

GOED Board Meeting Minutes

November 12, 2020 • 10:00 a.m. – 12:00 p.m.

Electronic Meeting Only

Members Present:	Carine Clark, Steve Neeleman, Mel Lavitt, Margo Jacobs, Heather Kahlert, Brad Bonham, Stefanie Bevans, Jesse Turley, Susan Johnson, Andrea Moss, Annette Meier
Members Excused:	Peter Mouskondis, Ted Wilson, Doug Dilley, Roger Killpack
Staff:	Val Hale, Ben Hart, Thomas Wadsworth, Larry Shepherd, Jason Marden, Pete Codella, Pitt Grewe, Dane Ishihara, Kori Ann Edwards, Ryan Starks, Chanel Flores, Joshua Wiggins, Chuck Spence, Lynne Mayer, Tony Young, Vicki Varela, Virginia Pearce, Linda Cabrales
Visitors:	Theresa Foxley, Chris Pieper, Brice Wallace, Gregg McArthur, Rusty Hughes, Mayor Jon Pike, Colby Cooley, Taylor Stevens, Max Backlund, Brian McCann, Lance Soffe, Mike Flynn, Courtland Astill, Jack Hedge, Ginger Chinn, Jill Flygare, Jeremy Andrus

Welcome

Carine Clark welcomed everyone to the November 12, 2020 GOED Board Meeting and read the COVID 19 Pandemic Anchor Location Declaration justifying the electronic meeting.

Approval of the Minutes

MOTION: Jesse Turley moved to approve the October 7, 2020 board meeting minutes. Steve Neeleman seconded the motion. The motion carried unanimously.

EDTIF – Traeger Pellet Grills LLC

Project Highlights

Timeline:	2020
Target Industry:	Outdoor Products
Proposed Location(s):	Salt Lake City
Capital Investment:	\$24,000,000
Jobs:	120
Average Wage:	\$90,000

Project Overview

Traeger designs, manufactures, and sells wood pellet grills and related products. The company is a leader in the pellet-grill category and is responsible for nearly all of the category growth, growing from \$70 M in revenue in 2014 to \$363 M in 2019. Traeger is a leading brand in the grill industry and continues to innovate new technology solutions such as wi-fi enabled grills. The company has a large selection of wood pellets, rubs, and recipe books as well as one of the most downloaded cooking apps.

As the company continues to grow, there is additional need for space to expand the headquarters. This project will grow the Traeger HQ in Salt Lake City by bringing 86 new high-paying jobs over five years. Positions will include sales, marketing, IT, logistics, accounting, engineering/product, legal and executive level management positions. These jobs are high-paying for the industry.

The new facility will add product testing, content and production kitchens, and will be located in an opportunity zone in the Granary District area of downtown Salt Lake City and will be key in helping to revitalize that area of the city. The space will allow for meaningful employment growth and be a core component of the downtown area.

Jobs & Revenue

Full time jobs over project lifetime: 120

Company Average Wage vs. County Average Wage

Max with health benefits:	185%
Max w/o health benefits:	173%
Min with health benefits:	185%
Min w/o health benefits:	173%

New State Wages & Revenue

New State Wages over 7 years:	\$56,824,048
New State Revenue over 7 years:	\$5,882,866
Withholding:	\$2,109,593
Sales:	\$1,001,100
Corporate:	\$2,772,173

MOTION: Sue Johnson moved to approve Traeger Pellet Grills, LLC. for an EDTIF post-performance refundable tax credit of up to \$882,430 which represents 15% of the \$5,882,866 of new state revenue, which may be earned over 7 years. Margo Jacobs seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$882,430 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 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.

Traeger President and CEO Jeremy Andrus thanked the board and the State of Utah. He said the location for their headquarters move is perfect for what the company is doing. The company headquarters will also serve as a showpiece for the company and include test kitchens.

EDTIF – Airborne ECS

Project Highlights

Timeline:	2021
Target Industry:	Advanced Manufacturing
Proposed Location(s):	St. George
Capital Investment:	\$20,000,000
Jobs:	73
Average Wage:	\$94,000

Project Overview

The company designs and integrates the assembly of complex environmental control systems for aerospace applications. The company was founded in 2016. Since the acquisition of the company in 2020, Airborne has received six very high profile contracts with top tier aerospace contractors. Like living machines, sensors and weapons require the right atmosphere to thrive. AECS is the only company that gives you full digital control over all environmental aspects (pressure, volume and temperature). Featuring universal power compliance, AECS environmental control systems can be transferred from platform to platform, regardless of the native power scheme.

The company projections show that they will be out of space in two to three years and will have to house this enterprise in a new or different facility. Airborne is currently being courted by different municipalities, but would like to keep this company in ST. George, UT. The nature of this business is that it will attract very highly skilled engineers and technicians at salaries that are much higher than the average income for both the city and for the state. The company projects hiring 73 new high paying (200%+ of average county wage) over a seven year period in a new technology development in St. George City. The project involves engineering, research and development, and assembly positions.

