

GOED Board Meeting Minutes

June 12, 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, Annette Meier, Roger Killpack (P), Margo Jacobs (P), Andrea Moss (P), Steve Neeleman (P), Christopher M. Conabee (P), Lorena Riffo-Jenson (P), Susan Johnson (P)
Members Excused:	Peter Mouskondis, Brent Brown, Carine Clark, Ted Wilson, Stefanie Bevans
Staff:	Val Hale, Ben Hart, Thomas Wadsworth, Larry Shepherd, Ginger Chinn, Kimberlee Carlile, Deneise Coughlin, Pete Codella, Tony Young, Kamron Dalton, Vicki Varela, Scott Romney, Virginia Pearce, Jill Flygare, Jim Grover, Christina Martin
Visitors:	Theresa Foxley, Mike Flynn, Bryce Wallace, Nancy Hale, Danny Stewart, David Wulf

Welcome

Chairman Jerry Oldroyd welcomed everyone to the June 12, 2019 GOED Board Meeting.

Approval of the Minutes

MOTION: Mel Lavitt moved to approve the May 9, 2019 board meeting minutes. Annette Meier seconded the motion. The motion carried unanimously.

EDTIF – GOEX Corporation

Project Highlights

Timeline:	2020
Target Industry:	Manufacturing
Location:	Iron County
CapEx:	\$15,000,000
Jobs:	100
Average Wage:	\$42,600

Project Overview

GOEX Corporation manufactures custom plastic sheets. It offers extruded plastic sheet and roll stock products, including PVC, polystyrene, polycarbonate, PETG, Borex, and XT materials serving graphic arts, medical, electronics, and packaging industries. The company was founded in 1990 and is based in Janesville, Wisconsin.

GOEX’s primary competitive advantages are in medical and food plastic sheet products that are used in thermoformed packaging to provide a sterile barrier designed to house medical instruments and components used in the operating room and food packaging.

As they continue to grow, the company has determined to locate a second facility in a western state that will allow the company to compete more effectively on food products packaging (Butter, Yogurt, Pudding, fruit etc.). The company is currently looking at Henderson, Nevada, Albuquerque, NM, and Flagstaff, AZ

The new facility would have a capital investment of around \$15M and would bring on 40 new employees in the first year, growing to 100 by year 6.

Jobs & Revenue

Full time jobs over project lifetime: 100

Company Average Wage vs. County Average Wage

Max with health benefits:	167%
Max w/o health benefits:	130%
Min with health benefits:	165%
Min w/o health benefits:	129%

New State Wages & Revenue

New State Wages over 9 years:	\$23,452,335
New State Revenue over 9 years:	\$1,826,496

Withholding: \$870,668
Sales: \$189,419
Corporate: \$766,409

MOTION: Annette Meier moved to approve GOEX Corporation for an EDTIF post-performance refundable tax credit of up to \$365,299 which represents 20% of the \$1,826,496 of new state revenue, which may be earned over 7 years.

Chris Conabee seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$365,299 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 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, 7 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: Josh Gray of GOEX provided an overview of the company, its history and the process that included the Cedar City site in its decision process.

Danny Stewart, Cedar City Economic Development, welcomed the project to Cedar City and spoke of the local incentive and other development in the area.

ED Zones:

- Motion: Approve the creation of an economic development zone for Lehi in support of their letter of request detailing the expansion of Ancestry US Holdings, Inc. at 1300 W Traverse Pkwy Lehi, UT 84043
- Motion: Approve the creation of an economic development zone for Herriman in support of their letter of request detailing the expansion of Bullfrog International, LC at 7017 West 11800 South Herriman, UT 84096
- Motion: Approve the creation of an economic development zone for Lehi in support of their letter of request detailing the expansion of Lending Club Corporation at 2701 Thanksgiving Way, Lehi, UT 84043
- Motion: Approve the creation of an economic development zone for South Jordan in support of their letter of request detailing the expansion of Merit Medical Systems, Inc. at 1600 W Merit Parkway, South Jordan, UT 84095

MOTION: Jerry Oldroyd moved to approve the ED Zones as presented. Mel Lavitt seconded the motion. The motion carried unanimously.

