

**GOED Board Meeting Minutes**  
 November 12, 2015 • 10:00 a.m.  
 Utah Governor's Office of Economic Development  
 Salt Lake City, UT 84111

<b>Members Present:</b>	Mel Lavitt, Jerry Oldroyd, Bob Frankenberg, Josh Romney, Christopher M. Conabee (P), Lorena Riff-Jenson, Stefanie Bevans, Sue Johnson, Peter Mouskondis
<b>Members Excused:</b>	Bevan K. Wilson, Annette Meier, Margaret Lasecke – Jacobs, Brent Brown, Sam Granato, Jake Boyer
<b>Staff:</b>	Val Hale, Theresa A. Foxley, Julia Barnhouse, Eric Nay, Ben Hart, Ricardo Flores, Mimi Davis-Taylor, Kimberly Henrie, Michael Sullivan, Kimberlee Carlile, Chase Christiansen, Hillary Bowler, Tara Mckee, Brad Petersen, Linda Gillmor, Thomas Wadsworth, Jeff Van Hulsten, Alicia Ryans, Lyle Almond, Callye Cleverly, Kelleigh Cole, Michael O'Malley, Dan Royal
<b>Visitors:</b>	Marshall Wright, Marshall Moore, Tod Brightwell, Erin Laney, Colby Cooley, Brice Wallace, Alicia Ryans, Steve Fishburn, Steve Styler, Chris Peiper, Jason Scheirs, Roberto Rossi, Gaspare Licata

**Welcome as**

Mel Lavitt welcomed everyone to the November 12, 2015 Board meeting.

**Approval of the Minutes**

**MOTION: Peter Mouskondis motioned to approve the October 8, 2015 minutes. Bob Frankenberg seconded the motion. Motion was carried unanimously.**

**Presentation – Patty Connor, Director of Avenue H.**

**EDTIF**

**Project – Crank Bro.**

**Project Highlights**

Timeline:	2016
Target Industry:	Manufacturing and Outdoor Products Cluster
Proposed Location(s):	Weber Utah County
Capital Investment:	\$4,081,000

**Company Overview**

Crank Brothers was acquired by Selle Royal in January 2008. Crank Brothers remained in Laguna Beach, California and have approximately 60 employees. The company creates and engineers mountain bike components that are distributed to customers around the world.

**Jobs & Revenue**

Full time job over 7 year term:	65
The company will provide full time employees with comprehensive health and retirement benefits.	
New State Wages & Revenue: New State Wages over 6 years:	\$16,195,500
New State Revenue over 6 years:	\$1,360,515

**Local Incentive**

Ogden has offered a local incentive to the company.

**Incentive Committee Recommendation**

Total amount of EDTIF, post-performance refundable tax credit:	\$272,103
The amount represents the following percentage of new state revenues:	
Number of years that incentive is approved for:	20%
	7 years

**MOTION :** Jerry Oldroyd motioned to approve Selle Royal USA for a \$272,103 EDTIF post-performance refundable tax credit which represents an amount equal to 20% of new state revenue for 7 years. Stefanie Bevans seconded the motion. The motion carried unanimously.

