

GOED Board Meeting Minutes
 January 9, 2014 • 10:00 a.m.
 Governor’s Office of Economic Development
 60 E. South Temple, Third Floor

Members Present:	Peter Mouskondis, Cliff White, Josh Romney, Jerry Oldroyd, Mel Lavitt, Winston Wilkinson, Sam Granato, Margo Jacobs, Kate Riggs (phone)
Staff:	Spencer P. Eccles, Sophia DiCaro, Jenni Osman, Eric Nay, Michael Sullivan, Kevin Jessing, Jessica Neild, Mindy Vail, Marshall Wright, Fred Lange, Jeff Van Hulten, Kelleigh Cole, Tamy Dayley, Thomas Wadsworth, Adam Turville
Visitors:	Bill Loos, Amy Anderson, Marshall Moore, Mimi Davis-Taylor, Derek Mellus, Beth Colosimo, Doug Carlisle, Mark Genitis, Aaron Janson, Tom Porderson, David Hartman, Alan Matheson, Ari Bruening, Kim Frost, Ken Macksemell, Reed Taft Jacobs, Samantha Julian, Ali Bar, Andrea Curtis, Terrance McBride, Brice Wallace, Allen Matheson

Welcome

Mel Lavitt welcomed everyone to the January 9, 2014 Board meeting.

Approval of the Minutes

MOTION: Peter Mouskondis moved to approve the December 12, 2013 minutes. Winston Wilkinson seconded the motion. Motion was carried unanimously.

EDTIF – Varian Medical

Project Highlights

Timeline:	2014
Target Industry:	Manufacturing Medical Device
Proposed Location(s):	Salt Lake County
Capital Investment:	\$40,000,000

Jobs & Revenue

Full time incented jobs over project lifetime: 1000

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:

New State Wages over years: \$460,416,221

New State Revenue over years: \$35,888,824

Local Incentive

Salt Lake City has offered an incentive to the company for expansion and relocation services. The city values the relationship and impact that the company has in the community. Please see local letter.

MOTION: Jerry Oldroyd moved to approve Varian Medical for a \$7,177,657 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 15 years. Margo Jacobs seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$7,177,657 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 125% of the Salt Lake County average wage each including company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 15 years.
- Subject to local incentive.

Doug Carlisle and Mark Genitis were present to represent the company. They gave a brief background of the company and the facility. They also thanked the GOED Board for their support and were excited to move forward.

EDTIF – Ottobock

Project Highlights

Timeline:	2014
Target Industry:	Manufacturing
Proposed Location(s):	Salt Lake County
Capital Investment:	\$1,000,000

Jobs & Revenue

Full time incented jobs over project lifetime:	55
Full time Non-Incented jobs over project lifetime:	30
Total Jobs for the project:	85

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:	
New State Wages over years:	\$16,219,299
New State Revenue over years:	\$1,960,095

Local Incentive

Salt Lake City has offered an incentive to the company for expansion and relocation services. Please see local letter.

MOTION: Jerry Oldroyd moved to approve Ottobock Inc. for a \$392,019 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 7 years. Sam Granato seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$392,019 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 125% of the Salt Lake County average wage each including company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 7 years.
- Subject to local incentive.

Aaron Janson, Tom Porderson, David Hartman from Ottobock were here to represent the company. Aaron spoke on how Utah was competing with Texas but Utah will give them a lot of qualified applicants and also a great veterans program. They are excited to move forward and he thanked the Board for their support during this process.

EDTIF – Cabelas

Project Highlights

Timeline:	2014
Target Industry:	Outdoor Products
Proposed Location(s):	Tooele County

Jobs & Revenue

Full time incented jobs over project lifetime:	85
Full time Non-Incented jobs over project lifetime:	184
Total Jobs for the project:	269

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:	
New State Wages over years:	\$33,311,851
New State Revenue over years:	\$3,465,988

Local Incentive

Tooele County has offered a local incentive. They have been strongly supportive and actively recruiting this project for the past 2 years. They strongly support the company's potential plans for this large capital investment and incentive

will depend on which location the company will choose. Company is considering 3 sites in Tooele County. Please see local letter.