Jobs & Revenue

Full time jobs over project lifetime: 73

Company Average Wage vs. County Average Wage

Max with health benefits:	229%
Max w/o health benefits:	239%
Min with health benefits:	203%
Min w/o health benefits:	202%

New State Wages & Revenue

New State Wages over 7 years:	\$23,246,659
New State Revenue over 7 years:	\$9,557,618
Withholding:	\$863,032
Sales:	\$4,051,486
Corporate:	\$4,643,100

MOTION: Stefanie Bevans moved to approve Airborne Environmental Control Systems LLC for an EDTIF post-performance refundable tax credit of up to \$1,433,643 which represents 15% of the \$9,557,618 of new state revenue, which may be earned over 7 years. Susan Johnson seconded the motion. The motion carried unanimously.

- Total EDTIF incentive not to exceed \$1,433,643 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 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 county 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.

Airborne ECS President Brian McCann described the company’s products and provided an overview of some of the systems they build for military aircraft. He thanked the State of Utah and the GOED Board for partnering with the company in this incentive.

EDZones

- **Motion: Approve the creation of an economic development zone for Clearfield in support of their letter of request detailing the expansion of AAA of Northern California, Nevada, & Utah at 888 South 2000 E Clearfield, UT.**
- **Motion: Approve the creation of an economic development zone for Salt Lake City in support of their letter of request detailing the expansion of Amazon Data Services, Inc. at 5420 W. John Cannon Drive Salt Lake City, UT 84116.**

Motion: Approve the creation of an economic development zone for Park City in support of their letter of request detailing the expansion of Callaway Golf Company at 136 Heber Avenue Suite 103 Park City, UT.

Motion: Approve the creation of an economic development zone for Taylorsville in support of their letter of request detailing the expansion of Deserve Inc. at 960 W Levoy dr. ste 200 Taylorsville, UT 84123.

- **Motion: Approve the creation of an economic development zone for Logan City in support of their letter of request detailing the expansion of Electric Power Systems, Inc. at 207 West North Hyde Park, UT 84318 and 520 W Electric Power Drive North Logan, UT 84341.**

Motion: Approve the creation of an economic development zone for Cedar City in support of their letter of request detailing the expansion of GOEX, Inc. at 5191 West 1200 North GOEX Drive Cedar City, UT 84720.

- **Motion:** Approve the creation of an economic development zone for Cottonwood Heights in support of their letter of request detailing the expansion of Silicon Valley Bank at 2750 and 2800 E. Cottonwood Parkway Cottonwood Heights, UT 84121.

MOTION: Susan Johnson moved to approve the ED Zone motions as presented. Annette Meier seconded the motion. The motion carried unanimously.

Incentives Update

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

EDC Utah Update

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

Film Incentives

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY- AMENDED
A&P PRODUCTIONS, LLC
“American Crime: The Salamander”
November 12, 2020**

Project Highlights

- Category: Episodic
- Genre: Documentary
- Director: Jared Hess, Tyler Measom
- Producer: Jon Ross

Utah Jobs and Revenue

- Estimated Cast: 5
- Estimated Cast Average Daily Salary: \$261
- Estimated Crew: 41
- Estimated Crew Average Daily Salary: \$381
- Estimated Extras: 10
- Estimated Extras Average Daily Salary: \$150
- Estimated Spend: \$1,160,497

Project Schedule

- Prep: January 06, 2020 through January 25, 2020
- Principal Photography: January 27, 2020 through June 27, 2020
- Wrap: August 03, 2020 through August 22, 2020
- Post Production: February 03, 2020 through July 25, 2020

Summary

The Salamander revisits the remarkable tale of the most prolific and accomplished forger in modern history, Mark Hofmann, a shadowy genius whose elaborate deceptions rewrote history and ultimately led to double murder and the largest criminal investigation in the state of Utah.

Approved by the Governor’s Office of Economic Development Board January 10, 2020

This production was originally approved by the GOED Board for \$174,074.

Proposed Motion

Approve for A&P Productions, LLC, a MPIP Cash Rebate of no more than \$232,099 (which represents 20% of dollars left in state) for the production of *American Crime: The Salamander*.

- 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 original Governor’s Office of Economic Development Board of Directors approval.

All currency values have been rounded to the nearest dollar for the purpose of this summary only.