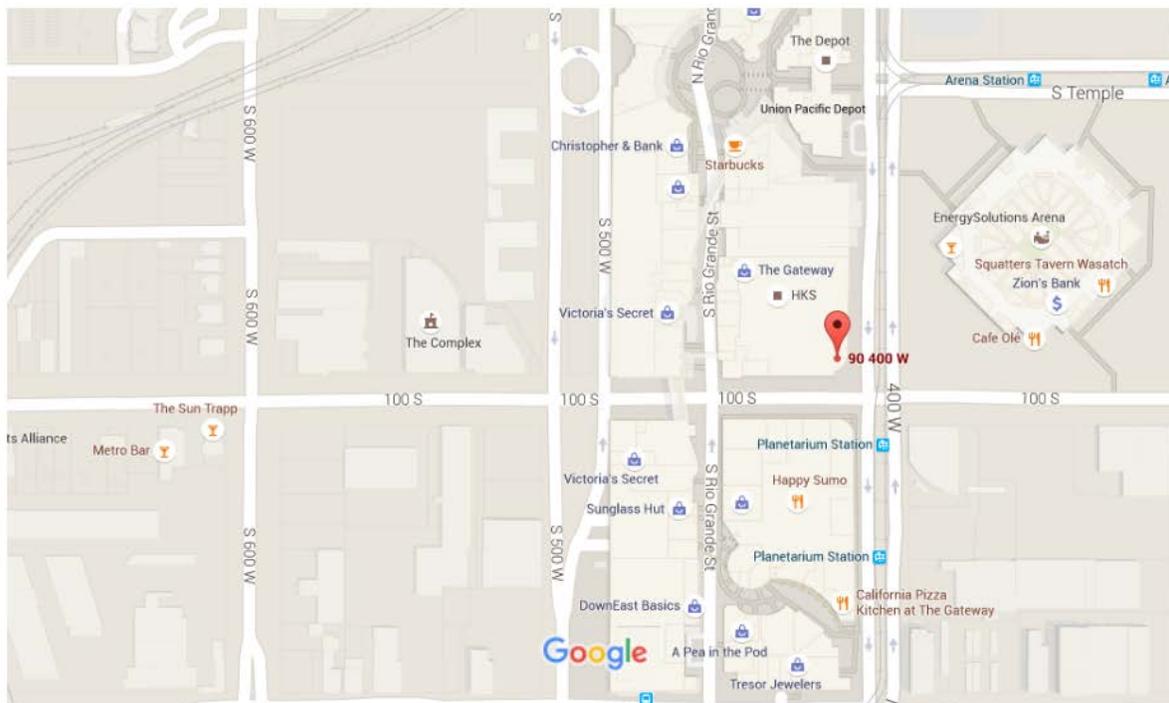
- Selle Royal must designate Ogden, Utah as their US Headquarters and consolidate all operations in this location.
- Total EDTIF incentive not to exceed \$272,103 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 7 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 Weber County average wage.
- Must commit to keep operation in Utah for the length of the incentive period, 7 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.

## ED Zones

### GOED BOARD ECONOMIC DEVELOPMENT ZONE COTIVIT (FKA CONNOLLY) 11/12/15

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE RECRUITING OF COTIVIT (FKA CONNOLLY) WITHIN SALT LAKE CITY AT 90 SOUTH 400 WEST, STE 620, SALT LAKE CITY UTAH 84101.

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR LEHI CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE RECRUITMENT OF COTIVIT (FKA CONNOLLY) WITHIN SALT LAKE CITY AT 90 SOUTH 400 WEST, STE 620, SALT LAKE CITY UTAH 84101.





RALPH BECKER  
Mayor

ECONOMIC DEVELOPMENT DIVISION  
Community and Economic Development Department

JILL LOVE  
Director of Community and Economic Development

Erin Laney, J.D.  
Business Development Manager  
Economic Development Corporation of Utah  
201 South Main Street, Suite 2150  
Salt Lake City, UT 84111

Dear Ms. Laney,

Salt Lake City (SLC) is fully prepared to assist edcUtah with Connolly. The SLC labor force consists of a highly educated, young working population with a strong work ethic, who are working to create livable communities. The below market wage rates and low business costs have attracted several expansion and relocation projects. There are also partnership opportunities with multiple locally based universities to identify potential interns and employees.

Along with a dynamic workforce and business focused climate, SLC is prepared to offer the following incentives for Connolly:

**Economic Development Loan Fund (EDLF)** -- Market rate interest loans are available for business operations or working capital.

**Industrial Revenue Bonds** -- Industrial Revenue Bonds are available for certain operations (\$2.5 to \$15 million range) to encourage business relocation and expansion.

**Redevelopment Agency of SLC Programs** -- The RDA administers investment and development programs focused on facilitating capital improvement projects in RDA project areas.

**Development Review Team (DRT) review** -- SLC will provide at no cost a consolidated development review, which will greatly reduce construction and development costs.

**LEED Expedited Review** -- LEED certified buildings receive expedited review by the Salt Lake City Building Services department at no additional permitting cost.

SLC may be able to assist a company with other expansion requirements depending on the nature of the request. We look forward to working with edcUtah and Connolly to facilitate their relocation and expansion in the City.