Film Incentives

**GOED BOARD – COMMUNITY FILM INCENTIVE PROGRAM
EXECUTIVE SUMMARY
CP2 LLC
“Christmas Project 2”
June 12, 2019**

Project Highlights

- Category: Feature
- Genre: Family
- Director: Bradford Johnson
- Producer: Corey Cluff, and Melissa Cannon

Utah Jobs and Revenue

• Estimated Cast:	28	
• Estimated Cast Average Daily Salary:		\$125
• Estimated Crew:	35	
• Estimated Crew Average Daily Salary:		\$200
• Estimated Extras:		30
• Estimated Extras Average Daily Salary:		\$50
• Length of Film Production:		98
• Estimated Spend:		\$400,000

Project Schedule

• Prep:	May 16, 2019 through June 09, 2019
• Principal Photography:	June 10, 2019 through June 29, 2019
• Wrap:	June 10, 2019 through June 29, 2019
• Post Production:	July 01, 2019 through September 30, 2019

Summary

The Hagbarts are back for another Christmas adventure with the Buckley brothers. Sequel to the loved Christmas film, *The Christmas Project* with some added characters that will warm your heart and share the spirit of the season.

Proposed Motion

Approve for CP2 LLC, a Community Film Incentive Program post-performance cash rebate up to \$80,000 (which represents 20% of dollars left in state) for the production of “Christmas Project 2”.

- 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 30 days prior to the original Governor’s Office of Economic Development Board of Directors approval

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY
HOME TURF INC.
“Home Turf”
June 12, 2019**

Project Highlights

• Category:	Feature
• Genre:	Family
• Director:	Claire Niederpruem
• Producer:	David Wulf, Maclain Nelson

Utah Jobs and Revenue

• Estimated Cast:	18	
• Estimated Cast Average Daily Salary:		\$900
• Estimated Crew:	67	
• Estimated Crew Average Daily Salary:		\$325
• Estimated Extras:		320
• Estimated Extras Average Daily Salary:		\$101.50
• Length of Film Production:		127
• Estimated Spend:		\$1,800,000

Project Schedule

• Prep:	July 08, 2019 through July 28, 2019
• Principal Photography:	July 29, 2019 through August 16, 2019
• Wrap:	August 17, 2019 through August 30, 2019
• Post Production:	August 17, 2019 through December 31, 2019

Summary

A hometown girl leaves her NY attorney job to help save the family farm.

Proposed Motion

Approve for Home Turf Inc., a Motion Picture Incentive Program post-performance Cash Rebate of no more than \$360,000 (which represents 20% of dollars left in state) or no more than \$450,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Home Turf”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 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
- Home Turf 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. At least 75% of the production’s cast/crew must be Utah residents or 75% of the production’s Utah principal production days must occur in a rural area. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$450,000.00 (25% of the dollars left in state).

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY
NINE DAYS 5, LLC
“NINE DAYS”
June 12, 2019**

Project Highlights

- Category: Feature
- Genre: Drama
- Director: Edson Oda
- Producer: Jason Berman, Mette-Marie Kongsved, and Laura Tunstall

Utah Jobs and Revenue

- Estimated Cast: 25
- Estimated Cast Average Daily Salary: \$630
- Estimated Crew: 50
- Estimated Crew Average Daily Salary: \$300
- Estimated Extras: 0
- Estimated Extras Average Daily Salary: \$0
- Length of Film Production: 52
- Estimated Spend: \$2,800,000

Project Schedule

- Prep: May 27, 2019 through July 26, 2019
- Principal Photography: July 29, 2019 through August 23, 2019
- Wrap: August 26, 2019 through September 06, 2019

Summary

In a house distant from the reality we know, a reclusive man interviews prospective candidates - personifications of human souls - for the privilege that he once had. To be born.

