

DRAFT

GOED Board Meeting Minutes

August 11, 2016 • 10:00 a.m.

Governor's Office of Economic Development
60 E South Temple, Suite 300 Salt Lake City, UT 84111

Members Present:	Mel Lavitt, Jerry Oldroyd, Jake Boyer, Bevan Wilson, Bob Frankenberg, Sue Johnson, Christopher M. Conabee, Stefanie Bevans
Members Excused:	Peter Mouskondis, Margaret Lasecke-Jacobs, Annette Meier, Sam Granato, Josh Romney, Brent Brown, Lorena Riffo-Jenson,
Staff:	Val Hale, Theresa A. Foxley, Julia Barnhouse, Vicki Varela, Virginia Pearce, Ben Hart, Jill Flygare, Aimee Edwards, Jeff Van Hulten, Linda Gillmor, Kelleigh Cole, Hillary Bowler, Kimberlee Carlile, Michael O'Malley, Fred Lange, Tami Goetz, Chuck Spence
Visitors:	Mike McCandless, Mark Pittman, Erin Laney, Jeff Edwards, Brice Wallace, Jeff Miller

Welcome

Mel Lavitt welcomed everyone to the August 11, 2016 GOED Board meeting.

Approval of the Minutes

MOTION: Bob Frankenberg motioned to approve the July 14, 2016 minutes. Jerry Oldroyd seconded the motion. The motion was carried unanimously.

Presentation – Mark Pittman, Founder & CEO of Blynscy

Mark Pittman, Founder & CEO of Blynscy, thanked the GOED Board for inviting him to present on his company to the GOED Board. Blynscy is a data company that has set out to build a better world through the power of analytics and data-driven insights. Founded in April 2015, Blynscy began as a result of Mark sitting at a long traffic light. Blynscy collects data by installing sensors in traffic lights, the data collected by the sensors is then transmitted to a custom online dashboard, the data is analyzed and used for future city planning, and this will have a positive effect on the economy. The kind of data that is gathered at the traffic lights helps to compare traffic in the daytime versus the evening, the percentages of residents, visitors, and workers, the frequency of shopping in an area, and the mode of transportation used in a specific location.

Blynscy ran a study during the 2016 Sundance Film Festival in Park City this year and identified over 240,000 attendants. They were able to calculate the total volume of attendance separated by regulars and visitors, day of the week and/or time of day. They were also able to see the traffic trends to and from the airport, and the difference in volume between cities.

Security is a major emphasis at Blynscy. All of the clients' SyncU data and bID data are hosted on separate servers, the data is encrypted, and clients have the option to access their password protected accounts or remove themselves from the system entirely.

Presentation – Virginia Pearce, Director of the Utah Film Commission

Virginia Pearce shared a clip that KSL News produced that showed the positive effects that a film can have on a community. The film that was highlighted was a film that received an incentive from the GOED Board, "Brigsby Bear" and was filming in Davis County. KSL interviewed local business owners who have had an increased amount of business because of the film in the area.

Virginia then provided a year-end report on the Utah Film Commission. Some of the successes that the program experienced were: an increased film production spending in Utah to an estimated \$55 million in 2016 from \$33 million in 2014; ABC, HBO, and Sundance affiliated directors all shot in Utah for the first time; UVU, UofU and SLCC trained 95 new industry members through the Production Assistant training program; new policies, procedures, and administrative rules were put in place.

One film in Utah can have a major impact resulting in an estimated spend of \$4,093, 387. Last year, a total of \$39 million in incentives were awarded and resulted in a Utah spend of \$173 million and \$134 million in economic impact. Films also like to shoot in many of the rural areas in Utah, specifically in Grand, Salt Lake, Washington, and San Juan counties.

The Utah Film Commission has outlined strategic initiatives for 2017 with the goal to grow the industry and support talent development, inspire emerging markets, strategically use the incentive program, and be more rigorous with measuring data and metrics.

Film Incentives

Film – “Deidra and Laney Rob a Train” Amendment

Project Highlights

- Category: Independent Feature
- Genre: Comedy
- Director: Sydney Freeland
- Producer: Nick Mocerri, Susan Cartsonis

Utah Jobs and Revenue

- Estimated Cast: 15
- Estimated Cast Average Salary: \$866
- Estimated Crew: 82
- Estimated Crew Average Salary: \$225
- Estimated Extras: 236
- Estimated Extras Average Salary: \$209
- Length of Film Production: 25
- Estimated Spend: \$1,816,983

Project Schedule

- Prep: June 6, 2016 through July 1, 2016
- Principal Photography: July 6, 2016 through August 5, 2016
- Wrap: August 8, 2016 through August 19, 2016
- Post Production: August 15, 2016 through November 4, 2016

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) June 2, 2016. *This production was originally approved by the GOED Board June 9, 2016. The production company has changed from Marigold Pictures, INC to Deidra & Laney Film, Inc.*

Proposed Motion:

Approve for Deidra & Laney Film, Inc a Motion Picture Incentive Program post-performance tax credit of no more than \$363,396 (which represents 20% of dollars left in state) or no more than \$454,246 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Deidra and Laney Rob a Train”.

- 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 base line incentive of 20% of dollars left in state.
- Dollars left in state start date no earlier than 90 days prior to the Governor’s Office of Economic Development Board of Directors approval.
- Incentive is conditioned upon the availability of tax credit allocation and/or cash appropriations granted to the Utah Film Commission beginning FY 2017.
- Deidra & Laney Film, 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, including a \$1,000,000 minimum dollars left in state. At least 75% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$454,246 (25% of the dollars left in state).