MOTION: Jerry Oldroyd moved to approve Cabelas for a \$693,198 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 10 years. Peter Mouskondis seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$693,198 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 Tooele County average wage each including company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Subject to local incentive.

There was not a representative from the company.

Economic Opportunity Grant – Envision Utah

Recommend an IAF grant for the purpose of developing and implementing an educational campaign to inform and motivate the public about the many ways each individual, community, and business can contribute to better air quality. A multi-platform campaign that will include television, radio, outdoor advertising, and digital and social media will launch in mid-January. It is the intention of this Economic Opportunity Grant to expedite the funding process for this important initiative not only for quality of life for Utah citizens, but also for the immediate and substantial impact that air quality has on economic development and future growth. GOED will participate in Industrial Assistance Funds with partnerships with Envision Utah, UCAIR (Utah Clean Air Partnership) local government entities, corporate donations, individuals, and private organizations.

MOTION: Jerry Oldroyd moved to approve an IAF Grant for Envision Utah of up to \$500,000, from the Industrial Assistance Fund, for the purpose of developing and implementing an educational campaign, online microsite, digital advertising and social media platform, and billboard, television, and radio advertising. This grant is subject to local participation from local government entities, corporate partners, and private organizations. Sam Granato seconded the motion. Motion was carried unanimously.

Ari Bruening and Allen Matheson were present to speak to Envision Utah. The air quality is better than it was 10 years ago and better than it has been in the history of the State. We have added 900,000 people to the State in the last 20 years, we have overall improved the air quality but a lot still needs to be worked on. This is very supported by the Governor and the legislature. The Governor has proposed \$18 million this year in his budget to help with this situation.

MPAC

“American Ride”

Project Highlights

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| • Category: | TV Series |
| • Genre: | Educational |
| • Director | TBD |
| • Producer: | Jeff T. Miller |

Utah Jobs and Revenue

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|------------------------------------|---------------------|
| • Estimated Cast: | 1 |
| • Estimated Cast Average Salary: | \$842/day |
| • Estimated Crew: | 20 |
| • Estimated Crew Average Salary: | \$350/day |
| • Estimated Extras: | 10 |
| • Estimated Extras Average Salary: | \$110/day |
| • Length of Film Production: | 150 |
| • Estimated Spend: | \$1,211,624 million |

Project Schedule

- Prep: January 1, 2014 through April 15, 2014
- Principal Photography: April 16, 2014 through October 15, 2014
- Post Production: October 16, 2014 through December 31, 2014

MOTION: Peter Mouskondis moved to approved for Vineyard Productions a Motion Picture Incentive Program post-performance tax credit of no less than \$242,325 (which represents 20% of dollars left in state) and up to \$302,906 (which represents 25% of the dollars left in state) for the production of ‘American Ride.’ Cliff White seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Vineyard Productions may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$302,906 (25% of the dollars left in state).

“Granite Flats”

Project Highlights

- Category: TV Series
- Genre: Drama
- Director: Scott H. Swofford
- Producer: Jeff T. Miller, Scott H. Swofford

Utah Jobs and Revenue

- Estimated Cast: 25
- Estimated Cast Average Salary: \$842/day
- Estimated Crew: 65
- Estimated Crew Average Salary: \$350/day
- Estimated Extras: 300
- Estimated Extras Average Salary: \$110/day
- Length of Film Production: 32
- Estimated Spend: \$3.8 million

Project Schedule

- Prep: January 6, 2014 through February 24, 2014
- Principal Photography: February 24, 2014 through April 15, 2014
- Post Production: April 15, 2014 through September 30, 2014

MOTION: Margo Jacobs moved to approved for Vineyard Productions a Motion Picture Incentive Program post-performance tax credit of no less than \$760,000 (which represents 20% of dollars left in state) and up to \$950,000 (which represents 25% of the dollars left in state) for the production of ‘Granite Flats.’ Cliff White seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Vineyard Productions may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$950,000 (25% of the dollars left in state).

