

GOED Board Meeting Minutes

January 8, 2015 • 10:00 a.m.
 Governor’s Office of Economic Development
 60 E. South Temple, Third Floor

Members Present:	Mel Lavitt, Jacob Boyer, Lorena Riffo-Jensen, Peter Mouskondis, Bob Frankenberg, Clifford White, Sam Granato, Jerry Olroyd, Christopher M. Conabee
Staff:	Theresa A. Foxley, Julia Barnhouse, Eric Nay, Val Hale, Kimberly Henrie, Fred Lange, Hillary Bowler, Michael Sullivan, Tamy Dayley, Kelleigh Cole, Jeff Van Hulten, Thomas Wadsworth, Phil Lundgreen, Maria Hollenhorst, Michael O’ Malley, Mindy Vail
Visitors:	Todd Brightwell, Chris Piper, Lin Baker, David Entwistle, Christina Oliver, Representative Brad Wilson, Beth Colosimo, Susan Eisenman, Erin Litvak, Chad Erickson, Brice Wallace, Danene Dustin, Bob Hamond

Welcome

Mel Lavitt welcomed everyone to the January 8, 2015 Board meeting.

Approval of the Minutes

MOTION: Peter Mouskondis motioned to approve the December 11, 2014 minutes. Winston Wilkinson seconded the motion. Motion was carried unanimously.

Prison Relocation Update

Representative Brad Wilson thanked the members of the GOED Board for their service to the State of Utah. He then informed the Board that a prison relocation commission, PRADA, was created by the Legislature and is comprised of Legislators and members of the Executive Branch. The committee was tasked with relocating the current prison that is located in the city of Draper, UT. The prison is being relocated for the following reasons: the current prison is out of date and expensive to operate, redevelopment would generate \$10 million in state tax revenue, and it would be more cost effective for the department of corrections. The committee has located three sites for the relocation, Utah County, Salt Lake County, and Tooele County. Proximity was a major factor in the site selection due to the fact that the prison currently employs over 1,000 people, and they want to keep the workforce. The current objective is to secure funding for the relocation during the 2015 Legislative Session and to secure a site by the summer of 2015.

Presentation - David Entwistle, CEO of University Hospital and Linn Baker, CEO of Arches Health Plan

Linn Baker, CEO of Arches Health Plan provided a brief overview of the background of the company and its partnership with Avenue H. David Entwistle, CEO of University Hospital, shared with the GOED Board that Utah is ranked one of the highest in its healthcare because of its low cost and great quality. The University of Utah Healthcare currently has four hospitals, ten community clinics, and 1,330 physicians.

Convention Center Hotel Update

Erin Litvak with Salt Lake County informed the GOED Board that the Convention Center Hotel is currently in the RFP process and that most information is confidential at this time. A hotel has been selected, Omni Hotels. Omni Hotels is in the process of evaluating sites and doing due diligence with architects. They will present to the Convention Center Hotel Committee in February 2015.

EDTIF- Advice Media

Project Highlights

Timeline:	2015
Target Industry:	Other
Proposed Location(s):	Summit County
Capital Investment:	\$1,000,000

Jobs & Revenue

Full time job over project lifetime: 100 over 5 years
 The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:	
New State Wages over 5 years:	\$17,571,355

New State Revenue over 5 years: \$1,385,348

Local Incentive

Summit County is offering the company a local incentive. We recognize that corporate jobs in Summit County are an economic strategic goal of Summit County and that this company fits within the overall plan.

Proposed State Incentive

Total amount of EDTIF, post-performance refundable tax credit:	\$207,802
The amount represents the following percentage of new state revenues:	15%
Number of years that incentive is approved for:	5 years

Company Overview

Advice Media is an IT company. They are an online publishing and marketing company that has two distinct business lines. The largest and fastest growing business line is providing digital marketing services for healthcare practices. Advice Media is headquartered in Park City, UT with a growing office in the Philippines. Advice Media has a team of experts consisting of writers, editors, programmers, graphic artists, search engine visibility specialists, digital marketing experts and support personnel working together to deliver comprehensive solutions.

MOTION: Jerry Oldroyd motioned to approve Advice Media for a \$207,802 EDTIF post-performance refundable tax credit which represents an amount equal to 15% of new state revenue for 5 years. Christopher M. Conabee seconded the motion. The motion carried unanimously.

- **Incentives provided post-performance upon review and verification by GOED.**
- **Total EDTIF incentive not to exceed \$207,802 EDTIF post-performance refundable tax credit.**
- **Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year.**
- **Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 100% of the Summit County average wage each including company contributed health insurance.**
- **Must commit to keep operation in Utah for the length of the incentive period, 5 years.**
- **Incentives are site specific and subject to local incentive participation.**

Chad Erickson with Advice Media explained to the Board that the company helps patients connect with doctors and they help doctors increase their profits. Advice Media connects patients with doctors by using an integrated marketing approach. They help practices develop their brand, print, digital marketing, billboards, radio, TV, etc., whatever medium it takes to attract clients. The main medical practices that Advice Media serves are: plastic surgery, dentistry, ophthalmology, orthopedic markets, and more.

Rural Fast Track Endorsement

The Rural Development office recommends a Rural Fast Track grant for ISI Packaging, LLC, based in Nephi, Juab County, for the purpose of purchasing a 10 lane powder stick pack packaging machine. The company expects to create 3 new full-time positions as a result of the purchase. The project is estimated to cost One hundred twenty-five thousand dollars (\$125,000.00).

MOTION: Jake Boyer motioned to endorse a Rural Fast Track Grant for ISI Packaging of \$50,000. Peter Mouskondis Seconded the motion. The motion carried unanimously.

ED Zone

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF OVERSTOCK WITHIN MIDVALE CITY AT 7295 S. BINGHAM JCT. BLVD., MIDVALE UTAH 84047.

MOTION: JERRY OLDROYD MOTIONED TO APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR MIDVALE CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF OVERSTOCK WITHIN MIDVALE CITY AT 7295 S. BINGHAM JCT. BLVD., MIDVALE UTAH 84047. CHRISTOPHER M. CONABEE SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

GOED Update

Val Hale, Executive Director, updated the GOED Board on the Legislative Roadshows in the rural counties, and the current needs in workforce development. Kimberly Henrie, Deputy Director, provided a summary of the Governor's Women in Business Roundtable.

Incentives Update

Theresa A. Foxley, Director of Corporate Recruitment and Business Services, gave an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

Todd Brightell, Vice President of EDCUtah, presented on the status of current and upcoming projects in the pipeline. He spoke on the increase of the number of projects that EDCU is seeing in all industries.

Meeting adjourned.