

GOED Board Meeting Minutes

December 13, 2018 • 10:00 a.m. – 12:00 p.m.
 Governor’s Office of Economic Development
 60 E South Temple, Fl 3
 Salt Lake City, UT 84103

Members Present:	Jerry Oldroyd, Mel Lavitt, Roger Killpack, Margo Jacobs, Steve Neeleman, Christopher M. Conabee, Peter Mouskondis, Susan Johnson, Andrea Moss, Annette Meier, Carine Clark Lorena Riffo-Jenson (P), Ted Wilson (P)
Members Excused:	Brent Brown, Stefanie Bevans
Staff:	Val Hale, Ben Hart, Thomas Wadsworth, Larry Shepherd, Lynne Mayer, Ginger Chinn, Virginia Pearce, Owen Barrott, Jill Flygare, Linda Gillmor, Kamron Dalton, Jim Grover, Vicki Varela, Kimberlee Carlile, Scott Romney, Pete Codella, Aimee Edwards, Jason Marden, Laraib Sial, Justine Dombrowski, Matthew Wallace, Taneesa Wright, Christina Martin, Tom Adams (by phone)
Visitors:	Theresa Foxley, Mike Flynn, Brice Wallace, Rick Bouillon, Melissa Stark, Taylor Brightwell, Colby Cooley, Ron Ostrowki, Roger Hutchinson, Ryan Bateman, Mayor Mike Caldwell, Steve Eckley, Rick Kendust, Kaylene Campbell, Duane Davis

Welcome

Chairman Jerry Oldroyd welcomed everyone to the December 13, 2018 GOED Board Meeting.

Approval of the Minutes

MOTION: Margo Jacobs moved to approve the November 6, 2018 board meeting minutes. Peter Mouskondis seconded the motion. The motion carried unanimously.

IAF Grant to SLCC for Aerospace Manufacturing

Project Highlights

Timeline:	2019
Targeted Industry:	Aerospace/Defense
Proposed Location:	Salt Lake County
Capital Investment:	\$297,400
Trainees:	600

Project Overview

The Aerospace Assembly training program is intended to incentivize and provide opportunities to individuals to work and advance in the Salt Lake Valley’s growing aerospace manufacturing industry. This training program would be open to both incumbent workers and those aspiring to work in the industry. Efforts at the College would focus on workforce certificate training. Salt Lake Community College expects to train 600 people and place them in industry within the first 12 months of the program.

Motion: Steve Neeleman moved to approve Salt Lake Community College for an Industrial Assistance Fund, post-performance Economic Opportunity Grant of up to \$120,000, but not to exceed 50% of the total budget, subject to 63N-3-109 which defines the terms by which the Industrial Assistance Account can be used for financing assistance to entities offering economic opportunities, dated effective 5/12/2015.

- **Post-performance based on:**
 - **Retrofitting on space**
 - **Purchase of equipment**
 - **At least one cohort of students**
 - **Report on the diversity of the cohort**

Annette Meier seconded the motion. The motion carried unanimously.

Presentation:

Rick Bouillon, SLCC, spoke to the workforce specific training to be provided to the aerospace industry. SLCC will more than match the grant monies in support of this program. He thanked the board for considering this grant. This program can be up and training its first cohort in 3 months.

Kaylene Campbell of Northrop Grumman and Steve Eckley of Boeing spoke to how the program would be implemented within their companies and the benefit they will see from it.

EDTIF – Amer Sports

Project Highlights

Timeline:	2018
Target Industry:	Outdoor products & recreation
Location:	Ogden, Utah
CapEx:	\$32,000,000
Jobs:	155
Average Wage:	\$42,500

Company Overview

Amer Sports is a sporting goods company with internationally recognized brands including Salomon, Wilson, Atomic, Arc'teryx, Mavic, Suunto and Precor. The company manufactures sports equipment, footwear, apparel and accessories for a variety of sports and outdoor activities. Amer Sports' business is balanced through its broad portfolio of sports and products and a presence in all major markets. Amer Sports sells its products to trade customers (including sporting goods chains, specialty retailers, mass merchants, fitness clubs and distributors) and directly to consumers through brand stores, factory outlets, and e-commerce. In December 2017, Amer Sports' sales organization covered 34 countries.

Amer Sports' North American Headquarters is in Ogden, Utah. This project represents an expansion and retention of approximately 130 employees of the current headquarters by building out an advanced distribution center and expanding the company's digital marketing division.

