB board member Mike McKee shared his personal perspective, making it clear that he was not speaking for the entire CIB board. Said McKee:

"It's not uncommon at the end of a funding cycle to pretty much clean out the available funds. At the end of this last cycle we had \$50 million, so we made it potentially available for the railroad project, if it's found to be feasible."

"I think there is a misunderstanding that some people have that somehow we're going to suck all the wind out of the CIB for projects for other communities," continued McKee. "Speaking as one board member, I don't see it that way at all. We're going to continue to fund projects across the state. I think we need to pace ourselves on rail and everything else. We've got pretty good revenue. If we do good planning and good projecting, I think we're going to be in good shape across the state of Utah."

"I do not think the CIB has any intent of allocating all of its funds toward the rail while the rest of the state goes dry. It's certainly not my intent. Every project will be evaluated on its own merits, and good projects will continue to be funded."



The Utah Center for Rural Life

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