

TOOELE CITY CORPORATION

RESOLUTION 2026-01

A RESOLUTION OF THE TOOELE CITY COUNCIL AUTHORIZING A WATER RIGHTS ALLOCATION FOR THE WINCO FOODS RETAIL DEVELOPMENT UNDER UCA SECTION 10-8-2. *As Amended by oral motion

WHEREAS, Tooele City Code Chapter 7-26 governs the exaction by Tooele City of water rights as a condition of land use approval (see also UCA 10-9a-508); and,

WHEREAS, Tooele City received correspondence from Greg Goins with WinCo Foods, LLC, requesting the allocation of 18.45 acre-feet of City-owned municipal water rights to the proposed WinCo Foods Retail Development (see the email request and benefit analysis attached as Exhibit A); and,

WHEREAS, at \$35,000 per acre-foot, the 18.45 acre-feet would be valued at \$645,750; and,

WHEREAS, the WinCo Foods Retail Development will consist of approximately 151,000 square feet of new commercial construction; and,

WHEREAS, UCA Section 10-8-2(3) requires a study of the year-to-year benefits received by a municipality from a development project as a condition to that municipality providing significant incentives or benefits to the project; and,

WHEREAS, Tooele City's Economic Development Director has performed a study of the benefits anticipated to be received by the City from the WinCo Retail Development over the life of the project (see the documents and tables attached as Exhibit B); and,

WHEREAS, the WinCo Retail Development proposal (see the set of documents and correspondence attached as Exhibit A) addresses economic development policy considerations in the following ways:

- The WinCo Retail Development requests 18.45 acre-feet of water rights.
- An estimated capital investment of \$67,712,000 in acquisition, improvements, and building costs at project buildout.
- The creation of approximately 210 full time jobs and 75 part time jobs at project buildout, with average hourly wages ranging from \$34,000 to \$98,000 annually.
- The generation of new sales tax and commercial activity with annual expected retail sales of approximately \$7,500,000, at project buildout.

WHEREAS, despite the allocation of 18.45 acre-feet of water rights for WinCo Retail Development, the actual water rights utilized in any given year would be in relation

to each phase or building of the Center as it develops rather than providing the entire \$645,750 value in the first year; and,

WHEREAS, the portion of sales tax revenue estimated to be received from WinCo Retail Development's annual taxable sales is estimated to be \$531,051.24, at project buildout (see Exhibit B); and,

WHEREAS, the City Council considers commercial development, such as the proposed WinCo Retail Development, to be generally favorable to Tooele City's fiscal health, and finds it to be an appropriate and lawful governmental purpose to provide the financial and water benefits identified below for the WinCo Retail Development in exchange for the sales tax and other benefits to be obtained by the City from the WinCo Retail Development over the life of the project and during each year of the project, through buildout; and,

WHEREAS, this Resolution and the one-time policy contained therein shall not be considered binding upon the City, in nature or extent, for any other development or project, no matter the benefits anticipated for the City:

NOW, THEREFORE, BE IT RESOLVED BY THE TOOELE CITY COUNCIL that, in light of the economic development policies and considerations discussed above, the City Council hereby finds that the request for the WinCo Retail Development substantially furthers the economic development policy objectives of the City Council and City Administration, and hereby authorizes the reservation of 18.45 acre-feet of municipal water rights for the WinCo Retail Development conditioned upon the WinCo Retail Development obtaining City approval of a site plan, City approval of a first building permit, and commencement of vertical construction of a first building within two (2) years of the date of approval of this Resolution, and thereafter pursuant to the time frames established in the November 1, 2023, water rights fee-in-lieu policy approved by Resolution 2023-93 (attached as Exhibit C), unless the City Council, in its sole discretion, decides in a public meeting to extend this two-year deadline or modify these conditions.

This Resolution is necessary for the immediate preservation of the peace, health, safety, or welfare of Tooele City and shall become effective upon passage, without further publication, by authority of the Tooele City Charter.

IN WITNESS WHEREOF, this Resolution is passed by the Tooele City Council this 7th day of January, 2026.

* As Amended:

With the addition of waiving the fee for the WinCo Store [variable amount] could exceed the 11.83 acre feet, and provide them an option to purchase the additional water rights [approx. 6.62 acre feet] as a fee in lieu at the fee of \$35,000/acre foot within the two year period.