Film – “Snatchers”

Project Highlights

- Category: Digital Series
- Genre: Science Fiction/Comedy
- Director: Stephen Cedars, Benji Kleiman
- Producer: Eric Fisher, Scott Hinckley, Elli Legerski

Utah Jobs and Revenue

- Estimated Cast: 15
- Estimated Cast Average Salary: \$150
- Estimated Crew: 57
- Estimated Crew Average Salary: \$225
- Estimated Extras: 75
- Estimated Extras Average Salary: \$110
- Length of Film Production: 15
- Estimated Spend: \$730,839

Project Schedule

- Prep: July 11, 2016 through August 12, 2016
- Principal Photography: August 15, 2016 through September 2, 2016
- Wrap: September 5, 2016 through September 16, 2016
- Post Production: August 16, 2016 through November 22, 2016

Proposed Motion:

Approve for MTT Enterprises, Inc. a Motion Picture Incentive Program post-performance cash rebate up to \$146,168 which represents 20% of dollars left in state) for the production of “Snatchers”.

- 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 base line incentive of 20% of dollars left in state
- Dollars left in state start date no earlier than 45 days prior to the Governor’s Office of Economic Development Board of Directors approval

Film – “Andi Mack”

Project Highlights

- Category: Television Series
- Genre: Comedy
- Director: Betty Thomas (pilot) Various
- Producer: Greg Hampson, Jeff Miller

Utah Jobs and Revenue

- Estimated Cast: 52
- Estimated Cast Average Salary: \$933
- Estimated Crew: 201
- Estimated Crew Average Salary: \$350
- Estimated Extras: 832
- Estimated Extras Average Salary: \$132
- Length of Film Production: 65
- Estimated Spend: \$9,589,213

Project Schedule

- Prep: August 1, 2016 through September 2, 2017
- Principal Photography: September 6, 2016 through December 16, 2016
- Wrap: December 19, 2016 through January 20, 2017
- Post Production: September 11, 2016 through March 31, 2017

Proposed Motion:

Approve for Horizon Productions, Inc, a Motion Picture Incentive Program post-performance tax credit of no more than \$1,917,842 (which represents 20% of dollars left in state) or no more than \$2,397,303 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Andi Mack”.

- 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 base line incentive of 20% of dollars left in state
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Horizon Productions, 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, including a \$1,000,000 minimum dollars left in state. At least 75% of the production’s cast/crew must be Utah residents and/or Utah students. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$2,397,303 (25% of the dollars left in state).

MOTION: Jake Boyer motioned to approve all film incentives presented. Bob Frankenberg seconded the motion. The motion carried unanimously.

Rural Fast Track Endorsements

Love-Less Ash Company

The Rural Development office recommends a Rural Fast Track grant for Love-Less Ash Company, located in Price, Carbon County. Love-Less Ash, Company manufactures vaccums for fireplaces, dust control shrouds for grinders, saws, drills etc. They would like to expand into 3 new products and are requesting grants funds to help pay for tooling, molding and equipment needed to produce the new products. New products include-1) larger contractor vaccum to comply with silica regulations. 2) Dust shroud for a circular saw for concrete 3) Dust Shroud for grinding concrete-includes self-propelled vaccum.

The company expects to create two (2) new full time positions paying at least 125% of the county average wage. The project is estimated to cost one hundred thirty thousand dollars (\$130,000).

MOTION: Endorse a Rural Fast Track Grant for Love-Less Ash Company of \$50,000.

Stander, Inc.

The Rural Development office recommends a Rural Fast Track grant for Stander, Inc, located in Cache County. Stander is a medical device manufacturer that specializes in mobility products for the elderly. They are currently building a 30k sq. ft office building and warehouse. The buiding is not eligible because they started before the application was submitted. The Rural Fast Track grant will be used to purchase 1) racking system for the warehouse 2) a Reach truck fork lift 3) a regular Fork Lift 4) pallet jacks

The company expects to create two (2) new full time positions paying at least 110% of the county average wage and two (2) new full time positions paying at least 125% of the coounty average wage. The project is estimated to cost one million, nine hundred fifty-six thousand, and sixty-six dollars (\$1,956,066).

MOTION: Endorse a Rural Fast Track Grant for Stander, Inc. of \$50,000.

MOTION: Bevan Wilson motioned to endorse all of the Rural Fast Track grants presented. Christopher M. Conabee seconded the motion. The motion carried unanimously.

