

GOED Board Meeting Minutes

November 14, 2013 • 10:00 a.m.
 Governor's Office of Economic Development
 60 E. South Temple, Third Floor

Members Present:	Mel Lavitt, Jerry Oldroyd, Jake Boyer, Peter Mouskondis, Amy Anderson, Cliff White, Stefanie Bevans, Kate Riggs, Josh Romney, Lorena Riffo-Jensen, Sam Granato, Winston Wilkinson
Staff:	Eric Nay, Christopher M. Conabee, Tamy Dayley, Ron Andrus, Thomas Wadsworth, Kelleigh Cole, Vincent Mikolay, Kevin Jessing, Jeff Van Hulton
Visitors:	Jeff Edwards, Derek Mellus, Marshall Moore, Beth Colosimo, Oz Balfour, Brice Wallace, Todd Brightwell, Mimi Davis-Taylor, Ann Marie Woessner, Jerry Fallows

Welcome

Mel Lavitt welcomed everyone to the November 14, 2013 Board meeting.

Jeff Edwards, President of EDCU spoke briefly on the EDCU annual event that occurred yesterday. He thanked GOED for their great partnership with them.

Approval of the Minutes

MOTION: Sam Granato moved to approve the October 17, 2013 minutes. Peter Mouskondis seconded the motion. Motion was carried unanimously.

EDTIF – Frontier Communications

Project Highlights

- Timeline: 2014
- Target Industry: IT Electronics and Telecom
- Proposed Location(s): Utah County
- Capital Investment: \$7,000,000

Jobs & Revenue

Full time job over project lifetime: 550
 The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:

New State Wages over 10 years: \$245,223,279
 New State Revenue over 10 years: \$10,914,561

MOTION: Jerry Oldroyd moved to approve Frontier Communications for a \$2,182,912 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 10 years. Additionally approve for Frontier Communications IAF Training Funds in the amount of \$1,000 per employee for up to 330 employees in the first 2 years. Total incentive not to exceed \$2,512,912. Cliff White seconded the motion. Motion was carried unanimously.

- Total EDTIF incentive not to exceed \$ 2,182,912 EDTIF post-performance refundable tax credit.
- Total IAF training post performance grant not to exceed \$330,000
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Subject to local incentive

Bud Hurst thanked the GOED Board for their consideration on this project. They are very excited to work with the State of Utah. They are 100 year old company and each site is considered in depth, there were many cities in the running for this expansion. San Juan County made a large impact on the decision from the company.

EDTIF – Exeter Finance

Project Highlights

- Timeline: 2013
- Target Industry: Financial Services
- Proposed Location(s): Utah County
- Capital Investment: \$2,100,000

Jobs & Revenue

Full time job over project lifetime: 550
 The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:

New State Wages over 10 years: \$259,944,118
 New State Revenue over 10 years: \$11,388,222

MOTION: Jerry Oldroyd moved to approve Exeter Finance for a \$2,277,644 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 10 years. Lorena Rffo-Jensen seconded the motion. Motion was carried unanimously.

- Total EDTIF incentive not to exceed \$ 2,277,644 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.
- Must commit to keep operation in Utah for the length of the incentive period, 10 years.
- Subject to local incentive

Tom Wesla, VP for Servicing at Exeter Finance expressed his excitement for this incentive and their expansion in Utah.

ED ZONE: Incomm

Establish an economic development zone for the purpose of supporting the expansion of Incomm, Inc’s Corporation office in Murray, Utah.

MOTION: Jerry Oldroyd moved to approve the creation of the economic development zone for Murray City in support of their letter of request detailing the expansion of the Incomm Inc. facilities located in Murray, Utah. Peter Mouskondis seconded the motion. Motion was carried unanimously.

MPAC

“The Man on Carrion Road”

Project Highlights

- Category: Feature Film
- Genre: Drama/Thriller
- Director: Gonzalo Lopez-Gallego
- Producer: Aaron Ginsburg, Terry Leonard

Utah Jobs and Revenue

- Estimated Cast: 15
- Estimated Cast Average Salary: \$504/day
- Estimated Crew: 103
- Estimated Crew Average Salary: \$275/day
- Estimated Extras: 53
- Estimated Extras Average Salary: \$102/day
- Length of Film Production: 30 days
- Estimated Spend: \$2.4 Million

Project Schedule

- Prep: November 18, 2013 through January 21, 2014
- Principal Photography: January 22, 2014 through February 28, 2014

- Wrap:

March 3, 2014 through March 21, 2014

MOTION: Amy Anderson moved to approve for Carrion Road Productions, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$480,000 (which represents 20% of dollars left in state) and up to \$600,000 (which represents 25% of the dollars left in state) for the production of “The Man on Carrion Road.” 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
- Carrion Road Productions, 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 \$600,000 (25% of the dollars left in state).

“Truth Be Told”

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: 30
- 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: \$1,250,000

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: Amy Anderson moved to approve for Andrea J Curtis Productions a Motion Picture Incentive Program post-performance tax credit of no less than \$250,000 (which represents 20% of dollars left in state) and up to \$312,500 (which represents 25% of the dollars left in state) for the production of “Truth Be Told.” Sam Granato 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
- Andrea J Curtis 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 \$312,500 (25% of the dollars left in state).