Cordially,

  
ANGELA DUNN  
FACILITATOR of ECONOMIC DEVELOPMENT

COMMUNITY and ECONOMIC DEVELOPMENT  
SALT LAKE CITY CORPORATION

TEL 801-535-7273  
FAX 801-535-6005

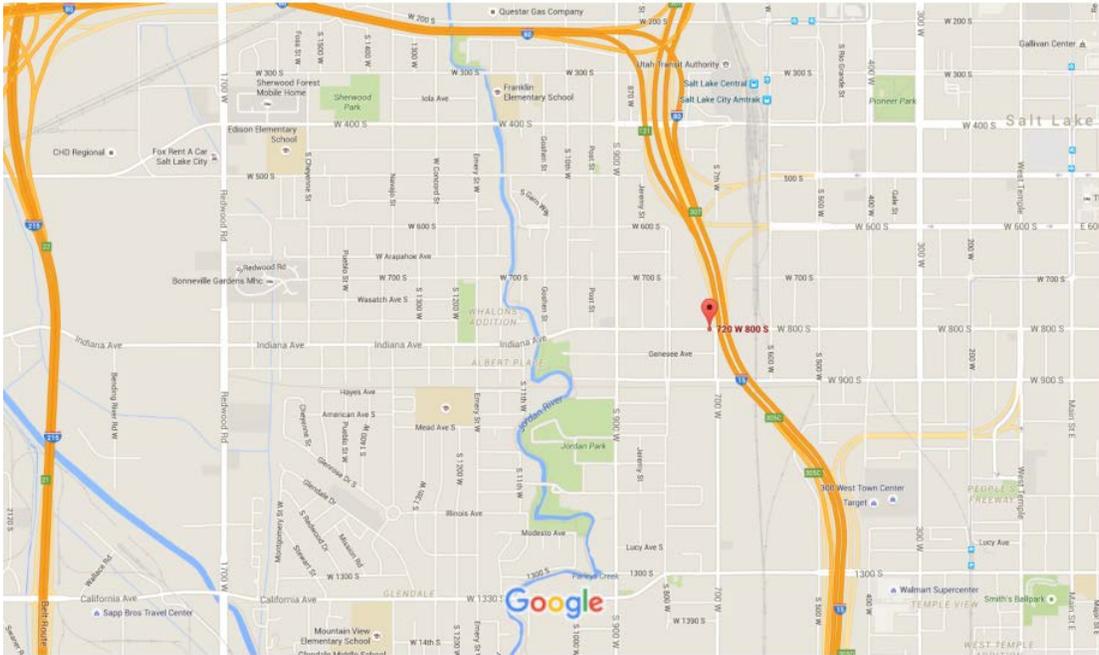
SALT LAKE CITY CORPORATION  
451 SOUTH STATE STREET, ROOM 425  
P.O. Box 145486, SALT LAKE CITY, UTAH 84114-5486

WWW.SLGOV.COM  
TEL. 801-535-7273

**GOED BOARD  
ECONOMIC DEVELOPMENT ZONE  
NEW PRIME INC. DBA PRIME INC.  
11/12/15**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF NEW PRIME INC. DBA PRIME INC. WITHIN SALT LAKE CITY AT 720 W 800 S, SALT LAKE CITY, UT 84104.

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR SALT LAKE CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF NEW PRIME INC. DBA PRIME INC. WITHIN SALT LAKE CITY AT 720 W 800 S, SALT LAKE CITY, UT 84104.





RALPH BECKER  
Mayor

ECONOMIC DEVELOPMENT DIVISION  
Community and Economic Development Department

JILL LOVE  
Director of Community and Economic Development

Erin Laney  
Business Development Manager  
Economic Development Corporation of Utah  
201 South Main Street, Suite 2150  
Salt Lake City, UT 84111

Dear Ms. Laney,

Salt Lake City (SLC) is fully prepared to assist edcUTAH with Project Rib. The SLC labor force consists of a highly educated, young working population with a strong work ethic, who are working to create livable communities. The below market wage rates and low business costs have attracted several expansion and relocation projects. There are also partnership opportunities with multiple locally based universities to identify potential interns and employees.