Incentives Committee Recommendation

Total Amount of EDTIF, post-performance refundable tax credit:	\$1,314,054
The amount represents the following percentage of new state revenue:	20%
Number of year that the incentive is approved for:	10 Years

IAF Employee Retention Grant:	\$300,000
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Jobs & Revenue

Full time jobs over project lifetime: **155**
 The company will provide full-time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:

New State Wages over 10 years:	\$43,576,754
New State Revenue over 10 years:	\$6,570,270

MOTION: Peter Mouskoundis moved to approve Amer Sports, Inc. for an EDTIF post-performance refundable tax credit of up to \$1,314,054 which represents 20% of the \$6,570,270 of new state revenue, which may be earned over 10 years.

Approve Amer Sports, Inc. for an IAF, post-performance grant of up to \$300,000 which represents \$2,000 per retained employee.

Susan Johnson seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$1,314,054 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 10 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 110% 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 average wage each excluding company contributed health insurance.
- Must commit to keep operation in Utah for the length of the incentive period, 10 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.

Presentation:

Ron Ostrowki, Roger Hutchinson, and Ryan Bateman spoke to the company’s history and the opportunity for growth in Utah as their headquarters for outdoor products as well as the distribution center and digital marketing. Mayor Mike Caldwell talked of the importance of Amer Sports in the branding of Ogden City as an outdoor recreation hub. He thanked them for their work to remain in the community.

ED Zone

Establish an economic development zone for the purpose of supporting the expansion of Snap, Inc. at 3451 N. Triumph Blvd, Ste #104 in Lehi, Utah 84043.

Motion: Carine Clark moved to approve the creation of an economic development zone for Lehi City in support of their letter of request detailing the expansion of Snap, Inc. at 3451 N. Triumph Blvd, Ste #104 in Lehi, Utah 84043. Steve Neeleman seconded the motion. The motion carried unanimously.

Film Incentives

**GOED BOARD – COMMUNITY FILM INCENTIVE PROGRAM
EXECUTIVE SUMMARY
NAVAJO MOUNTAIN MOVIE, LLC
“NAVAJO MOUNTAIN HIGH”
December 13, 2018**

Project Highlights

- Category: Feature
- Genre: Documentary
- Director: Jared Jakins
- Producer: Hunter Phillips

Utah Jobs and Revenue

- Estimated Cast: 0
- Estimated Cast Average Daily Salary: \$0
- Estimated Crew: 10
- Estimated Crew Average Daily Salary: \$300
- Estimated Extras: 0
- Estimated Extras Average Daily Salary: \$0
- Length of Film Production: 202
- Estimated Spend: \$140,000

Project Schedule

- Prep: November 01, 2018 through November 30, 2018
- Principal Photography: December 03, 2018 through May 31, 2019
- Wrap: June 01, 2019 through June 03, 2019
- Post Production: May 31, 2019 through August 15, 2019

Summary

Navajo Mountain is the most remote high school in America. It’s over ninety miles from the nearest town; the nearest stoplight; the nearest store. Some of its 32 students live without running water or electricity, and none of their homes have addresses. It’s profoundly removed from the rest of society and our perceptions of the high school experience. It’s also the last place you’d expect to find a competitive robotics team. Our film will follow the students and staff of NMHS as they build robots, leave their small town to compete, and decide what they hope to do once they’ve received their diplomas.

Proposed Motion

Approve for Navajo Mountain Movie, LLC, a Community Film Incentive Program post-performance cash rebate up to \$28,000 (which represents 20% of dollars left in state) for the production of “NAVAJO MOUNTAIN HIGH”.

- Incentive offer based on receipt of a complete CFIP application including a script and proof of financing
- At least 85% of the production’s cast/crew must be Utah residents
- All minimum required criteria and requirements are met as specified on the CFIP rules and incentive contract
- Dollars left in state start date no earlier than 60 days prior to the original Governor’s Office of Economic Development Board of Directors approval

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY
SAURUS CITY, LLC
“Saurus City”
December 13, 2018**

Project Highlights

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| • Category: | Feature |
| • Genre: | Family |
| • Director: | Nathan W Smith |
| • Producer: | Bradford Johnson |

