

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

April 19, 2011 • 10:00 a.m. to 10:30 a.m.  
Conference Call

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**Members Present:** Jake Boyer, Jerry Oldroyd, Lowry Snow, Mike Dowse, Molonai Hola, Peter Mouskondis, Rob Adams, Stanley Ellington

**Members Absent:** Amy Anderson, Cliff White, Jack Brittain, Mel Lavitt

**Visitors:** Steve Oberbeck, Susan Reiber, Marshall Moore, Mimi Davis-Taylor, Art (Air Products), Frank (Air Products), Frank (Ar Products), Bill Loos

**Staff:** Christina Oliver, Spencer Eccles, Jenni Osman, Michael Sullivan, Tamy Dayley, Samantha Mary Julian, Tara Thue, Sophia DiCaro, Amy Hamblin

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**Welcome**

Jerry Oldroyd welcomed everyone to the April board meeting.

**Incentives Update**

Christina Oliver, Director of Corporate Recruitment and Incentives, gave an update on the Incentives Program including jobs, revenues, capital investments and new state wages.

**EDTIF- Air Products**

**Project Highlights**

- Establish a new facility to develop the fabrication of Ceramic Membrane Modules
- Timeline: Begin project in April 2013, fully operational after 33 months
- Target Industry: Air Products is a noble gas manufacturer which is key to most, if not all, of the State's clusters including Life Sciences and IT
- Proposed Location: Tooele City, Tooele County
- Capital Investment: Estimated \$40 million in personal property and leasehold improvements

**Jobs and Revenue**

- 57 new full-time, permanent employment positions created in 2013 and maintained for the life of the project
- Health benefits for the project add over \$4,900 to the base salary on an annual basis
- Company Average Wage vs. Tooele County Average Wage
  - Max with health benefits: 157% (2014)
    - Max without health benefits: 146% (2014)
  - Min with health benefits: 157% (2018)
    - Min without health benefits: 146% (2018)
- REMI Model (2013-2018):
  - Low Migration/Low Cost \$8,436,000
  - Middle Migration/Low Cost \$5,949,000
  - High Migration/High Cost \$3,791,000
- New state wages over 5 ½ years: \$19,344,879
- New State Revenue<sup>2</sup> for 5 ½ years: \$1,042,683
  - Withholding: \$725,433
  - Sales: \$317,250

## Local Incentive

The Tooele RDA has agreed to offer a local incentive of \$230,000 over 5 years. This incentive is based on new personal property tax increment and will be awarded to the company on a post-performance basis in an amount not to exceed \$46,000 a year.

If the Company chooses to purchase the site in the future it is expected that they will receive the additional benefit from an incentive Tooele RDA already provided to the now current owners of the site in the amount of \$900,000.

**MOTION: Jerry Oldroyd moved to approve for Air Products and Chemicals, Inc. a \$208,500 EDTIF post-performance refundable tax credit representing 20% of new state revenue generated over 5 ½ years. Peter Mouskondis seconded the motion. Motion carried unanimously.**

- Total EDTIF incentive not to exceed \$208,500 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 5 ½ years with a contractual recapture provision for any excess funds paid to the company.
- 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 Tooele County average wage.
- Must commit to keep operation in Utah for the length of the incentive period, 5 ½ years.
- Incentives are site specific and subject to local incentive participation.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.
- Incentives are provided post-performance upon review and verification of receipted state taxes and performance requirements as outlined above.

Marhsall Moore, Director of the Utah Film Commission, gave an update on film production. The new Disney film “Guide to Life” also known as “Good Luck Charlie” completed filming in the state of Utah a week ago.

## MPIF- “Thrillbillies”

Project:

- Category: Television Series
- Genre: Reality
- Director: Gregg Godfrey
- Producer: Todd Udall

Utah Jobs and Revenue:

- Estimated Cast: 4
- Estimated Cast Average Salary: \$350/day
- Estimated Crew: 8
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 8-12
- Estimated Extras Average Salary: \$200/day
- Length of Film Production: 40 days
- Estimated Spend: \$400,000

**MOTION: Jerry Oldroyd moved to approve for Godfrey Entertainment a \$30,000 MPIF post-performance cash rebate which represents 15% of dollars left in state for the production of ‘Thrillbillies’. Peter Mouskondis seconded the motion. Motion carried unanimously.**

- Total incentive not to exceed \$30,000 MPIF cash rebate.
- Incentive offer based on receipt of a complete MPIF 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 90% of the productions cast/crew must be Utah Residents and/or Utah Students.