Along with a dynamic workforce and business focused climate, SLC is prepared to offer the following incentives for Project Rib:

**Economic Development Loan Fund (EDLF)** – Market rate interest loans are available for business operations or working capital.

**Industrial Revenue Bonds** – Industrial Revenue Bonds are available for certain operations (\$2.5 to \$15 million range) to encourage business relocation and expansion.

**Redevelopment Agency of SLC Programs** – The RDA administers investment and development programs focused on facilitating capital improvement projects in RDA project areas.

**Development Review Team (DRT) review** – SLC will provide at no cost a consolidated development review, which will greatly reduce construction and development costs.

**LEED Expedited Review** – LEED certified buildings receive expedited review by the Salt Lake City Building Services department at no additional permitting cost.

**Foreign Trade Zone #30**–Salt Lake City Corporation is the Grantee of Foreign Trade Zone #30 and is able to submit applications to the Foreign Trades Zones Board on behalf of potential Operators.

SLC may be able to assist a company with other expansion requirements depending on the nature of the request. We look forward to working with edcUTAH and Project Rib to facilitate their relocation and expansion in the City.

Cordially,

ANGELA DUNN  
FACILITATOR of ECONOMIC DEVELOPMENT

COMMUNITY and ECONOMIC DEVELOPMENT  
SALT LAKE CITY CORPORATION

TEL 801-535-7273  
FAX 801-535-6005

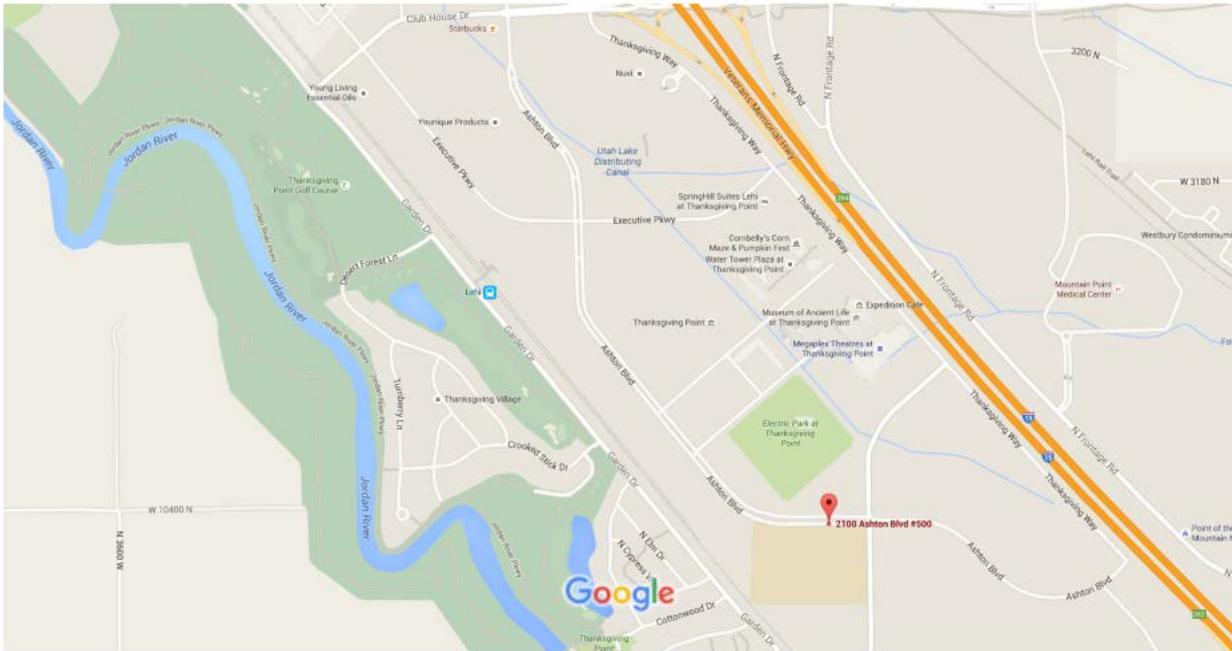
SALT LAKE CITY CORPORATION  
451 SOUTH STATE STREET, ROOM 425  
P.O. BOX 145486, SALT LAKE CITY, UTAH 84114-5486