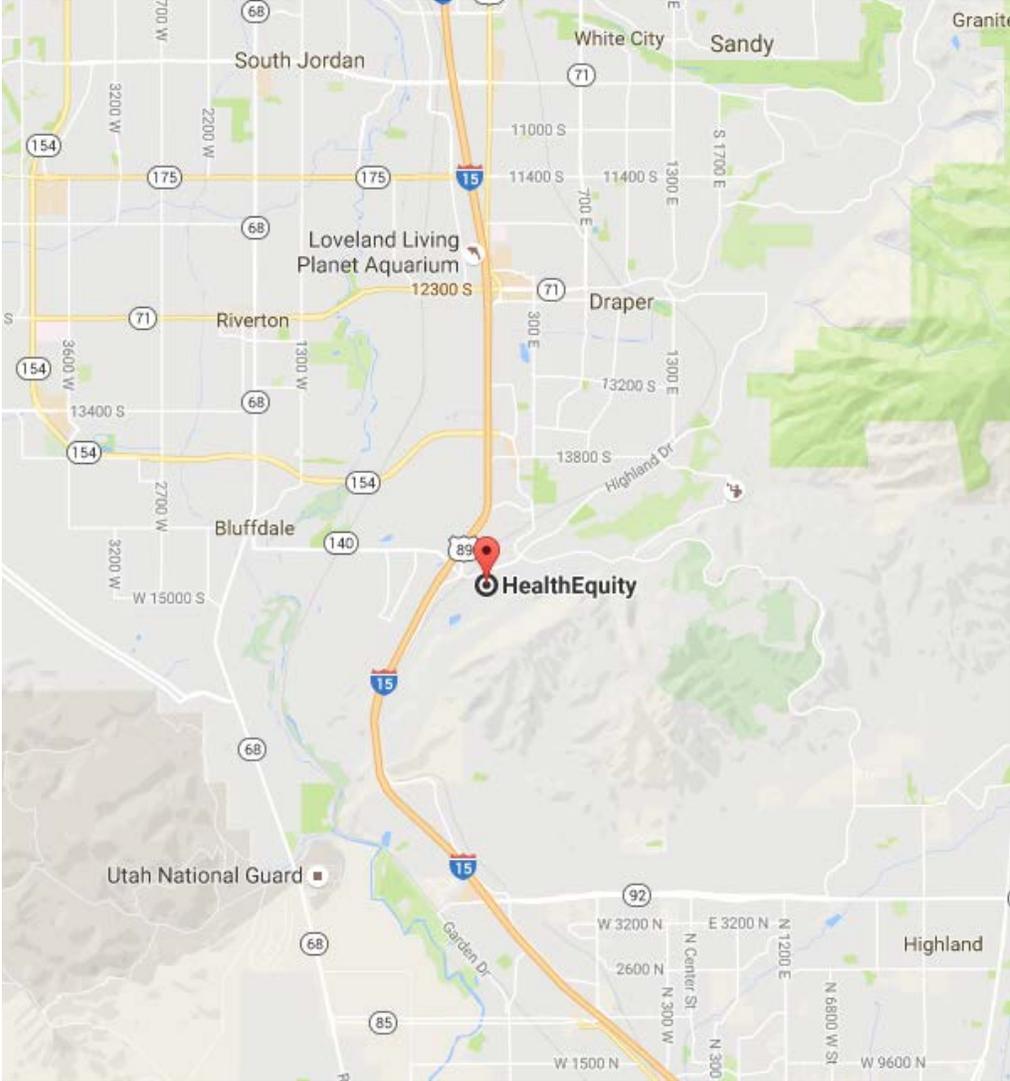
ED Zones

Jake Boyer recused himself from the voting due to a business relationship with one of the companies.

HEALTH EQUITY
8/11/2016

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF HEALTHEQUITY AT 15 WEST SCENIC POINTE DRIVE #100, DRAPER, UT 84020

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR DRAPER CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF HEALTHEQUITY AT 15 WEST SCENIC POINTE DRIVE #100, DRAPER, UT 84020





November 17, 2015

Val Hale
Governor's Office of Economic Development
324 S. State Street, Ste. 500
Salt Lake City, UT 84111

Dear Mr. Hale:

Draper City supports Project Flex and the expansion of its existing operations and facilities in Draper. The proposed expansion is a great location for this project because of the City's excellent quality of life, which includes great housing opportunities for all income ranges, quality restaurants and retail, and a transportation system that provides easy access to Salt Lake County and Utah County.

Because of the potential job growth of this project, Draper City is willing to fast track any land use approvals or building permits that may be necessary. As always we appreciate your office's continued support.

