

DRAFT

GOED Board Meeting Minutes

March 10, 2016 • 10:00 a.m.

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

Members Present:	Mel Lavitt, Jerry Oldroyd, Bob Frankenberg, Sam Granato, Lorena Riffo-Jensen, Stefanie Bevans (P), Bevan Wilson (P), Brent Brown, Christopher M. Conabee, Josh Romney
Members Excused:	Margaret Lasecke-Jacobs, Anette Meier, Susan Johnson, Peter Mouskondis, Jake Boyer
Staff:	Val Hale, Theresa A. Foxley, Julia Barnhouse, Eric Nay, Ben Hart, Vicki Varela, Tara McKee, Tom Adams, Tamy Dayley, Kimberlee Carlile, Hillary Bowler, Chas Christiansen, Virginia Pearce, Michael Sullivan, Jeff Van Hulten, Michael O'Malley, Lyle Almond, Callye Cleverly, Greg Jeffs, Vatsala Kaul, Jaxon Ames, Kelleigh Cole, Linda Gillmor, Patty Conner, Sara Adleman, Chuck Spense
Visitors:	Todd Brightwell, Pat Richards, Max Backlund, Becca Haynie, Brice Wallace, Karlie Blake, Chris Phillips, Dan Royal, Tom Wadsworth, Fred Lange, Chris Pieper, Teri Klug, Linnea Bentz, Kevin yer,

Welcome

Mel Lavitt welcomed everyone to the March 10, 2016 Board meeting.

Approval of the Minutes

MOTION: Bob Frankenberg motioned to approve the February 11, 2016 minutes. Jerry Oldroyd seconded the motion. Motion was carried unanimously.

Presentation – Patricia A. Richards, Utah Symphony and Utah Orchestra

Patricia Richards, the Interim President and CEO for the Utah Symphony and Utah Orchestra (USUO), thanked the board for inviting her to present to them. Patricia began by sharing the mission of the Utah Symphony and Opera which is to connect the community through great live music. The Utah Symphony and Utah Opera merged in 2002 and became the only completely merged 52-week symphony and opera company in the U.S. There are over 700 employees and volunteers who work at USUO. The USUO performs primarily in Salt Lake, Ogden, or Park City, and they are able to reach Provo, St. George, and Cedar City. They hold 36 masterworks concerts, 20 Utah Opera Concerts, and they perform 200 concerts annually for students.

The USUO performs at three facilities: Abravanel Hall, Janet Quinney Lawson Capitol Theater and the Utah Opera Production Studios. They are also likely to perform in the Eccles Theater after it is completed. Salt Lake City is one of few cities that has all three performing art forms. This gives Utah an advantage in attracting more workers and business to the State. The overall economic impact of the symphony, opera, and ballet is estimated at \$1.3 billion.

Patricia announced the new president & CEO, Paul Meecham. Paul is currently the CEO for the Baltimore Symphony, is widely known and respected, and is scheduled to begin on July 1, 2016.

EDTIF – SoFi

Project Highlights

Timeline:	2016
Target Industry:	Financial Services / FinTech
Proposed Location(s):	Salt Lake County
Capital Investment:	\$8,000,000

Company Overview

Social Finance, Inc (Commonly known as SoFi) is a marketplace lender that provides student loan refinancing, mortgages and other types of loans, such as parent and personal loans.

The company was founded in 2011 by a team of Stanford Graduate School of Business students.

Jobs & Revenue

The company will provide 400 full time employees with comprehensive health and retirement benefits over the first 5 years of the project.

New State Wages & Revenue:

New State Wages over 5 years:	\$108,913,804
New State Revenue over 5 years:	\$5,778,076

Local Incentive

Several municipalities are vying for SoFi to set up shop in their respective cities. Cottonwood Heights, Draper, Salt Lake City, and Sandy have each submitted incentive letters. Please see local letters.

Incentive Committee Recommendation

Total amount of EDTIF, post-performance refundable tax credit:	\$1,155,615
The amount represents the following percentage of new state revenues:	20%
Number of years that incentive is approved for:	5 years

MOTION: Jerry Oldroyd motioned to approve SoFi for a \$1,155,615 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 5 years. Sam Granato seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$1,155,615 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 5 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 110% of the Salt Lake County average wage *excluding* company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- 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.