“The West”

Project Highlights

- Category: TV Series
- Genre: Educational
- Director: TBD
- Producer: Stephen David, Shirley Escott

Utah Jobs and Revenue

- Estimated Cast: 36
- Estimated Cast Average Salary: \$350/day
- Estimated Crew: 146
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 700
- Estimated Extras Average Salary: \$90/day
- Length of Film Production: 60
- Estimated Spend: \$3,651,045 million

Project Schedule

- Prep: March 31, 2014 through May 11, 2014
- Principal Photography: May 12, 2014 through June 10, 2014
- Wrap: June 10, 2014 through June 16, 2014

MOTION: Peter Mouskondis moved to approved for GF Films, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$730,209 (which represents 20% of dollars left in state) and up to \$912,761 (which represents 25% of the dollars left in state) for the production of ‘The West.’ Cliff White seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- GF Films, LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$912,761 (25% of the dollars left in state).

“Living Water”

Project Highlights

- Category: Feature Film
- Genre: Animation
- Director: Daniel Flannery
- Producers: Alison Savitch

Utah Jobs and Revenue

- Estimated Cast: N/A
- Estimated Cast Average Salary: N/A
- Estimated Crew: 7
- Estimated Crew Average Salary: \$2,141/week
- Estimated Extras: N/A
- Estimated Extras Average Salary: N/A
- Length of Film Production: 33 days
- Estimated Spend: \$227,000

Project Schedule

- Prep: December 5, 2013 through January 14, 2014
- Principal Photography: January 15, 2014 through February 28, 2014
- Post Production: March 2, 2014 through March 15, 2014

MOTION: Winston Wilkinson moved to approved for Hydra Interactive Digital Media a Motion Picture Incentive Program post-performance tax credit of no less than \$45,400 (which represents 20% of dollars left in state) for the production for “Living Water.” Cliff White seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive
- At least 85% of the production’s cast/crew must be Utah residents and/or Utah students.

“Truth Be Told” – Amendment

Project Highlights

- Category: Feature Film
- Genre: Thriller
- Director: Ali Barr
- Producer: Andrea Curtis, Jerry Wolf, Ali Barr, Sally Meyer, Jarrod Phillips

Utah Jobs and Revenue

- Estimated Cast: 32
- Estimated Cast Average Salary: \$859/day
- Estimated Crew: 70
- Estimated Crew Average Salary: \$200-250/day
- Estimated Extras: 125
- Estimated Extras Average Salary: \$75/day
- Length of Film Production: 30 days
- Estimated Spend: \$2,100,000

Project Schedule

- Prep: January 6, 2014 through January 31, 2014
- Principal Photography: February 3, 2014 through March 1, 2014
- Wrap: March 1, 2014 through March 22, 2014
- Post Production: March 3, 2014 through June 5, 2014

MOTION: Sam Granato moved to approve Truth Be Told LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$420,000 (which represents 20% of dollars left in state) and up to \$525,000 (which represents 25% of the dollars left in state) for the production of “Truth Be Told.” Peter Mouskondis seconded the motion. Motion was carried unanimously.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Truth Be Told LLC may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$525,000 (25% of the dollars left in state).

GOED Update

Spencer P. Eccles, Executive Director of GOED thanked the Board for what they are doing within the State. He updated the Board that the Unmanned Aerial Systems that the Board voted on to create a test site was not won for the State. Many doors were opened by our application and so there will be more opportunities to come. Regarding JBN (Boeing) Utah was on the short list for this project but they decided to stay in Washington. Working on this project has allowed everyone to see how well our office, EDCU and the relationships around the State work together. The STEM Action Center has been looking for a director since they have opened up this program and they think they finally have a candidate that will work.

Incentives Update

Eric Nay, Incentives Manager gave an update on the Incentives Program regarding new and existing projects.

EDCU Update

Jeff Edwards, 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.