Utah Jobs and Revenue

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| • Estimated Cast: | 6 |
| • Estimated Cast Average Daily Salary: | \$600 |
| • Estimated Crew: | 30 |
| • Estimated Crew Average Daily Salary: | \$250 |
| • Estimated Extras: | 0 |
| • Estimated Extras Average Daily Salary: | \$0 |
| • Length of Film Production: | 354 |
| • Estimated Spend: | \$640,000 |

Project Schedule

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| • Prep: | May 01, 2018 through November 15, 2018 |
| • Principal Photography: | December 01, 2018 through April 01, 2020 |
| • Wrap: | April 02, 2020 through June 01, 2020 |
| • Post Production: | April 02, 2020 through June 01, 2020 |

Summary

An outcast Knight seeks redemption for his broken oath, as he escorts two common folk and a baby identified as the royal heir, through a fantastical land inhabited by dinosaurs.

Proposed Motion

Approve for Saurus City, LLC, a Motion Picture Incentive Program post-performance MPIP Cash Rebate of no more than \$128,000 (which represents 20% of dollars left in state) for the production of “Saurus City”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$500,000 minimum dollars left in state to be eligible for the base line incentive of 20% of dollars left in state
- At least 75% of the production’s cast/crew must be Utah residents
- Dollars left in state start date no earlier than 60 days prior to the Governor’s Office of Economic Development Board of Directors approval

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY**

WEREWOLF FILM, LLC
 “The Werewolf”
 December 13, 2018

Project Highlights

- Category: Feature
- Genre: Thriller
- Director: Jim Cummings
- Producer: Matt Miller, Natalie Metzger

Utah Jobs and Revenue

- Estimated Cast: 30
- Estimated Cast Average Daily Salary: \$630
- Estimated Crew: 30
- Estimated Crew Average Daily Salary: \$300
- Estimated Extras: 90
- Estimated Extras Average Daily Salary: \$170
- Length of Film Production: 66
- Estimated Spend: \$1,016,108

Project Schedule

- Prep: December 17, 2018 through February 04, 2019
- Principal Photography: February 05, 2019 through March 07, 2019
- Wrap: March 08, 2019 through March 22, 2019

Summary

Officer Marshall spends three months chasing a serial killer that strikes on the full moon. Losing sleep, raising his teenage daughter, fighting a custody battle, he struggles to remind himself that there’s no such thing as werewolves.

Proposed Motion

Approve for Werewolf Film, LLC, a Motion Picture Incentive Program post-performance MPIP Cash Rebate of no more than \$203,222 (which represents 20% of dollars left in state) for the production of “The Werewolf”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$500,000 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.

MOTION: Susan Johnson moved to approve the film incentives as presented. Andrea Moss seconded the motion. The motion carried unanimously.

Rural Fast Track Grant Endorsements

GOED BOARD
 RURAL FAST TRACK GRANT
 ANDY COX ELECTRICAL
 DECEMBER 13, 2018

The Rural Development office recommends a Rural Fast Track grant for Andy Cox Electrical, located in Manti, Sanpete County, for the purpose of purchasing a new piece of equipment (Poly Pro 20 System) for concrete lifting and concrete repair. The company expects to create one (1) new full time position paying at least 110% of the county average wage. The total project cost is valued at eighty-five thousand dollars (\$85,000)

MOTION: Endorse a Rural Fast Track Grant for company in the amount of \$27,500.

**GOED BOARD
RURAL FAST TRACK GRANT
EVERWOOD, INC.
DECEMBER 13, 2018**

The Rural Development office recommends a Rural Fast Track grant for Everwood, Inc., located in Honeyville, Box Elder County, for the purpose of purchasing new finishing equipment for cabinet making (Homag Wide Belt Sander). The company expects to create one (1) new full time position paying at least 110% of the county average wage. The total project cost is valued at One hundred and fifteen thousand dollars (\$115,000)

MOTION: Endorse a Rural Fast Track Grant for company in the amount of \$50,000.

MOTION: Annette Meier moved to endorse the Rural Fast Track grants as presented. Roger Killpack seconded the motion. The motion carried unanimously.

EDTIF Compliance Update

Jill Flygare and Jim Grover provided to the board an overview and update on the practices and processes of EDTIF compliance.

GOED Update

Val Hale provided an update on upcoming events and recent activities and efforts within GOED and its programs.

Incentives Update

Thomas Wadsworth, Director of Corporate Growth and Business Development, provided an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

Theresa Foxley, CEO of EDCUtah, presented on the status of current and upcoming projects in the pipeline.

Meeting Adjourned