

GOED Board Meeting Minutes
 March 13, 2014 • 10:00 a.m.
 Governor’s Office of Economic Development
 60 E. South Temple, Third Floor

Members Present:	Sam Granato, Margo Jacobs, Josh Romney, Jerry Oldroyd, Mel Lavitt, Brent Brown, Stefanie Bevans, Winston Wilkinson, Jake Boyer, Cliff White
Staff:	Jenni Osman, Christopher M. Conabee, Sophia DiCaro, Michael Sullivan, Fred Lange, Carol George, Marshall Wright, Kevin Jessing, Mindy Vail, Thomas Wadsworth, Eric Nay, Ali Anderson, Hannah Vickory, Jeff Van Hulten, Kelleigh Cole, Tamy Dayley, Adam Turville, Jessica Nield, Delynn Fielding, Vicki Varella
Visitors:	Casey Houweling, Peter Cumming, Kurt Reinders, Ave Turlack, Todd Brightwell, Mickey Beavers, Kim Frost, Marshall Moore, Mimi Davis-Taylor, Derek Mellus, Erin Laney, Ricky Flores, George Robertson, Rod Blancher, Stuart Orgill, Brice Wallace, Mike Gurrell, Tom Brough, Tim Wallace, Stephen L. Dean, Kayra Darling, Oswald Balfour, Chris Otto, David Pulsipher, Nick Purse, Gailen Vick, Reed Taft Jacobs, Terrence Bride, Eef Ter Laale, Jim Grover, Shad Vick, Brent Boswell, Rick Carlton, Jeff Miller, Stan Eilsworth, Mike Agrerius, Adan Brandley, Peter Ashcroft

Welcome

Mel Lavitt welcomed everyone to the March 13, 2014 Board meeting.

Approval of the Minutes

MOTION: Sam Granato moved to approve the February 10, 2014 minutes. Winston Wilkinson seconded the motion. Motion was carried unanimously.

EDTIF – Houweling Nurseries Oxnard, Inc.

Project Highlights

Timeline:	2015
Target Industry:	Agricultural Manufacturing
Proposed Location(s):	Juab County
Capital Investment:	\$79,000,000

Jobs & Revenue

Full time incented jobs over project lifetime: 282
 The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue

New State Wages over years:	\$267,891,773
New State Revenue over years:	\$ 18,160,900

Local Incentive

Juab County has offered a significant incentive to the project and has been working closely with the company for over a year on the specifics relative to location, water rights, property acquisition, and incentives. Please see local letter.

MOTION: Jerry Oldroyd moved to approve for Houweling Nurseries Oxnard, Inc. a \$4,648,270 EDTIF post-performance refundable tax credit which represents an amount equal to 25.60% of new state revenue for 20 years. Additionally approve for Houweling Nurseries Oxnard, Inc. an IAF economic opportunity grant of \$500,000 to offset the water line and well infrastructure costs associated with project construction as well as an IAF training grant of \$150,000 disbursed in operational year one and \$150,000 disbursed in operational year two. Total IAF training grant not to exceed \$300,000. Total incentive not to exceed 30% of new state revenue for 20 years. Brent Brown seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$4,648,270 EDTIF post-performance refundable tax credit.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 100% for each project year.
- Must commit to keep operation in Utah for the length of the incentive period, 20 years.
- Subject to local incentive participation.

Casey Houweling gave thanks to the GOED Board for their project and also voiced his commitment to the State of Utah. He discussed the process in which they grow their tomatoes and how they use renewable resources which in essence is wasted energy. He thanked Juab County for all of their wonderful support through this process and looks forward to moving this forward.

RFT

“Young Machine Company”

The Rural Development office recommends a Rural Fast Track grant for Young’s Machine Company for the purpose of purchasing a 4-ton crane to aid in the manufacture of electric underground trucks for the mining industry. The project is estimated to create one to two jobs and to cost one hundred twenty-seven thousand, eight hundred fifty-six dollars (\$127,856.00).

MOTION: Endorse the Rural Fast Track Grant for Young’s Machine Company of \$50,000.

“Custom Signworks”

The Rural Development office recommends a Rural Fast Track grant for Custom Signworks, LLC for the purpose by purchasing an automatic textile press to expand their clientele to schools, recreation departments, and manufacturing companies. The project is estimated to create one job and to cost sixty thousand, four hundred thirty-seven dollars (\$60,437.00).

MOTION: Endorse the Rural Fast Track Grant for Custom Signworks, LLC of \$30,218.

“M.R. Wilde and Sons”

The Rural Development office recommends a Rural Fast Track grant for M.R. Wilde and Sons for the purpose of adding value to their compost/waste management division by purchasing a compost spreader. The project is estimated to create one job and to cost Twenty-seven thousand dollars (\$27,000.00).