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TEL. 801-535-7273

**GOED BOARD  
ECONOMIC DEVELOPMENT ZONE  
PROSPER  
11/12/15**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE RECRUITMENT OF PROSPER WITHIN LEHI CITY AT 2100 WEST ASHTON BOULEVARD SUITE 500 LEHI, UT 84043

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR LEHI CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE RECRUITMENT OF PROSPER WITHIN LEHI CITY AT 2100 WEST ASHTON BOULEVARD SUITE 500 LEHI, UT 84043





*Department Name*

Office 123.456.7890

Fax 123.456.7890

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153 North 100 East

Lehi, UT 84043

lehi-ut.gov

*Re: Letter of Support for Project Flourish*

To Whom It May Concern,

This letter is sent to confirm Lehi City's enthusiastic support for Project Flourish consideration of its Utah home in our City and to create an Economic Development Zone to facilitate that move. In the past, Lehi has shown our ability and willingness to attract and provide incentives for new and expanding companies. For example, with the recent addition of Ancestry the City has shown its ability to facilitate companies like Project Flourish's 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.

The successful development of this project would include some or all of the following incentives:

1. Creating or expanding an Economic Development Area.
2. Creating an Urban Renewal Area.
3. Providing personal property tax rebates for equipment purchased.

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





*Economic Development*

Office 801.768.7100  
Fax 801.768.7101

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

*Re: Letter of Support for Project Sunshine*

To Whom It May Concern,

Lehi City is fully prepared to assist The Economic Development Corporation of Utah with Project Sunshine. The Lehi labor force consists of a highly educated, young working population with a strong work ethic, who are working to create livable communities. The below market wage rates and low business costs have attracted several expansion and relocation projects. There are also partnership opportunities with multiple locally based universities to identify potential interns and employees. However, at this time Lehi is unable to provide a City Bond backed TIF incentive to project Sunshine.

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 to Utah as smooth as possible.

Along with a dynamic workforce and business focused climate, Lehi is prepared to offer the following incentives for Project Sunshine:

1. **Development Review Team (DRT) review** – Lehi will provide at no cost a consolidated development review, which will greatly reduce construction and development costs.
2. **LEED Expedited Review** – LEED certified buildings receive expedited review by the Lehi Building Services department at no additional permitting cost.

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,



Doug Meldrum, Economic Development Director

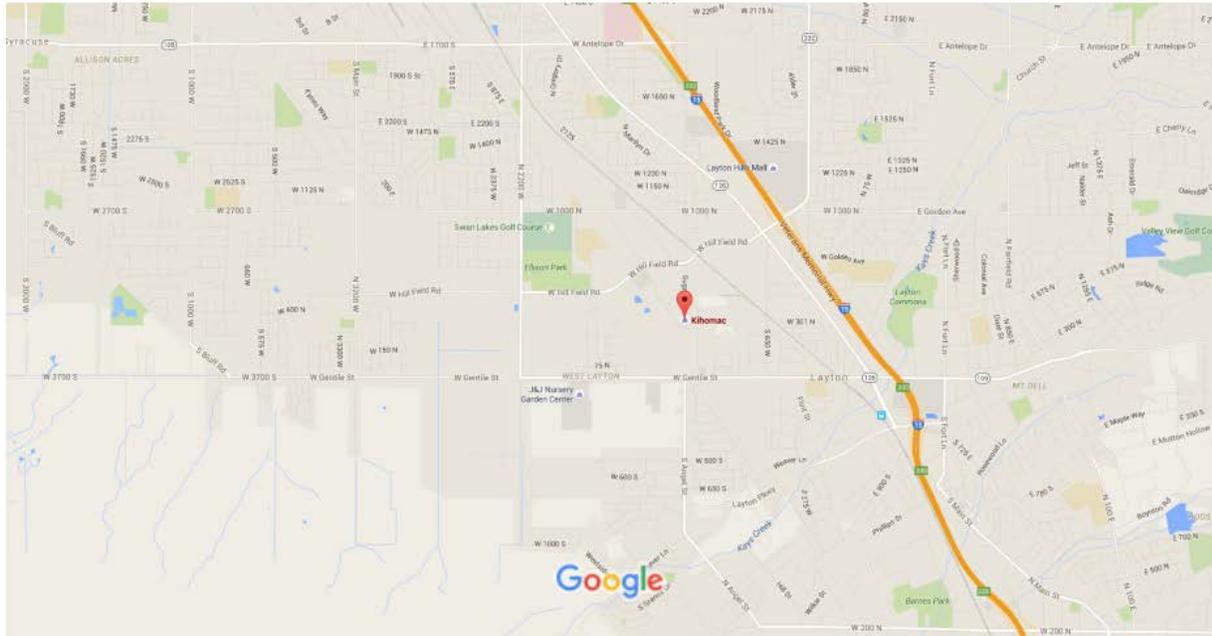
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**GOED BOARD  
ECONOMIC DEVELOPMENT ZONE  
KIHOMAC  
11/12/15**