Chris Phillips, VP of Finance, thanked the GOED Board for assisting them to locate to Utah. SoFi is looking forward to a long and prosperous relationship in the state, is excited for the opportunity, and is thankful for the support that Utah has shown in their endeavors.

Film Incentives

Film- "Presidents & Patriots"

Project Highlights

• Category:	Television Series
• Genre:	Historical
• Director:	Matt Hodgson
• Producer:	Jeff T. Miller, Brooke Redmon

Utah Jobs and Revenue

• Estimated Cast:	1
• Estimated Cast Average Salary:	\$842
• Estimated Crew:	25
• Estimated Crew Average Salary:	\$350
• Estimated Extras:	20
• Estimated Extras Average Salary:	\$110
• Length of Film Production:	60
• Estimated Spend:	\$1,326,500

Project Schedule

• Prep:	February 15, 2016 through April 16, 2016
• Principal Photography:	March 1, 2016 through June 30, 2016
• Post Production:	April 1, 2016 through December 31, 2016

Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) February 4, 2016

MOTION: Bob Frankenberg motioned to approve for Vineyard Productions, LLC, a Motion Picture Incentive Program post-performance tax credit of no more than \$265,300 (which represents 20% of dollars left in state) or no more than \$331,625 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of "Presidents and Patriots". Lorena Rizzo-Jensen seconded the motion. The motion 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 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.
- Vineyard 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, including a \$1,000,000 minimum dollars left in state. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$331,625 (25% of the dollars left in state).

Rural Fast Track Endorsements

BOULDER INNOVATIONS, LLC

THE RURAL DEVELOPMENT OFFICE RECOMMENDS A RURAL FAST TRACK GRANT FOR BOULDER INNOVATIONS, LLC, FOR THE PURPOSE OF PURCHASING A FLATBED PRINTER CAPABLE OF PRINTING ON A VARIETY OF MATERIALS (WOOD, METAL, TEXTILES) UP TO 64 INCHES WIDE. THE PRINTER WILL GIVE THE COMPANY MORE FLEXIBILITY IN HOW PRODUCTS ARE CREATED. THE COMPANY EXPECTS TO CREATE 2 NEW FULL TIME POSITIONS PAYING AT LEAST 110% OF THE COUNTY AVERAGE WAGE. THE PROJECT IS ESTIMATED TO COST ONE HUNDRED TWELVE THOUSAND, SIX HUNDRED THIRTY-FIVE DOLLARS (\$112,635).

MOTION: SAM GRANATO MOTIONED TO ENDORSE A RURAL FAST TRACK GRANT FOR BOULDER INNOVATIONS, LLC OF \$50,000. BRENT BROWN SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

BIG PINE SPORTS, INC.

THE RURAL DEVELOPMENT OFFICE RECOMMENDS A RURAL FAST TRACK GRANT FOR BIG PINE SPORTS, INC., FOR THE PURPOSE OF EXPANDING THEIR SERVICE DEPARTMENT BY ADDING A 30'X30' MULTIPLE-BAY ADDITION. THE COMPANY EXPECTS TO CREATE 2 NEW FULL TIME POSITIONS PAYING AT LEAST 125% OF THE COUNTY AVERAGE WAGE. THE PROJECT IS ESTIMATED TO COST ONE HUNDRED THOUSAND DOLLARS (\$100,000).

MOTION: JOSH ROMNEY MOTIONED TO ENDORSE A RURAL FAST TRACK GRANT FOR BIG PINE SPORTS, INC. OF \$50,000. CHRISTOPHER M. CONABEE SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

EDTIF Policy Amendments

Technical changes to the code were updated from the 2015 legislative session. GOE D would also like to make a modification to, under the authority of the executive director, waive the minimum eligibility criteria for an applicant if the new commercial project offers an economic opportunity such as, substantial job creation, innovative technology, targeted or strategic industry, and substantial capital or financing. All justifications will be made in writing and added to the applicants file, and will not supersede the requirements set forth in Statute or Rule.

MOTION: Jerry Oldroyd motioned to approve the proposed modifications to the EDTIF Policy. Lorena Riffo-Jensen seconded the motion. The motion carried unanimously.

GOED Update

Val Hale, Executive Director, began by providing an update on the 2016 legislative session and gave an overview of the bills that impacted GOED. He then provided an overview of current events within the departments of GOED.

Incentives Update

Theresa A. Foxley, Director of Corporate Recruitment and International Trade provided an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

Todd Brightell, 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.