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY- AMENDED
THE CHOSEN TEXAS, LLC
“The Chosen Season 2”
November 12, 2020**

Project Highlights

- Category: Episodic
- Genre: Drama
- Director: Dallas Jenkins
- Producer: Chad Gundersen, Chris Juan

Utah Jobs and Revenue

- Estimated Cast: 20
- Estimated Cast Average Daily Salary: \$1,030
- Estimated Crew: 40
- Estimated Crew Average Daily Salary: \$300
- Estimated Extras: 1,200
- Estimated Extras Average Daily Salary: \$100
- Length of Film Production: 208
- Estimated Spend: \$4,042,665

Project Schedule

- Prep: August 17, 2020 through October 02, 2020
- Principal Photography: October 05, 2020 through February 22, 2021
- Wrap: February 22, 2021 through March 12, 2021

Summary

The series portrays Jesus through the eyes of those who met him. Season 2 continues this point of view while continuing to follow the life of Jesus.

Approved by the Governor’s Office of Economic Development Board September 10, 2020

Approve to VOID the Motion Picture Incentive Program tax credit of \$350,000 for The Chosen, Texas LLC, and to approve a Motion Picture Incentive Program cash rebate of \$350,000 for The Chosen, Texas LLC for the production of “The Chosen Season 2”.

Proposed Motion

Approve for The Chosen Texas, LLC, a Motion Picture Incentive Program cash rebate of no more than \$350,000 (which represents 9% of dollars left in state) for the production of “The Chosen Season 2”.

- 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 incentive of 9% of dollars left in state
- 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.

All currency values have been rounded to the nearest dollar for the purpose of this summary only.

**GOED BOARD – MOTION PICTURE INCENTIVE PROGRAM
EXECUTIVE SUMMARY -AMENDED
SALTY PICTURES, INC.
“High School Musical, The Musical, The Series Season 2”
November 12, 2020**

Project Highlights

- Category: Episodic
- Genre: Comedy
- Director: Joanna Kerns
- Producer: Barry Rosenbush, Mary Pantelidis

Utah Jobs and Revenue

- Estimated Cast: 30
- Estimated Cast Average Daily Salary: \$1,006
- Estimated Crew: 160
- Estimated Crew Average Daily Salary: \$400
- Estimated Extras: 3,254
- Estimated Extras Average Daily Salary: \$102
- Estimated Spend: \$26,965,707

Project Schedule

- Prep: December 02, 2019 through February 07, 2020
- Principal Photography: October 06, 2020 through February 09, 2021
- Wrap: February 10, 2021 through March 19, 2021

Summary

Winking toward the “High School Musical” past while looking boldly forward, the students at East High focus on their next performance in the upcoming Spring musical.

Approved by the Governor’s Office of Economic Development Board November 14, 2019

This production was originally approved by the GOED Board November 14, 2019 for \$6,091,427.

Proposed Motion

Approve for Salty Pictures, Inc., a MPIP Tax Credit of no more than \$5,273,141 (which represents 20% of dollars left in state) or no more than \$6,741,427 if additional criteria are satisfied (which represents 25% of the dollars left in state) for the production of “High School Musical, The Musical, The Series Season 2”.

- 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 original Governor’s Office of Economic Development Board of Directors approval
- This tax credit may be split between up to three consecutive State of Utah fiscal years
- Salty Pictures, 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 \$6,741,427 (25% of the dollars left in state).

All currency values have been rounded to the nearest dollar for the purpose of this summary only.

Project Highlights

- Category: Feature
- Genre: Family
- Director: Maclain Nelson, Stephen Shimek
- Producer: David Wulf

Utah Jobs and Revenue

- Estimated Cast: 44
- Estimated Cast Average Daily Salary: \$335
- Estimated Crew: 32
- Estimated Crew Average Daily Salary: \$500
- Estimated Extras: 50
- Estimated Extras Average Daily Salary: \$100
- Estimated Spend: \$390,992

Project Schedule

- Prep: October 19, 2020 through November 16, 2020
- Principal Photography: November 16, 2020 through December 04, 2020
- Wrap: December 02, 2020 through December 05, 2020
- Post Production: December 18, 2020 through February 22, 2021

Summary

A sequel to the very popular, Utah made, ONCE I WAS A BEEHIVE. This story follows the lead Character Bree Carrington as she gets engaged after her freshman year of college. Her mother, Carrie Carrington is not into it at first, but then comes on board in full swing in this comedic and heartfelt "mother of the bride" wedding story.

Proposed Motion

Approve for Anxiously Engaged, LLC, a Community Film Incentive Program post-performance cash rebate up to \$78,198 (which represents 20% of dollars left in state) for the production of "Once I was Engaged".

- 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

All currency values have been rounded to the nearest dollar for the purpose of this summary only.

Motion:

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

Utah Inland Port Authority presentation

Jack Hedge, Executive Director of the Utah Inland Port Authority, provided a presentation detailing the vision, opportunities, sustainability and efforts of the Utah Inland Port.

Procurement Technical Assistance Center presentation

PTAC Director Chuck Spence provided a presentation on the services provided to Utah companies seeking government contracts and the high return on investment provided by PTAC program.

GOED Update

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

Meeting Adjourned