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ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF KIHOMAC IN LAYTON CITY AT 334 MARSHALL WAY N, LAYTON, UT 84041.

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR LAYTON CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF KIHOMAC IN LAYTON CITY AT 334 MARSHALL WAY N, LAYTON, UT 84041.





**• Council Members •**  
Jenna K. Brown  
Bert Cook  
Joni Francis  
Scott Hesteg  
Joy Hahn

June 22, 2015

Q. Val Hahn, Executive Director  
Utah Governor's Office of Economic Development  
60 East South Temple, 3rd Floor  
Salt Lake City, UT 84111

RE: KIRKOMAC - Manufacturing Expansion

Dear Mr. Hahn:

I am writing on behalf of the Redevelopment Agency of Layton City (RDAC) to express our support of the proposed KIRKOMAC manufacturing expansion (Project) in the East Gate Economic Development Project Area (Project Area).

KIRKOMAC is a national United States Air Force contractor providing complete lifecycle support for Class Air Support aircraft (A-10 Thunderbolt, F-16, F-38, etc.). This expansion would have a significant economic impact not only to Layton City, but the region and State by bringing 100+ employees and an estimated \$7-8 million in development.

The Project consists of the construction of a new manufacturing development in the Project Area. The RDAC has agreed to provide a post performance rebate of 100% of the tax increment generated to by this 10 acre KIRKOMAC development Project. The tax increment rebate will be for the life of the Project Area (through year 2035).

On behalf of the Redevelopment Agency of Layton City, and our residents, I respectfully request that the Utah Governor's Office of Economic Development support the KIRKOMAC Project with an EDTIF incentive. If you have any questions, please contact me at (801) 336-3800 or [rjstevenson@laytoncity.org](mailto:rjstevenson@laytoncity.org) or Economic Development Manager Kent Andersen at (801) 336-3790 or [kanderson@laytoncity.org](mailto:kanderson@laytoncity.org).

