

GOED Board Meeting Minutes

February 14, 2019 • 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, Ted Wilson, Stefanie Bevans, Steve Neeleman, Roger Killpack, Lorena Riffo-Jenson, Margo Jacobs (P), Christopher M. Conabee (P), Susan Johnson (P), Carine Clark (P), Peter Mouskondis (P)
Members Excused:	Andrea Moss, Brent Brown, Annette Meier
Staff:	Val Hale, Ben Hart, Thomas Wadsworth, Larry Shepherd, Lynne Mayer, Vicki Varela, Jill Flygare, Ginger Chinn, Owen Barrott, Linda Gillmor, Kamron Dalton, Pete Codella, Laraib Sial, Justine Dombrowski, Aimee Edwards, Jim Grover, Matthew Wallace, Rebecca Dilg, James Dixon, Kimberlee Carlile, Virginia Pearce
Visitors:	Mike Flynn, Colby Cooley Chris Pieper, Bryce Wallace, Melissa Stark, Dan Gelston (P), Brent Pugh (P), Betsy Wallace, Morgan Everett

Welcome

Chairman Jerry Oldroyd welcomed everyone to the February 14, 2019 GOED Board Meeting.

Approval of the Minutes

MOTION: Christopher M. Conabee moved to approve the January 8, 2018 board meeting minutes. Peter Mouskondis seconded the motion. The motion carried unanimously.

EDTIF – L3 Technologies, Inc.

Project Highlights

Timeline:	2019
Target Industry:	Defense/IT
Location:	Salt Lake County
CapEx:	\$0
Jobs:	250
Average Wage:	\$104,600

Company Overview

L3 Technologies is a company that supplies command and control, communications, intelligence, surveillance and reconnaissance systems and products, training devices and services, etc.

The company’s customers include the Department of Defense, Department of Homeland Security, US Government intelligence agencies, NASA, aerospace contractors and commercial telecommunications and wireless customers.

Incentives Committee Recommendation

Total Amount of EDTIF, post-performance refundable tax credit:	\$1,259,146
The amount represents the following percentage of new state revenue:	20%
Number of year that the incentive is approved for:	9 Years

Jobs & Revenue

Full time jobs over project lifetime: **250**
 The company will provide full-time employees with comprehensive health and retirement benefits.

New State Wages & Revenue:

New State Wages over 9 years:	\$183,050,000
New State Revenue over 9 years:	\$6,795,731

MOTION: Steve Neeleman moved to approve L3 Technologies Inc. for an EDTIF post-performance refundable tax credit of up to \$1,259,146 and a \$100,000 Post-Performance IAF Training Grant which represents 20% of the \$6,795,731 of new state revenue, which may be earned over 9 years. Susan Johnson seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$1,259,146 EDTIF post-performance refundable tax credit.
- Post-Performance IAF Training Grant not to exceed \$100,000
- 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 9 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, 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.

Presentation: Dan Gelston and Brent Pugh of L3 Technologies joined the meeting by phone. Dan spoke generally about the technology the company hopes to provide to the Department of Defense. L3 is looking to hire 130+ engineers in this year. Finding and training talent is a challenge and the company appreciates the partnership with the state to meet its hiring goals. He also spoke about the recruitment efforts at Utah colleges. He spoke to the ongoing merger between L3 and Harris.

ED Zones

Collective Medical Technologies Inc.

Establish an economic development zone for the purpose of supporting the expansion of Collective Medical Technologies Inc. at 2855 Cottonwood Parkway Suite 200 Cottonwood Heights, UT 84121

Motion: Approve the creation of an economic development zone for Cottonwood Heights in support of their letter of request detailing the expansion of Collective Medical Technologies Inc. at 2855 Cottonwood Parkway Suite 200 Cottonwood Heights, UT 84121

Eshares Inc. dba Carta

Establish an economic development zone for the purpose of supporting the expansion of Eshares Inc. dba Carta at 175 South West Temple, Suite 700, Salt Lake City, Utah 84111

Motion: Approve the creation of an economic development zone for Salt Lake City in support of their letter of request detailing the expansion of Eshares Inc. dba Carta at 175 South West Temple, Suite 700, Salt Lake City, Utah 84111

Oatly Inc.

Establish an economic development zone for the purpose of supporting the expansion of Oatly Inc. at 450 N Depot Dr., Suite 3, Ogden Ut 84404

Motion: Approve the creation of an economic development zone for Ogden in support of their letter of request detailing the expansion of Oatly Inc. at 450 N Depot Dr., Suite 3, Ogden Ut 84404

Stryker Corporation

Establish an economic development zone for the purpose of supporting the expansion of Stryker Corporation at 4870 West 2100 South, Salt Lake City, UT 84120

Motion: Approve the creation of an economic development zone for Salt Lake City in support of their letter of request detailing the expansion of Stryker Corporation at 4870 West 2100 South, Salt Lake City, UT 84120

TaskEasy Inc.