Ally Bar thanked the Board for this incentive. They are a Utah company and they like to keep their work local as well. The incentive helps the films be seen outside of Utah.

“Your Right Mind”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Ami Canaan Mann
- Producer: Todd Labarowski, Molly Hassell

Utah Jobs and Revenue

- Estimated Cast: 39
- Estimated Cast Average Salary: \$890/day
- Estimated Crew: 96
- Estimated Crew Average Salary: \$220/day
- Estimated Extras: 253
- Estimated Extras Average Salary: \$90/day
- Length of Film Production: 18
- Estimated Spend: \$2,927,662

Project Schedule

- Prep: December 2, 2013 through January 10, 2014
- Principal Photography: January 13, 2014 through February 5, 2014
- Post Production: February 6, 2014 through February 12, 2014

MOTION: Amy Anderson moved to approve for Your Right Mind a Motion Picture Incentive Program post-performance tax credit of no less than \$585,532 (which represents 20% of dollars left in state) and up to \$731,915 (which represents 25% of the dollars left in state) for the production of “Your Right Mind.” Kate Riggs 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
- *Your Right Mind* 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 \$731,915 (25% of the dollars left in state).

“Rosemont”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Daniel Petrie Jr.
- Producer: Rick Dugdale

Utah Jobs and Revenue

- Estimated Cast: 12
- Estimated Cast Average Salary: \$268/day
- Estimated Crew: 37
- Estimated Crew Average Salary: \$200/day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$118/day
- Length of Film Production: 30 days
- Estimated Spend: \$510,000

Project Schedule

- Prep: January 6, 2014 through January 24, 2014
- Principal Photography: January 27, 2013 through February 21, 2014

- Wrap: February 24, 2014 through March 7, 2014
- Post Production: February 24, 2014 through May 2, 2014

MOTION: Amy Anderson moved to approve for Enderby Entertainment a Motion Picture Incentive Program post-performance tax credit of no less than \$102,000 (which represents 20% of dollars left in state) for the production of ‘ROSEMONT.’ Jake Boyer 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.

“Two Little Hands”

Project Highlights

- Category: Video Episodes
- Genre: Educational
- Director: Bonnie Story & Michael Buster
- Producer: Emilie de Azevedo Brown, Lex de Azevedo

Utah Jobs and Revenue

- Estimated Cast: 2
- Estimated Cast Average Salary: \$375/day
- Estimated Crew: 12
- Estimated Crew Average Salary: \$200/day
- Estimated Extras: 0
- Estimated Extras Average Salary: N/A
- Length of Film Production: 150 days
- Estimated Spend: \$356,725

Project Schedule

- Prep: September 9, 2013 through February 21, 2014
- Principal Photography: March 3, 2014 through May 16, 2014
- Wrap: May 19, 2014 through July 25, 2014

MOTION: Amy Anderson moved to approve for TWO LITTLE HANDS PRODUCTIONS, LLC a Motion Picture Incentive Program post-performance cash rebate of no less than \$71,345 (which represents 20% of dollars left in state) for the production of ‘TWO LITTLE HANDS.’ Stefanie Bevans 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.

STEM Action Center Update

Vincent Mikolay gave a brief update on the STEM program. HB139 was passed in the last legislation which implements technologies in the schools for a Pilot phase and then looking to buy those technologies to implement them into the schools. It is still in the beginning phases and takes up a lot of resources in the office while they search for a Managing Director for the program.

International Diplomacy Update

Lew Cramer from the World Trade Center has resigned so they are looking at replacing him and while doing that, they will be restructuring the International program within GOED. They will be focusing on FTI (Foreign Trade and Investment). They are going to be focusing on how to capture foreign investment within the state instead of export.

Outdoor Recreation Update

Brad Petersen, Outdoor Recreation Managing Director gave a brief overview of the program. There will be a CEO Roundtable with Outdoor Recreation CEO’s with the Governor on December 9th. He has also been traveling around the State to see what other cities and county’s need. He is promoting the vision “Fit for Life State” which is an initiative throughout the State. May 8, 2014 will be the first Outdoor Recreation Summit held within the State.

Incentives Update

Christopher M. Conabee, Managing Director, gave an update on the Incentives Program regarding new and existing projects. He also gave an update on the rural department in our office along with the history of the program. They have been traveling the State to see what the different counties need and how the State can help. Some of them are being helped by utilizing the Rural Fast Track Grants. Delynn Fielding and Dan Royal also gave a brief update on the details of those grants and what is needed to qualify. Jerry Oldroyd gave an update on the history of the rural development program and the history of what the legislature has done to try to help. Christopher would like to make a motion to have the Board endorse the rural programs. Mel made the motion. Margo Jacobs seconded the motion. Motion was carried unanimously.

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. There was also an extensive discussion on some of the larger projects that are looking at Utah due to our workforce and also partnerships within other agencies/departments.

GOED Update

Spencer P. Eccles, Executive Director of GOED welcomed our new GOED Board members Josh Romney and Margo Jacobs. He highlighted the new annual report that is now available; this is a booklet that is a resource for the Governor's Office of Economic Development and also our partners. He also touched on transparency within the Incentives department, which is part of a bill that was passed in the last session. On November 13, 2013 GOED will launch a new website that highlights company information that is easy to find creating more transparency between our office and the general public.

Meeting adjourned.