Proposed Motion

Approve for Nine Days 5, LLC, a Motion Picture Incentive Program post-performance MPIP Tax Credit of no more than \$560,000 (which represents 20% of dollars left in state) or no more than \$700,000 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “NINE DAYS”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 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

Nine Days 5, 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. At least 75% of the production’s cast/crew must be Utah residents or 75% of the production’s Utah principal production days must occur in a rural area. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$700,000 (25% of the dollars left in state).

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY
VIACOM, INC.
“Yellowstone Season 3”
June 12, 2019**

Project Highlights

- Category: Episodic
- Genre: Drama
- Director: Stephen Kay, TBD
- Producer: John Linson, Barry Berg

Utah Jobs and Revenue

- Estimated Cast: 140
- Estimated Cast Average Daily Salary: \$1,365
- Estimated Crew: 180
- Estimated Crew Average Daily Salary: \$386
- Estimated Extras: 1,250
- Estimated Extras Average Daily Salary: \$145
- Length of Film Production: 135
- Estimated Spend: \$27,685,227

Project Schedule

- Prep: May 06, 2019 through June 26, 2019
- Principal Photography: June 27, 2019 through September 28, 2019
- Wrap: September 29, 2019 through November 08, 2019

Summary

Season 3 Continuation - Yellowstone follows the Dutton family, led by John Dutton, who controls the largest contiguous ranch in the U.S., under constant attack by those it borders - land developers, an Indian reservation and American’s first National Park. It is an intense study of a violent world far from media scrutiny - where land grabs make developers billions and politicians are bought and sold by the world’s largest oil and lumber corporations. Where drinking water poisoned by fracking wells and unsolved murders are not news: They are a consequence of living in the new frontier. It is the best and worst of America.

Proposed Motion

Approve for Viacom, Inc., a Motion Picture Incentive Program post-performance MPIP Tax Credit of no more than \$5,537,045.40 (which represents 20% of dollars left in state) or no more than \$6,921,306.75 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “Yellowstone Season 3”.

- Incentive offer based on receipt of a complete MPIP application including a script and proof of financing
- Must meet \$1,000,000 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 60 days prior to the Governor’s Office of Economic Development Board of Directors approval

Viacom 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. At least 75% of the production’s cast/crew must be Utah residents or 75% of the production’s Utah principal production days must occur in a rural area. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$6,921,306.75 (25% of

the dollars left in state). This tax credit will be split between three consecutive State of Utah fiscal years issued in three separate certificates.

Presentation: David Wulf, local film producer, thanked the GOED Board for support to the film industry leading to local employment. He also spoke of new projects that may come to the state.

Margo Jacobs moved to approved the four film incentives as presented. Annette Meier seconded the motion. The motion carried unanimously.

Rural Fast Track Grant Endorsements

**GOED BOARD
RURAL FAST TRACK GRANT
UNITED MINERALS, LLC
JUNE 13, 2019**

The Office of Rural Development recommends a Rural Fast Track capital investment grant for United Minerals, LLC, located in Emery, Emery County, for the purpose of building a steel building to housing settling tanks and holding tanks for mineral extraction and production. The total project cost is valued at Three-hundred and fifty thousand dollars (\$350,000).

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

The company expects to create two (2) new full time positions paying at least 110% of the county average wage. Upon proof of job retention for a period of 12 consecutive months, the company also qualifies for a grant fund reimbursement of up to three thousand dollars (\$3,000).

**GOED BOARD
RURAL FAST TRACK GRANT
DOUBLE BB TRANSPORTATION
JUNE 13, 2019**

The Office of Rural Development recommends a Rural Fast Track capital investment grant for Double Bb Transportation, located in Bluebell, Duchesne County, for the purpose of building a steel b. The total project cost is valued at One-hundred and eight thousand dollars (\$108,000).

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

The company expects to create one (1) new full time position. However, Duchesne County is under a Temporary Adjustment allowing the company to pay less than 110% of the county average wage. This company will not qualify for additional grant funds for job creation and job retention, but will be required to create one new full time position to receive the capital investment portion of the grant.

**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

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

Meeting Adjourned