Sincerely,

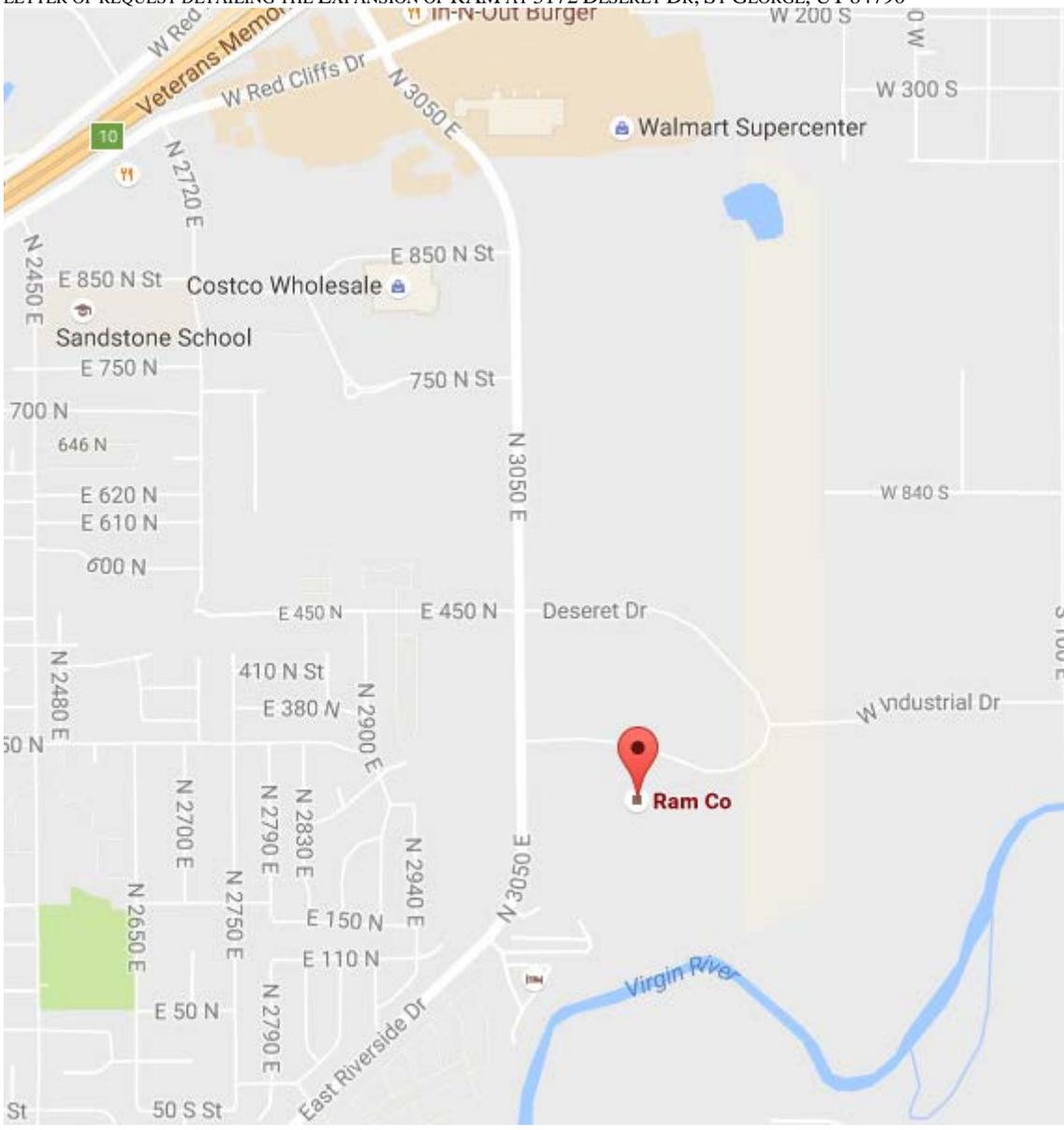
A handwritten signature in black ink, appearing to read "David Dobbins".

David Dobbins
City Manager

GOED BOARD
ECONOMIC DEVELOPMENT ZONE
RAM
8/11/2016

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF RAM AT 3172 DESERET DR, ST GEORGE, UT 84790

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR ST. GEORGE CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF RAM AT 3172 DESERET DR, ST GEORGE, UT 84790





18 November 2015

Mr. Eric B. Nay
Director of Incentive and Business Development
Governor's Office of Economic Development
60 East South Temple, Third Floor
Salt Lake City, UT 84111

RE: RAM Company

Dear Eric,

I am pleased to submit the following information concerning an incentive St. George City intends to offer to RAM Company to induce the company to expand its existing operation by constructing and operating a new manufacturing and R&D facility adjacent to their existing facilities in the Millcreek Industrial Park.

The St. George City Council, Mayor and City Manager met with RAM officials during a recent tour of the company's existing facility. The tour included a presentation about the company's current operations as well as expansion needs and planning. RAM is an outstanding corporate citizen and employer of choice in southern Utah.

The city fully supports the proposed expansion of RAM and it wishes to do all possible to both retain the company's existing operations and encourage, to the fullest extent, the proposed expansion to take place in St. George. Accordingly the city intends to offer an aggressive, 10 year, post-performance incentive to RAM to induce the company to expand its operations in St. George.

The local incentive will be funded through property tax increment by establishing a new Community Development Area for the project. The legal process to create the new CDA has begun and is scheduled to be concluded during 2016 enabling the city to begin incentive payments in 2017. Final details of the local incentive are not yet available because the negotiations with the other local taxing entities have not been finalized however city officials have found there is strong support for the proposed project.

Sincerely,

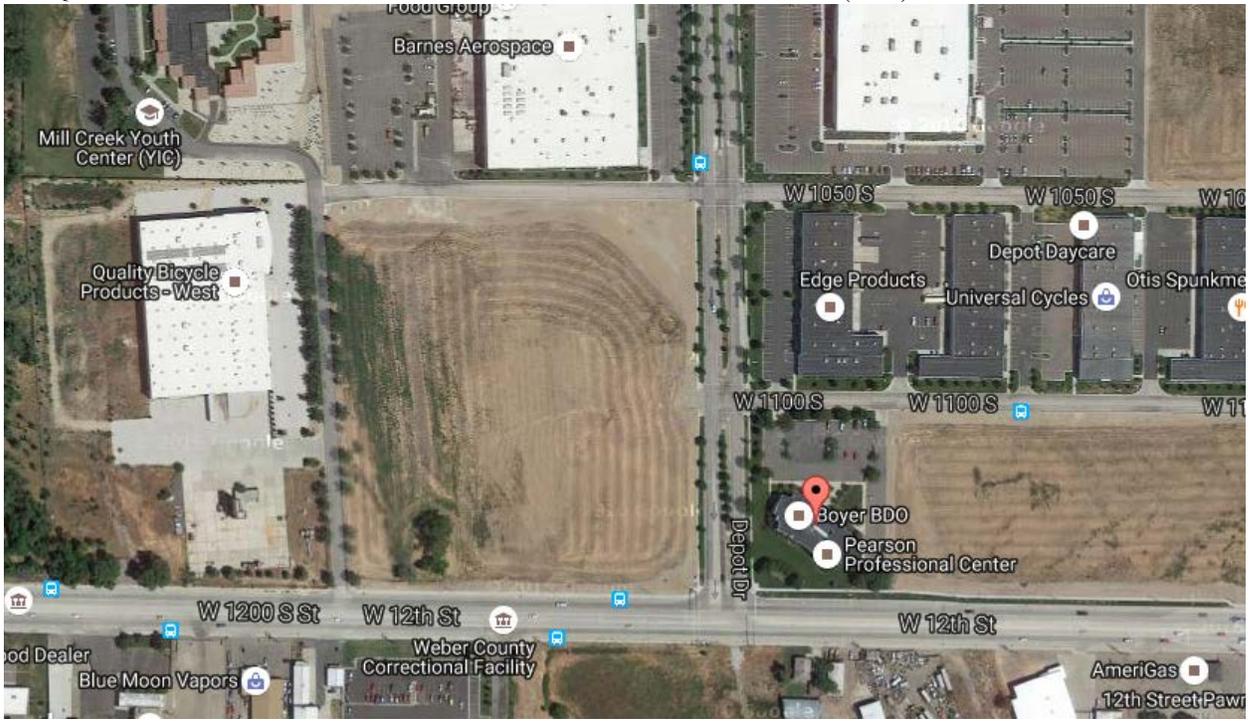
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Jerian Threlfall
Executive Director

