

**Draft**

**GOED Board Meeting Minutes**

October 8, 2015 • 10:00 a.m.

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

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<b>Members Present:</b>	Mel Lavitt, Christopher M. Conabee, Josh Romney, Peter Mouskondis, Annette Meier, Sam Granato, Lorena Riffo-Jensen, Bevan Wilson, Brent Brown, Bob Frankenberg, Margaret Lasecke-Jacobs
<b>Staff:</b>	Val Hale, Theresa A. Foxley, Julia Barnhouse, Eric Nay, Ben Hart, Marshall Wright, Hillary Bowler, Kimberlee Carlile, Chase Christensen, Sara Adleman, Koa Perlac, Linda Gillmor, Tamy Dayley, Greg Jeffs, Jaron Janson, Callye Cleverly, Lyle Almond, Jeff Van Hulten, Virginia Pearce, Kelleigh Cole
<b>Visitors:</b>	Amy Anderson, Jeff Edwards, Tod Brightwell, Jordan Burke, Zachary Bloomer, Taylor Brightwell, Marcia Coulson, Brad Baird, Steve Fishburn, Brice Wallace, Kevin Hyer

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**Welcome**

Mel Lavitt welcomed everyone to the October 8, 2015 Board meeting.

**Approval of the Minutes**

**MOTION: Margaret Lasecke-Jacobs motioned to approve the September 10, 2015 minutes. Bob Frankenberg seconded the motion. Motion was carried unanimously.**

**Presentation – Jordan Burke, Director of Silicon Slopes & Director of Content Strategy for DOMO**

Jordan Burke thanked the GOED Board for inviting him to present. Jordan provided a brief background on Silicon Slopes, and their goals for future growth. Silicon Slopes is a nonprofit company that was established by Josh James with the main goal of branding Utah as a tech hub and highlight Utah's tech ecosystem to attract people and capital. There are over 4,000 tech companies in the state that employ 53,000 people, making up about 14 % of Utah's total payroll. Utah is the top state in tech employment growth in the Western Region. Salt Lake City's housing costs are significantly lower than cities like Chicago or San Francisco, and our commute times are much shorter.

Silicon Slopes communicates to the community by: weekly emails, social media, calendars, website, and hosting several events throughout the year. Their website features daily articles, an interactive map, deal database, and a job board to communicate what is going on in the tech industry in Utah. Silicon Slopes hopes to recruit and retain more talent to the state, grow more companies, and connect with the community.

**EDTIF**

**Project – Eldon James**

**Project Highlights**

Timeline:	2016
Target Industry:	Life Science and Manufacturing
Proposed Location(s):	Salt Lake County / Utah County
Capital Investment:	\$5,000,000

**Company Overview**

Eldon James, Corp. is celebrating 28 years of business this month. Eldon James manufactures tubing and fittings to connect tubing for many industries including Medical, Pharmaceutical, Food and Beverage, Industrial and Automotive applications. EJ offers over 6000 different products that are sold around the world by way of direct sales and distribution.

**Jobs & Revenue**

Full time job over 6 year term: 115

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

New State Wages & Revenue: New State Wages over 6 years: \$34,385,217

New State Revenue over 6 years: \$5,080,138

**Local Incentive**

Salt Lake County and Utah County. Incentive committee made the recommendation contingent on further location due diligence by the company and a local incentive once a location is chosen.

**Incentive Committee Recommendation**

Total amount of EDTIF, post-performance refundable tax credit: \$762,021

The amount represents the following percentage of new state revenues: 15%  
Number of years that incentive is approved for: 6 years

Proposed incentive is distributed with a rebate rate of 15% over 6 years.

**MOTION: Christopher M. Conabee motioned to approve Eldon James for a \$762,021 EDTIF post-performance refundable tax credit which represents an amount equal to 15% of new state revenue for 6 years. Peter Mouskondis seconded the motion. The motion carried unanimously.**

- Total EDTIF incentive not to exceed \$762,021 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 15% of qualified new incremental state tax revenues generated and received in the previous calendar year.
- Total incentive not to exceed 15% of qualified new incremental state tax revenues over 6 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 Utah County average wage excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 6 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

Marcia Coulsen, CEO of Eldon James, thanked the GOED Board and staff for helping them with the application process and for welcoming them to Utah. Eldon James is looking forward to the expansion and for doing business in the state.

## **Film Incentives**

### **Film – “Cinderella Christmas”**

#### **Project Highlights**

- Category: Feature
- Genre: Family
- Director: Brian Brough
- Producer: Brian Brough

#### **Utah Jobs and Revenue**

- Estimated Cast: 18
- Estimated Cast Average Salary: \$585
- Estimated Crew: 45
- Estimated Crew Average Salary: \$275
- Estimated Extras: 200
- Estimated Extras Average Salary: \$102
- Length of Film Production: 17
- Estimated Spend: \$699,710

#### **Project Schedule**

- Prep: September 28, 2015 through November 30, 2015
- Principal Photography: December 1, 2015 through December 17, 2015
- Wrap: December 19, 2015 through December 24, 2015
- Post Production January 4, 2016 through June 15, 2016

### **Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) October 1, 2015

#### **Proposed Motion:**

**Approve for Silver Peak Productions, LLC a Motion Picture Incentive Program post-performance tax credit up to \$139,942 (which represents 20% of dollars left in state) for the production of “Cinderella Christmas”**

