

**MINUTES OF THE
GOVERNOR'S BOARD OF ECONOMIC DEVELOPMENT**

March 12, 2009 • 10:00 a.m. to 12:00 p.m.
324 South State Street, 5th Floor
Salt Lake City, Utah

Members Present: Amy Rees Anderson, Ragula Bhaskar, Jack Brittain, Mary Draper, Stanley Ellington, Molonai Hola, Mel Lavitt, Richard Nelson, Gerald Sherratt, Cliff White

Members Absent: Bill Boyle, Mike Dowse, Nikos Linardakis, Jerry Oldroyd, Jim Sorenson

Visitors: Mark Adams, Roger Armstrong, Todd Brightwell, Jeff Edwards, Reed Jacobs, Steve Maas, Brice Wallace

Staff: Clark Caras, Mimi Davis-Taylor, Tamy Dayley, Amy Hamblin, Greg Harter, Greg Hartley, Fred Lange, Bill Loos, Derek Mellus, Derek Miller, Marshall Moore, Christina Oliver, Michael Sullivan

Welcome – Approval of the February 2009 Minutes

MOTION: Molonai Hola moved to approve the minutes of the February 12, 2009 GOED Board Meeting. Mary Draper seconded the motion. Motion carried unanimously.

Committee Report - Incentives Committee

Great Salt Lake Minerals

Project Highlights

- Expand Sulfate of Potash fertilizer operation by upgrading existing evaporation ponds and purchasing new equipment
- Timeline: Immediate decision required
- Target Industry: N/A
- Proposed Location: Weber County
- Capital Investment: \$40+ million in machinery and equipment

Jobs and Revenue

- 50 New Full-time Positions created in Weber County over 10 years and part of 2009
- Average salary over 125% of Weber County Average Wage
- \$27+ Million New State Wages over 10 years and part of 2009
- New State Revenue \$1+ million over same period

Local Incentives

- Local Incentive proposal reviewed and approved by the GOED Incentives Committee.

There was a brief discussion on the number of employees that will be hired and the local incentive.

MOTION: Ragula Bhaskar moved to approve for Great Salt Lake Minerals Corporation a \$153,638 EDTIF Refundable Tax Credit based on 15% of new state revenue over 10 years and part of 2009. Gerald Sherratt seconded the motion. Motion carried unanimously.

- Total incentive not to exceed \$153,638 EDTIF tax credit.
- Annual incentive amount based on 15% of new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 15% of new incremental state tax revenues over 10 years and part of 2009 with a contractual recapture provision for any excess funds paid to the company.
- Must meet employment projections at 50% of the first two years and 25% of each subsequent year.
- Annual total project average salary of new employees to be at least 125% of County average wage including company contributed health benefits.
- Must commit to keep operation in Utah for the length of the incentive period.
- Commitment by local government to provide local incentive.
- Incentives provided post-performance upon review and verification of receipted state taxes and performance requirements as outlined above.

GOED Report

Derek Miller, Managing Director of Recruitment and Incentives, informed the board that Jason Perry, Executive Director of GOED was up at the State Capitol for the Legislative Session and was sorry that he could not be in attendance. Mr. Miller reported on recent accolades. Utah was ranked the #1 Happiest Place in the country. An update on the Incentives Program was given. Jobs, revenues and wages were discussed. Mr. Miller gave a legislative update:

- HB 430 – Tax incentives for alternative energy projects

Mary Draper expressed opposition for defining nuclear energy as renewable under this bill.

- SB 76 – Energy transmission, bonding authority
- SB 14 – Motion picture Incentive amendments

Greg Hartley, Project Manager for GOED, went over some of the other bills including alcohol reform and health system reform. Richard Nelson discussed other issues such as Utah being a right to work state and the Utah Fund of Funds.

Michael Sullivan, Director of Communications for GOED, reminded everyone that the 3rd annual Governor's Economic Summit is on Monday, March 30th at the Grand America Hotel. A program and schedule of the day's events were handed out. Riley Cutler, the new Director for the Outdoor Products Cluster was introduced. Mark Adams, Community Development Liaison for Omniture, gave a presentation on the Silicon Slope concept. Jeff Edwards, President and CEO of EDCUtah gave an update on recent and upcoming projects.

Motion Picture Advisory Committee

MPIF – Area 51

Project Request:

- Category: Independent (Feature) Film
- Genre: Supernatural Thriller
- Producer: Jason Blum/Steven Schneider
- Director: Oren Peli

Jobs and Revenue:

- Estimated Utah Cast/Crew Members: 57
- Estimated Utah Crew Average Salary: \$310/day
- Length of Utah Film Production: 16 Utah production days
- Estimated Utah Spend: \$1,435,143

Readiness:

- Financing: 100% Financed
- Project Schedule:
- Production: March 2009 through June 2009

Motion Picture Advisory Committee Recommendation:

- Approved by the Motion Picture Advisory Committee (MPAC) on 3/11/2009.

Roger Armstrong, MPAC committee member, gave an overview of the film. Marshall Moore, Director of the Utah Film Commission reported on the current status of the film industry. There are 2 films that are currently shooting.

MOTION: Gerald Sherratt moved to approve Area 51 Productions for the film 'Area 51', a MPIF rebate not to exceed 15% of the total dollars left in the state. The total dollar amount for the rebate shall not exceed \$215,271. Subject to final review and approval of a final transcript or script. Mel Lavitt seconded the motion. Motion carried unanimously.

EDZONE – S Group

Establish an Economic Development Zone for purposes of supporting the location of the S Group Project in Salt Lake City, Utah.

MOTION: Mel Lavitt moved to approve the creation of an Economic Development Zone for Salt Lake City in support of their letter of request detailing the boundaries of the S Group Project located at 1490 North 2200 West, Salt Lake City, Utah. Richard Nelson seconded the motion. Motion carried unanimously.

Meeting adjourned.