Respectfully submitted,

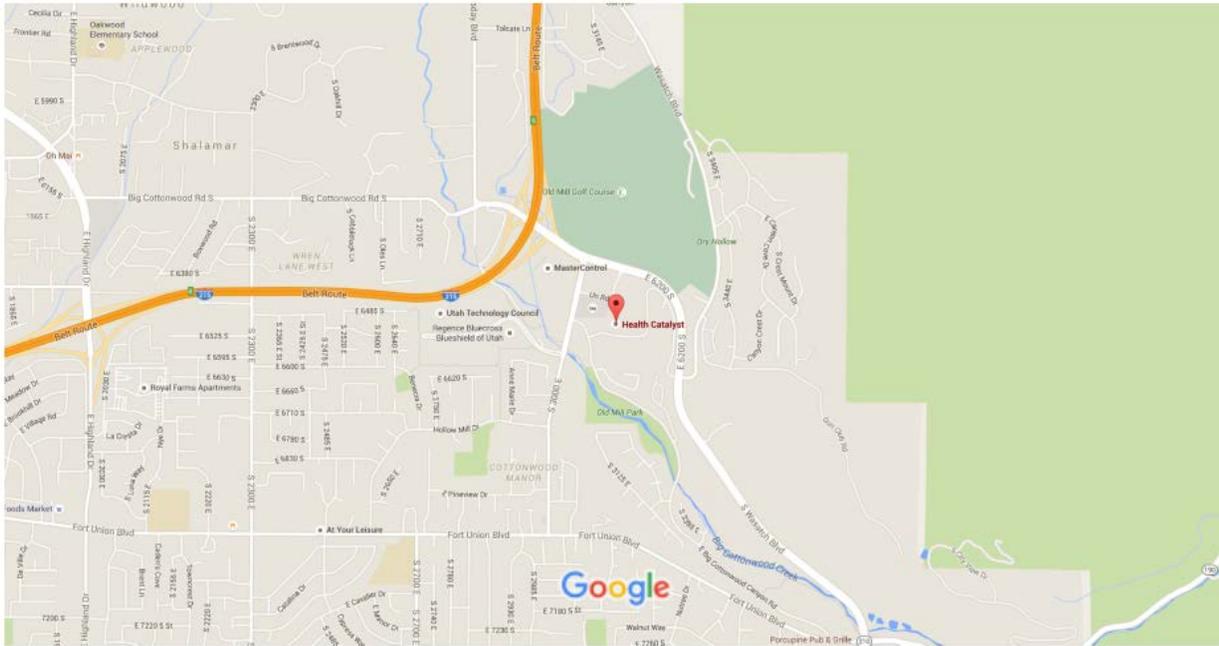
Robert J. Stevenson, Mayor  
Layton City



**GOED BOARD  
ECONOMIC DEVELOPMENT ZONE  
HEALTH CATALYST  
11/12/15**

ESTABLISH AN ECONOMIC DEVELOPMENT ZONE FOR THE PURPOSE OF SUPPORTING THE EXPANSION OF HEALTH CATALYST IN SALT LAKE CITY AT 3165 MILLROCK DR., STE 400 HOLLADAY, UT 84121

**MOTION:** APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR HOLLADAY CITY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF HEALTH CATALYST IN SALT LAKE CITY AT 3165 MILLROCK DR., STE 400 HOLLADAY, UT 84121





CITY of HOLLADAY

April 1, 2015

Val Hale, Executive Director  
GOED  
60 East South Temple, 3rd Floor  
Salt Lake City, UT 84111

RE: Letter of Support for Health Catalyst expansion in Holladay – Project Colt

Dear Mr. Hale,

It is with pleasure that we send this letter to confirm that the City of Holladay supports and will directly benefit from the proposed expansion of Health Catalyst in the Millrock Business Park of Holladay. We are very excited to hear of this expansion and we believe it will boost economic activity in the Millrock/Canyon Slope area of our community. The Millrock area of Holladay is our greatest employment center. It has some of the premier office space in Utah.

Health Catalyst is one of our largest employers and their expansion will undoubtedly provide an economic benefit to the owners of Millrock as well as a positive 'spin off' effect to local surrounding businesses in both Holladay and in Cottonwood Heights. The type of business activity Health Catalyst already provides here is the kind we are looking to support in any way we can.

The City of Holladay can and will commit to expedited review of any business license application and tenant improvement building permit application. We are also able to waive any building permit fees associated with the tenant improvement. If there are other reasonable and associated fees that accompany this proposal, we will do all we can to assist.

Again, we are extremely grateful Health Catalyst will be expanding their operation here and reiterate our desire to do all we can as a City to facilitate them in this effort.

Cordially,

Randy Pitts  
City Manager, City of Holladay

Robert Dahle  
Mayor, City of Holladay

**MOTION:** Jerry Oldroyd motioned to approve all ED Zones. Christopher M. Conabee seconded the motion. The motion carried unanimously.