TOOELE CITY COUNCIL

(For)

(Against)



Melodi Bothus

Justin Brady

[Signature]

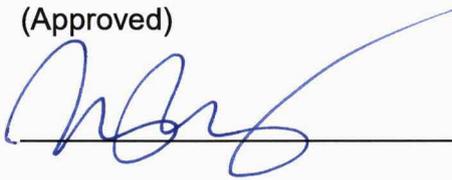
[Signature]

ABSTAINING: _____

TOOELE CITY MAYOR

(Approved)

(Disapproved)



ATTEST:

Shilo Baker

Shilo Baker, City Recorder



Approved as to Form:



Matthew C. Johnson, Tooele City Attorney
AS AMENDED BY ORAL MOTION

Exhibit A

WinCo Foods, LLC, Request



Greg Goins
Vice President of Real Estate
WinCo Foods, LLC
650 N. Armstrong Place
Boise, ID 83704

December 19, 2025

Attn: John Perez, MPA
Economic Development Director 90 North Main Street
Tooele, UT, 84074

Subject: Request for 18.45 Acre-Feet of Water Rights for WinCo Foods Retail Development

Dear John,

I am writing to formally request 18.45 acre-feet of water rights for the proposed WinCo Foods retail development in Tooele City at the NEC of 200 West St. & 1000 North St. This includes water rights for the WinCo Foods grocery store and for the pad sites. With the anticipated tax revenue and job growth because of this development, I am asking that the rights be granted with no associated fee. As advised by our architect, based on city staff guidance during the Pre-Development Meeting, I understand that this request will need to go before the City Council for approval.

The proposed development is expected to generate significant economic benefits for the city, including job creation, capital investment, and future sales tax revenue. Below is an overview of the anticipated impact from the development so far:

•Expected Number of Jobs:

- WinCo Foods (84,000 sq. ft.): 125 – 175 employees; 50% full-time and 50% part-time
- Medical or Professional Office (30,000 sq. ft.): 75 employees (400 sq. ft./employee).
- Restaurant (full service, dine in) (6,000 – 7,000 sq. ft.): 35 - 40 employees
- Gym (31,000 q. ft.): 62 employees (500 sq. ft./employee)

•Estimated Average Remuneration:

- WinCo Foods: \$20/hour or \$41,600 annually.
- Medical or Professional Office: \$20.41/hour or \$42,500 annually (support staff); \$47.42/hour or \$98,600 annually (technical/professional)
- Restaurant (full service, dine in): average pay, \$16.20/hour or \$33,696 annually.

WinCo FOODS

- Gym: \$19.10/hour or \$39,700 annually (personal care & service); approximately \$44,000 annually (average for typical non-management gym worker).

•**Total Capital Investment:**

- Winco Foods: \$37,412,000
- Pad Sites: \$30,300,000 (includes Medical Office, Gym, and Restaurant)

•**Estimated Sales Tax Revenue:**

- WinCo Foods: \$4,218,760 from sales; \$176,500 property tax.
- Medical or Professional Office: Based on a typical medical office with no tangible goods sold, \$0; based on a small retail component such as optical services, assume 500 sq. ft. at \$325/sq. ft., then \$11,375/annually.
- Restaurant (full service, dine in): Estimated annually \$120,000 - \$224,000 (assuming annual taxable sales of \$300/sq. ft. on 6,500 sq. ft.; 7% sales tax plus 1% restaurant tax).
- Gym: Assume \$2.9M taxable sales/year for 31,000 sq. ft.; \$206,150/annually in sales tax.

We appreciate the City's support in facilitating this development, and we are eager to contribute positively to the local economy. Please let me know if you need any additional information to move forward with this request. I look forward to collaborating with you and the City Council on this matter. Thank you for your time and consideration.

Sincerely,



Greg Goins
Vice President of Real Estate
WinCo Foods, LLC

Sources:

1. Salary Data for WinCo Foods: WinCo Foods, LLC.
2. Salary Data for Dine-in Restaurant: [BLS](http://www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm) wage data for Salt Lake City-Murray UT Metro Statistical Area, www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm
3. Salary Data for Gym: [BLS](http://www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm) wage data for Salt Lake City-Murray UT Metro Statistical Area, www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm
4. Salary Data for Medical Office: [BLS](http://www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm) wage data for Salt Lake City-Murray UT Metro Statistical Area, www.bls.gov/regions/mountain-plains/news-release/2025/occupationalemploymentandwages_saltlakecity_20250710.htm

WinCo FOODS

5. Number of employees estimates: Online research, Metropolitan Council Local Planning Handbook, Space Conversion Factors & SIC (NAICS) – Land Use Conversion.
6. Capital Investment for pad sites: RS Means and AGC data, 2019 data with escalations applied to equate to 2025 dollars.
7. Sales Tax Rate for Tooele City: Utah State Tax Commission, Utah Publication 25

Attachments:

1. Comparable WinCo Foods store water usage for 3 years; zip files.
2. Water calculations as completed by DC Engineering and Womer Engineering.

Exhibit B

Tooele City Cost/Benefit Analyses

December 23, 2025

City Council,

The table below represent a sales tax analysis of the Winco Foods Commercial Center at the northeast corner of 1000 N and 200 W.

Winco Foods requesting a fee-in-lieu payment be waived.

