

**Draft**

**GOED Board Meeting Minutes**

July 31, 2015 • 9:00 a.m.

Utah Governor's Office of Economic Development  
Salt Lake City, UT 84111

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<b>Members Present:</b>	Mel Lavitt(P), Jerry Oldroyd, Bevan Wilson(P), Clifford White(P), Bob Frankenberg(P), Margaret Lasecke-Jacobs(P), Sam Granato(P), Christopher M. Conabee(P), Lorena Riffo-Jensen(P), Brent Brown(P)
<b>Staff:</b>	Theresa A. Foxley, Eric Nay, Kimberlee Henrie, Julia Barnhouse, Val Hale(P), Hillary Bowler, Tamy Dayley, Phil Lundgreen, Jaron Janson, Vicki Varela(P), Thomas Wadsworth(P)
<b>Visitors:</b>	Jason Lee(P), Kady Cooper, Brice Wallace, Jeff Edwards, Michael Kutri(P), Elisabeth Kulinski, Rich Larson, Meredith Jones, Warrick Taylor, Susan Eisenman

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**Welcome**

Mel Lavitt welcomed everyone to the July 31, 2015 Board meeting.

**EDTIF – Vivint Solar**

**Project Highlights**

Timeline:	2015
Target Industry:	Energy, Financial Services, Other
Proposed Location:	Utah County
Capital Investment:	\$91,000,000

Vivint Solar is a leading provider of distributed solar energy systems – electricity generated by a solar energy system installed at a customer's location – to residential customers in the United States. Vivint Solar currently employs ~1200 in the State of Utah with an additional ~2300 jobs outside of the State. Vivint Solar's customers pay little to no money upfront, receive significant savings relative to utility generated electricity and continue to benefit from guaranteed energy prices over the 20-year term of their contracts. Vivint Solar finances, designs, installs, monitors and services the solar energy systems to make things easy for its customers.

**Jobs & Revenue**

Full time job over initial 10 year term:	3143
Full time job over 15 year term (Initial and Extended):	4,342

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:	
New State Wages over 10 years:	\$1,088,371,798
New State Revenue over 10 years:	\$49,389,474

**MOTION: Christopher M. Conabee motioned to approve the proposed motion. Clifford White seconded the motion. The motion carried unanimously.**

**A. Approve Vivint Solar for a \$12,347,369 EDTIF post-performance refundable tax credit which represents an amount equal to 25% of new state revenue for 10 years.**

**B. Approve Vivint Solar for an extension of up to \$13,816,538 EDTIF post-performance refundable tax credit which represents an amount equal to 25% of new state revenue for years 11-15. Eligibility in years 11-15 is contingent upon:**

- 1) **Vivint Solar hiring 100% of the projected employees outlined in the fiscal impact questionnaire for each individual year for the years 11-15.**
- 2) **Vivint Solar's aggregate average wage, without benefits, be at a minimum of 125% of the County Average in each of years 11-15.**

**C. Approve Vivint Solar for an Industrial Assistance fund training and relocation matching grant for up to \$200,000. This matching grant represents up to \$2,000 per employee for up to 100 employees associated with this expansion.**

**Total incentive of \$26,363,906 not to exceed 30% of new state revenue over 15 years.**

- Total EDTIF incentive including the extension period for years 11-15 not to exceed \$26,163,906 EDTIF post-performance refundable tax credit.
- Total IAF training and relocation incentive not to exceed \$200,000.
- To qualify for the EDTIF extension in years 11-15, the Company must:
  - Meet new qualified employment projections, at the stated wage % at 100% for each of the project years 11-15.
    - the aggregate average wage, without benefits, must exceed 125% of the County Average in each of years 11-15.

- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year in years 1-10.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria and at 100% for each project year in years 11-15.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and received in the previous calendar 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 Utah County average wage.
- Must commit to keep operation in Utah for the length of the incentive period, including any extension.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.
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Rich Larson, VP of Finance for Vivint Solar, thanked GOED and the GOED Board for their partnership. Vivint Solar appreciates the partnership and continued growth and expansion opportunities in Utah.

### **EDTIF – Solar City**

#### **Project Highlights**

Timeline:	2015
Target Industry:	Energy, Financial Services, Other
Proposed Location:	Utah County/ Salt Lake County
Capital Investment:	\$94,000,000 (Build to suite lease)

In 2006, SolarCity (NASDAQ:SCTY) was founded to deliver clean, more affordable energy. SolarCity has since grown to become America's largest solar provider with more than 9,000 employees. SolarCity is headquartered in the San Francisco Bay area. Since installing its first rooftop solar system, SolarCity has deployed 1.1 gigawatts (GW) of solar energy—one of the original goalposts for the company and a significant milestone for the company and the industry as a whole.

#### **Jobs & Revenue**

Full time jobs over 10 year project lifetime:	4000
Full time jobs over 15 year project lifetime:	4500

The company will provide full time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:	
New State Wages over 10 years:	\$2,438,130,484
New State Revenue over 10 years:	\$110,768,773

**MOTION: Jerry Oldroyd motioned to approve the proposed motion. Clifford White seconded the motion. The motion carried unanimously.**

**A. Approve SolarCity for a \$24,441,053 EDTIF post-performance refundable tax credit which represents an amount equal to 25% of new state revenue for 10 years.**

**B. Approve SolarCity for an extension of up to \$20,411,880 EDTIF post-performance refundable tax credit which represents an amount equal to 25% of new state revenue for years 11-15. Eligibility in years 11-15 is contingent upon:**

- 3) SolarCity's hiring of 4,500 employees by 2025 and maintaining that level of employment for each of years 11-15.
- 4) SolarCity's aggregate average wage, without benefits, exceeding 125% of the County Average in each of years 11-15.
- 5) SolarCity's Utah campus must maintain the designation as Solar City's Western U.S. Headquarters

**C. Approve SolarCity for an Industrial Assistance Fund relocation grant for up to \$200,000. This represents up to \$4,000 per employee for up to 50 employees relocated to support this project.**

**Total incentive of \$45,052,933 not to exceed 30% of new state revenue over 15 years.**

- Total EDTIF incentive including the extension period for years 11-15 not to exceed \$44,852,933 EDTIF post-performance refundable tax credit.
- Total IAF relocation incentive not to exceed \$200,000.
- To qualify for the EDTIF extension in years 11-15, the Company must:
  - employ 4,500 incremental employees by 2025 and maintain that level of employment through out each year of the extension period;

- the aggregate average wage, without benefits, must exceed 125% of the County Average in each of years 11-15.
  - SolarCity's Utah campus must maintain the designation as Solar City's Western U.S. Headquarters Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year in years 1-10.
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria and at 100% for each project year in years 11-15.
- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and received in the previous calendar 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 Utah County or Salt Lake County average wage.
- Must commit to keep operation in Utah for the length of the incentive period, including any extension.
- Incentives are site specific and subject to local incentive participation.
- Local incentive proposal must be presented and approved by the GOED Incentives Committee in order for company to be eligible for the incentive.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.

Warrick Taylor, Senior Director of Infrastructure for Solar City, has worked closely with GOED throughout the application process. Solar City is thankful for the partnership with the state and the chance to create a diverse range of jobs in Utah.

