

GOED Board Meeting Minutes

May 8, 2013 • 10:00 a.m.

Governor's Office of Economic Development
60 E. South Temple, Third Floor

Members Present:	Mel Lavitt, Jerry Oldroyd, Brent Brown, Amy Anderson, Cliff White, Jake Boyer, Molonai Hola, Sam Granato, Winston Wilkinson, Rob Adams, Stefanie Bevans
Staff:	Spencer P. Eccles, Sophia DiCaro, Christopher M. Conabee, Michael Sullivan, Nicole Kunzler, Jenni Osman, Riley Cutler, Fred Lange, Tamy Dayley, Zach Derr, Eric Nay
Visitors:	Bill Loos, Todd Brightwell, Marshall Moore, Mimi Davis-Taylor, Bryce Wallace, Derrek Mellus, Kim Frost, Jason Reams, Merrit Norton, Patrick Belnap, David Baird, Chris Lancey, Oz Balfour and son

Welcome

Mel Lavitt welcomed everyone to the May 8, 2013 Board meeting.

Cliff White moved to approval the April 10, 2013 minutes

MOTION: Cliff White moved to approve the minutes of March 14, 2013 GOED Board Meeting minutes.

Winston Wilkinson seconded the motion. Motion was carried unanimously.

EDTIF – SolarWinds

Project Highlights

- Timeline: 2013
- Target Industry: Software/IT
- Capital Investment: \$50 million

Jobs and Revenue

- 1040 FTE's
- SolarWinds provides all full time permanent employees with comprehensive health benefits and retirement benefits
- New State Wages over 20 years: \$ 1,436,554,953
- New State Revenue over 20 years: \$ 109,548,587

MOTION: Jerry Oldroyd moved to approve for SolarWinds Worldwide, LLC a \$32,864,576 EDTIF post-performance refundable tax credit which represents an amount equal to 30% of new state revenue for 20 years. Winston Wilkinson seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED.
- Total EDTIF incentive not to exceed \$32,864,576 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, 20 years.
- Subject to local incentive.

Jason Ream, Head of Western Operations for SolarWinds, expressed his excitement at moving their western operations to Utah. He also expressed the company's excitement to partner with the state of Utah, and make it a focus of growth for the company.

EDTIF – Blu.

Project Highlights

- Timeline: 2013
- Target Industry: Energy/Operations
- Capital Investment: \$6 million

Jobs and Revenue

- 73 FTE's
- Blu. provides all full time permanent employees with comprehensive health benefits and retirement benefits
- New State Wages over 7 years: \$ 49,263,500

- New State Revenue over 7 years: \$ 2,312,681

MOTION: Jerry Oldroyd moved to approve for Blu a \$462,536 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 7 years. Rob Adams seconded the motion. Motion was carried unanimously.

- Incentives provided post-performance upon review and verification by GOED
- Total EDTIF incentive not to exceed \$ 462,536 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, 7 years.
- Subject to local incentive.

Merrit Norton, CEO, spoke briefly on what the company’s focus was as far as consumer market and how many stations they have and their capacity. There was also a brief discussion on Blu.’s parent company, and possible future working relations between them and the state of Utah.

MPIF – “The Chess Game”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Will Taylor
- Producer: Michael Dault, Will Taylor

Utah Jobs and Revenue

- Estimated Cast: 17
- Estimated Cast Average Salary: \$472/day
- Estimated Crew: 100
- Estimated Crew Average Salary: \$500/day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$100/day
- Length of Film Production: 36 days
- Estimated Spend: \$2.222 million

Project Schedule

- Prep: July 1, 2013 thru’ July 31, 2013
- Principal Photography: August 5, 2013 thru’ September 23, 2013
- Wrap: October 1, 2013 thru’ October 31, 2013

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) May 3, 2013

MOTION: Amy Anderson moved to approve for NICH Entertainment, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$444,400 (which represents 20% of dollars left in state) and up to \$555,500 (which represents 25% of the dollars left in state) for the production of ‘The Chess Game.’ Malonai Hola 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
- NICH Entertainment, 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 \$555,500 (25% of the dollars left in state).