**MPIF- “Inside”**

Project:

- Category: Feature Film (Independent)
- Genre: Drama
- Director: Daryn Tufts
- Producer: Ken Bretschneider, Taylor Gourley, Maclain Nelson, David Wulf

Utah Jobs and Revenue:

- Estimated Cast: 17
- Estimated Cast Average Salary: \$100-268/day
- Estimated Crew: 21
- Estimated Crew Average Salary: \$100-300/day
- Estimated Extras: 10-20
- Estimated Extras Average Salary: \$0-50/day
- Length of Film Production: 12 days
- Estimated Spend: \$200,000

Project Schedule:

- Prep: April 18, 2011 – June 6, 2011
- Principal Photography: June 7, 2011 – June 21, 2011
- Wrap: March 7, 2011 – November 1, 2011

**MOTION: Jerry Oldroyd moved to approve for Inside Movie, LLC a \$30,000 MPIF post-performance cash rebate which represents 15% of dollars left in state for the production of ‘Inside’. Mike Dowse seconded the motion. Motion carried unanimously.**

- Total incentive not to exceed \$30,000 MPIF cash rebate.
- Incentive offer based on receipt of a complete MPIF 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 90% of the productions cast/crew must be Utah Residents and/or Utah Students.

**MPIF- Nitro Circus 3D**

Project Highlights

- Category: Feature Film (Independent)
- Genre: Documentary/Reality
- Director: Gregg Godfrey
- Producers: Todd Udall

Utah Jobs and Revenue

- Estimated Cast: 2

- Estimated Cast Average Salary: \$2,500/day
- Estimated Crew: 35
- Estimated Crew Average Salary: \$500/day
- Estimated Extras: 8-12
- Estimated Extras Average Salary: \$300/day
- Length of Film Production: 60 days
- Estimated Spend: \$4,500,00

#### Project Schedule

- Prep: March 15, 2011 – April 18, 2011
- Principal Photography: April 18, 2011 – June 20, 2011
- Wrap: April 25, 2011 – April 30, 2012

**MOTION: Jerry Oldroyd moved to approve for Godfrey Entertainment a \$900,000 MPIF post-performance tax credit which represents 20% of dollars left in state for the production of 'Nitro Circus 3D'. Peter Mouskondis seconded the motion. Motion carried unanimously.**

- Total incentive not to exceed \$1,000,000 MPIF post-performance tax credit
- Incentive offer based on receipt of a complete MPIF application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive

#### MPIF- The Mule

##### Project Highlights

- Category: Feature Film (Independent)
- Genre: Drama
- Director: Gabriela Tagliavini
- Producers: Lucas Jarech

##### Utah Jobs and Revenue

- Estimated Cast: 19
- Estimated Cast Average Salary: \$764/day
- Estimated Crew: 40
- Estimated Crew Average Salary: \$225/day
- Estimated Extras: 448
- Estimated Extras Average Salary: \$64-88/day
- Length of Film Production: 20 days
- Estimated Spend: \$1,159,424

#### Project Schedule

- Prep: May 30, 2011 – June 26, 2011
- Principal Photography: June 27, 2011 – July 22, 2011
- Wrap: July 23, 2011 – July 29, 2011

**MOTION: Jerry Oldroyd moved to approve for Southern Line LLC a \$231,800 MPIF post-performance cash rebate which represents 20% of dollars left in state for the production of 'The Mule'. Molonai Hola seconded the motion. Motion carried unanimously.**

- Total incentive not to exceed \$1,000,000 MPIF post-performance cash rebate
- Incentive offer based on receipt of a complete MPIF application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive

- Company will be considered for the 5% increase on eligible Utah Spend incurred on, and after, May 10, 2011 if they are eligible under the forthcoming rules required under HB 99 (2011 Session).

**ED ZONE: Adobe**

Establish three Economic Development Zones for the purpose of supporting the current locations of Adobe Systems Incorporated in Orem City, Utah.

**MOTION: Jerry Oldroyd moved to approve the creation of three Economic Development Zones for Orem City in support of their letter of request detailing the boundaries of the Adobe Systems Incorporated offices currently located at:**

- 550 North Timpanogos Circle
- 607 East Timpanogos Circle
- 1419 North Research Way

**Stanley Ellington seconded the motion. Motion carried unanimously.**

**GOED Report**

Spencer Eccles, Executive Director of the Governor's Office of Economic Development, thanked staff and the board for their attendance and their willingness to make adjustments to their schedule with regard to Air Products.

Jerry Oldroyd moved to adjourn the meeting. Peter Mouskondis seconded the motion. Motion carried unanimously.

**Meeting adjourned.**