**GOED BOARD
ECONOMIC DEVELOPMENT ZONE
HONEYVILLE
8/11/2016**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF HONEYVILLE AT THE BUSINESS DEPOT OGDEN (BDO) IN OGDEN CITY.

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR OGDEN CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF HONEYVILLE AT THE BUSINESS DEPOT OGDEN (BDO) IN OGDEN CITY.



January 26, 2016



Eric Nay
Director of Incentives and Business Development
Utah Governor's Office of Economic Development
60 East South Temple, 3rd Floor
Salt Lake City, Utah 84111

RE: Letter of Support for Honeyville, Inc.

Dear Eric,

On behalf of the City of Ogden, I express my support for the consolidation and expansion of Honeyville, Inc. in Ogden. We are pleased to partner with the State of Utah in providing meaningful assistance to Honeyville to facilitate the development of a new facility at Business Depot Ogden (BDO). We are ready to assist in whatever way we can to enable Honeyville's success in Ogden.

Honeyville is a major food ingredient manufacturer considering a new 250,000 sf facility on a 15-ac site at BDO. The company would consolidate its milling and manufacturing, distribution, and offices at the new facility. This facility would allow Honeyville to grow its operations in Utah, rather than expanding production at an existing location in California. Initially, the project would create 95 jobs in Utah. The size of the BDO site would also allow for future expansions of the facility and workforce.

We are excited about the possible location of Honeyville in Ogden. The proposed facility would create new employment opportunities for Ogden residents. Additionally, it would support the continued growth of BDO as Northern Utah's premier business park and major employment center. Because Honeyville is a major food ingredient manufacturer, their new facility would also strengthen Ogden's food products industry, generating additional benefits for our ongoing business recruitment efforts.

Ogden City commits to provide a local incentive for Honeyville in the form of a low lease rate at BDO. The lease rate has been partially written down due to Ogden City's participation in the land cost and infrastructure development at BDO. Additionally, the partnership between Boyer Company and Ogden City will result in an expedited entitlement and permitting process for Honeyville, leading to additional cost savings for the project.

But for the local incentive described above and the support to be provided by the State of Utah's EDTIF program, I do not believe we would be able to retain Honeyville in the state of Utah or relocate their California operations to Utah. Please let us know how we can work together to finalize this incentive package. I sincerely appreciate your extraordinary efforts to move this project forward and to help Ogden continue to grow.