## Film Incentives

### Film – “The Jade Pendant” Amendment

#### Project Highlights

- Category: Feature
- Genre: Drama
- Director: Po-Chih Leong
- Producer: Scott Rosenfelt, Thomas Leong

#### Utah Jobs and Revenue

- Estimated Cast: 18
- Estimated Cast Average Salary: \$950
- Estimated Crew: 75
- Estimated Crew Average Salary: \$325
- Estimated Extras: 500
- Estimated Extras Average Salary: \$100
- Length of Film Production: 30
- Estimated Spend: \$3,938,441

#### Project Schedule

- Prep: August 17, 2015 through September 27, 2015
- Principal Photography: September 28, 2015 through November 6, 2015
- Wrap: November 7, 2015 through November 14, 2015
- Post Production November 5, 2015 through February 12, 2016

#### Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) September 3, 2015. *This production was originally approved by the GOED Board September 10, 2015. The production company revised the Utah estimated spend from \$3,480,899 to \$3,938,441 and has requested the additional MPIP Incentive.*

**MOTION: Peter Mouskondis motioned to approve for Jade Pendant Movie, LLC, an amended Motion Picture Incentive Program post-performance tax credit of no more than \$787,688 (which represents 20% of dollars left in state) or no more than \$984,610 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “The Jade Pendant”. Bob Frankenberg 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.
- Jade Pendant Movie, 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 \$984,610 (25% of the dollars left in state).

## Film – “Small Town Crime”

### Project Highlights

- Category: Feature
- Genre: Drama
- Director: Eshom Nelms, Ian Nelms
- Producer: John Kelly, Brad Johnson

### Utah Jobs and Revenue

- Estimated Cast: 43
- Estimated Cast Average Salary: \$1,250
- Estimated Crew: 85
- Estimated Crew Average Salary: \$300
- Estimated Extras: 300
- Estimated Extras Average Salary: \$101.50
- Length of Film Production: 35
- Estimated Spend: \$3,511,772

### Project Schedule

- Prep: December 10, 2015 through January 10, 2016
- Principal Photography: January 11, 2016 through February 26, 2016
- Wrap: February 27, 2016 through March 14, 2016
- Post Production March 15, 2016 through September 15, 2016

### Motion Picture Advisory Committee Recommendation

Approved by the Motion Picture Advisory Committee (MPAC) November 5, 2015

**MOTION: Sue Johnson motioned to approve for Normal Family, LLC, a Motion Picture Incentive Program post-performance tax credit of no more than \$702,354 (which represents 20% of dollars left in state) or no more than \$877,943 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Small Town Crime”. Lorena Riffo-Jenson 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.
- Normal Family, 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 \$877,943 (25% of the dollars left in state).

### Rural Fast Track Endorsements

#### Genco Mine Service, Inc.

The Office of Rural Development recommends a Rural Fast Track grant for Genco Mine Service, Inc., located in Huntington, Emery County, for the purpose of purchasing a mandrel bender to be used in their manufacturing process. The company will use the machine to manufacture frames, which they currently purchase from a company in Montana. As a result, Genco will bring that process in-house, saving the company time and money.

The company expects to create 1 new full time position, one of which will pay at least 110% of the county average wage. The project is estimated to cost two hundred sixty-seven thousand, seven hundred fifty dollars (\$267,750.00).

**MOTION: Endorse a Rural Fast Track Grant for Genco Mine Service, Inc. of \$50,000.00.**

#### GOED Update

#### Nye’s Tree Service

The Office of Rural Development recommends a Rural Fast Track grant for Nye’s Tree Service, located in Morgan City, Morgan County, for the purpose of purchasing a stump grinder, wood chipper, and 30 ton crane. The company will use the equipment to create a 3rd, 3-man crew.

The company expects to create 2 new full time positions, one of which will pay at least 110% of the county average wage, and the other will pay at least 115% of the county average wage. The project is estimated to cost two hundred fifty thousand dollars (\$250,000.00).

**MOTION: Endorse a Rural Fast Track Grant for Nye’s Tree Service of \$50,000.00.**

**T&L Design, LLC**

The Office of Rural Development recommends a Rural Fast Track grant for T&L Design, LLC, located in Bear River City, Box Elder County, for the purpose of purchasing a building in order to increase production.

The company expects to create 1 new full time position, which will pay at least 110% of the county average wage. The project is estimated to cost approximately two hundred thousand dollars (\$200,000.00).

**MOTION: Endorse a Rural Fast Track Grant for T&L Design, LLC of \$25,000.00.**

**MOTION: Peter Mouskondis motioned to approve all Rural Fast Track Grants. Lorena Riffo-Jenson seconded the motion. The motion carried unanimously.**

**GOED Update**

Val Hale, Executive Director,

**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.