- 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 incentive

#### **Film – “Confession”**

##### **Project Highlights**

- Category: Feature
- Genre: Drama
- Director: Stuart Cooper
- Producer: Mary Eilts, Darren Miller, Martin Ganz

##### **Utah Jobs and Revenue**

- Estimated Cast: 16
- Estimated Cast Average Salary: \$933
- Estimated Crew: 75
- Estimated Crew Average Salary: \$225
- Estimated Extras: 85
- Estimated Extras Average Salary: \$85
- Length of Film Production: 21
- Estimated Spend: \$1,970,843

##### **Project Schedule**

- Prep: October 12, 2015 through November 7, 2015
- Principal Photography: November 9, 2015 through December 11, 2015
- Wrap: December 14, 2015 through December 23, 2015
- Post Production January 2, 2016 through February 28, 2016

### **Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) October 1, 2015

#### **Proposed Motion:**

**Approve for Last Shot Films, Inc, a Motion Picture Incentive Program post-performance tax credit of no more than \$394,168 (which represents 20% of dollars left in state) or no more than \$492,711 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Confession”.**

- 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.
- Last Shot Films, 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. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$492,711 (25% of the dollars left in state).

#### **Film – “Hidden World”**

##### **Project Highlights**

- Category: Feature
- Genre: Fantasy
- Director: Alan Seawright
- Producer: Daren Smith

**Utah Jobs and Revenue**

- Estimated Cast: 17
- Estimated Cast Average Salary: \$500
- Estimated Crew: 32
- Estimated Crew Average Salary: \$300
- Estimated Extras: 35
- Estimated Extras Average Salary: \$125
- Length of Film Production: 24
- Estimated Spend: \$450,000

**Project Schedule**

- Prep: September 28, 2015 through February 12, 2016
- Principal Photography: February 15, 2016 through March 18, 2016
- Wrap: March 19, 2016 through March 22, 2016
- Post Production March 21, 2016 through June 17, 2016

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) October 1, 2015

**Proposed Motion:**

**Approve for Telekinesis Entertainment a Motion Picture Incentive Program post-performance tax credit up to \$90,000 (which represents 20% of dollars left in state) for the production of “Hidden World”**

- 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 incentive

**Film – “Shadow Wolves”****Project Highlights**

- Category: Feature
- Genre: Drama
- Director: McKay Daines
- Producer: McKay Daines

**Utah Jobs and Revenue**

- Estimated Cast: 20
- Estimated Cast Average Salary: \$630
- Estimated Crew: 49
- Estimated Crew Average Salary: \$250-\$300
- Estimated Extras: 500
- Estimated Extras Average Salary: \$100
- Length of Film Production: 22
- Estimated Spend: \$2,200,000

**Project Schedule**

- Prep: November 16, 2015 through December 30, 2015
- Principal Photography: January 5, 2016 through February 5, 2016
- Post Production February 8, 2016 through June 30, 2016

**Motion Picture Advisory Committee Recommendation**

Approved by the Motion Picture Advisory Committee (MPAC) October 1, 2015

**Proposed Motion:**

**Approve for Shadow Wolves, LLC, a Motion Picture Incentive Program post-performance tax credit of no more than \$440,000 (which represents 20% of dollars left in state) or no more than \$550,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Shadow Wolves”.**

- 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.
- Shadow Wolves, 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 \$550,000 (25% of the dollars left in state).

**MOTION: Margaret Lasecke-Jacobs motioned to approve all of the proposed film motions. Bob Frankenberg seconded the motion. The motion carried unanimously.**

**Rural Fast Track Endorsements**

The Rural Development office recommends a Rural Fast Track grant for Palmer American Car Care, LLC, for the purpose of purchasing a larger truck and tow trailer. As a result, Palmer’s American Car Care will be able to serve a greater range of clients. The current tow truck owned and operated by Palmer’s American Car Care has the capability of towing up to 9,000 pounds. A new truck and tow trailer will allow them to tow motor homes for AAA, as well as oil field equipment and larger trucks.

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 one hundred four thousand one hundred twenty-two thousand, nine hundred dollars (\$122,900.00).

**MOTION: Endorse a Rural Fast Track Grant for Palmer American Car Care, LLC of \$20,000.00.**

**MOTION: Bevan Wilson motioned to approved all Rural Fast Track Grant proposals. Sam Granato seconded the motion. The motion carried unanimously.**

**Rural Fast Track Quarterly Update**

Linda Gillmor, the director of rural development, provided an update on the Rural Fast Track program. Over the last quarter, the amount of public investment was \$305,292.00, private investments added up to \$1,738,497, and there are 13 projected FTE’s. The previous legislative session added counties to the program, and resulted in growth within Box Elder County and Iron County. The program now requires that each applicant has secured financing prior to their final application submission. This helps the company to evaluate their expansion and to be successful and productive by using the Rural Fast Track program. Some of the industries that are participating in the program are: manufacturing, accommodation and food services, wholesale trade, mining, quarrying, and oil and gas extraction, and other services such as auto repair.

Mel Lavitt has tasked Bevan Wilson, Annette Meier, Linda Gillmor, and EDCUtah to collaborate and create a plan to market the Rural Fast Track program to the businesses in the rural community in Utah.

**GOED Update**

Val Hale, Executive Director, provided an update on the various events and departments in GOED. He informed the board of Governor Herbert’s trip to New York, the office of outdoor recreations newly developed Waypoint Grant, the annual Tourism Conference, and other events happening in the coming months.

**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.