Sincerely,

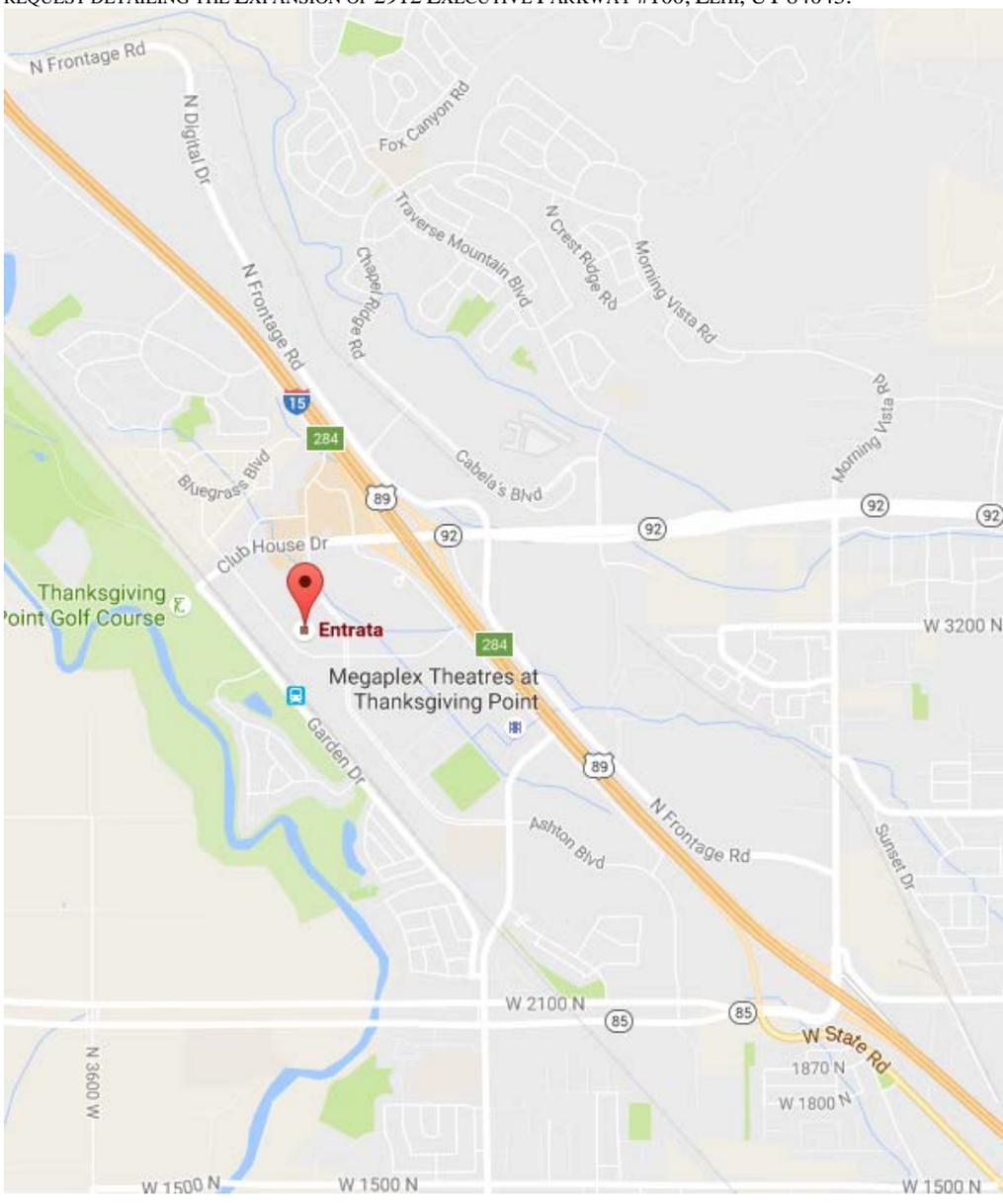
A handwritten signature in blue ink, appearing to read "Mike Caldwell". The signature is fluid and cursive, written over a light blue horizontal line.

Mike Caldwell
Mayor of Ogden

**GOED BOARD
ECONOMIC DEVELOPMENT ZONE
ENTRADA
8/11/2016**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF ENTRADA AT 2912 EXECUTIVE PARKWAY #100, LEHI, UT 84043.

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR LEHI CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF 2912 EXECUTIVE PARKWAY #100, LEHI, UT 84043.





Office of the Mayor

Office 385.201.2269

Fax 385.201.1320

153 North 100 East
Lehi, UT 84043
lehi-ut.gov

Re: Letter of Support for Project Coral

To Whom It May Concern,

This letter is sent to confirm Lehi City's enthusiastic support for Project Coral consideration of its Utah home in our City. In the past, Lehi has shown our ability and willingness to attract and expanding companies. For example, with the recent addition of Vivint Solar has shown its ability to facilitate companies like Project Coral expansion to our City.

We look forward to the success of this project. We also look forward to working with The Economic Development Corporation of Utah and the Governor's Office of Economic Development to make this move here as smooth as possible.

We feel very fortunate that in this economic climate, Lehi is progressive and ready to facilitate opportunities like these.

If you have any further questions or need additional information, please contact us at (801) 768-7100 x1.