Establish an economic development zone for the purpose of supporting the expansion of TaskEasy Inc. at 669 S W Temple Suite 300, Salt Lake City, UT 84101

Motion: Approve the creation of an economic development zone for Salt Lake City in support of their letter of request detailing the expansion of TaskEasy Inc. at 669 S W Temple Suite 300, Salt Lake City, UT 84101

Varo Money Inc.

Establish an economic development zone for the purpose of supporting the expansion of Varo Money Inc. at 11781 S Lone Peak Pkwy Suite 150, Draper, UT 84020

Motion: Approve the creation of an economic development zone for Draper in support of their letter of request detailing the expansion of Varo Money Inc. at 11781 S Lone Peak Pkwy Suite 150, Draper, UT 84020

MOTION:

Stefanie Bevans moved to approve the creation of the economic development zones as presented. Lorena Riff-Jenson seconded the motion. The motion carried unanimously.

Presentation: Sundance Institute

Betsy Wallace and Morgan Everett of the Sundance Institute offered a presentation on the Sundance Film Festival. Because the 2019 film festival just completed in the last several weeks and numbers aren't compiled for this most recent year, the attendance and other numbers in the presentation are from 2018. The Sundance Institute is a nonprofit organization dedicated to the discovery and development of independent artists and audiences. The 2018 film festival had nearly 125,000 unique attendees and provided \$191.6 million in economic impact to the state and \$19.2 million in state and local tax revenue. The festival supported 3,323 local jobs and wages of \$100 million. They thanked the state for the long partnership.

Film Incentives

**GOED BOARD – COMMUNITY FILM INCENTIVE PROGRAM
EXECUTIVE SUMMARY
LOCAL STUDIO, LLC
“Zion Forever”
February 14, 2019**

Project Highlights

- Category: Feature
- Genre: Documentary
- Director: Sean Slobodan, Travis Pitcher
- Producer: Shandi Kano, Travis Pitcher

Utah Jobs and Revenue

- Estimated Cast: 12
- Estimated Cast Average Daily Salary: \$1,000.00
- Estimated Crew: 7
- Estimated Crew Average Daily Salary: \$750
- Estimated Extras: 0
- Estimated Extras Average Daily Salary: \$0
- Length of Film Production: 135
- Estimated Spend: \$300,000.000

Project Schedule

- Prep: January 07, 2019 through September 30, 2019
- Principal Photography: February 05, 2019 through June 28, 2019
- Wrap: August 12, 2019 through September 27, 2019
- Post Production: May 06, 2019 through August 30, 2019

Summary

A film festival worthy piece on the visual wonders of Zion National Park and the life changing stories held within the park's towers. We aim to create a personal connection with each viewer based off of intimate, personal storytelling. The goal will be to ignite viewers with their own passion to care for the natural landscape of not just the park but all land.

Proposed Motion

Approve for Local Studio, LLC, a Motion Picture Incentive Program post-performance MPIP Tax Credit of no more than \$60,000.00 (which represents 20% of dollars left in state) for the production of “Zion Forever”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$20,000 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

MOTION: Steve Neeleman moved to approve the film incentive as presented. Roger Killpack seconded the motion. The motion carried unanimously.

Rural Fast Track Grant Endorsements

**GOED BOARD
RURAL FAST TRACK GRANT
MOUNTAIN WEST PRE-CAST
FEBRUARY 14, 2019**

The Office of Rural Development recommends a Rural Fast Track capital investment grant for Mountain West Pre-cast, located in Brigham City, Box Elder County, for the purpose of upgrading their wastewater processing equipment by installing a Filter Press for washing, recovery of recyclables, and disposing of chemical wastes. The total project cost is valued at One-hundred and nine thousand dollars (\$109,000).

MOTION: Endorse a Rural Fast Track capital investment grant for Mountain West Pre-cast in the amount of \$50,000.

MOTION:
Stefanie Bevans moved to endorse the Rural Fast Track grant as presented. Ted Wilson seconded the motion. The motion carried unanimously.

**GOED BOARD
RURAL FAST TRACK GRANT
ENSIGN STAFFING
FEBRUARY 14, 2019**

The Office of Rural Development recommends a Rural Fast Track capital investment grant for Ensign Staffing, located in Richfield, Sevier County, for the purpose of purchasing and renovating a vacate main street building to become office space for their expanding rural staffing service. The total project cost is valued at One-hundred and forty thousand dollars (\$140,000).

MOTION: Endorse a Rural Fast Track capital investment grant for Ensign Staffing in the amount of \$50,000.

MOTION:
Mel Lavitt moved to endorse the Rural Fast Track grant as presented. Roger Killpack seconded the motion. The motion carried unanimously.

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

Mike Flynn, COO of EDCUtah, presented on the status of current and upcoming projects in the pipeline.

Meeting Adjourned