

NEWS SEARCH

Advanced search

Casa Grande Dispatch

- Top Stories
- Police/Courts
- Obituaries
- Local News
- Around Arizona
- National Headlines
- AP News Link
- Sports - Local
- Sports - Arizona
- Sports - National
- Business
- Valley Life
- Editorial
- Entertainment
- World News
- Weather
- Winter Celebration 2007

▶ Real Estate Buyers' Guide

▶ Tri-Valley Dispatch

▶ Coolidge Examiner

▶ Florence Reminder

▶ Eloy Enterprise

▶ AZ City Ind/Ed

▶ Maricopa Monitor

▶ Pinal Ways Magazine

▶ TV Roundup

▶ Personal Finance

▶ Fun and Games

▶ Our Newspaper

Top Stories

Wallboard plant coming to Eloy

By TEMPLE A. STARK, Staff Writer

January 27, 2007

Email to a friend  Voice your opinion

**ELOY - By early 2009 a National Gypsum wallboard manufacturing plant is to be open for business in Eloy. With it comes an estimated 100 full-time jobs.**

The city took several steps Monday night to finalize National Gypsum Company's \$150 million commitment to build a plant in Eloy and improve roads and railroad access to the new location. That location extends from Interstate 10 to the railroad on Sunshine Boulevard starting behind the Pilot truck stop.

The City Council Monday approved a development agreement that included a three-year protected right and water services agreement. The council also rezoned about 125 acres from estate density residential (R1-43) to light industrial (I-1) for the plant.

Councilman Joel Belloc asked when the company would first send out a load of wallboard. He was told late 2008 or early 2009. Sam Shriftman, a company representative, said he expects NGC to break ground this spring.

"They have the ability to close escrow on this tomorrow as I understand it," said City Attorney Steve Cooper.

"That's correct," Shriftman said.

Community Development Director Joe Blanton said one of the stipulated requirements to the agreement, at the city's request, was that any construction changes be processed as a new application, not as add-ons or change orders to a previous request.

Part of the development agreement includes a deferral of two-thirds of the construction sales tax, at 4.5 percent, into a fund to improve and update Sunshine Boulevard. The company estimates that about \$500,000 will be generated in construction sales tax during its 18- to 24-month building period. This is in contrast to about \$3 million in tax from the construction of the Red Rock Correctional Facility.

The total estimate of the cost of improvements to the south section of Sunshine Boulevard is listed in the development agreement at \$1.292 million. The company said it would also take on board the cost of extending Date Street off La Palma Road. This roadway would largely be used as an access road within the site. The estimated cost is about \$1.33 million.

"We're extremely excited to become a part of your community," Shriftman said.

**The latest**  
**PINAL REAL ESTATE**  
*Buyers' Guide*  
**is now online!**

**CLICK HERE**  
**FOR THE CURRENT**  
**LISTINGS**

*Subscribe Today!*  
**Pinal Ways**  
PINAL COUNTY'S OWN MAGAZINE

"It's a big project for us and it obviously benefits the community and we're really looking forward to it."

The company's preferred location, since the company announced last April that it was looking to build in Arizona, has always been Eloy. Cost of land and close access to railways and Interstates 8 and 10 were attractive. The company said about 1 billion square feet of gypsum-based wallboard will be created annually - enough for about 100,000 homes.

The company says the new plant will serve Phoenix, Tucson, Las Vegas, San Diego, Albuquerque, El Paso and Los Angeles by truck. Other West Coast markets such as Denver, Salt Lake City, Sacramento, Boise and Seattle will be served by rail.

The rail facilities will be built by NGC at a cost of \$6 million. Once built, and with agreement from Union Pacific Railroad, the tracks would be made available to other new light industrial developments.

Estimates by the company show that it will pay about \$32 million in real and personal property taxes to the state, county and city during its first 10 years of operation. As well as 100 direct jobs, about 175 people can expect to be hired during construction. The location of the plant in Eloy would also lower the cost of construction in the city, and surrounding areas, by other developers.

The city signed on to a joint water use agreement with National Gypsum. The company will develop wells at a cost of about \$1.2 million. Though the wells will belong to the company, Cooper said the agreement ensures that excess water will be available to the city and, therefore, other property owners. The company needs a water delivery system on site.

On a related matter, Shriftman told the council that very little wastewater is generated in the process of manufacturing wallboard. He said the majority of the wastewater it generated would be from employee use. However, the development agreement mentions a need for the city to "develop a solution to the removal and disposal, at NGC's expense, of discharge coming from NGC's reverse osmosis system intended to be installed on the NGC property."

Mayor Byron Jackson said the city and company "overcame a lot of hurdles" in negotiations and land purchase. "I look forward to you guys going vertical." Ten people with the company left the room satisfied after the agreements were passed.

©Casa Grande Valley Newspapers Inc. 2007

[✉ Email to a friend](#) [🗨 Voice your opinion](#) [↑ Top](#)