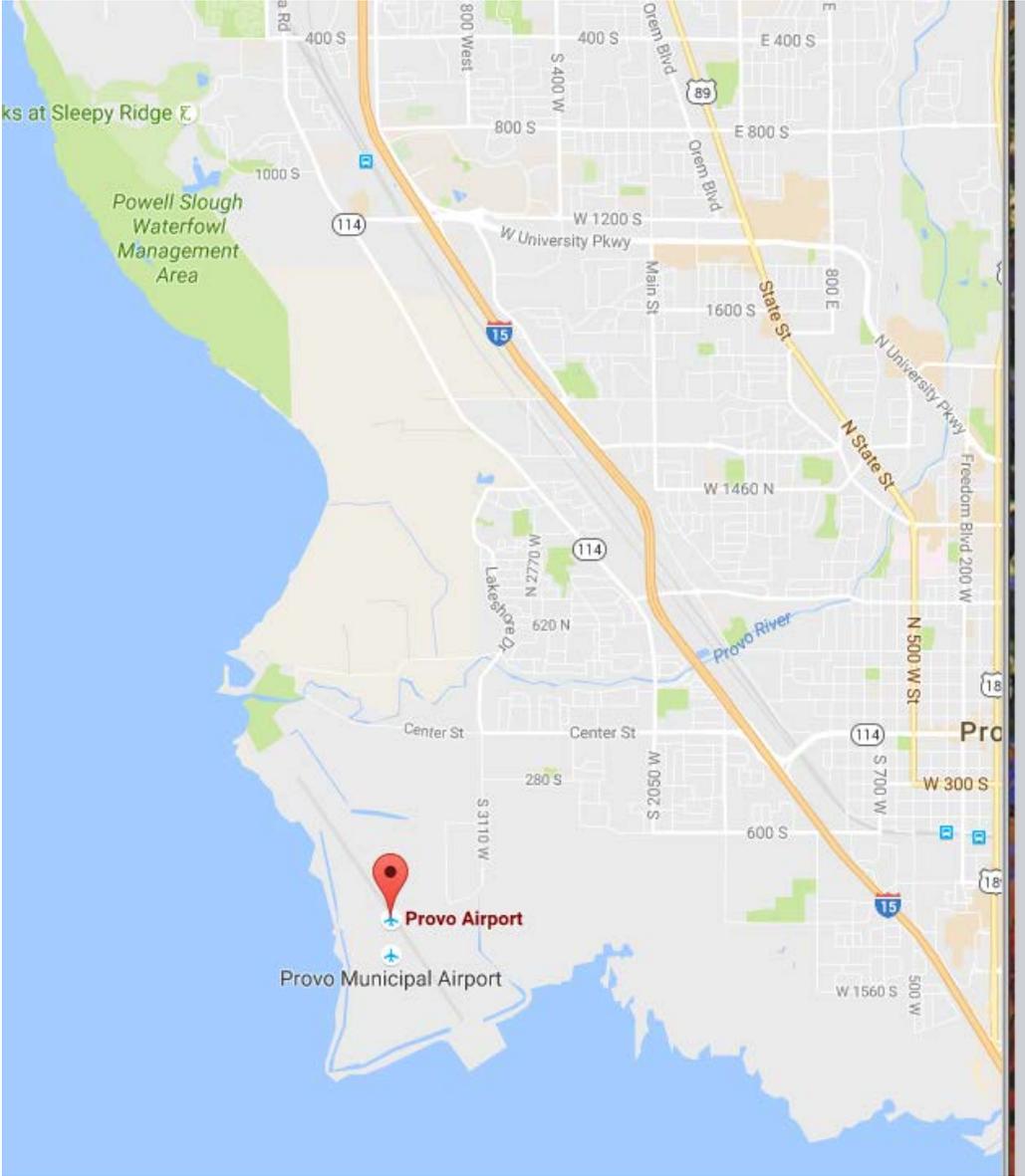
Sincerely,

Bert Wilson, Mayor
Lehi City

**GOED BOARD
ECONOMIC DEVELOPMENT ZONE
DUNCAN AVIATION
8/11/2016**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF DUNCAN AVIATION
3421 MIKE JENSE PKWY, PROVO, UT 84601

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR PROVO CITY IN SUPPORT OF THEIR LETTER
OF REQUEST DETAILING THE EXPANSION OF DUNCAN AVIATION 3421 MIKE JENSE PKWY, PROVO, UT 84601





MAYOR'S OFFICE
TEL 801 852 6100
351 W CENTER ST
PO BOX 1849
PROVO, UT 84603

July 11, 2016

Bill Prochazka
Duncan Aviation, Inc.
3432 Mike Jense Pkwy
Provo, UT 84601

SENT VIA EMAIL

Dear Mr. Prochazka,

Provo City is pleased to provide this letter of commitment for the installation and construction of certain utilities and infrastructure at the Provo Municipal Airport for Duncan Aviation. As the Mayor of Provo City, I have been authorized by the Provo City Municipal Council in a public meeting held July 5th, 2016 to issue this letter of commitment.

This letter serves as further clarification to previous commitments made to Duncan by Provo in letters dated December 20, 2007 and September 30, 2008. Those letters and a recently created spreadsheet, attached as Exhibit A, will serve as the basis of the specific physical improvements regarding utilities and infrastructure, and the anticipated cost to the City related to such improvements. It is estimated the cost of these improvements to be about \$2.81 million. We expect the Provo City Council to formalize the mechanism through which such improvements will be funded at one of its upcoming meetings.

We are excited about the future of Duncan Aviation being at the Provo Municipal Airport and what this brings to the community at large in Provo and Utah Valley.