The total yearly number is based on the concept of the center being fully built out and I compiled a 4 months average of sales tax received by the city of similar types of existing businesses.

Please let me know if you have any questions.

Winco Commercial Center (1000 N & 200 W)		
	Sales Tax Received by City	
Type of Business	Monthly	Yearly
Grocery Store	\$ 39,402.86	\$ 472,834.36
1 Full Service Restaurant	\$ 2,608.41	\$ 31,300.88
Gym	\$ 1,234.00	\$ 14,808.00
1 Medical/Office	\$ 1,009.00	\$ 12,108.00
Total	\$ 44,254.27	\$ 531,051.24
<i>*Estimates based off of 4 months average from sales tax received by similar type of existing Tooele business.</i>		

Regards,

John Perez, MPA | Tooele City Corporation

Economic Development Director

90 North Main Street | Tooele, UT | 84074

Ph: (435) 843-2169 | Cell: (480) 667-9015

johnp@tooelecity.gov | <https://tooelecity.gov> | [LinkedIn](#)

December 23, 2025

The table below represent a benefits analysis of the Winco Commercial Center at 1000 N & 200 W.

Winco Commercial Center	
Costs	Benefits
<p>Immediate Revenue Loss: Waiving the fee or discounting the fee would result in a loss of revenue for Tooele City, impacting adversely until sales tax and fiscal return of the Winco Commercial Center is received.</p>	<p>Economic Growth: By drawing companies, generating employment, and boosting regional trade, the Winco Commercial Center will promote economic growth in this area of Tooele City.</p>
<p>Infrastructure Costs: If the Winco Commercial Center requires additional infrastructure or services due to increased water usage, there could be additional costs incurred by Tooele city to accommodate these needs, even after a fee has been discounted or waived.</p>	<p>Increased Tax Revenue: Tooele City will receive tax money from Winco Commercial Center in the form of sales taxes and property taxes.</p>
<p>Precedent Setting: Waiving or discounting fees could set a precedent for other developments or businesses to request similar concessions, potentially leading to further financial loss for the city.</p>	<p>Long-Term Investment: Waiving or discounting fees in the short term could be seen as an investment in the long-term economic health and vitality of Tooele City, potentially yielding significant returns through sales tax received over time.</p>

John Perez, MPA | Tooele City Corporation

Economic Development Director
 90 North Main Street | Tooele, UT | 84074
 Ph: (435) 843-2169 | Cell: (480) 667-9015
johnp@tooelecity.gov | <https://tooelecity.gov> | [LinkedIn](#)

Exhibit C

November 1, 2023, Fee-in-lieu Policy



City Council Policy

RE: Payment of a Fee In Lieu Of Water Rights Conveyance under Tooele City Code §7-26-3(2).

Effective Date: November 1, 2023

Tooele City Code Chapter 7-26 requires the conveyance of water rights as a condition of approval of all land use applications. Section 7-26-3(2) states the following:

Fee-in-lieu. Pursuant to established City Council policy, in lieu of actual conveyance of water rights pursuant to this Chapter, certain development applicants may pay to the City an amount per acre-foot for access to water rights controlled by the City in a quantity necessary to satisfy the anticipated future water needs of the proposed development to be served and supplied by the City water system.

This City Council Policy is established pursuant to the legislative authority embodied in §7-26-3(2).

Residential Development. Beginning on the Effective Date, Tooele City will allow the owner(s) of an existing single-family parcel of record that, as of the Effective Date, is not part of a recorded subdivision, and the owner(s) of a single-family lot that is part of a recorded subdivision, either of which parcel or lot is subdivided through a two-lot subdivision (e.g., a lot split), to pay a fee (the "Fee") for the new lot in lieu of the residential water right requirement established in TCC §7-26-2(1). The administrative departments are authorized to determine eligibility and to approve payment of the Fee for such a two-lot residential subdivision. The item for which the Fee is paid shall be known for purposes of this Policy as a Water Rights Credit or Credit.

Persons who are eligible under this Policy may purchase Credits by paying the Fee. Credits will be purchased on a first-come first-served basis. The Fee shall be paid in full prior to building permit issuance. Should a building permit for which the Fee was paid expire under the terms of the permit, the City will refund the Fee, minus a \$100 administrative service charge. A person who previously paid the Fee and received a Fee refund due to an expired building permit may submit a new building permit application and may again request to pay the Fee on a first-come first-served basis behind others who paid the Fee and whose building permits remain valid.