MPIF – “The Mentor”

Project Highlights

- Category: Feature Film
- Genre: Drama
- Director: Michael Lohman
- Producer: Chris Lancey

Utah Jobs and Revenue

- Estimated Cast: 17
- Estimated Cast Average Salary: \$600/day
- Estimated Crew: 55
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 50
- Estimated Extras Average Salary: \$150/day
- Length of Film Production: 23 days
- Estimated Spend: \$1.35 million

Project Schedule

- Prep: June 24, 2013 – July 19, 2013
- Principal Photography: July 22, 2013 – August 9, 2013
- Wrap: August 10, 2013 – August 13, 2013
- Post Production: August 12, 2013 – December 13, 2013

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) May 3, 2013

MOTION: Amy Anderson moved to approve for The Mentor Films Utah Production, Inc. a Motion Picture Incentive Program post-performance tax credit of no less than \$270,000 (which represents 20% of dollars left in state) and up to \$338,000 (which represents 25% of the dollars left in state) for the production of “The Mentor.” 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 \$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
- The Mentor Films Utah Production, 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 \$338,000 (25% of the dollars left in state).

MPIF – “Mythica”

Project Highlights

- Category: T.V. Series
- Genre: Fantasy
- Director: Anne Black
- Producer: Jason Faller, Kynan Griffin, Anne Black

Utah Jobs and Revenue

- Estimated Cast: 25
- Estimated Cast Average Salary: \$200/day
- Estimated Crew: 36
- Estimated Crew Average Salary: \$250/day
- Estimated Extras: 800
- Estimated Extras Average Salary: \$50/day
- Length of Film Production: 100 days
- Estimated Spend: \$1.7 million

Project Schedule

- Prep: March 22, 2013 – August 31, 2013
- Principal Photography: September 1, 2013 – December 20, 2013
- Wrap: December 21, 2013 – December 31, 2013
- Post Production: January 1, 2014 – June 1, 2014

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) May 3, 2013

MOTION: Amy Anderson moved to approve for Camera 40 Productions, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$340,000 (which represents 20% of dollars left in state) and up to \$425,000 (which represents 25% of the dollars left in state) for the production of “Mythica.” 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
- Camera 40 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 \$425,000 (25% of the dollars left in state).

MPIF – “Bone Tomahawk”

Project Highlights

- Category: Feature Film
- Genre: Thriller
- Director: Craig Zahler
- Producer: Dallas Sonnier, Jack Heller, Ben Cosgrove, Aimee Shieh, Clay Floren

Utah Jobs and Revenue

- Estimated Cast: 31
- Estimated Cast Average Salary: \$830/day
- Estimated Crew: 60
- Estimated Crew Average Salary: \$303/day
- Estimated Extras: 100
- Estimated Extras Average Salary: \$73/day
- Length of Film Production: 23 days
- Estimated Spend: \$2.31 million

Project Schedule

- Prep: June 17, 2013 – July 27, 2013
- Principal Photography: July 29, 2013 – August 28, 2013
- Wrap: August 29, 2013 – September 9, 2013

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) April 4, 2013

MOTION: Amy Anderson moved to approved for Dusty Posse Productions, LLC a Motion Picture Incentive Program post-performance tax credit of no less than \$462,000 (which represents 20% of dollars left in state) and up to \$578,000 (which represents 25% of the dollars left in state) for the production of “Bone Tomahawk.” Malonai Hola 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

- Dusty Posse 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 \$578,000 (25% of the dollars left in state).

GOED Update

Spencer P. Eccles and Mel Lavitt gave PowerPoint presentation regarding the recent trade mission to Israel; discussed the various sites visited and the connections that were made with local leaders.

EDCU Update

Todd Brightwell, Vice President of Business Development at 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.