Sincerely,

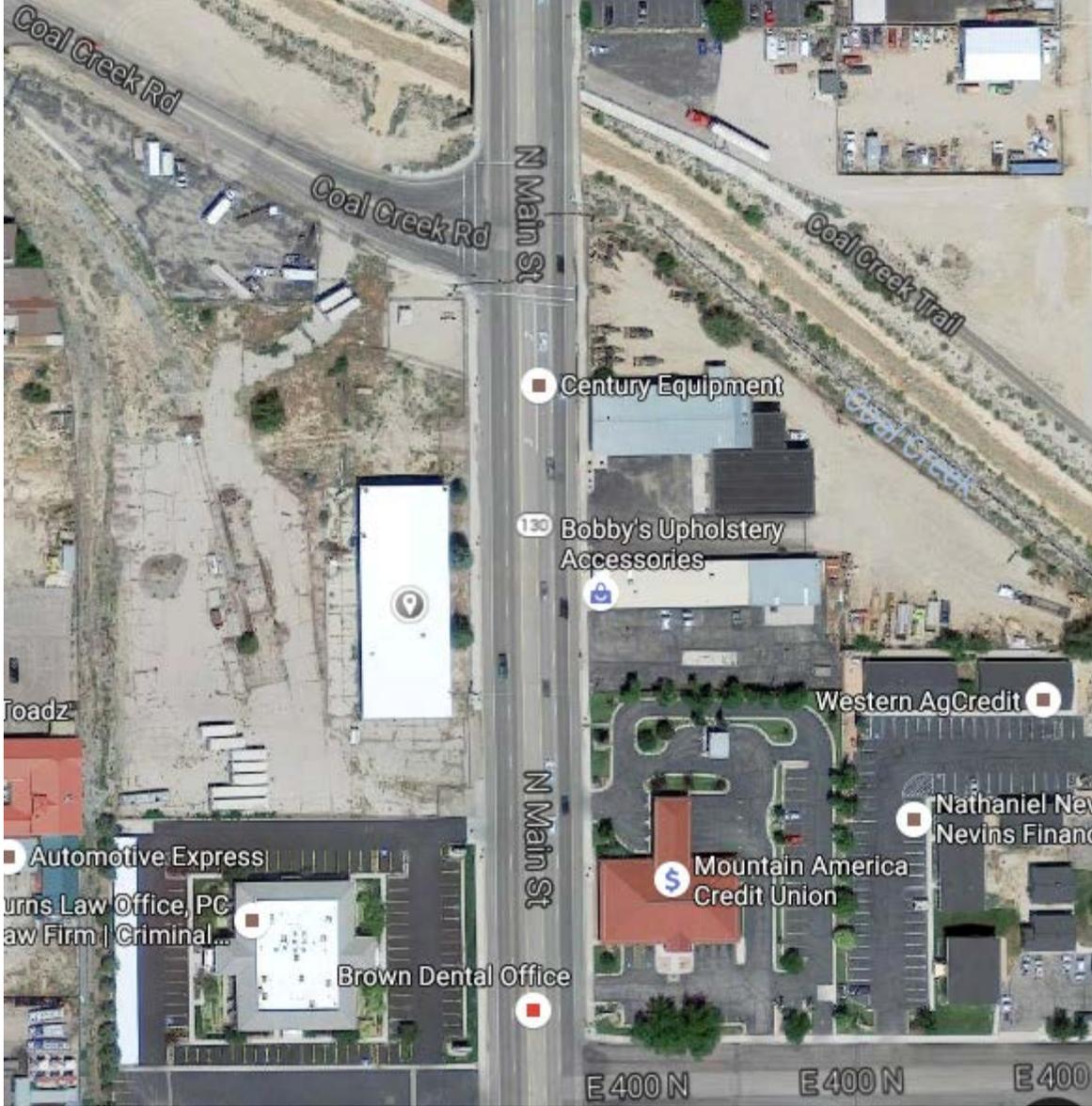
A handwritten signature in black ink, appearing to read "John R. Curtis", is written over a horizontal line.

John R. Curtis
Mayor

GOED BOARD
ECONOMIC DEVELOPMENT ZONE
DECORWORKS
8/11/2016

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF DECORWORKS AT 419-497 NORTH MAIN STREET, CEDAR CITY UTAH 84721.

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR CEDAR CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF DECORWORKS AT 419-497 NORTH MAIN STREET, CEDAR CITY UTAH 84721.





Cedar City

10 North Main Street • Cedar City, UT 84720
435-586-2950 • FAX 435-586-4362
www.cedarcity.org

Mayor

Maile L. Wilson

Council Members

Ronald R. Adams
Paul Cozzens
Terri W. Hartley
Craig E. Isom
Fred C. Rowley

City Manager

Rick Holman

July 8, 2016

Theresa Foxley
Deputy Director
Utah Governor's Office of Economic Development

Dear Ms. Foxley,

I am writing to update you of the progress that has been made on Cedar City's local incentive for Decorworx. Recently, this company presented to the Cedar City Economic Development Committee, which makes recommendations to the City Redevelopment Agency. Members of the committee are enthusiastic about the Decorworx project, and they asked me to slightly revise Decorworx's original request for local incentives to be more in line with the city's policies. I made those minor changes and presented the Office of Economic Development's proposal at the RDA's July 6 meeting.

The Cedar City - Iron County Office of Economic Development presented the following local incentives to the RDA, based upon Decorworx's performance of new job creation and approximately \$11 million in capital investment in Cedar City's downtown. Mr. Dansie's projections show that his company will bring more than 200 new jobs to Cedar City, and that the majority of those positions will pay at least 125% of the average wage in Iron County. The incentives that we have presented are:

- Local tax increment financing of an 85% reimbursement for 10 years.
- Financial assistance comparable to 50% relief for building permits on this project.
- Assistance in the procurement and application for state historical preservation grants and funding.

In order for the tax incentive financing portion of these incentives to be made available, the city will need to create a new Community Reinvestment Project Area. The RDA will vote next Wednesday, July 13, on a resolution to initiate this process. We have already received bids from Utah firms to assist Cedar City with the creation of this new CRA. Cedar City's mayor and city manager are supportive of the proposed incentives, and the RDA appears to be enthusiastic as well.

The Decorworx project is very important to Cedar City. In addition to bringing new, higher-paying jobs to our community, this project will clean up a significant portion of our Main Street and will preserve a historic building that is very meaningful here. The City is working to make this local incentive request a reality. We appreciate the Governor's Office of Economic Development's assistance with this project, as we view business expansion and retention as one of our top priorities. Our relationship with GOED is extremely valuable to Cedar City. We are so grateful to you and to GOED for your help with this and other important projects.

Please know that I will continue to work very closely with the Cedar City Economic Development Committee, the RDA, and with each of the participating taxing entities to ensure that Dexorworx receives all of the local assistance that we can provide to help this project succeed.

Sincerely,

Daniel B. Stewart
Director

MOTION: Jerry Oldroyd motioned to approve the ED Zones that were presented. Bob Frankenberg seconded the motion. The motion carried unanimously.

GOED Update

Val Hale, Executive Director, provided an overview of current events within the departments of GOED.

Incentives Update

Theresa A. Foxley, Deputy Director, provided an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

Erin Laney, Interim COO, presented on the status of current and upcoming projects in the pipeline.

Meeting Adjourned