Non-residential Development. Beginning on the Effective Date, Tooele City will allow owners of a non-residential development project ("Project") to request to pay the Fee if the Project is determined by the City to need less than 20 acre-feet of municipal water rights. Additional Credits may be made available, upon recommendation of the Public Works Director and Economic Development Director, and with written approval of the Mayor. A Request shall be in

writing from the property owner or agent and addressed to the City Council or Mayor. Approval of a request may be granted only after full consideration of the following criteria in relation to the amount of water used for the Project:

- The number of jobs the Project is anticipated to create, together with the nature of the jobs (e.g., full-time) and job compensation (e.g., wage levels, benefits).
- The amount of sales tax the Project is anticipated to generate.
- The amount of property tax the Project is anticipated to generate.
- The anticipated environmental and social benefits and impacts of the Project.

The Council may consider additional criteria as it thinks appropriate. Persons who are eligible under this Policy and approved by the City Council may purchase Credits by paying the Fee. Credits will be purchased on a first-come first-served basis. The Fee shall be paid in full prior to building permit issuance. Should a building permit for which the Fee was paid expire under the terms of the permit, the City will refund the Fee, minus a \$100 administrative service charge. A person who previously paid the Fee and received a Fee refund due to an expired building permit, or due to the approval sunseting, may submit a new building permit application and may again request to pay the Fee. If authorized by the City Council, the Credits may be purchased on a first-come first-served basis behind others who paid the Fee and whose building permits remain valid. The City Council may partially approve a request, for example, by authorizing 10 Credits out of 20 Credits requested.

Sunset for Non-residential Projects.

The City Council's authorization to pay the Fee for one or more buildings in a non-residential development Project containing more than one primary structure (e.g., more than one restaurant or store) is conditioned upon the Project obtaining City approval of a building permit for a first primary structure in the Project, and commencing vertical construction of the permitted structure, within two years of the date of approval of the Resolution authorizing payment of the Fee. Thereafter, the Project shall obtain a building permit for at least one additional primary structure, and commence vertical construction, within each successive twelve months following the commencement of construction of the prior building. By way of example, if a Resolution is approved on January 1, 2024, a first building permit must be obtained, and vertical construction commenced, prior to December 31, 2025; the next building must be permitted and construction commenced prior to December 31, 2026; and so on. Should any of these events not occur before the applicable sunset date, the City Council approval shall lapse and the remaining Credits shall revert to the City. The City Council, in its sole discretion, may extend these sunset deadlines or modify these conditions in a public meeting.

General.

1. **Fee Cost.** The Fee shall be established at \$35,000 per 1.0 acre-foot of depletion of municipal water rights. This Fee amount is not intended or calculated to reflect market value. The Fee applicable to any Request shall be the Fee in effect on the date of the Request, provided the

- building permit application for which the Fee is paid is filed with the City within one year of the Request, and otherwise shall be the Fee in effect on the date of the building permit application.
2. Annual Limit. The number of Credits purchased pursuant to this Policy shall not exceed a total of 50 in any calendar year or in any period of 12 consecutive months without the approval of the City Council, in its discretion.
 3. Acceptance of Credits. Upon payment of the Fee, the City will indicate the payment on the approved building permit. Payment of the Fee to the City constitutes surrender of the Credits to the City. No Credit certificate is required.
 4. Integration. This Policy shall supersede any prior oral or written policies, practices, and understandings on the subject of this Policy.
 5. Use of Revenues. Revenues derived from payment of the Fee shall be utilized for the protection of existing water rights and/or the acquisition of additional water rights, except that the City Council may authorize the use of the revenues for other Tooele City water-related projects and needs upon a finding of good cause. The water rights revenue fund is a fund in the City's General Fund and is not an enterprise fund.
 6. Limited Availability. The payment of the Fee under this Policy is subject to the availability of corresponding water rights, in the sole discretion of Tooele City.
 7. Resolution Required. The City Council's authorization to pay the Fee for a non-residential Project shall be pursuant to approved City Council Resolution.
 8. No Entitlement or Security. Approval of a Resolution for a Project containing multiple lots or buildings (e.g., subdivision, site plan) shall be a temporary reservation of Credits for the Project's building permit applicants. Approval of a Resolution shall not constitute a vested development right or a land use entitlement, or the creation of a marketable security. The City will accept the Fee only from building owners, the authorized agents of building owners, or building permit applicants for buildings in a Project.
 9. No Assignment or Transfer. Credits shall not be assignable or transferrable but are reserved by the City in the City's sole discretion for specific Projects and sold for specific buildings.
 10. No Pre-payment. Project owners may not pre-purchase Credits for their Project or any Project building in advance of building permit application.
 11. No Precedent. City Council authorization to pay the Fee for one Project, at whatever Fee amount per Credit, shall not be considered a precedent in any way in reference to any other Project.
 12. Refunds. If water usage projection for a building are reduced by the City after payment of the Fee for that building, the City will reimburse the difference between the Fee paid and the Fee that would have been paid under the reduced usage projection. If a Fee payor withdraws a building permit application prior to its approval, the City will reimburse the Fee, with a \$100 administrative charge.


Justin Brady
City Council Chair