MOTION: Endorse the Rural Fast Track Grant for M.R. Wilde and Sons of \$13,500.

There was a motion of support for the Rural Fast Track projects. Jake Boyer moved the motion. Sam Granato seconded the motion. Motion was carried unanimously.

MPAC

Marshall Moore, Director of the Film Commission gave a brief update on the status of some of the films that GOED has incented and their release dates. He also spoke on the success of Sundance this year.

“Let It Go”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Directors: Christopher Clark and Patrick Parker
- Producer: Dan LaPray

Utah Jobs and Revenue

- Estimated Cast: 12
- Estimated Cast Average Salary: \$268/day
- Estimated Crew: 19
- Estimated Crew Average Salary: \$330/day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$87/day
- Length of Film Production: 16
- Estimated Spend: \$300,000

Project Schedule

- Prep: March 15, 2014 through April 30, 2014
- Principal Photography: May 1, 2014 through May 22, 2014

- Post Production: May 23, 2014 through July 31, 2014

Motion Picture Advisory Committee Recommendation
 Approved by the Utah Film Commission (UFC) March 6, 2014

MOTION: Jake Boyer moved to approved for Let It Go, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$60,000 (which represents 20% of dollars left in state) for the production of ‘Let It Go.’ Jerry Oldroyd 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.

“Jumpstart Main Street”

Project Highlights

- Category: TV Series
- Genre: Reality TV
- Director: Bill Webb
- Producer: Rod Blanchard, Mike Agrelius

Utah Jobs and Revenue

- Estimated Cast: 17
- Estimated Cast Average Salary: \$1,200/day
- Estimated Crew: 28
- Estimated Crew Average Salary: \$425/day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$50/day
- Length of Film Production: 45
- Estimated Spend: \$2,380,438

Project Schedule

- Prep: February 2014 through April 2014
- Principal Photography: April 16, 2014 through September 5, 2014
- Wrap: September 5, 2014 through September 12, 2014
- Post Production: April 20, 2014 through September 7, 2014

Motion Picture Advisory Committee Recommendation
 Approved by the Motion Picture Advisory Committee (MPAC) March 6, 2014

MOTION : Stefanie Bevans moved to approve Jumpstart Main Street Inc. a Motion Picture Incentive Program post-performance tax credit of no more than \$476,088 (which represents 20% of dollars left in state) or no more than \$595,110 (which represents 25% of the dollars left in state) for the production of “Jumpstart Main Street.” Margo Jacobs 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
- Jumpstart Main Street Inc. 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 \$595,110 (25% of the dollars left in state).

“Don Verdean Amendment”

Project Highlights

- Category: Feature Film
- Genre: Comedy
- Director: Jared Hess
- Producer: Jared Hess, David Hunter

Utah Jobs and Revenue

- Estimated Cast: 11
- Estimated Cast Average Salary: \$944/day
- Estimated Crew: 47
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 1,000
- Estimated Extras Average Salary: \$101.50/day
- Length of Film Production: 25 days
- Estimated Spend: \$2,000,000

Project Schedule

- Prep: January 13, 2014 through February 9, 2014
- Principal Photography: February 10, 2014 through March 14, 2014
- Wrap: March 15, 2014 through March 21, 2014
- Post Production: February 3, 2014 through August 20, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) February 6, 2014

MOTION: Stefanie Bevans moved to approve the correction of the math in the approved motion of February 13, 2014 to now read: Don Verdean the Movie, LLC a Motion Picture Incentive Program post-performance tax credit of no more than \$400,000 (which represents 20% of dollars left in state) or no more than \$500,000 (which represents 25% of the dollars left in state) for the production of “Don Verdean.” 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
- Don Verdean the Movie, 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 \$500,000 (25% of the dollars left in state).

Presentation from Stuart Orgill

Stuart Orgill gave an update on where Qualtrics is after they were granted their incentive on November 8, 2012. Qualtrics is an online software tool which provides services including survey creation and implementation performance evaluations and live support. They are now working with 1,300 universities, they have over 400 million academic users and they are used in 97 out of the top 100 business schools. They are also completing 2,000 surveys every minute with over 450 employees; this company has been named one of Forbes top 25 most promising companies.

Presentation from Gailen Vick

Gailen Vick, Executive Director of The Reserve Logistics Association gave a presentation to the GOED Board on the history of RLA and why it was formed. The RLA provides a 3rd party service providers a networking forum with OEM’s and retailers for outsourcing. It helps to encourage industry, academics and government institutions to share ideas. The reverse logistics impact affects areas in marketing, operations, sales and marketing. It allows companies to see the true cost and benefits of organizations, how efficient are their operations and how satisfied their customers are.

Incentives Update

Christopher M. Conabee, Managing Director of Corporate Recruitment and Business Services gave an update on the Incentives Program regarding new and existing projects.

EDCU Update

Todd Brightwell, 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.