

GOED Board Meeting Minutes

February 13, 2020 • 10:00 a.m. – 12:00 p.m.
 Utah Governor’s Office of Economic Development
 60 E South Temple 3rd Floor
 Salt Lake City, Utah 84111

Members Present:	Mel Lavitt, Jerry Oldroyd, Margo Jacobs, Carine Clark, Heather Kahlert, Peter Mouskondis (P), Stefanie Bevans (P), Annette Meier (P), Steve Neeleman (P)
Members Excused:	Lorena Riffo-Jenson, Ted Wilson, Roger Killpack, Doug Dilley, Andrea Moss, Susan Johnson,
Staff:	Val Hale, Ben Hart, Thomas Wadsworth, Larry Shepherd, Owen Barrott, Tony Young, Taylor Broadbent, Pete Codella, Kori Ann Edwards, Vicki Varella, Deniese Coughlin, Virginia Pearce
Visitors:	Theresa Foxley, Mike Flynn, Mike O’Malley, Erin Farr, Chris Pieper, Brice Wallace, Melissa Stark, Lance Soffe, Jesse Turley, Brad Bonham

Welcome

Jerry Oldroyd welcomed everyone to the February 13, 2020 GOED Board Meeting.

Approval of the Minutes

MOTION: Margo Jacobs moved to approve the January 10, 2020 board meeting minutes. Mel Lavitt seconded the motion. The motion carried unanimously.

EDTIF – SVB Financial Group

Project Highlights

Timeline:	2020
Target Industry:	Financial Services
Proposed Location(s):	Cottonwood Heights
Capital Investment:	\$4,769,906
Jobs:	116
Average Wage:	\$138,000

Project Overview

SVB Financial Group is a US-based financial services and bank holding company that offers a diverse set of banking and financial products. The company focuses on lending to technology companies, providing multiple services to venture capital, revenue-based financing, and private equity firms that invest in technology and biotechnology. SVB also provides private banking services for high-net worth individuals. The company has helped fund more than 30,000 startups, and has over \$68 billion in assets.

SVB operates from 29 offices in the US and has additional operations around the world.

SVB Financial Group opened its first Utah location in 2005, and currently operates out of an office in Cottonwood Heights with 119 full-time employees. The current employees support Utah-based technology and life science companies as well as global operations for the company.

The company is expanding and working through a site selection process to determine where to locate the additional headcount. Included in the project is an expansion of the Private Banking division.

This project is competitive with other Silicon Valley Bank locations in the United States including Tempe, AZ where another branch of the company is located that has expanded rapidly in recent years. The company is requesting an incentive from the State of Utah to make the offers more competitive to similar incentives offered by Arizona.

Jobs & Revenue

Full time jobs over project lifetime: 116

Company Average Wage vs. County Average Wage

Max with health benefits:	265%
Max w/o health benefits:	265%
Min with health benefits:	251%
Min w/o health benefits:	251%

New State Wages & Revenue

New State Wages over 20 years:	\$31,967,346
New State Revenue over 20 years:	\$2,311,428
Withholding:	\$1,186,788
Sales:	\$70,048
Corporate:	\$2,311,428

MOTION: Carine Clark moved to approve SVB Financial Group for an EDTIF post-performance refundable tax credit of up to \$346,714 which represents 15% of the \$2,311,428 of new state revenue, which may be earned over 3 years. Jerry Oldroyd seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$346,714 EDTIF post-performance refundable tax credit.
- Annual EDTIF incentive amount based on 15% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 15% of qualified new incremental state tax revenues over 3 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, 3 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.

Presentations: Brent Dewsnup, Sr. Director of Operations in SLC for SVB, described the current operations in SLC and the scope of the new project coming to the state.

Mike Johnson of Cottonwood Heights Economic Development expressed the community's enthusiasm for SVB and the new jobs coming.

ED Zone:

MOTION: APPROVE THE CREATION OF AN ECONOMIC DEVELOPMENT ZONE FOR SANDY IN SUPPORT OF THEIR LETTER OF REQUEST DETAILING THE EXPANSION OF CASTLIGHT HEALTH AT 100 WEST TOWNE RIDGE PARKWAY. SANDY, UT 84070.

MOTION: Jerry Oldroyd moved to approve the ED Zone motions as presented. Peter Mouskonodis seconded the motion. The motion carried unanimously.

Board Member Recognition

Val Hale introduced Brad Bonham and Jesse Turley who will join the GOED Board of Directors at the board's next meeting. Their approval by the state senate was scheduled for later in the afternoon on the day of this meeting.

MOTION: Jerry Oldroyd moved that the GOED Board authorize staff to explore rule making process to see what can be done and draft for board approval rules to improve the EDTIF and eliminate the disadvantages/disincentives that currently exist for Utah companies making major expansions. Mel Lavitt seconded the motion. The motion carried unanimously.

MOTION: Jerry Oldroyd moved that the GOED Board participate in training on the EDTIF and other GOED incentives and the processes used to offer and implement those incentives. Peter Mouskondis seconded the motion. The motion carried unanimously.

Presentation: Sundance Film Festival Recap Virginia Pearce shared a presentation on the success of the recently completed 2020 Sundance Film Festival.

GOED Update

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

Incentives Update

Tom Wadsworth provided an update on the Incentives Program regarding new and existing projects.

EDCUtah Update

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

Meeting Adjourned